UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2025

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

For the transition period from_____ to _____

Commission File Number 001-10822

National Health Investors, Inc.

(Exact name of registrant as specified in its charter)

Maryland	62-1470956
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
222 Robert Rose Drive Murfreesboro Tennessee	37129
(Address of principal executive offices)	(Zip Code)

(615) 890-9100
(Registrant's telephone number, including area code)

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

Title of each Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	NHI	New York Stock Exchange

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 definition of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

There were 46,693,671 shares of common stock of the registrant outstanding as of April 28, 2025.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements
NATIONAL HEALTH INVESTORS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	March 31, 2025	December 31, 2024
	(unaudited)	
Assets:		
Real estate properties:		
Land	$ 201,983	$ 191,909
Buildings and improvements	2,823,073	2,751,071
Construction in progress	6,663	10,568
	3,031,719	2,953,548
Less accumulated depreciation	(761,462)	(742,295)
Real estate properties, net	2,270,257	2,211,253
Mortgage and other notes receivable, net of reserve of $18,910 and $20,249, respectively	259,770	268,926
Cash and cash equivalents	135,004	24,289
Straight-line rents receivable	88,311	87,150
Other assets, net	29,543	22,753
Total Assets[(a)]	$ 2,782,885	$ 2,614,371
Liabilities and Stockholders' Equity:		
Debt	$ 1,262,985	$ 1,146,041
Accounts payable and accrued expenses	29,189	37,757
Dividends payable	42,024	41,119
Deferred income	4,102	4,277
Total Liabilities[(a)]	1,338,300	1,229,194
Commitments and contingencies		
Redeemable noncontrolling interest	9,540	9,790
National Health Investors, Inc. Stockholders' Equity:		
Common stock, $0.01 par value per share, 100,000,000 shares authorized; 46,693,671 and 45,687,942 shares issued and outstanding, respectively	467	457
Capital in excess of par value	1,804,679	1,736,831
Retained earnings	2,638,994	2,604,829
Cumulative dividends	(3,017,666)	(2,975,642)
Total National Health Investors, Inc. Stockholders' Equity	1,426,474	1,366,475
Noncontrolling interests	8,571	8,912
Total Equity	1,435,045	1,375,387
Total Liabilities and Equity	$ 2,782,885	$ 2,614,371

[(a)] The Condensed Consolidated Balance Sheets include the following amounts related to our consolidated variable interest entities: $502.5 million and $505.9 million of Real estate properties, net; $5.8 million and $9.7 million of Cash and cash equivalents; $10.1 million and $10.0 million of Straight-line rents receivable; $6.7 million and $7.5 million of Other assets, net; and $3.4 million and $5.7 million of Accounts payable and accrued expenses, in each case as of March 31, 2025 and December 31, 2024, respectively.

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements. The Condensed Consolidated Balance Sheet at December 31, 2024 was derived from the audited consolidated financial statements at that date.

NATIONAL HEALTH INVESTORS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share and per share amounts)

	Three Months Ended March 31,	
	2025	**2024**
	(unaudited)	
Revenues:		
Rental income	$ 68,866	$ 62,187
Resident fees and services	13,939	13,256
Interest income and other	6,491	6,070
	89,296	81,513
Expenses:		
Depreciation	19,157	17,505
Interest	14,337	14,869
Senior housing operating expenses	10,853	10,314
Legal	1,426	236
Franchise, excise and other taxes	269	(187)
General and administrative	6,829	5,642
Proxy contest and related	264	—
Taxes and insurance on leased properties	2,887	2,733
Loan and realty (gains) losses	(14)	10
	56,008	51,122
Gains on sales of real estate, net	114	100
Gains from equity method investment	415	166
Net income	33,817	30,657
Add: net loss attributable to noncontrolling interests	348	290
Net income attributable to stockholders	34,165	30,947
Less: net income attributable to unvested restricted stock awards	(52)	(32)
Net income attributable to common stockholders	$ 34,113	$ 30,915
Weighted average common shares outstanding:		
Basic	45,720,496	43,388,841
Diluted	45,878,528	43,424,550
Earnings per common share - basic	$ 0.75	$ 0.71
Earnings per common share - diluted	$ 0.74	$ 0.71

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements.

NATIONAL HEALTH INVESTORS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
($ in thousands)

	Three Months Ended March 31,	
	2025	**2024**
	(*unaudited*)	
Cash flows from operating activities:		
Net income	$ 33,817	$ 30,657
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	19,157	17,505
Amortization of debt issuance costs, debt discounts and prepaids	1,679	1,440
Amortization of commitment fees and note receivable discounts	(103)	(94)
Amortization of lease incentives	725	723
Straight-line rents adjustments	(1,410)	308
Non-cash interest income on mortgage and other notes receivable	(243)	(25)
Gains on sales of real estate, net	(114)	(100)
Gains from equity method investment	(415)	(166)
Loan and realty losses	(14)	10
Non-cash share-based compensation	2,558	2,155
Changes in operating assets and liabilities:		
Other assets, net	(711)	(3,631)
Accounts payable and accrued expenses	(8,522)	(7,523)
Deferred income	74	(432)
Net cash provided by operating activities	46,478	40,827
Cash flows from investing activities:		
Investments in mortgage and other notes receivable	(19,135)	(16,004)
Collections of mortgage and other notes receivable	19,918	2,621
Acquisitions of real estate	(74,484)	—
Investments in renovations of existing real estate and equipment	(2,183)	(2,976)
Distributions from equity method investment	415	166
Net cash used in investing activities	(75,469)	(16,193)
Cash flows from financing activities:		
Proceeds from revolving credit facility	261,000	59,000
Payments on revolving credit facility	(145,000)	(55,500)
Payments on term loans	(112)	(105)
Equity issuance costs	(47)	—
Proceeds from issuance of common shares, net	65,483	—
Distributions to noncontrolling interests	(311)	(248)
Dividends paid to stockholders	(41,119)	(39,069)
Taxes related to net settlement of equity awards	(128)	—
Net cash provided by (used in) financing activities	139,766	(35,922)
Increase (decrease) in cash and cash equivalents and restricted cash	110,775	(11,288)
Cash and cash equivalents and restricted cash, beginning of period	26,502	24,617
Cash and cash equivalents and restricted cash, end of period	$ 137,277	$ 13,329

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements.

NATIONAL HEALTH INVESTORS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(in thousands)

	Three Months Ended March 31,	
	2025	**2024**
	(unaudited)	
Supplemental disclosure of cash flow information:		
Interest paid, net of amounts capitalized	$ 16,873	$ 16,949
Supplemental disclosure of non-cash investing and financing activities:		
Real estate acquired in deed in lieu of foreclosure of mortgage note receivable	$ 8,600	$ —
Change in accounts payable related to renovations of existing real estate	$ (95)	$ 36
Change in accounts payable related to distributions to noncontrolling interests	$ (68)	$ 37
Change in accounts payable from taxes paid on stock options exercised	$ 8	$ —

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements.

NATIONAL HEALTH INVESTORS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(unaudited, in thousands, except share and per share amounts)

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Cumulative Dividends	Total National Health Investors, Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Amount						
Balances at December 31, 2024	45,687,942	$ 457	$ 1,736,831	$ 2,604,829	$ (2,975,642)	$ 1,366,475	$ 8,912	$ 1,375,387
Distributions declared to noncontrolling interests, excluding $7, attributable to redeemable noncontrolling interest	—	—	—	—	—	—	(236)	(236)
Net income, excluding a loss of $243, attributable to redeemable noncontrolling interest	—	—	—	34,165	—	34,165	(105)	34,060
Grants of restricted stock	29,500	—	—	—	—	—	—	—
Equity issuance costs	—	—	(47)	—	—	(47)	—	(47)
Taxes related to net settlement of equity awards	(534)	—	(136)	—	—	(136)	—	(136)
Shares issued on stock options exercised	16,763	—	—	—	—	—	—	—
Issuance of common stock, net	960,000	10	65,473	—	—	65,483	—	65,483
Share-based compensation	—	—	2,558	—	—	2,558	—	2,558
Dividends declared, $0.90 per common share	—	—	—	—	(42,024)	(42,024)	—	(42,024)
Balances at March 31, 2025	46,693,671	$ 467	$ 1,804,679	$ 2,638,994	$ (3,017,666)	$ 1,426,474	$ 8,571	$ 1,435,045

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Cumulative Dividends	Total National Health Investors, Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Amount						
Balances at December 31, 2023	43,409,841	$ 434	$ 1,603,757	$ 2,466,844	$ (2,817,083)	$ 1,253,952	$ 10,439	$ 1,264,391
Distributions declared to noncontrolling interests, excluding $6, attributable to redeemable noncontrolling interest	—	—	—	—	—	—	(205)	(205)
Net income, excluding a loss of $225, attributable to redeemable noncontrolling interest	—	—	—	30,947	—	30,947	(65)	30,882
Grants of restricted stock	15,000	—	—	—	—	—	—	—
Share-based compensation	—	—	2,155	—	—	2,155	—	2,155
Dividends declared, $0.90 per common share	—	—	—	—	(39,082)	(39,082)	—	(39,082)
Balances at March 31, 2024	43,424,841	$ 434	$ 1,605,912	$ 2,497,791	$ (2,856,165)	$ 1,247,972	$ 10,169	$ 1,258,141

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements.

NATIONAL HEALTH INVESTORS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2025
(unaudited)

Note 1. Organization and Nature of Business

National Health Investors, Inc. ("NHI," the "Company," "we," "us," or "our"), established in 1991 as a Maryland corporation, is a self-managed real estate investment trust ("REIT") specializing in sale-leaseback, joint venture and mortgage and mezzanine financing of need-driven and discretionary senior housing and medical facility investments. We operate through two reportable segments: Real Estate Investments and Senior Housing Operating Portfolio ("SHOP").

Our Real Estate Investments segment consists of real estate investments, leases, and mortgage and other notes receivable in independent living facilities ("ILFs"), assisted living facilities ("ALFs"), entrance-fee communities ("EFCs"), senior living campuses ("SLCs"), skilled nursing facilities ("SNFs") and hospitals ("HOSPs"). As of March 31, 2025, we had gross real estate investments of approximately $2.7 billion in 175 healthcare real estate properties located in 32 states and leased pursuant primarily to triple-net leases to 30 tenants consisting of 109 senior housing communities, 65 SNFs and one HOSP. Our portfolio of ten mortgages along with other notes receivable totaled $278.7 million, excluding an allowance for expected credit losses of $18.9 million, as of March 31, 2025.

Our SHOP segment is comprised of two ventures that own the operations of ILFs. For this segment, as of March 31, 2025, we had gross real estate investments of approximately $359.8 million in 15 ILFs located in eight states with a combined 1,732 units that are operated on behalf of the Company by independent managers pursuant to the terms of separate management agreements. The third-party managers, or related parties of the managers, own equity interests in the respective ventures. Units, beds and property count disclosures in these notes to the condensed consolidated financial statements are outside the scope of our independent registered accounting firm's review.

Note 2. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles ("GAAP") for interim financial statements. In our opinion, the accompanying unaudited condensed consolidated financial statements reflect all adjustments consisting of normal recurring adjustments necessary for a fair presentation. Interim results of operations are not necessarily indicative of the results that may be achieved for a full year. The condensed consolidated financial statements and related notes do not include all information and notes required by GAAP for annual reports. These interim condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2024, included in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission (the "SEC").

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company, and its wholly owned subsidiaries, joint ventures and subsidiaries in which we have a controlling interest. We also consolidate certain entities ("variable interest entities" or "VIEs") when control of such entities can be achieved through means other than voting rights if the Company is deemed to be the primary beneficiary of such entities. All material intercompany transactions and balances are eliminated in consolidation.

Our consolidated total assets and liabilities include two consolidated ventures comprising our SHOP activities, each formed with a separate partner - Merrill Gardens, L.L.C. ("Merrill") and DSHI NHI Holiday LLC (the "Discovery member"), a related party of Discovery Senior Living ("Discovery"). We consider both ventures to be VIEs as the members of each, as a group, lack the characteristics of a controlling financial interest. We are deemed to be the primary beneficiary of each VIE because we have the ability to control the activities that most significantly impact each VIE's economic performance and the obligation to absorb losses or the right to receive benefits. Reference Notes 5 and 16 for further discussion of our SHOP ventures.

We also consolidate two real estate partnerships formed with our partners, Discovery Senior Housing Investor XXIV, LLC, a related party of Discovery, and LCS Timber Ridge LLC ("LCS"), to invest in senior housing facilities. We consider both

partnerships to be VIEs, as either the members, as a group, lack the characteristics of a controlling financial interest or the total equity at risk is insufficient to finance activities without additional subordinated financial support. NHI directs the activities that most significantly impact economic performance of these partnerships and the obligation to absorb losses or the right to receive benefits, subject to limited protective rights extended to our partners for specified business decisions. Because of our control of these partnerships, we include their assets, liabilities, noncontrolling interests and operations in our condensed consolidated financial statements. Reference Note 16 for further discussion of these consolidated real estate partnerships.

We use the equity method of accounting when we own an interest in an entity over which we can exert significant influence but cannot control the entity's operations. We discontinue equity method accounting if our investment in an entity (and net advances) is reduced to zero unless we have guaranteed obligations of the entity or are otherwise committed to provide further financial support for the entity. Reference Note 6 for further discussion of our equity method investment.

We have concluded that the Company is not the primary beneficiary for certain investments where we lack either directly or through related parties the power to direct the activities that most significantly impact their economic performance. See Note 16 for information on unconsolidated VIEs.

Noncontrolling Interests

Contingently redeemable noncontrolling interests are recorded at their initial carrying amounts upon issuance and are subsequently adjusted to reflect their share of gains or losses, contributions, and distributions attributable to the noncontrolling interests. In periods where they are or will become probable of redemption, an adjustment to the redemption value of the noncontrolling interests is also recognized through "*Capital in excess of par value*" on the Company's Condensed Consolidated Balance Sheets and included in our computation of earnings per share. As of March 31, 2025 and December 31, 2024, the Merrill SHOP venture noncontrolling interest was classified in the Condensed Consolidated Balance Sheets as mezzanine equity, as discussed further in Note 10.

The noncontrolling interests associated with our two consolidated real estate partnerships and our Discovery member SHOP venture were classified in the Condensed Consolidated Balance Sheets as equity as of March 31, 2025 and December 31, 2024.

Cash and Cash Equivalents and Restricted Cash

Cash equivalents consist of all highly liquid investments with original maturities of three months or less. Restricted cash includes amounts required to be held on deposit or subject to an agreement (*e.g.*, with a qualified intermediary subject to an exchange agreement pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") or in accordance with agency agreements governing our mortgages).

The following table sets forth our "*Cash and cash equivalents and restricted cash*" reported within the Company's Condensed Consolidated Statements of Cash Flows (*$ in thousands*):

	March 31, 2025	March 31, 2024
Beginning of period:		
Cash and cash equivalents	$ 24,289	$ 22,347
Restricted cash (included in Other assets, net)	2,213	2,270
Cash, cash equivalents, and restricted cash	$ 26,502	$ 24,617
End of period:		
Cash and cash equivalents	$ 135,004	$ 11,357
Restricted cash (included in Other assets, net)	2,273	1,972
Cash, cash equivalents, and restricted cash	$ 137,277	$ 13,329

Concentration of Credit Risks

Our credit risks primarily relate to cash and cash equivalents and investments in mortgage and other notes receivable. Cash and cash equivalents are primarily held in bank accounts and overnight investments. We maintain our bank deposit accounts with large financial institutions in amounts that may exceed federally insured limits. We have not experienced any losses in such accounts. Our mortgage and other notes receivable consist primarily of secured loans on facilities.

Our financial instruments, principally our investments in mortgage and other notes receivable, are subject to the possibility of loss of the carrying values as a result of the failure of other parties to perform according to their contractual obligations which may make the instruments less valuable. We obtain collateral in the form of mortgage liens and other protective rights for mortgage and other notes receivable and continually monitor these rights in order to reduce such possibilities of loss. We evaluate the need to provide for reserves for potential losses on our financial instruments based on management's periodic review of our portfolio on an instrument-by-instrument basis.

Impairment of Long-Lived Assets

We evaluate the recoverability of the carrying amount of our long-lived assets when events or circumstances, including significant physical changes, significant adverse changes in general economic conditions or significant deterioration of the underlying cash flows of the long-lived assets, indicate that the carrying amount of the long-lived assets may not be recoverable. The need to recognize an impairment charge is based on estimated undiscounted future cash flows compared to the carrying amount. If recognition of an impairment charge is necessary, it is measured as the amount by which the carrying amount of the property exceeds the estimated fair value of the long-lived asset.

Revenue Recognition

Rental Income - Our leases generally provide for rent escalators throughout the term of the lease. Base rental income is recognized using the straight-line method over the term of the lease to the extent that lease payments are considered collectable and the lease provides for specific contractual escalators. Under certain leases, we receive additional contingent rent, which is calculated on the increase in revenues of the tenant over a base year or base quarter. We recognize contingent rent annually or quarterly based on the actual revenues of the tenant once the target threshold has been achieved. Lease payments that depend on a factor directly related to future use of the property, such as an increase in annual revenues over a base year, are considered to be contingent rent and are excluded from the schedule of minimum lease payments.

The Company reviews its operating lease receivables for collectability on a regular basis, taking into consideration changes in factors such as the tenant's payment history, the financial condition of the tenant, business conditions in which the tenant operates and economic conditions in the area where the property is located. In the event that collectability of substantially all lease payments with respect to any tenant is not probable, a direct write-off of the receivable is made as an adjustment to rental income and any future rental revenue is recognized only when the tenant makes a rental payment. Reference Note 3 for further discussion.

Resident Fees and Services - Resident fees and services revenue associated with our SHOP activities is recognized as the related performance obligations are satisfied and includes resident room charges, community fees and other resident charges.

Residency agreements are generally short-term (30 days to one year), and entitle the resident to certain room and care services for a monthly fee billed in advance. Revenue for certain related services is billed monthly in arrears. The Company has elected the lessor practical expedient within Accounting Standards Codification ("ASC") 842, *Leases*, not to separate the lease and nonlease components within our resident agreements as the timing and pattern of transfer to the resident are the same. The Company has determined that the nonlease component is the predominant component within the contract and recognizes revenue under ASC 606, *Revenue Recognition from Contracts with Customers*.

Interest Income from Mortgage and Other Notes Receivable

Interest income is recognized based on the interest rates and principal amounts outstanding on the notes receivable. We identify a mortgage note or other note receivable as non-performing, and is placed on non-accrual status, based on various criteria including timeliness of required payments, compliance with other provisions under the related note agreement, and an evaluation of the borrower's current financial condition for indicators that it is probable it cannot pay its contractual amounts. A non-performing loan is returned to accrual status at such time as the note becomes contractually current and management believes all future principal and interest will be received according to the contractual terms of the note. As of March 31, 2025, we had two mezzanine loans totaling an aggregate of $15.8 million designated as non-performing. Reference Note 4 for further discussion.

Income Taxes

We intend at all times to qualify as a REIT under Sections 856 through 860 of the Internal Revenue Code. Accordingly, we will generally not be subject to U.S. federal income tax, provided that we continue to qualify as a REIT. A failure to qualify under the applicable REIT qualification rules and regulations would have a material adverse impact on our financial position, results of operations and cash flows.

Certain activities that we undertake may be conducted by subsidiary entities that have elected to be treated as taxable REIT subsidiaries ("TRS"). TRSs are subject to federal, state, and local income taxes. Accordingly, a provision for income taxes has been made in the condensed consolidated financial statements.

Segments

We operate our business through two reportable segments: Real Estate Investments and SHOP. In our Real Estate Investments segment, we invest in (i) senior housing and healthcare real estate and lease those properties to healthcare operating companies under primarily triple-net leases that obligate tenants to pay all property-related expenses and (ii) mortgage and other notes receivable throughout the United States. Our SHOP segment is comprised of the operations of 15 ILFs located throughout the United States that are operated on behalf of the Company by independent managers pursuant to the terms of separate management agreements. Reference Notes 5 and 15 for additional information.

Forward Equity Sales

The Company has, and may continue to, enter into forward sale agreements relating to shares of its common stock, either through its at-the-market ("ATM ") equity program or through underwritten public offerings. These agreements may be physically settled in stock, settled in cash or net share settled at the Company's election. The forward sale price that we will receive upon physical settlement of the forward sale agreements will be subject to adjustment for (i) a floating interest rate factor equal to a specified daily rate less a spread, and (ii) scheduled dividends during the term of the forward sale agreement. To the extent our forward sales agreements do not meet all the criteria to qualify for equity treatment under ASC 815-40, we recognize the change in the fair value of the derivative in our earnings. The Company evaluated its forward sale agreements and concluded they meet the conditions to be classified within stockholders' equity as of March 31, 2025 and December 31, 2024.

Shares issuable under a forward equity sales agreement are reflected in the diluted earnings per share calculations for the applicable periods using the treasury stock method. Under this method, the number of our common shares used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of common shares that would be issued upon full physical settlement of the forward equity sales agreement over the number of common shares that could be purchased by us in the market (based on the average market price during the period) using the proceeds receivable upon full physical settlement (based on the average forward price during the reporting period).

Earnings Per Share

Our unvested restricted stock awards contain non-forfeitable rights to dividends, and accordingly, these awards are deemed to be participating securities. Therefore, the Company applies the two-class method to calculate basic and diluted earnings. Under the two-class method, we allocate net income attributable to stockholders to common stockholders and holders of unvested restricted stock by using the weighted-average shares of each class outstanding for quarter-to-date and year-to-date periods, based on their respective participation rights to dividends declared and undistributed earnings. Basic earnings per common share is computed by dividing net income attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per common share reflects the effect of dilutive securities.

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*, which includes amendments that further enhance income tax disclosures, primarily through standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. ASU 2023-09 is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the potential impact of this standard on our consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses*, which requires public entities to disclose, on an annual and interim basis, disaggregated information in the footnotes about specified information related to certain costs and expenses. This guidance is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the potential impact of this standard on our consolidated financial statements and related disclosures.

Note 3. Investment Activity

Asset Acquisitions

During the three months ended March 31, 2025, we completed the following real estate acquisitions within our Real Estate Investments segment (*$ in thousands*):

Operator	Date	Properties	Asset Class	Land	Building and Improvements	Total
Generations, LLC	Q1 2025	1	SLC	$ 3,062	$ 18,138	$ 21,200
Mainstay Healthcare[1]	Q1 2025	1	ALF	2,864	$ 5,736	8,600
Juniper Communities, LLC	Q1 2025	1	ALF	4,154	42,130	46,284
				$ 10,080	$ 66,004	$ 76,084

[1] This property was acquired in a deed in lieu of foreclosure transaction with Senior Living Management to satisfy the repayment of its $10.0 million mortgage note receivable. See "*Cash Basis Tenants*" below.

In January 2025, we acquired a 108-unit assisted living and memory care community in Montrose, Colorado. The acquisition price was $21.2 million, including $0.2 million in closing costs. The 10-year lease, which includes two five-year extension options, has an initial lease rate of 8% with fixed annual escalators of 2%.

In March 2025, we acquired a 120-unit assisted living and memory care community in Bergen County, New Jersey. The acquisition price was $46.3 million, including $0.3 million in closing costs. The 15-year lease, which includes two five-year extension options, has an initial lease rate of 7.95% with fixed annual escalators of 2%. The lease includes a $0.8 million capital improvement fund, which will be added to the respective lease base, if funded.

Second Quarter 2025 Acquisitions

In April 2025, we acquired a portfolio of six memory care communities located in Nebraska for a total purchase price of $63.5 million, including $0.3 million in closing costs. The 15-year master lease, which includes two five-year extension options, has an initial lease rate of 8.0% with fixed annual escalators of 2%. A deposit of $7.0 million, which was included in "*Other assets, net*" on the Condensed Consolidated Balance Sheet as of March 31, 2025, was applied to the purchase price. Cash on hand as of March 31, 2025 was used to fund the remaining purchase price.

Impairments of Long-Lived Assets

We reduce the carrying value of impaired properties to their estimated fair value or, with respect to the properties classified as assets held for sale, to the estimated fair value less costs to sell. To estimate the fair values of the properties, we utilize a market approach which considers binding agreements for sales (Level 1 inputs), non-binding offers to purchase from unrelated third parties, broker quotes of estimated values (Level 3 inputs), and/or independent third-party valuations (Level 1 and 3 inputs). During the three months ended March 31, 2025 and 2024, we did not recognize any impairment charges.

We lease a SLC that is subject to an outstanding purchase and sale agreement for the tenant to acquire the property for approximately $38.5 million. The purchase and sale agreement, as amended, expires in June 2025. The property continues to be classified as held and used and is leased pursuant to the existing triple-net lease that generates approximately $2.8 million in annual rent and expires in July 2027. The property will be reclassified to assets held for sale when the sale becomes probable, including when the tenant demonstrates its ability to obtain sufficient financing to close on the sale of the property within the terms of the purchase and sale agreement. The property had a net investment of $18.9 million as of March 31, 2025.

Tenant Concentration

The following table contains information regarding concentration in our Real Estate Investments portfolio of tenants or affiliates of tenants that exceed 10% of total revenues as of and for the three months ended March 31, 2025 and 2024, excluding $2.6 million for our corporate office, a credit loss reserve of $18.9 million and $359.8 million in real estate assets in the SHOP segment (*$ in thousands*):

		As of March 31, 2025		Revenues[1]			
	Asset Class	Gross Real Estate	Notes Receivable	Three Months Ended March 31, 2025		2024	
Senior Living Communities, LLC ("Senior Living")	EFC	$ 577,493	$ 47,686	$ 13,727	15%	$ 12,815	16%
National HealthCare Corporation ("NHC")	SNF	133,770	—	10,785	12%	11,246	14%
Bickford Senior Living ("Bickford")	ALF	428,342	16,044	10,651	12%	10,054	12%
All others, net	Various	1,529,695	214,950	37,307	42%	31,409	39%
Escrow funds received from tenants for property operating expenses	Various	—	—	2,887	3%	2,733	3%
		$ 2,669,300	$ 278,680	75,357		68,257	
Resident fees and services[2]				13,939	16%	13,256	16%
				$ 89,296		$ 81,513	

[1] Includes interest income on notes receivable and rental income from properties classified as assets held for sale.
[2] There is no tenant concentration in "Resident fees and services" because these agreements are with individual residents.

At March 31, 2025, the only state in which we had an investment concentration of 10% or more was South Carolina (11.3%).

Senior Living

As of March 31, 2025, we leased ten retirement communities to Senior Living. We recognized straight-line rents revenue of $(0.2) million and $(0.7) million from Senior Living for the three months ended March 31, 2025 and 2024, respectively.

NHC

As of March 31, 2025, we leased three ILFs and 32 SNFs to NHC, a publicly held company, under a master lease (four of which were subleased to other parties for whom the lease payments were guaranteed to us by NHC). Straight-line rents revenue of $0.2 million and $0.1 million was recognized from NHC for the three months ended March 31, 2025 and 2024, respectively.

NHC Percentage Rent - Under the terms of our master lease agreement with NHC, rent escalates by 4% of the increase, if any, in each of the facility's revenue over a base year and is referred to as "percentage rent." The following table summarizes the percentage rent income from NHC (*$ in thousands*):

	Three Months Ended March 31, 2025	2024
Current year	$ 1,618	$ 1,379
Prior year final certification[1]	956	1,656
Total percentage rent income	$ 2,574	$ 3,035

[1] For purposes of the percentage rent calculation described in the master lease agreement, NHC's annual revenue by facility for a given year is certified to NHI by March 31st of the following year.

One of the members of our Board of Directors is also a member of NHC's board of directors.

Bickford

As of March 31, 2025, we leased 38 facilities to Bickford under master four leases. Bickford has been on the cash basis of revenue recognition since the second quarter of 2022 based upon information obtained from Bickford regarding its financial condition that has raised substantial doubt as to its ability to continue as a going concern. During the three months ended March 31, 2025 and 2024, Bickford repaid $1.3 million and $1.5 million, respectively, of its outstanding rent deferrals primarily related to the COVID-19 pandemic. As of March 31, 2025, Bickford's outstanding rent deferrals totaled $11.7 million.

Cash Basis Tenants

We had two tenants, including Bickford, on the cash basis of accounting for revenue recognition for their leasing arrangements based on our assessment of each tenant's ability to satisfy its contractual obligations as of March 31, 2025. As of March 31, 2024, we had three tenants, including Bickford, on the cash basis of accounting for revenue recognition for their leasing arrangements. Cash rents received from these tenants for the three months ended March 31, 2025 and 2024 were as follows (*$ in thousands*):

	Three Months Ended March 31,	
	2025	2024
Bickford	$ 9,984	$ 9,364
All others	1,480	2,401
Total rental income from cash basis operators	$ 11,464	$ 11,765

Senior Living Management

Effective January 1, 2025, the remaining two properties leased to Senior Living Management ("SLM") were transitioned to a new operator who had been serving as the interim manager of the properties. We executed a new 15-year triple-net master lease, which includes two five-year extension options, with the new operator. The master lease generates approximately $1.1 million in annual rent with fixed annual escalators of 2%.

In February 2025, we acquired an assisted living facility in Oviedo, Florida through the completion of a deed in lieu of foreclosure to settle a $10.0 million non-performing mortgage note receivable. Reference Note 4 for further discussion of the non-performing notes receivable from SLM. We recorded the real estate assets acquired at their estimated fair values of $8.6 million. The net carrying value of the mortgage note receivable prior to completing the deed in lieu of foreclosure was $8.6 million. We executed a lease with a new operator who was serving as the interim manager. The lease generates approximately $0.7 million in annual rent.

Other Portfolio Activity

Discovery Senior Living

Effective May 1, 2025, we amended our triple-net master lease with Discovery Senior Living for a portfolio of six senior housing properties held in a consolidated real estate partnership with an aggregate net book value of $126.8 million as of March 31, 2025 that is owned by both parties to reset the contractual rent that took effect May 1, 2025 to $0.5 million per month. As part of the amendment, we obtained the right, but not the obligation, to pursue, negotiate, engage and otherwise enter into a new agreement with a new manager with respect to these leased properties. The straight-line rent receivable associated with the in-place lease is $9.3 million as of March 31, 2025. This receivable will be reduced to its realizable value when management determines the transition is probable of occurring and the existing lease will be terminated. Rental income recognized associated with this lease was $1.5 million for the three months ended March 31, 2025 and 2024.

Tenant Purchase Options

Certain of our leases contain purchase options allowing tenants to acquire the leased properties at a fixed base price plus a specified share in any appreciation, fixed base price, or a fixed minimum internal rate of return on our investment. At March 31, 2025, tenants had purchase options on four properties with an aggregate net investment of $76.6 million that will become exercisable between 2028 and 2031. Rental income from these properties with tenant purchase options was $2.5 million and $1.8 million for the three months ended March 31, 2025 and 2024, respectively.

We cannot reasonably estimate at this time the probability that any purchase options will be exercised in the future. Consideration to be received from the exercise of any tenant purchase option is expected to exceed our net investment in the leased property or properties.

Future Minimum Base Rent

Future minimum lease payments to be received by us under our operating leases at March 31, 2025, were as follows (*$ in thousands*):

Remainder of 2025	$ 193,573
2026	264,868
2027	215,848
2028	210,492
2029	200,519
2030	190,882
Thereafter	719,710
	$ 1,995,892

Variable Lease Payments

Most of our leases contain annual escalators in rent payments. Some of our leases contain escalators that are determined annually based on a variable index or other factors that are indeterminable at the inception of the lease. The table below indicates the rental income recognized as a result of fixed and variable lease escalators (*$ in thousands*):

	Three Months Ended March 31,	
	2025	2024
Lease payments based on fixed escalators	$ 61,690	$ 56,592
Lease payments based on variable escalators	3,604	3,893
Straight-line rents, net of write-offs	1,410	(308)
Escrow funds received from tenants for property operating expenses	2,887	2,733
Amortization of lease incentives	(725)	(723)
Rental income	$ 68,866	$ 62,187

Note 4. Mortgage and Other Notes Receivable

At March 31, 2025, our investments in mortgage notes receivable totaled $173.4 million secured by real estate and other assets of the borrowers (*e.g.*, Uniform Commercial Code liens on personal property) related to 15 facilities, and our investments in other notes receivable totaled $105.3 million, substantially all of which were guaranteed by significant parties to the notes or by cross-collateralization of properties with the same owner. At December 31, 2024, our investments in mortgage notes receivable totaled $175.8 million and other notes receivable totaled $113.4 million. These balances exclude a credit loss reserve of $18.9 million and $20.2 million at March 31, 2025 and December 31, 2024, respectively.

As of March 31, 2025, we had two other notes receivable designated as non-performing that consisted of a mezzanine loan of $14.5 million due from affiliates of SLM and an unsecured loan with Bickford of $1.3 million. As of December 31, 2024, we had three loans designated as non-performing including a mortgage note receivable of $10.0 million due from affiliates of SLM.

Interest income recognized, representing cash received, from these non-performing loans was $0.1 million and $0.5 million, respectively, for the three months ended March 31, 2025 and 2024. All other loans were on full accrual basis as of March 31, 2025. The credit loss reserve related to non-performing loans totaled $14.6 million and $16.1 million at March 31, 2025 and December 31, 2024, respectively.

SLM

In February 2025, we acquired an assisted living facility in Oviedo, Florida through the completion of a deed in lieu of foreclosure to settle a $10.0 million non-performing mortgage note receivable. We recorded the real estate assets acquired at their estimated fair values of $8.6 million which represents the net carrying value of the mortgage note receivable prior to completing the deed in lieu of foreclosure.

In May 2025, we received $2.5 million in partial repayment of the principal on the $14.5 million unsecured loan due from SLM that is classified as non-performing. This repayment will result in a reduction of the reserve on this loan and a reduction of the credit loss expense of approximately $1.3 million in the second quarter of 2025.

Vizion Health Loan Amendment

In March 2025, we amended a mezzanine loan agreement with affiliates of Vizion Health and funded an additional $5.3 million in the first quarter of 2025. The balance of the loan as of March 31, 2025 was $18.0 million. The amendment to the loan agreement provides for an interest rate of 9.15% and a maturity date in May 2028.

Montecito Medical Real Estate

We have a $50.0 million mezzanine loan and security agreement with Montecito Medical Real Estate for a fund that invests in medical real estate, including medical office buildings, throughout the United States. In the first quarter of 2025, approximately $6.2 million of principal was repaid upon the sale by the fund of one of the underlying properties. As of March 31, 2025, $9.4 million was outstanding on the loan associated with five medical office buildings with a combined purchase price of approximately $56.7 million. For both the three months ended March 31, 2025 and 2024, we recognized interest income of $0.5 million.

Second Quarter 2025 Investments

In May 2025, we entered into an agreement to fund up to $28.0 million on a construction loan for the development of an 84-unit assisted living and memory care facility to be located in Wyoming, Michigan and operated by Encore Senior Living. The loan agreement provides for an annual interest rate of 9.0%.

Bickford Construction and Mortgage Loans

As of March 31, 2025, we had one fully funded construction loan of $14.7 million to Bickford. The construction loan is secured by a first mortgage lien on substantially all of the related real and personal property as well as a pledge of any and all leases or agreements which may grant a right of use to the property. Usual and customary covenants extend to the agreement, including the borrower's obligation for payment of insurance and taxes. NHI has a fair market value purchase option on the property upon stabilization of the underlying operations.

At March 31, 2025, we held a $12.1 million second mortgage as a component of the purchase price consideration in connection with the sale of six properties to Bickford in 2021. This second mortgage note receivable bears interest at a 10% annual rate and matures in April 2026. Interest income was $0.3 million for both the three months ended March 31, 2025 and 2024 related to the second mortgage. We did not include this note receivable in the determination of the gain recognized upon sale of the portfolio. Therefore, this note receivable is not reflected in "*Mortgage and other notes receivable, net*" in the Condensed Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024. During both the three months ended March 31, 2025 and 2024, Bickford repaid $0.1 million, of principal on this note receivable which is reflected in "*Gains on sale of real estate, net*" in the Condensed Consolidated Statements of Income.

Senior Living

We have provided a $15.0 million revolving line of credit to Senior Living whose borrowings under the revolver are to be used for working capital needs and to finance construction projects within its portfolio, including building additional units. The revolver matures in December 2031 at the time of the Senior Living lease maturity. At March 31, 2025, the revolver was fully funded and bore interest at 8.0% per annum.

The Company also has a mortgage loan of $32.7 million with Senior Living collateralized by a 248-unit continuing care retirement community ("CCRC") in Columbia, South Carolina. The mortgage loan matures in July 2025, which may be extended for one-year, and bears interest at an annual rate of 7.25%. Additionally, the loan conveys to NHI a purchase option at a stated minimum price of $38.3 million, subject to adjustment for market conditions.

Credit Loss Reserve

Our principal measures of credit quality, except for construction mortgages, are debt service coverage for amortizing loans and interest or fixed charge coverage for non-amortizing loans, collectively referred to as "Coverage." A Coverage ratio provides a measure of the borrower's ability to make scheduled principal and interest payments. The Coverage ratios presented in the table below have been calculated utilizing the most recent date for which data is available, December 31, 2024, using EBITDARM (earnings before interest, taxes, depreciation, amortization, rent and management fees) and the requisite debt service, interest service or fixed charges, as defined in the applicable loan agreement. We categorize Coverage into three levels: (i) more than 1.5x, (ii) between 1.0x and 1.5x, and (iii) less than 1.0x. We update the calculation of Coverage on a quarterly basis. Coverage is not a meaningful credit quality indicator for construction mortgages as either these developments are not generating any operating income, or they have insufficient operating income as occupancy levels necessary to stabilize the properties have not yet been achieved. We measure credit quality for these mortgages by considering the construction and stabilization timeline and the financial condition of the borrower, as well as economic and market conditions.

We consider the guidance in ASC 310-20, *Receivables - Nonrefundable Fees and Other Costs*, when determining whether a modification, extension or renewal constitutes a current period origination. The credit quality indicator as of March 31, 2025 is presented below for the amortized cost, net by year of origination (*$ in thousands*):

	2025	2024	2023	2022	2021	Prior	Total
Mortgages							
more than 1.5x	$ —	$ 47,947	$ —	$ 42,486	$ —	$ 32,686	$ 123,119
between 1.0x and 1.5x	—	—	725	28,405	—	—	29,130
less than 1.0x	—	—	—	—	—	21,123	21,123
	—	47,947	725	70,891	—	53,809	173,372
Mezzanine							
more than 1.5x	—	—	530	—	17,965	—	18,495
between 1.0x and 1.5x	1,873	—	231	—	12,664	—	14,768
less than 1.0x	—	11,875	—	—	—	25,000	36,875
	1,873	11,875	761	—	30,629	25,000	70,138
Non-performing							
between 1.0x and 1.5x	—	1,344	—	—	—	14,500	15,844
	—	1,344	—	—	—	14,500	15,844
Revolver							
more than 1.5x							19,326
						Credit loss reserve	(18,910)
							$ 259,770

Due to the continuing challenges in financial markets and the potential impact on the collectability of our mortgages and other notes receivable, we forecasted a 20% increase in the probability of a default and a 20% increase in the amount of loss from a default on all loans, other than those designated as non-performing, resulting in an effective adjustment of 40%. The methodology for estimating the reserves for non-performing loans incorporates the sufficiency of the underlying collateral and the current conditions and forecasts of future economic conditions of these loans, including qualitative factors, which may differ from conditions existing in the historical periods.

The allowance for expected credit losses is presented in the following table for the three months ended March 31, 2025 (*$ in thousands*):

Balance at January 1, 2025	$ 20,249
Provision for expected credit losses	61
Write-offs charged to the allowance	(1,400)
Balance at March 31, 2025	$ 18,910

Note 5. Senior Housing Operating Portfolio Structure

Our SHOP segment is comprised of two ventures that collectively own the operations of 15 ILFs. These ventures are structured to comply with REIT requirements and utilize the TRS for activities that would otherwise be non-qualifying for REIT purposes. The properties in each venture are operated by a property manager in exchange for a management fee. The ventures were capitalized with preferred and common equity interests, with the Company owning 100% of the preferred equity and a controlling common equity interest in each venture. The managers, or related parties of the managers, own a non-controlling common equity interest in their respective ventures. Each venture is discussed in more detail below.

Merrill Managed Portfolio

We have six ILFs located in California and Washington in a consolidated venture with Merrill, which owns a 20% common equity interest in the venture. The operating agreement for the venture provides for contingent distributions to the members based on the attainment of certain yields on investment calculated on an annual basis.

The properties are managed by Merrill pursuant to a management agreement with an initial term through March 2032 that automatically renews on a year-to-year basis thereafter unless terminated by either party with notice. The management agreement entitles Merrill to a base management fee of 5% of net revenue and a real estate services fee of 5% of real estate costs incurred during any calendar year that exceed $1,000 times the number of units at each facility. The noncontrolling interest associated with the venture was determined to be contingently redeemable and is classified in mezzanine equity on the Condensed Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024, as discussed further in Note 10.

Discovery Managed Portfolio

We have nine ILFs located in Arkansas, Georgia, Ohio, Oklahoma, New Jersey, and South Carolina in a consolidated venture with the Discovery member, which owns a 2.0% common equity interest in the venture. The operating agreement for the venture provides for contingent distributions to the members based on the attainment of certain yields on investment calculated on an annual basis. The noncontrolling interest associated with the venture is included in "*Equity*" on the Condensed Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024.

The properties are managed by separate related parties of Discovery pursuant to management agreements, each with an initial term through March 2032 that automatically renews on a year-to-year basis thereafter unless terminated by either party with notice. The management agreements entitle the managers to a base management fee of 5% of net revenue.

Note 6. Equity Method Investment

Concurrently with the acquisition of a CCRC from LCS-Westminster Partnership III, LLP in January 2020, we invested $0.9 million in the operating company, Timber Ridge OpCo, LLC ("Timber Ridge OpCo"), representing a 25.0% equity interest. This investment is held by our TRS to be compliant with the provisions of the REIT Investment Diversification and Empowerment Act ("RIDEA") of 2007. As part of our investment, we provided Timber Ridge OpCo a revolving credit facility of up to $5.0 million of which no funds have been drawn.

We account for our investment in Timber Ridge OpCo under the equity method and decrease the carrying value of our investment for losses in the entity and distributions to NHI for cumulative amounts up to and including our basis plus any guaranteed or implied commitments to fund operations. Our guaranteed and implied commitments are currently limited to the additional $5.0 million under the revolving credit facility and the $2.5 million lease incentive distribution received in February 2023. As of March 31, 2025, we have recognized our share of Timber Ridge OpCo's operating losses in excess of our initial investment. These cumulative losses of $5.0 million in excess of our original basis and the $2.5 million lease incentive distribution received are included in "*Accounts payable and accrued expenses*" in our Condensed Consolidated Balance Sheet as of March 31, 2025 and December 31, 2024. Excess unrecognized equity method losses for this investment for both the three months ended March 31, 2025 and 2024 were $0.6 million. Cumulative unrecognized losses for this investment were $13.3 million through March 31, 2025. We recognized gains of approximately $0.4 million and $0.2 million, representing cash distributions received related to our investment for the three months ended March 31, 2025 and 2024, respectively.

The Timber Ridge OpCo property is subject to early resident mortgages secured by a Deed of Trust and Indenture of Trust (the "Deed and Indenture"). As part of our acquisition, NHI-LCS JV I, LLC ("Timber Ridge PropCo") acquired the Timber Ridge CCRC property and a subordination agreement was entered into pursuant to which the trustee acknowledged and confirmed that the security interests created under the Deed and Indenture were subordinate to any security interests granted in connection with

the $81.0 million loan made by NHI to Timber Ridge PropCo, which is eliminated upon consolidation. In addition, under the terms of the resident loan assumption agreements, during the term of the lease (seven years with two five-year renewal options), Timber Ridge OpCo is to indemnify Timber Ridge PropCo for any repayment by Timber Ridge PropCo of these early resident mortgage liabilities under the guarantee. As a result of the subordination agreement and the resident loan assumption agreements, no liability has been recorded as of March 31, 2025 and December 31, 2024. The balance secured by the Deed and Indenture was $9.6 million at March 31, 2025.

Note 7. Other Assets

Other assets, net consist of the following (*$ in thousands*):

	March 31, 2025	December 31, 2024
SHOP accounts receivable, net of allowance of $450 and $494, and other assets	$ 1,996	$ 2,232
Real estate investments accounts receivable and prepaid expenses	4,915	4,223
Earnest money on pending acquisition	7,000	—
Lease incentive payments, net	7,151	7,877
Regulatory escrows	6,208	6,208
Restricted cash	2,273	2,213
	$ 29,543	$ 22,753

In the first quarter of 2025, we expensed approximately $1.2 million in costs incurred related to a large SHOP transaction that is no longer probable of occurring, of which approximately $0.6 million was included in other assets as of December 31, 2024.

Note 8. Debt

Debt consisted of the following (*$ in thousands*):

	March 31, 2025	December 31, 2024
Revolving credit facility - unsecured	$ 447,200	$ 331,200
Bank term loans - unsecured	200,000	200,000
2031 Senior Notes - unsecured, net of discount of $1,876 and $1,956	398,124	398,044
Private placement notes - unsecured	150,000	150,000
Fannie Mae term loans - secured, non-recourse	75,704	75,815
Unamortized loan costs	(8,043)	(9,018)
	$ 1,262,985	$ 1,146,041

Aggregate principal maturities of debt as of March 31, 2025 were as follows (*$ in thousands*):

Remainder of 2025	$ 325,704
2026	—
2027	100,000
2028	447,200
2029	—
2030	—
Thereafter	400,000
	1,272,904
Less: discount	(1,876)
Less: unamortized loan costs	(8,043)
	$ 1,262,985

Unsecured revolving credit facility and bank term loan

We have a $700.0 million unsecured revolving credit facility (the "Credit Facility"), which was amended and restated on October 24, 2024 to extend the maturity date from March 2026 to October 2028, which may be further extended by us pursuant to (i) one or both of the two six-month extension options or (ii) one twelve-month extension option. Borrowings under the Credit Facility bear interest, at our election, at one of the following (a) Term Secured Overnight Financing Rate ("SOFR") (plus a credit spread adjustment) plus a margin ranging from 0.725% to 1.40%, (b) Daily SOFR (plus a credit spread adjustment) plus a margin ranging from 0.725% to 1.40% or (c) the base rate plus a margin ranging from 0.00% to 0.40%. In each election, the actual margin is determined according to our credit ratings. The base rate means, for any day, a fluctuating rate per annum equal to the highest of (x) the agent's prime rate, (y) the federal funds rate on such day plus 0.50% or (z) the adjusted Term SOFR for a one-month tenor in effect on such day plus 1.0%. In addition, the Credit Facility requires a facility fee equal to 0.125% to 0.30%, based on our credit rating on the $700.0 million committed capacity, without regard to usage.

At March 31, 2025, we had $252.8 million available to draw on the Credit Facility, subject to usual and customary covenants. Among other stipulations, the unsecured credit facility agreement requires that we maintain certain financial ratios within limits set by our creditors. At March 31, 2025, we were in compliance with these ratios.

We have a $200.0 million term loan (the "2025 Term Loan") that bears interest at a variable rate which is SOFR-based with a margin determined according to our credit ratings plus a 0.10% credit spread adjustment. On April 3, 2025, we exercised one of our two six-month options to extend the maturity date from June 2025 to December 2025.

Concurrently with the amendment and restatement of the Credit Facility, we amended the 2025 Term Loan to, among other things, modify the representations, covenants, financial covenants, and events of default to align with the same provisions in the Credit Facility.

Pinnacle Bank is a participating member of our banking group. A member of NHI's Board of Directors, who became chair of the Board of Directors effective January 7, 2025, is also the chair of Pinnacle Financial Partners, Inc., the holding company for Pinnacle Bank. NHI's local banking transactions are conducted primarily through Pinnacle Bank.

2031 Senior Notes

In January 2021, we issued $400.0 million in aggregate principal amount of 3.00% senior notes that mature on February 1, 2031 and pay interest semi-annually (the "2031 Senior Notes"). The 2031 Senior Notes were sold at an issue price of 99.196% of face value before the underwriters' discount. The 2031 Senior Notes are subject to affirmative and negative covenants, including financial covenants with which we were in compliance at March 31, 2025.

Private Placement Notes

Our unsecured private placement notes outstanding as of March 31, 2025, payable interest only, are summarized below (*$ in thousands*):

Amount	Inception	Maturity	Fixed Rate
$ 50,000	November 2015	November 2025	4.33%
100,000	January 2015	January 2027	4.51%
$ 150,000			

Covenants pertaining to the unsecured private placement notes are generally conformed with those governing our Credit Facility, except for specific debt-coverage ratios that are more restrictive. Our unsecured private placement notes include a rate increase provision that is effective if any rating agency lowers our credit rating on our senior unsecured debt below investment grade and our compliance leverage increases to 50% or more.

Fannie Mae Term Loans

As of March 31, 2025, we had $60.1 million in Fannie Mae term-debt mortgage financing requiring interest-only payments at an annual rate of 3.79% with a 10-year maturity. The mortgages were non-recourse and secured by 11 properties leased to

Bickford. This indebtedness matured on April 1, 2025, at which time we repaid all outstanding principal and accrued interest of $60.3 million from proceeds drawn on our Credit Facility on March 31, 2025.

In a December 2017 acquisition, we assumed additional Fannie Mae term-debt mortgage financing that amortizes through 2025 when a balloon payment will be due, bears interest at a rate of 4.6%, and has a remaining balance of $15.6 million at March 31, 2025. Collectively, the Fannie Mae term-debt mortgage financing is secured by properties having a net book value of $97.4 million at March 31, 2025.

Interest Expense

The following table summarizes interest expense ($ *in thousands*):

	Three Months Ended March 31,	
	2025	2024
Interest expense on debt at contractual rates	$ 13,359	$ 14,087
Capitalized interest	—	(39)
Amortization of debt issuance costs, debt discount and other	978	821
Total interest expense	$ 14,337	$ 14,869

Note 9. Commitments, Contingencies and Uncertainties

In the normal course of business, we enter into a variety of commitments, typically consisting of funding revolving credit arrangements, construction and mezzanine loans to our operators to conduct expansions and acquisitions for their own account, and commitments for the funding of construction for expansion or renovation to our existing properties under lease. In our leasing operations, we offer to our tenants and to sellers of newly acquired properties a variety of inducements that originate contractually as contingencies but which may become commitments upon the satisfaction of the contingent event. Contingent payments earned are included in the respective lease bases when funded.

As of March 31, 2025, we had working capital, mortgage, construction, revolving credit and mezzanine loan commitments to eight operators or borrowers for an aggregate of $151.3 million, of which we had funded $100.7 million toward these commitments. Loan funded amounts do not reflect the effects of discounts or commitment fees.

As of March 31, 2025, we had $23.4 million of development commitments for renovation of six properties, of which we had funded $5.9 million toward these commitments.

As of March 31, 2025, we had an aggregate of $16.9 million in remaining contingent lease inducement commitments in four lease agreements which are generally based on the performance of facility operations and may or may not be met by the tenant.

The credit loss liability for unfunded loan commitments is estimated using the same methodology as used for our funded mortgage and other notes receivable based on the estimated amount that we expect to fund. We applied the same market adjustments as discussed in Note 4.

The liability for expected credit losses on our unfunded loan commitments reflected in "*Accounts payable and accrued expenses*" on the Condensed Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024 is presented in the following table for the three months ended March 31, 2025 (*$ in thousands*):

Balance at January 1, 2025	$ 147
Provision for expected credit losses	(75)
Balance at March 31, 2025	$ 72

Litigation

Our facilities are subject to claims and suits in the ordinary course of business. Such claims may include, among other things, professional liability and general liability claims, as well as regulatory proceedings related to our SHOP segment. Our managers, tenants and borrowers have indemnified, and are obligated to continue to indemnify, us against all liabilities arising from the

operation of the facilities, and are further obligated to indemnify us against environmental or title problems affecting the real estate underlying such facilities. While there may be lawsuits pending against us and certain of the owners and/or lessees of the facilities, management believes that the ultimate resolution of all such pending proceedings will have no material adverse effect on our financial condition, results of operations or cash flows.

Note 10. Redeemable Noncontrolling Interest

The interest held by Merrill in its SHOP venture was classified as a "*Redeemable noncontrolling interest*" in the mezzanine section between "*Total liabilities"* and "*Stockholders' equity*" on our Condensed Consolidated Balance Sheets as of March 31, 2025 and December 31, 2024. Certain provisions within the operating agreement of the Merrill venture provide Merrill with put rights upon certain contingent events that are not solely within the control of the Company. Therefore, Merrill's noncontrolling interest was determined to be contingently redeemable. The redeemable noncontrolling interest is not currently redeemable and we concluded a contingent redemption event is not probable to occur as of March 31, 2025. Consequently, the noncontrolling interest will not be subsequently remeasured to its redemption amount until such contingent event and the related redemption are probable to occur. We will continue to reflect the attribution of gains or losses to the redeemable noncontrolling interest in each period.

The following table presents the change in "*Redeemable noncontrolling interest"* for the three months ended March 31, 2025 (*$ in thousands*):

	Three Months Ended March 31, 2025
Balance at January 1,	$ 9,790
Net loss	(243)
Distributions	(7)
Balance at March 31,	$ 9,540

Note 11. Equity and Dividends

Forward Sale Agreements

In the first quarter of 2025, we settled the remaining approximately 1.0 million shares of common stock subject to our August 2024 forward equity sale agreement at a forward price of $68.21 per share resulting in proceeds of approximately $65.5 million.

ATM Equity Program

We maintain an ATM equity program which allows us to sell our common stock directly into the market and have entered into an ATM equity offering sales agreement pursuant to which the Company may sell, from time to time, up to an aggregate sales price of $500.0 million of the Company's common stock. The ATM equity program has a forward sale provision which allows us to sell shares of common stock to forward purchasers at a predetermined price at a future date.

During the three months ended March 31, 2025, we entered into ATM forward sale agreements with a financial institution to sell shares of common stock which mature in the first quarter of 2026. We sold approximately 0.2 million shares on a forward basis at a weighted average price of $74.39 per share net of sales agent fees, or approximately $15.5 million. We did not receive any proceeds from the sale of shares of our common stock by the forward purchasers at the time of the sale.

As of March 31, 2025, the remaining approximately 0.7 million shares of common stock under our December 2024 ATM forward sale agreement were available for settlement at a forward price of $74.12 per share for proceeds of approximately $53.6 million. This forward sale agreement matures in the fourth quarter of 2025.

No shares were sold under the ATM equity program during the three months ended March 31, 2024.

Dividends

The following table summarizes dividends declared by the Board of Directors or paid during the three months ended March 31, 2025 and 2024:

Three Months Ended March 31, 2025			
Date of Declaration	Date of Record	Date Paid/Payable	Quarterly Dividend
November 1, 2024	December 31, 2024	January 29, 2025	$0.90
February 14, 2025	March 31, 2025	May 2, 2025	$0.90

Three Months Ended March 31, 2024			
Date of Declaration	Date of Record	Date Paid/Payable	Quarterly Dividend
November 3, 2023	December 29, 2023	January 26, 2024	$0.90
February 16, 2024	March 28, 2024	May 3, 2024	$0.90

On May 2, 2025, the Board of Directors declared a $0.90 per share dividend payable on August 1, 2025 to common stockholders of record as of June 30, 2025.

Note 12. Share-Based Compensation

The Company's outstanding stock incentive awards have been granted under two incentive plans – the 2012 Stock Incentive Plan and the 2019 Stock Incentive Plan, as amended and restated (the "2019 Plan"). During the three months ended March 31, 2025, we granted options to purchase 557,000 shares of common stock under the 2019 Plan.

In February 2025, 29,500 shares of restricted stock were issued to executive officers with a grant date fair value of $73.34 per share based on the market value of our common stock on the date of grant. The restricted stock vests over five years, with 20% vesting on each anniversary of the date of grant and beginning with 2025, are subject to a one-year post-vesting hold. The restricted stock awards contain non-forfeitable rights to dividends or dividend equivalents during the vesting periods. During the first quarter of 2025, 3,000 shares of restricted stock vested. As of March 31, 2025, there were 58,300 non-vested shares of restricted stock outstanding.

The weighted average fair value of options granted during the three months ended March 31, 2025 and 2024 was $9.35 and $7.36 per option, respectively. The fair value of each grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2025	2024
Dividend yield	5.2%	6.4%
Expected volatility	24.1%	26.1%
Expected lives	2.95 years	2.9 years
Risk-free interest rate	3.94%	4.49%

The following table summarizes our outstanding stock options:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)
Options outstanding, January 1, 2024	2,447,171	$68.80	
Options granted	431,000	$57.76	
Options expired	(301,837)	$79.96	
Options outstanding, March 31, 2024	2,576,334	$65.89	
Exercisable at March 31, 2024	2,235,640	$66.99	
Options outstanding, January 1, 2025	1,416,215	$71.06	
Options granted	557,000	$73.34	
Options exercised	(73,984)	$56.10	
Options forfeited	(23,501)	$56.75	
Options expired	(491,000)	$90.79	
Options outstanding, March 31, 2025	1,384,730	$66.03	3.35
Exercisable at March 31, 2025	940,874	$64.44	2.73

At March 31, 2025, the intrinsic value of stock options outstanding and exercisable was $10.9 million and $8.9 million, respectively.

The following is a summary of share-based compensation expense, net of any forfeitures, included in "*General and administrative expenses*" in the Condensed Consolidated Statements of Income (*$ in thousands*):

	Three Months Ended March 31,	
	2025	2024
Share-based compensation components:		
Restricted stock expense	$ 224	$ 158
Stock option expense	2,334	1,997
Total share-based compensation expense	$ 2,558	$ 2,155

As of March 31, 2025, unrecognized compensation expense totaling $6.3 million associated with stock-based awards was expected to be recognized over the following periods: remainder of 2025 - $3.2 million, 2026 - $2.0 million, 2027 - $0.7 million, 2028 - $0.3 million, and thereafter - less than $0.1 million.

Note 13. Earnings Per Common Share

The following table summarizes the average number of common shares and the net income used in the calculation of basic and diluted earnings per common share *($ in thousands, except share and per share amounts)*:

	Three Months Ended March 31,	
	2025	2024
Net income	$ 33,817	$ 30,657
Add: net loss attributable to noncontrolling interests	348	290
Net income attributable to stockholders	34,165	30,947
Less: net income attributable to unvested restricted stock awards	(52)	(32)
Net income attributable to common stockholders - basic and diluted	$ 34,113	$ 30,915
BASIC:		
Weighted average common shares outstanding	45,720,496	43,388,841
DILUTED:		
Weighted average common shares outstanding	45,720,496	43,388,841
Stock options	120,827	35,709
Forward equity sales agreements	37,205	—
Weighted average dilutive common shares outstanding	45,878,528	43,424,550
Earnings per common share - basic	$ 0.75	$ 0.71
Earnings per common share - diluted	$ 0.74	$ 0.71
Incremental anti-dilutive shares excluded:		
Net share effect of stock options with an exercise price in excess of the average market price for our common shares	104,699	492,675
Regular dividends declared per common share	$ 0.90	$ 0.90

Note 14. Fair Value of Financial Instruments

Carrying amounts and fair values of financial instruments that are not carried at fair value at March 31, 2025 and December 31, 2024 in the Condensed Consolidated Balance Sheets are as follows ($ *in thousands*):

	Carrying Amount		Fair Value Measurement	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Level 2				
Variable rate debt	$ 641,910	$ 525,177	$ 647,200	$ 531,20
Fixed rate debt	$ 621,075	$ 620,864	$ 560,021	$ 548,33
Level 3				
Mortgage and other notes receivable, net	$ 259,770	$ 268,926	$ 255,257	$ 261,70

Fixed rate debt. Fixed rate debt is classified as Level 2 and its fair value is based on quoted prices for similar instruments or calculated utilizing model derived valuations in which significant inputs are observable in active markets.

Variable rate debt. Variable rate debt is classified as Level 2 and the fair values of our borrowings under our Credit Facility and 2025 Term Loan are reasonably estimated at their notional amounts due to the predominance of floating interest rates, which generally reflect market conditions.

Mortgage and other notes receivable. The fair value of mortgage and other notes receivable is based on credit risk and discount rates that are not observable in the marketplace and therefore represents a Level 3 measurement.

Carrying amounts of cash and cash equivalents and restricted cash, accounts receivable and accounts payable and accrued expenses approximate fair value due to their short-term nature and are classified as Level 1.

Note 15. Segment Reporting

We evaluate our business and make resource allocations on our two operating segments: Real Estate Investments and SHOP. Our Real Estate Investments segment includes leases, mortgages and other note investments in ILFs, ALFs, EFCs, SLCs, SNFs and HOSPs. Under the Real Estate Investments segment, we invest in senior housing and healthcare real estate through acquisition and financing of primarily single-tenant properties. Properties acquired are leased primarily under triple-net leases and we are not involved in the management of the properties. The SHOP segment includes multi-tenant ILFs. The SHOP properties and related operations are controlled by the Company and are operated by property managers in exchange for a management fee. See Note 5 for further discussion.

Our President and Chief Executive Officer serves as our Chief Operating Decision Maker ("CODM"). Our CODM reviews financial and performance information quarterly based upon segment net operating income ("NOI"). We define NOI as total revenues, less tenant reimbursements and property operating expenses. Our CODM evaluates NOI to make decisions about resource allocations and to assess the property level performance of our properties. For both segments, the CODM considers revenue and operating expenses on a comparative basis (i.e., sequential or year over year) and compares budget to actual variances on a quarterly basis when making decisions regarding allocations of resources to the segments. In addition, for the SHOP segment, the CODM reviews key performance indicators, including revenues and operating expenses per occupied unit or available unit and resident revenues and related functional expenses. There were no intersegment transactions for either the three months ended March 31, 2025 or 2024. Capital expenditures for the three months ended March 31, 2025 were approximately $83.7 million for the Real Estate Investments segment and $1.4 million for the SHOP segment. Capital expenditures for the three months ended March 31, 2024 were approximately $1.7 million for the Real Estate Investments segment and $1.3 million for the SHOP segment.

Non-segment revenue consists mainly of other income. Non-segment assets consist of corporate assets including cash and cash equivalents and corporate offices and equipment, among others. Non-property specific revenues and expenses are not allocated to individual segments in determining NOI.

The accounting policies of the segments are the same as those described in the significant accounting policies in Note 2. The results of operations for all acquisitions described in Note 3 are included in our consolidated results of operations from the acquisition dates and are components of the appropriate segments. Prior period segment disclosures have been recast to conform to the current period presentation.

Summary information for the reportable segments during the three months ended March 31, 2025 and 2024 is as follows (*$ in thousands*):

For the three months ended March 31, 2025:	Real Estate Investments	SHOP	Non-segment/Corporate	Total
Rental income	$ 68,866	$ —	$ —	$ 68,866
Resident fees and services	—	13,939	—	13,939
Interest income and other	6,449	—	42	6,491
Total revenues	75,315	13,939	42	89,296
Other senior housing operating expenses[1]	—	2,874	—	2,874
Utilities	—	1,097	—	1,097
Dietary	—	1,045	—	1,045
Labor	—	4,299	—	4,299
Taxes and insurance	2,887	1,538	—	4,425
NOI	72,428	3,086	42	75,556
Depreciation	16,388	2,758	11	19,157
Interest	749	—	13,588	14,337
Legal	—	—	1,426	1,426
Franchise, excise and other taxes	—	—	269	269
General and administrative	—	—	6,829	6,829
Proxy contest and related	—	—	264	264
Loan and realty gains	(14)	—	—	(14)
Gains on sales of real estate, net	(114)	—	—	(114)
Gains from equity method investment	(415)	—	—	(415)
Net income (loss)	$ 55,834	$ 328	$ (22,345)	$ 33,817
Total assets	$ 2,377,107	$ 265,391	$ 140,387	$ 2,782,885

[1] Includes management fees, general and administrative and marketing expenses.

For the three months ended March 31, 2024:	Real Estate Investments	SHOP	Non-segment/Corporate	Total
Rental income	$ 62,187	$ —	$ —	$ 62,187
Resident fees and services	—	13,256	—	13,256
Interest income and other	5,942	—	128	6,070
Total revenues	68,129	13,256	128	81,513
Other senior housing operating expenses[1]	—	2,600	—	2,600
Utilities	—	933	—	933
Dietary	—	1,004	—	1,004
Labor	—	4,227	—	4,227
Taxes and insurance	2,733	1,550	—	4,283
NOI	65,396	2,942	128	68,466
Depreciation	15,058	2,437	10	17,505
Interest	763	—	14,106	14,869
Legal	—	—	236	236
Franchise, excise and other taxes	—	—	(187)	(187)
General and administrative	—	—	5,642	5,642
Loan and realty losses	10	—	—	10
Gains on sales of real estate, net	(100)	—	—	(100)
Gains from equity method investment	(166)	—	—	(166)
Net income (loss)	$ 49,831	$ 505	$ (19,679)	$ 30,657
Total assets	$ 2,202,511	$ 265,120	$ 10,494	$ 2,478,125

[1] Includes management fees, general and administrative and marketing expenses.

Note 16. Variable Interest Entities

Consolidated Variable Interest Entities

SHOP - The assets of the SHOP ventures primarily consist of real estate properties, cash and cash equivalents, and resident fees and services (accounts receivable). The obligations of the ventures primarily consist of operating expenses of the ILFs (accounts payable and accrued expenses) and capital expenditures for the properties. Aggregate assets of the consolidated SHOP ventures that can be used only to settle obligations of each respective SHOP venture primarily include approximately $260.2 million and $261.6 million of real estate properties, net, $3.1 million and $6.5 million of cash and cash equivalents, and $1.2 million and $1.5 million of other assets, net, and $0.8 million and $0.8 million of accounts receivable as of March 31, 2025 and December 31, 2024, respectively. Liabilities of the consolidated SHOP ventures for which creditors do not have recourse to the general credit of the Company are $3.4 million and $5.7 million as of March 31, 2025 and December 31, 2024, respectively. Reference Notes 5 and 10 for further discussion of these ventures.

Real Estate Partnerships - The aggregate assets of the two consolidated real estate partnerships that can be used only to settle obligations of each respective partnership as of March 31, 2025 and December 31, 2024 include approximately $242.3 million and $244.3 million of real estate properties, net, $10.1 million and $10.0 million in straight-line rents receivable, $2.7 million and $3.2 million of cash and cash equivalents and $4.7 million and $5.3 million of other assets, net, respectively. Liabilities of these partnerships for which creditors do not have recourse to the general credit of the Company are not material.

Unconsolidated Variable Interest Entities

The Company's unconsolidated VIEs are summarized below by date of initial involvement. For further discussion of the nature of the relationships, including the sources of exposure to these VIEs, see the notes to our condensed consolidated financial statements cross-referenced below (*$ in thousands*).

Date	Name	Source of Exposure	Carrying Amount	Maximum Exposure to Loss	Note Reference
2014	Senior Living	Notes and straight-line rents receivable	$ 87,648	$ 87,648	Notes 3, 4
2016	Senior Living Management	Note	$ 14,500	$ 14,500	Notes 3, 4
2018	Bickford	Notes	$ 16,158	$ 28,291	Notes 3, 4
2019	Encore Senior Living	Various[1]	$ 35,459	$ 35,526	—
2020	Timber Ridge OpCo	Various[2]	$ (2,036)	$ 2,964	Notes 6, 7
2020	Senior Living Hospitality Group*	Notes and straight-line rents receivable	$ 13,061	$ 14,085	Note 4
2021	Montecito Medical Real Estate	Notes and funding commitment	$ 9,401	$ 39,012	Note 4
2021	Vizion Health	Notes and straight-line rents receivable	$ 20,183	$ 20,320	Note 4
2021	Navion Senior Solutions	Various[3]	$ 7,665	$ 9,815	—
2023	Kindcare Senior Living	Notes[4]	$ 792	$ 792	—
2024	Mainstay Healthcare Maitland, LLC	Note	$ 9,066	$ 9,066	—

* Formerly referred to as Watermark Retirement

[1] Note, straight-line rents receivable, and lease receivables
[2] Loan commitment, equity method investment, straight-line rents receivable and unamortized lease incentive
[3] Straight-line rents receivable, and unamortized lease incentive
[4] Represents two mezzanine loans originated from the sales of real estate

We are not obligated to provide support beyond our stated commitments to these tenants and borrowers whom we classify as VIEs, and accordingly, our maximum exposure to loss as a result of these relationships is limited to the amount of our commitments, as shown above and discussed in the notes. Economic loss on a lease, in excess of what is presented in the table above, if any, would be limited to that resulting from any period of non-payment of rent before we are able to take effective remedial action, as well as costs incurred in transitioning the lease to a new tenant. The potential extent of such loss would be dependent upon individual facts and circumstances, and is therefore not included in the table above.

In the future, NHI may be deemed the primary beneficiary of the operations if the tenants or borrowers do not have adequate liquidity to accept the risks and rewards as the tenants and operators of the properties and NHI may be required to consolidate the financial position and results of operations of the tenants or borrowers into our condensed consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Unless the context otherwise requires, references throughout this document to "NHI" or the "Company" include National Health Investors, Inc., and its consolidated subsidiaries. In accordance with the Securities and Exchange Commission's ("SEC") "Plain English" guidelines, portions of this Quarterly Report on Form 10-Q have been written in the first person. In this document, the words "we", "our", "ours" and "us" refer only to National Health Investors, Inc. and its consolidated subsidiaries and not any other person.

Cautionary Statement Regarding Forward Looking Statements

This Quarterly Report on Form 10-Q and other materials we have filed or may file with the SEC, as well as information included in oral statements made, or to be made, by our senior management contain certain "forward-looking statements" as that term is defined by the Private Securities Litigation Reform Act of 1995. All statements regarding our expected future financial position, results of operations, cash flows, funds from operations, continued performance improvements, ability to service and refinance our debt obligations, ability to finance growth opportunities, and similar statements including, without limitation, those containing words such as "may," "will," "should," "believes," "anticipates," "expects," "intends," "estimates," "plans," "projects," "target," "likely" and other similar expressions, are forward-looking statements.

Forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results in future periods to differ materially from those projected or contemplated in the forward-looking statements as a result of factors including, but not limited to, the following:

* We depend on the operating success of our managers, tenants and borrowers and if their financial condition or business prospects deteriorate, our financial condition and results of operations could be adversely affected;

* We are exposed to the risk that our managers, tenants and borrowers may become subject to bankruptcy or insolvency proceedings;

* A small number of tenants in our portfolio account for a significant percentage of the rent we expect to generate from our portfolio, and the failure of any of these tenants to meet their obligations to us could materially and adversely affect our business, financial condition and results of operations;

* Actual or perceived risks associated with pandemics, epidemics or outbreaks have had and may in the future have a material adverse effect on our managers', tenants' and borrowers' business and results of operations;

* A member of our Board of Directors is also the chairperson of the board of directors of National HealthCare Corporation ("NHC"), and his interests may differ from those of our stockholders;

* We are exposed to risks related to governmental regulation and payors, principally Medicare and Medicaid, and the effect of changes to laws, regulations and reimbursement rates on our tenants' and borrowers' business;

* We are exposed to the risk that the cash flows of our managers, tenants and borrowers may be adversely affected by increased liability claims and liability insurance costs;

* We are exposed to the risk that we may not be fully indemnified by our managers, tenants and borrowers against future litigation;

* We depend on the success of property development and construction activities, which may fail to achieve the operating results we expect;

* We are exposed to the risk that the illiquidity of real estate investments could impede our ability to respond to adverse changes in the performance of our properties;

* Our investments are concentrated in healthcare properties;

* We are subject to risks related to our investment with Life Care Services for Timber Ridge, an entrance-fee continuing care retirement community ("CCRC"), associated with Type A benefits offered to the residents of the CCRC and the related accounting requirements;

* We are exposed to risks associated with our investments in Timber Ridge OpCo, LLC, including our lack of sole decision-making authority, our reliance on the financial condition of other interests and related healthcare operations of the entity;

* Inflation and increased interest rates may adversely affect our financial condition and results of operations;

* Adverse developments affecting the financial services industry, including events or concerns involving liquidity, defaults, or non-performance by financial institutions, could adversely affect our business, financial condition, results of operations, or prospects;

* Adverse geopolitical developments could have a material adverse impact on our business;

* We are exposed to operational risks with respect to our Senior Housing Operating Portfolio ("SHOP") structured communities;

* A cybersecurity incident or other form of data breach involving Company information could cause a loss of confidential consumer and other personal information, give rise to remediation and other expenses, expose us to liability under privacy and security and consumer protection laws, subject us to federal and state governmental inquiries, damage our reputation, and otherwise be disruptive to our business;

* We are exposed to risks related to environmental laws and the costs associated with liabilities related to hazardous substances;

* We are subject to risks of damage from catastrophic weather and other natural or man-made disasters and the physical effects of climate change;

* We depend on the success of our future acquisitions and investments;

* We depend on our ability to reinvest cash in real estate investments in a timely manner and on acceptable terms;

* Competition for acquisitions may result in increased prices for properties;

* We depend on our ability to retain our management team and other personnel and attract suitable replacements should any such personnel leave;

* We are exposed to the risk that our assets may be subject to impairment charges;

* Our ability to raise capital through equity sales is dependent, in part, on the market price of our common stock, and our failure to meet market expectations with respect to our business, or other factors we do not control, could negatively impact such market price and availability of equity capital;

* Settlement provisions contained in the August 2024 forward sale agreements and at-the-market forward sale agreements or any other forward sale agreement we may enter into could result in substantial dilution to our earnings per share or result in substantial cash payment obligations;

* In case of our bankruptcy or insolvency, any forward sale agreement in effect will automatically terminate, and we would not receive the expected proceeds from such forward sale of shares of our common stock;

* The U.S. federal income tax treatment of the cash that we might receive from cash settlement of the forward sale agreements in unclear and could jeopardize our ability to meet the real estate investment trust ('REIT") qualification requirements;

* We may need to refinance existing debt or incur additional debt in the future, which may not be available on terms acceptable to us;

* We have covenants related to our indebtedness which impose certain operational limitations and a breach of those covenants could materially adversely affect our financial condition and results of operations;

* Downgrades in our credit ratings could have a material adverse effect on our cost and availability of capital;

* We rely on external sources of capital to fund future capital needs, and if we encounter difficulty in obtaining such capital, we may not be able to make future investments necessary to grow our business or meet maturing commitments;

* We depend on revenues derived mainly from fixed rate investments in real estate assets, while a portion of our debt used to finance those investments bears interest at variable rates, which subjects us to interest rate risk;

* We depend on the ability to continue to qualify for taxation as a REIT for U.S. federal income tax purposes;

* There are no assurances of our ability to pay dividends in the future;

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

* Our ownership of and relationship with any taxable REIT subsidiary ("TRS") 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;

* Actions of activist investors could be disruptive and potentially costly and the possibility that activist investors may seek changes that conflict with our strategic direction could cause uncertainty about the strategic direction of our business;

* Legislative, regulatory, or administrative changes could adversely affect us or our security holders;

* Adverse economic effects from international trade disputes (including threatened or implemented tariffs imposed by the U.S. and threatened or implemented tariffs imposed by foreign countries in retaliation) or similar events impacting economic activity could have a material adverse effect on our results of operations;

* We have ownership limits in our charter with respect to our common stock and other classes of capital stock which may delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or might otherwise be in the best interests of our stockholders; and

* We are subject to certain provisions of Maryland law and our charter and bylaws that could hinder, delay or prevent a change in control transaction, even if the transaction involves a premium price for our common stock or our stockholders believe such transaction to be otherwise in their best interests.

See the notes to the annual audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2024, "Business" and "Risk Factors" under Part I, Item 1 and Item 1A, respectively, therein and "Risk Factors" under Part II, Item 1A of this Quarterly Report on Form 10-Q for a further discussion of these risks and of various governmental regulations and other operating factors relating to the healthcare industry and the risk factors inherent therein. You should carefully consider these risks before making any investment decisions in the Company. These risks and uncertainties are not the only ones facing the Company. There may be additional risks that we do not presently know of and/or that we currently deem immaterial. If any of the risks actually occur, our business, financial condition, results of operations, or cash flows could be materially and adversely affected. In that case, the trading price of our common stock could decline, and you may lose part or all of your investment. Given these risks and uncertainties, we can give no assurance that these forward-looking statements will, in fact, occur. We caution readers not to place undue reliance on such forward-looking statements, which speak only as of the dates made. We undertake no obligation to revise or update any of the forward-looking statements to reflect subsequent events or circumstances except to the extent required by applicable law.

Executive Overview

National Health Investors, Inc., established in 1991 as a Maryland corporation, is a self-managed REIT specializing in sale- leaseback, joint venture, and mortgage and mezzanine financing of need-driven and discretionary senior housing and medical facility investments. We operate through two reportable segments: Real Estate Investments and SHOP. Our Real Estate Investments segment consists of real estate investments, leases, and mortgage and other notes receivable in independent living facilities ("ILFs"), assisted living facilities ("ALFs"), entrance-fee communities ("EFCs"), senior living campuses ("SLCs"), skilled nursing facilities ("SNFs") and hospitals ("HOSPs"). We fund our investments primarily through: (1) operating cash flow,

(2) debt offerings, including bank lines of credit and term debt, both unsecured and secured, and (3) the sale of equity securities. Our SHOP segment is comprised of two ventures that own the operations of 15 ILFs that provide residential living and other services for residents located throughout the United States that are operated on behalf of the Company by independent managers pursuant to the terms of separate management agreements. The third-party managers, or related parties of the managers, own equity interests in the respective ventures.

Real Estate Investments

As of March 31, 2025, we had investments in real estate and mortgage and other notes receivable involving 190 facilities located in 32 states. These investments were comprised of 118 senior housing properties, 70 SNFs and two HOSPs with an aggregate gross investment of approximately $2.7 billion, rented under primarily triple-net leases to 30 tenants, and with $278.7 million in aggregate carrying value of mortgage and other notes receivable, excluding an allowance for expected credit losses of $18.9 million, due from 17 borrowers.

We classify all of the properties in our Real Estate Investments segment as either senior housing or medical facilities. Because our leases represent different underlying revenue sources and result in differing risk profiles, we further classify our senior housing properties as either need-driven (ALFs and SLCs) or discretionary (ILFs and EFCs).

Senior Housing – Need-Driven includes ALFs and SLCs which primarily attract private payment for services from residents who require assistance with activities of daily living. Need-driven properties are subject to regulatory oversight.

Senior Housing – Discretionary includes ILFs and EFCs which primarily attract private payment for services from residents who are making the lifestyle choice of living in an age-restricted multi-family community that offers social programs, meals, housekeeping, and in some cases access to healthcare services. Discretionary properties are subject to limited regulatory oversight. There is a correlation between demand for this type of community and the strength of the housing market.

Medical Facilities within our Real Estate Investments segment receive payment primarily from Medicare, Medicaid and health insurance. These properties include SNFs and HOSPs that attract patients who have a need for acute or complex medical attention, preventative medicine, or rehabilitation services. Medical properties are subject to state and federal regulatory oversight and, in the case of hospitals, Joint Commission accreditation.

Senior Housing Operating Portfolio

Our SHOP segment is comprised of two ventures that own the underlying independent living operations of 15 ILFs. These ventures, consolidated by the Company, are structured to comply with REIT requirements and utilize the TRS for activities that would otherwise be non-qualifying for REIT purposes. The properties are operated by two third-party property managers in exchange for 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. As of March 31, 2025, our SHOP segment consisted of 15 ILFs located in eight states, with a combined 1,732 units.

The following tables summarize our portfolio, excluding $2.6 million for our corporate office and a credit loss reserve of $18.9 million, as of and for the three months ended March 31, 2025 (*$ in thousands*):

Real Estate Investments and SHOP

	Properties	Beds/Units	NOI[1]	% Total	Gross Investment
Real Estate Properties					
Senior Housing - Need-Driven					
Assisted Living	81	4,616	$ 20,384	27.0 %	$ 967,89
Senior Living Campus	10	1,229	4,262	5.7 %	250,42
Total Senior Housing - Need-Driven	91	5,845	24,646	32.7 %	1,218,32
Senior Housing - Discretionary					
Independent Living	7	846	1,705	2.3 %	100,34
Entrance-Fee Communities	11	2,943	15,945	21.1 %	750,34
Total Senior Housing - Discretionary	18	3,789	17,650	23.4 %	850,68
Total Senior Housing	109	9,634	42,296	56.1 %	2,069,00
Medical Facilities					
Skilled Nursing Facilities	65	8,524	22,301	29.5 %	557,99
Hospitals	1	87	1,082	1.4 %	42,29
Total Medical Facilities	66	8,611	23,383	30.9 %	600,29
Disposals	—	—	300	0.4 %	–
Total Real Estate Properties	175	18,245	65,979	87.4 %	2,669,30
Mortgage and Other Notes Receivable					
Senior Housing - Need-Driven	7	655	409	0.5 %	2,55
Senior Housing - Discretionary	2	251	2,035	2.7 %	113,68
Skilled Nursing Facilities	5	611	792	1.0 %	42,48
Hospitals	1	36	260	0.3 %	14,64
Other Notes Receivable	—	—	2,925	4.0 %	105,30
Current Year Note Payoffs	—	—	28	— %	–
Total Mortgage and Other Notes Receivable	15	1,553	6,449	8.5 %	278,68
SHOP					
Independent Living	15	1,732	3,086	4.1 %	359,82
Total	205	21,530	$ 75,514	100.0 %	$ 3,307,80

[1] Excludes Non-segment/Corporate NOI

Portfolio Summary	Properties	NOI	% Portfolio	Gross Investment
Real Estate Properties	175	$ 65,979	87.4 %	$ 2,669,300
Mortgage and Other Notes Receivable	15	6,449	8.5 %	278,680
SHOP	15	3,086	4.1 %	359,820
Total Portfolio	205	$ 75,514	100.0 %	$ 3,307,800
Portfolio by Operator Type				
Public	60	$ 19,569	25.9 %	$ 480,022
National Chain (Privately Owned)	3	2,839	3.8 %	172,385
Regional	120	47,285	62.6 %	2,196,481
Small	7	2,407	3.2 %	99,092
Disposals	—	300	0.4 %	—
Current Year Note Payoffs	—	28	— %	—
Total Real Estate Investments Portfolio	190	72,428	95.9 %	2,947,980
SHOP	15	3,086	4.1 %	359,820
Total Portfolio	205	$ 75,514	100.0 %	$ 3,307,800

The following table summarizes the geographic concentration of net operating income ("NOI") of our portfolio, excluding Non-segment/Corporate NOI, for the three months ended March 31, 2025 and 2024 (*$ in thousands*).

	Three Months Ended March 31,	
Location	2025	2024
South Carolina	$ 9,339	$ 8,573
Texas	7,977	7,822
Florida	6,788	6,764
North Carolina	5,957	2,801
Tennessee	5,049	5,408
All others	40,404	36,970
NOI	$ 75,514	$ 68,338

For the three months ended March 31, 2025, operators of facilities in our Real Estate Investments portfolio that provided 3% or more individually, and 59% collectively, of our total revenues were (parent company, in alphabetical order): Bickford Senior Living ("Bickford"); Discovery Senior Living ("Discovery"); Encore Senior Living ("Encore"); Health Services Management; NHC; Senior Living Communities ("Senior Living"); Spring Arbor and The Ensign Group.

As of March 31, 2025, our average effective annualized NOI for the lease properties in our Real Estate Investments segment was $10,465 per bed for SNFs, $14,159 per unit for SLCs, $18,497 per unit for ALFs, $8,060 per unit for ILFs, $21,673 per unit for EFCs and $49,758 per bed for the HOSPs. As of March 31, 2025, our average effective annualized NOI for the SHOP segment was $7,122 per unit.

Substantially all of our revenues and sources of cash flows from operations are rents paid under operating leases for real estate, revenues under resident agreements and interest earned on mortgage and other notes receivable. These revenues represent a primary source of liquidity to fund our distributions to stockholders and depend upon the performance of the operators and managers. Operating difficulties experienced by our operators and managers could have a material adverse effect on their ability to meet their financial and other contractual obligations to us, as well as on our results of operations. We monitor operator performance through periodic reviews of operating results for each facility, covenant compliance and property inspections, among other activities.

Critical Accounting Policies and Estimates

There have been no significant changes to our critical accounting policies and estimates from the information provided in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in our Annual Report on Form 10-K for the year ended December 31, 2024.

Investment Activity

Operator	Date	Properties	Asset Class	Land	Building and Improvements	Total
Generations, LLC	Q1 2025	1	SLC	$ 3,062	$ 18,138	$ 21,200
Mainstay Healthcare[1]	Q1 2025	1	ALF	2,864	5,736	8,600
Juniper Communities, LLC	Q1 2025	1	ALF	4,154	42,130	46,284
				$ 10,080	$ 66,004	$ 76,084

[1] This property was acquired in a deed in lieu of foreclosure transaction with Senior Living Management to satisfy the repayment of its $10.0 million mortgage note receivable. See "*Cash Basis Tenants*" below.

In January 2025, we acquired a 108-unit assisted living and memory care community in Montrose, Colorado. The acquisition price was $21.2 million, including $0.2 million in closing costs. The 10-year lease, which includes two five-year extension options, has an initial lease rate of 8% with fixed annual escalators of 2%.

In March 2025, we acquired a 120-unit assisted living and memory care community in Bergen County, New Jersey. The acquisition price was $46.3 million, including $0.3 million in closing costs. The 15-year lease, which includes two five-year extension options, has an initial lease rate of 7.95% with fixed annual escalators of 2%. The lease includes a $0.8 million capital improvement funds, which will be added to the respective lease base, if funded.

Vizion Health Loan Amendment

In March 2025, we amended a mezzanine loan agreement with affiliates of Vizion Health and funded an additional $5.3 million in the first quarter of 2025. The balance of the loan as of March 31, 2025 was $18.0 million. The amendment to the loan agreement provides for an interest rate of 9.15% and a maturity date in May 2028.

Second Quarter 2025 Investments

In April 2025, we acquired a portfolio of six memory care communities located in Nebraska for a total purchase price of $63.5 million, including $0.3 million in closing costs. The 15-year master lease, which includes two five-year extension options, has an initial lease rate of 8.0% with fixed annual escalators of 2%. A deposit of $7.0 million, which was included in "*Other assets, net*" on the Condensed Consolidated Balance Sheet as of March 31, 2025, was applied to the purchase price. Cash on hand as of March 31, 2025 was used to fund the remaining purchase price.

In May 2025, we entered into an agreement to fund up to $28.0 million on a construction loan for the development of an 84-unit assisted living and memory care facility to be located in Wyoming, Michigan and operated by Encore. The loan agreement provides for an annual interest rate of 9.0%.

Impairments of Long-Lived Assets

We reduce the carrying value of impaired properties to their estimated fair value or, with respect to the properties classified as assets held for sale, to the estimated fair value less costs to sell. To estimate the fair values of the properties, we utilized a market approach which considered binding agreements for sales (Level 1 inputs), non-binding offers to purchase from unrelated third parties, broker quotes of estimated values (Level 3 inputs), and/or independent third-party valuations (Level 1 and 3 inputs). During the three months ended March 31, 2025 and 2024, we did not recognize any impairment charges.

We lease a SLC that is subject to an outstanding purchase and sale agreement for the tenant to acquire the property for approximately $38.5 million. The purchase and sale agreement, as amended, expires in June 2025. The property continues to be classified as held and used and is leased pursuant to the existing triple-net lease that generates approximately $2.8 million in annual rent and expires in July 2027. The property will be reclassified to assets held for sale when the sale becomes probable,

including when the tenant demonstrates its ability to obtain sufficient financing to close on the sale of the property within the terms of the purchase and sale agreement. The property had a net investment of $18.9 million as of March 31, 2025.

Other

Our leases for real estate are typically structured as "triple-net leases" on single-tenant properties having an initial leasehold term of 10 to 15 years with one or more five-year renewal options. As such, there may be reporting periods in which we experience few, if any, lease renewals or expirations. During the three months ended March 31, 2025, we did not have any significant renewing or expiring leases. Most of our existing leases contain annual escalators in rent payments. For financial statement purposes, rental income is recognized on a straight-line basis over the term of the lease.

Certain of our leases contain purchase options allowing tenants to acquire the leased properties at a fixed base price plus a specified share in any appreciation, fixed base price, or a fixed minimum internal rate of return on our investment. At March 31, 2025, tenants had purchase options on four properties with an aggregate net investment of $76.6 million that will become exercisable between 2028 and 2031. Rental income from these properties with tenant purchase options was $2.5 million and $1.8 million for three months ended March 31, 2025 and 2024, respectively.

We cannot reasonably estimate at this time the probability that any purchase options will be exercised in the future. Consideration to be received from the exercise of any tenant purchase option is expected to exceed our net investment in the leased property or properties.

Discovery Senior Living

Effective May 1, 2025, we amended our triple-net master lease with Discovery Senior Living for a portfolio of six senior housing properties held in a consolidated real estate partnership with an aggregate net book value of $126.8 million as of March 31, 2025 that is owned by both parties to reset the contractual rent that took effect May 1, 2025 to $0.5 million per month. As part of the amendment, we obtained the right, but not the obligation, to pursue, negotiate, engage and otherwise enter into a new agreement with a new manager with respect to these leased properties. The straight-line rent receivable associated with the in-place lease is $9.3 million as of March 31, 2025. This receivable will be reduced to its realizable value when management determines the transition is probable of occurring and the existing lease will be terminated. Rental income recognized associated with this lease was $1.5 million for the three months ended March 31, 2025 and 2024.

Tenant Concentration

The following table contains information regarding concentration in our Real Estate Investments portfolio of tenants or affiliates of tenants that exceed 10% of total revenues as of and for the three months ended March 31, 2025 and 2024, excluding $2.6 million for our corporate office, a credit loss reserve of $18.9 million and $359.8 million in real estate assets for the SHOP segment (*$ in thousands*):

		As of March 31, 2025		Revenues[1]			
	Asset Class	Gross Real Estate	Notes Receivable	Three Months Ended March 31, 2025		2024	
Senior Living	EFC	$ 577,493	$ 47,686	$ 13,727	15%	$ 12,815	16%
NHC	SNF	133,770	—	10,785	12%	11,246	14%
Bickford	ALF	428,342	16,044	10,651	12%	10,054	12%
All others, net	Various	1,529,695	214,950	37,307	42%	31,409	39%
Escrow funds received from tenants for property operating expenses	Various	—	—	2,887	3%	2,733	3%
		$ 2,669,300	$ 278,680	75,357		68,257	
Resident fees and services[2]				13,939	16%	13,256	16%
				$ 89,296		$ 81,513	

[1] Includes interest income on notes receivable and rental income from properties classified as assets held for sale.
[2] There is no tenant concentration in "Resident fees and services" because these agreements are with individual residents.

Straight-line rents revenue of $(0.2) million and $(0.7) million and interest income of $0.9 million and $0.9 million were recognized from the Senior Living investments for the three months ended March 31, 2025 and 2024, respectively. Straight-line rents revenue of $0.2 million and $0.1 million was recognized from NHC for the three months ended March 31, 2025 and 2024, respectively. Interest income of $0.6 million and $0.7 million was recognized from the Bickford notes receivable for the three months ended March 31, 2025 and 2024, respectively. Reference Note 3 and 4 to the condensed consolidated financial statements included in this report.

Senior Living

As of March 31, 2025, we leased ten retirement communities to Senior Living. We have provided a $15.0 million revolving line of credit to Senior Living, whose borrowings under the revolver are to be used for working capital needs and to finance construction projects within its portfolio, including building additional units. The revolver matures in December 2031 at the time of the Senior Living lease maturity. At March 31, 2025, the revolver was fully funded and bore interest at 8.0% per annum.

NHC

The master lease for the three ILFs and 32 SNFs leased to NHC expires on December 31, 2026. The master lease contains two additional five-year renewal options at a fair rental value as negotiated between the parties. We have engaged Blueprint Healthcare Real Estate Advisors, a national advisory firm focused on skilled nursing and senior housing, to assist with underwriting, diligence, and market analysis with respect to the master lease renewal.

Bickford

As of March 31, 2025, we leased 38 facilities to Bickford under four master leases. Bickford has been on the cash basis of revenue recognition since the second quarter of 2022 based upon information obtained from Bickford regarding its financial condition that has raised substantial doubt as to its ability to continue as a going concern.

Cash Basis Tenants

We had two tenants, including Bickford, on the cash basis of accounting for revenue recognition for their leasing arrangements based on our assessment of each tenant's ability to satisfy its contractual obligations as of March 31, 2025. As of March 31. 2024, we had three tenants, including Bickford, on the cash basis of accounting for revenue recognition for their leasing arrangements. Cash rents received from these tenants for the three months ended March 31, 2025 and 2024 were as follows (*$ in thousands*):

	Three Months Ended March 31,	
	2025	2024
Bickford	$ 9,984	$ 9,364
All others	1,480	2,401
Total rental income from cash basis operators	$ 11,464	$ 11,765

Senior Living Management

Effective January 1, 2025, the remaining two properties leased to Senior Living Management ("SLM") were transitioned to a new operator had been serving as the interim manager of the properties. We executed a new 15-year triple net master lease, which includes two five-year extension options, with the new operator. The master lease generates approximately $1.1 million in annual rent with fixed annual escalators of 2%.

In February 2025, we acquired an assisted living facility in Oviedo, Florida through the completion of a deed in lieu of foreclosure to settle a $10.0 million non-performing mortgage note receivable. Reference Note 4 for further discussion of the non-performing notes receivable from SLM. We recorded the real estate assets acquired at their estimated fair values of $8.6 million. The net carrying value of the mortgage note receivable prior to completing the deed in lieu of foreclosure was $8.6 million. We executed a lease with a new operator who was serving as the interim manager. The lease generates approximately $0.7 million in annual rent.

As of March 31, 2025, we had a $14.5 million mezzanine loan designated as non-performing due from affiliates of SLM. Interest income recognized, representing cash received, from the mezzanine loan was $0.4 million for three months ended March 31, 2024. The credit loss reserve related to the non-performing loan with SLM totaled $13.3 million at March 31, 2025.

In May 2025, we received $2.5 million in partial repayment of the principal on the $14.5 million unsecured loan due from SLM that is classified as non-performing. This repayment will result in a reduction of the reserve on this loan and a reduction of the credit loss expense of approximately $1.3 million in the second quarter of 2025.

Occupancy

The following table summarizes the average portfolio occupancy for Senior Living, Bickford and SHOP for the periods indicated, excluding development properties in operation less than 24 months, notes receivable, and properties transitioned to new tenants or disposed of.

	Properties	1Q24	2Q24	3Q24	4Q24	1Q25
Senior Living Same-Store	9	83.4%	83.9%	84.1%	84.8%	85.2%
Senior Living	10	82.8%	83.1%	83.0%	83.8%	84.3%
Bickford Same-Store[1]	37	85.4%	85.0%	85.8%	86.9%	84.7%
Bickford[2]	38	85.8%	85.4%	86.2%	87.3%	85.0%
SHOP	15	85.3%	87.0%	88.6%	89.4%	89.2%

[1] All prior periods restated for the sale of an ALF in Indiana that occurred in October 2024.
[2] Includes the Chesapeake, Virginia building which opened in the second quarter of 2022. NHI exercised its purchase option in February 2023.

Tenant Monitoring

Our operators report to us the results of their operations on a periodic basis, which we in turn subject to further analysis as a means of monitoring potential concerns within our portfolio. We have identified EBITDARM (earnings before interest, taxes, depreciation, amortization, rent and management fees) as a primary performance measure for our tenants, based on results they have reported to us. We believe EBITDARM is useful in our most fundamental analyses, as it is a property-level measure of an operator's success, by eliminating the effects of the operator's method of acquiring the use of its assets (interest and rent), its non-cash expenses (depreciation and amortization), and expenses that are dependent on its level of success (income taxes), and also excluding the effect of the operator's payment of its management fees, as typically those fees are contractually subordinate to our lease payment. For operators of our EFCs, our calculation of EBITDARM includes other cash flow adjustments typical of the industry which may include, but are not limited to, net cash flows from entrance fees; amortization of deferred entrance fees; adjustments for tenant rent obligations; and management fee true-ups. The eliminations and adjustments reflect covenants in our leases and provide a comparable basis for assessing our various relationships.

We believe that EBITDARM is a useful way to analyze the cash potential of a group of assets. From EBITDARM we calculate a coverage ratio (EBITDARM/cash rent), measuring the ability of the operator to meet its monthly obligation. In addition to EBITDARM and the coverage ratio, we rely on a careful balance sheet analysis and other analytical procedures to help us identify potential areas of concern relative to our operators' ability to generate sufficient liquidity to meet their obligations, including their obligation to continue to pay the amount due to us. Typical among our operators is a varying lag in reporting to us the results of their operations. Across our portfolio, however, our operators report their results, typically within either 30 or 45 days and at the latest, within 90 days of month's end. For computational purposes, we exclude mortgage and other notes receivable, and development and lease-up properties that have been in operation less than 24 months. For stabilized acquisitions in the portfolio less than 24 months and renewing leases with changes in scheduled rent, we include pro forma cash rent. Same-store portfolio coverage excludes properties that have transitioned operators in the past 24 months or assets subsequently sold except as noted.

The results of our coverage ratio analysis are presented below on a trailing twelve-month basis as of December 31, 2024 and 2023 (the most recent periods available).

NHI Real Estate Investments Portfolio[1]

Property Type	SH	SNF	MEDICAL NON-SNF	TOTAL
Properties	104	68	1	173
4Q23 Coverage	1.42x	2.82x	3.03x	1.94x
4Q23 Occupancy	83.7%	81.4%	79.7%	82.6%
4Q24 Coverage	1.53x	3.06x	2.85x	2.09x
4Q24 Occupancy	85.9%	83.3%	77.6%	84.6%

Property Class	Need Driven	Need Driven excl. Bickford	Discretionary	Discretionary excl. Senior Living	Medical	Medical excl. NHC
Properties	90	52	14	5	69	34
4Q23 Coverage	1.32x	1.13x	1.54x	1.63x	2.83x	2.07x
4Q23 Occupancy	83.9%	84.3%	83.3%	84.3%	81.4%	73.6%
4Q24 Coverage	1.41x	1.23x	1.67x	1.86x	3.05x	2.21x
4Q24 Occupancy	86.1%	86.0%	85.7%	88.5%	83.2%	76.8%

Customers	NHC[2]	Senior Living[3]	Bickford[3]
Properties	35	10	38
4Q23 Coverage	3.80x	1.48x	1.62x
4Q23 Occupancy	87.9%	81.9%	83.2%
4Q24 Coverage	4.11x	1.56x	1.69x
4Q24 Occupancy	88.6%	83.2%	86.2%

[1]All tables based on trailing 12 months; excludes transitioned properties under cash-flow based leases, loans and mortgages; excludes development and lease-up properties in operation less than 24 months; and includes proforma cash rent for stabilized acquisitions in the portfolio less than 24 months.
[2]NHC Fixed Charge Coverage Ratio and displayed occupancies are on corporate-level. The occupancies are for the SNF portfolio only as can be seen in NHC's public filings.
[3]There are no longer any significant PPP funds included in any of the coverages above. Senior Living operates nine discretionary CCRC properties and one need-driven assisted living community. Bickford pro forma coverages at the increased rent, effective April 2024, are 1.66x and1.47x for the trailing twelve months ending December 31, 2024 and 2023, respectively. Including the April 2024 rent increase and deferred rent repayments, results in Bickford proforma coverages were 1.46x and 1.31x for the trailing twelve months ending December 31, 2024 and 2023, respectively.

Fluctuations in portfolio coverage are a result of market and economic trends, local market competition, and regulatory factors, as well as the operational success of our tenants. We use the results of individual leases to inform our decision making with respect to specific tenants, but trends described above by property type and operator bear analysis. For many of the affected operators, as is typical of our portfolio in general, NHI has security deposits in place and/or corporate guarantees should actual cash rental shortfalls eventually materialize. In certain instances, our operators may increase their security deposits with us in an amount equal to the coverage shortfall, and, upon subsequent compliance with the required lease coverage ratio, the operator would then be entitled to a full refund. The sufficiency of credit enhancements (*e.g.*, tenant deposits and guarantees) as a protection against economic downturn will be a focus as we monitor economic and financial conditions. The metrics presented in the tables above give no effect to the presence of these security deposits.

Real Estate and Mortgage Write-downs

In addition to inflation risk and increased interest rates, our borrowers and tenants experience periods of significant financial pressures and difficulties similar to those encountered by other healthcare providers. We have no significant intangible assets currently recorded on our Condensed Consolidated Balance Sheet as of March 31, 2025, that would require assessment for impairment.

We have established a reserve for estimated credit losses of $18.9 million and a liability of $0.1 million for estimated credit losses on unfunded loan commitments as of March 31, 2025. We evaluate the reserves for estimated credit losses on a quarterly basis and make adjustments based on current circumstances as considered necessary.

We believe that the carrying amounts of our real estate properties are recoverable and that mortgage and other notes receivable, net of reserves, are realizable and supported by the value of the underlying collateral. However, it is possible that future events could require us to make additional significant adjustments to these carrying amounts. Refer to Notes 3 and 4 in the condensed consolidated financial statements included in this report for more information.

Results of Operations

The significant items affecting revenues and expenses are described below (*$ in thousands*):

	Three Months Ended March 31,		Period Change	
	2025	2024	$	%
Revenues:				
Rental income				
ALFs leased to Spring Arbor Senior Living	$ 2,496	$ —	$ 2,496	NM
ALFs leased to Encore	2,225	1,283	942	73.4 %
ALFs leased to Bickford	9,984	9,364	620	6.6 %
Other new and existing leases	50,289	49,353	936	1.9 %
Disposals	300	485	(185)	(38.1) %
	65,294	60,485	4,809	8.0 %
Straight-line rents adjustments, new and existing leases	1,410	(308)	1,718	NM
Amortization of lease incentives	(725)	(723)	(2)	0.3 %
Escrow funds received from tenants for property operating expenses	2,887	2,733	154	5.6 %
Total Rental Income	68,866	62,187	6,679	10.7 %
Resident fees and services	13,939	13,256	683	5.2 %
Interest income and other				
Encore	614	1,130	(516)	(45.7) %
Capital Funding Group	2,103	1,432	671	46.9 %
The Sanders Trust, LLC	260	—	260	NM
Compass Senior Living	207	—	207	NM
Mainstay Healthcare	199	—	199	NM
Loan payoffs	28	—	28	NM
Other new and existing mortgages and notes	3,038	3,380	(342)	(10.1) %
Total Interest Income from Mortgage and other notes receivable	6,449	5,942	507	8.5 %
Other income	42	128	(86)	(67.2) %
Total Revenues	89,296	81,513	7,783	9.5 %
Expenses:				
Depreciation				
ALFs leased to Spring Arbor Senior Living	845	—	845	NM
Other new and existing assets	18,312	17,505	807	4.6 %
Total Depreciation	19,157	17,505	1,652	9.4 %
Interest	14,337	14,869	(532)	(3.6) %
Senior housing operating expenses	10,853	10,314	539	5.2 %
Legal	1,426	236	1,190	NM
Franchise, excise and other taxes	269	(187)	456	NM
Proxy contest and related	264	—	264	NM
Taxes and insurance on leased properties	2,887	2,733	154	5.6 %
Other expenses	6,815	5,652	1,163	20.6 %
Total Expenses	56,008	51,122	4,886	9.6 %
Gains on sales of real estate, net	114	100	14	14.0 %
Gains from equity method investment	415	166	249	NM
Net income	33,817	30,657	3,160	10.3 %
Add: net loss attributable to noncontrolling interests	348	290	58	20.0 %
Net income attributable to stockholders	34,165	30,947	3,218	10.4 %
Less: net income attributable to unvested restricted stock awards	(52)	(32)	(20)	62.5 %
Net income attributable to common stockholders	$ 34,113	$ 30,915	$ 3,198	10.3 %

NM - not meaningful

Financial highlights for the three months ended March 31, 2025, compared to the same period of 2024, were as follows:

- Rental income recognized from our tenants increased $6.7 million, or 10.7%, primarily as a result of new investments funded since March 2024 partially offset by a decrease in rent received from cash basis tenants of approximately $0.3 million and as a result of properties disposed of since March 2024. See Note 3 to the condensed consolidated financial statements included in this report.

- Escrow funds received for reimbursement of property operating expenses totaled $2.9 million for the three months ended March 31, 2025, compared to $2.7 million for the three months ended March 31, 2024, and are reflected as a component of rental income. These expenses are recognized in operating expenses in the line item "*Taxes and insurance on leased properties*" in the Condensed Consolidated Statements of Income. The increase in the reimbursement income and corresponding property expenses is due to increased amounts received from tenants and expenses paid on their behalf.

- Resident fees and services less senior housing operating expenses increased $0.1 million, or 5%, primarily due to increased revenues from higher occupancy in our SHOP segment in the current period. See Note 5 to the condensed consolidated financial statements included in this report.

- Interest income from mortgages and other notes increased $0.5 million, or 8.5%, primarily due to new and existing loan fundings, net of paydowns on loans.

- Interest expense decreased $0.5 million, or 3.6%, primarily as the result of decreased interest rates and borrowings on the Credit Facility.

- Legal increased $1.2 million primarily due to the expense of fees incurred related to a large SHOP transaction that is no longer probable of occurring. Approximately $0.6 million relates to amounts that were included in "*Other assets, net*" as of December 31, 2024.

- Franchise, excise and other taxes increased $0.5 million due to the receipt of refunds in two states during the three months ended March 31, 2024, while no comparable refunds were received during the three months ended March 31, 2025.

- Proxy contest and related expense represents proxy advisory costs incurred related to our response to a proxy campaign associated with our 2025 annual stockholders meeting. There were no such cost incurred for the three months ended March 31, 2024.

Liquidity and Capital Resources

At March 31, 2025, we had $252.8 million available to draw on our $700.0 million Credit Facility, $135.0 million in unrestricted cash and cash equivalents, the ability to access approximately $68.9 million of undrawn net proceeds through ATM forward sale agreements, and the potential to access $409.0 million through the issuance of common stock under the Company's at-the-market ("ATM") equity program. In addition, the Company maintains an effective automatic shelf registration statement through which capital could be raised through the issuance of debt and/or equity securities.

Sources and Uses of Funds

Our primary sources of cash include rent payments, receipts from residents, principal and interest payments on mortgage and other notes receivable, proceeds from the sales of real property, net proceeds from offerings of equity securities and borrowings from our loans and Credit Facility. Our primary uses of cash include debt service payments (both principal and interest), new investments in real estate and notes receivable, dividend distributions to our stockholders, operating expenses for SHOP and general corporate overhead.

These sources and uses of cash are reflected in our Condensed Consolidated Statements of Cash Flows as summarized below (*$ in thousands):*

	Three Months Ended March 31,		One Year Change	
	2025	2024	$	%
Cash and cash equivalents and restricted cash, January 1	$ 26,502	$ 24,617	$ 1,885	7.7 %
Net cash provided by operating activities	46,478	40,827	5,651	13.8 %
Net cash used in investing activities	(75,469)	(16,193)	(59,276)	NM
Net cash provided by (used in) financing activities	139,766	(35,922)	175,688	NM
Cash and cash equivalents and restricted cash, March 31	$ 137,277	$ 13,329	$ 123,948	NM

NM - Not meaningful

Operating Activities – Net cash provided by operating activities for the three months ended March 31, 2025 includes new investments completed, the SHOP ventures, lease payment collections arising from escalators on existing leases and interest payments on new real estate and note investments completed.

Investing Activities – Net cash used in investing activities for the three months ended March 31, 2025 was comprised primarily of $95.8 million of acquisitions of real estate and equipment, investments in mortgage and other notes receivable and renovations offset by the collection of principal on mortgage and other notes receivable of approximately $19.9 million.

Financing Activities – Net cash provided by financing activities for the three months ended March 31, 2025 differed from the same period in 2024 primarily as a result of an approximately $112.5 million increase in net borrowings and a increase of $65.5 million in proceeds from issuance of common shares, net.

Debt Obligations

As of March 31, 2025, we had outstanding net debt of $1.3 billion. Reference Note 8 to the condensed consolidated financial statements included in this report for additional information about our outstanding indebtedness. Also, reference Part I, Item 3 "Quantitative and Qualitative Disclosures About Market Risk" in this report for more details on our indebtedness and the impact of interest rate risk.

Credit Facility - We have a $700.0 million unsecured revolving Credit Facility, which was amended and restated on October 24, 2024 to extend the maturity date from March 2026 to October 2028, which may be further extended by us pursuant to (i) one or both of the two six-month extension options or (ii) one twelve-month extension option. Borrowings under the Credit Facility bear interest, at our election, at one of the following (a) Term Secured Overnight Financing Rate ("SOFR") (plus a credit spread adjustment) plus a margin ranging from 0.725% to 1.40%, (b) Daily SOFR (plus a credit spread adjustment) plus a margin ranging from 0.725% to 1.40% or (c) the base rate plus a margin ranging from 0.00% to 0.40%. In each election, the actual margin is determined according to our credit ratings. The base rate means, for any day, a fluctuating rate per annum equal to the highest of (x) the agent's prime rate, (y) the federal funds rate on such day plus 0.50% or (z) the adjusted Term SOFR for a one-month tenor in effect on such day plus 1.0%. In addition, the Credit Facility requires a facility fee equal to 0.125% to 0.30%, based on our credit rating on the $700.0 million committed capacity, without regard to usage.

The Credit Facility requires that we calculate specified financial statement metrics and meet or exceed a variety of financial ratios, which are usual and customary in nature. These ratios are calculated quarterly and as of March 31, 2025, we were within required limits. The calculation of our leverage ratio involves intermediate determinations of our "total indebtedness" and of our "total asset value," as defined in the Credit Facility.

We have a $200.0 million term loan (the "2025 Term Loan") that bears interest at a variable rate which is SOFR-based with a margin determined according to our credit ratings plus a 0.10% credit spread adjustment. On April 3, 2025, we exercised one of our two six-month options to extend the maturity date from June 2025 to December 2025.

Concurrently with the amendment and restatement of the Credit Facility, we amended the 2025 Term Loan to, among other things, modify the representations, covenants, financial covenants, and events of default to align with the same provisions in the Credit Facility.

As of March 31, 2025, the Credit Facility and 2025 Term Loan bore interest at a rate of one-month Term SOFR (plus a 10 basis points ("bps") spread adjustment) plus 105 bps and 125 bps, based on our debt ratings, or 5.46% and 5.66%, respectively. The facility fee was 25 bps per annum. At April 30, 2025, $467.0 million was outstanding under the revolving facility.

Interest Rate Schedule

The current SOFR spreads and facility fee for our Credit Facility and the 2025 Term Loan reflect our ratings compliance based on the applicable margin for SOFR loans at a debt rating of BBB-/Baa3 in the Interest Rate Schedule provided below in summary format:

	SOFR Spread		
Debt Ratings	Credit Facility	Credit Facility Fee	2025 Term Loan
A+/A1	0.725%	0.125%	0.75%
A/A2	0.725%	0.125%	0.80%
A-/A3	0.725%	0.125%	0.85%
BBB+/Baa1	0.775%	0.150%	0.90%
BBB/Baa2	0.850%	0.200%	1.00%
BBB-/Baa3	1.050%	0.250%	1.25%
Lower than BBB-/Baa3	1.400%	0.300%	1.65%

If our credit rating from at least two credit rating agencies is downgraded below "BBB-/Baa3", the debt under our debt agreements will be subject to defined increases in interest rates and fees.

Fannie Mae Term Loans - As of March 31, 2025, we had $60.1 million in Fannie Mae term-debt mortgage financing that originated in March 2015. This indebtedness matured on April 1, 2025, at which time we repaid all outstanding principal and accrued interest of $60.3 million from proceeds drawn on our Credit Facility on March 31, 2025.

In a December 2017 acquisition, we assumed additional Fannie Mae term-debt mortgage financing that amortizes through 2025 when a balloon payment will be due, bears interest at a rate of 4.6%, and has a remaining balance of $15.6 million at March 31, 2025. Collectively, the Fannie Mae term-debt mortgage financing is secured by properties having a net book value of $97.4 million at March 31, 2025.

2031 Senior Notes - In January 2021, we issued $400.0 million in aggregate principal amount of 3.00% senior notes that mature on February 1, 2031 and pay interest semi-annually (the "2031 Senior Notes"). The 2031 Senior Notes are subject to affirmative and negative covenants, with which we were in compliance at March 31, 2025.

Debt Maturities - Reference Note 8. Debt to the condensed consolidated financial statements included in this report for more information on our debt maturities.

Credit Ratings - Moody's Investors Services reaffirmed its credit rating and a senior unsecured debt rating of Baa3 and "Stable" outlook on the Company on November 1, 2024. Fitch reaffirmed its public issuer credit rating of BBB- and "Stable" outlook on the Company on April 16, 2025 and S&P Global reaffirmed its BBB- rating and "Stable" outlook on the Company on

October 16, 2024. Our unsecured private placement note agreements include a rate increase provision that is effective if any rating agency lowers our credit rating below investment grade and our compliance leverage increases to 50% or more. Any reduction in outlook or downgrade in our credit ratings from the rating agencies could negatively impact our costs of borrowings.

Debt Metrics - We believe that our fixed charge coverage ratio, which is the ratio of Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization, including amounts in discontinued operations, excluding real estate asset impairments and gains on dispositions) to fixed charges (interest expense at contractual rates net of capitalized interest and principal payments on debt), and the ratio of consolidated net debt to Adjusted EBITDA are meaningful measures of our ability to service our debt. We use these two measures as a useful basis to compare the strength of our consolidated balance sheet with those in our peer group. We also believe our consolidated balance sheet gives us a competitive advantage when accessing debt markets.

We calculate our fixed charge coverage ratio as approximately 5.1x for the three months ended March 31, 2025 (see our discussion under the heading "*Adjusted EBITDA"* including a reconciliation to our net income). Giving effect to significant acquisitions, financings, disposals and payoffs on an annualized basis, our consolidated net debt to Annualized Adjusted EBITDA ratio is approximately 4.1x for the three months ended March 31, 2025 (*$ in thousands*):

Consolidated Total Debt	$	1,262,985
Less: cash and cash equivalents		(135,004)
Consolidated Net Debt	$	1,127,981
Adjusted EBITDA	$	68,060
Annualizing adjustment		204,180
Annualized impact of recent investments, disposals and payoffs		4,798
	$	277,038
Consolidated Net Debt to Annualized Adjusted EBITDA		4.1x

Supplemental Guarantor Financial Information

The Company's $700.0 million Credit Facility, $200.0 million 2025 Term Loan, unsecured private placement notes with an aggregate principal amount of $150.0 million, and 2031 Senior Notes with an aggregate principal amount of $400.0 million are fully and unconditionally guaranteed on a senior unsecured basis by each of the Company's subsidiaries, except for certain excluded subsidiaries ("Guarantors"). The Guarantors are either owned or controlled by, or are affiliates of, the Company.

The following tables present summarized financial information for the Company and the Guarantors, on a combined basis after eliminating (i) intercompany transactions and balances among the Guarantors and (ii) equity in earnings from, and any investments in, any subsidiary that is a non-guarantor *($ in thousands)*:

		As of March 31, 2025
Real estate properties, net	$	2,000,492
Other assets, net		492,929
Note receivable due from non-guarantor subsidiary		82,254
Totals assets	$	2,575,675
Debt	$	1,187,282
Other liabilities		72,527
Total liabilities	$	1,259,809
Redeemable noncontrolling interest	$	9,540
Noncontrolling interests	$	734

	Three Months Ended March 31, 2025
Revenues	$ 81,780
Interest revenue on note due from non-guarantor subsidiary	1,422
Expenses	51,234
Gains from equity method investment	415
Gains on sales of real estate, net	114
Net income	$ 32,497
Net income attributable to NHI and the subsidiary guarantors	$ 32,845

Equity

At March 31, 2025, we had 46,693,671 shares of common stock outstanding with a market value of $3.4 billion. Equity on our Condensed Consolidated Balance Sheet totaled $1.4 billion at March 31, 2025.

Dividends - Our Board of Directors approves a regular quarterly dividend which is reflective of expected taxable income on a recurring basis. Taxable income is determined in accordance with the Internal Revenue Code (the "Internal Revenue Code") and differs from net income for financial statements purposes determined in accordance with U.S. generally accepted accounting principles ("GAAP"). Our Board of Directors has historically directed the Company towards maintaining a strong consolidated balance sheet. Therefore, we consider the competing interests of short and long-term debt (interest rates, maturities and other terms) versus the higher cost of new equity, and we accept some level of risk associated with leveraging our investments. We intend to continue to make new investments that meet our underwriting criteria and where the spreads over our cost of equity and debt capital on a leverage neutral basis will generate sufficient returns to our stockholders. We do not expect to utilize borrowings to satisfy the payment of dividends and project that cash flows from operations will be adequate to fund dividends at the current rate.

We intend to comply with REIT dividend requirements that we distribute at least 90% of our annual taxable income for the year ended December 31, 2025 and thereafter. Historically, the Company has distributed at least 100% of annual taxable income. Dividends declared for the fourth quarter of each fiscal year are paid by the end of the following January and are, with some exceptions, treated for tax purposes as having been paid in the fiscal year just ended as provided in Section 857(b)(9) of the Internal Revenue Code.

The following table summarizes dividends declared by the Board of Directors or paid during the three months ended March 31, 2025 and 2024:

Three Months Ended March 31, 2025			
Date of Declaration	Date of Record	Date Paid/Payable	Quarterly Dividend
November 1, 2024	December 31, 2024	January 29, 2025	$0.90
February 14, 2025	March 31, 2025	May 2, 2025	$0.90

Three Months Ended March 31, 2024			
Date of Declaration	Date of Record	Date Paid/Payable	Quarterly Dividend
November 3, 2023	December 29, 2023	January 26, 2024	$0.90
February 16, 2024	March 28, 2024	May 3, 2024	$0.90

On May 2, 2025, the Board of Directors declared a $0.90 per share dividend payable on August 1, 2025 to common stockholders of record as of June 30, 2025.

Forward Sale Agreements - In the first quarter of 2025, we settled the remaining approximately 1.0 million shares of common stock subject to our August 2024 forward equity sale agreement at a forward price of $68.21 per share for proceeds of approximately $65.5 million.

Shelf Registration Statement - We have an automatic shelf registration statement on file with the SEC that allows the Company to offer and sell to the public an unspecified amount of common stock, preferred stock, debt securities, warrants and/or units at prices and on terms to be announced when and if such securities are offered. The details of any future offerings, along with the use of proceeds from any securities offered, will be described in a prospectus supplement or other offering materials, at the time of offering. Our shelf registration statement expires in March 2026.

At-the-Market (ATM) Equity Program - We maintain an ATM equity program which allows us to sell our common stock directly into the market and have entered into an ATM equity offering sales agreement pursuant to which the Company may sell, from time to time, up to an aggregate sales price of $500.0 million of the Company's common stock. The ATM equity program has a forward sale provision which allows us to sell shares of common stock to forward purchasers at a predetermined price at a future date ("the ATM forward sale agreements").

During the three months ended March 31, 2025, we entered into ATM forward sale agreements with a financial institution to sell shares of common stock which mature in the first quarter of 2026. We sold approximately 0.2 million shares on a forward basis at a weighted average price of $74.39 per share net of sales agent fees, or approximately $15.5 million. We did not receive any proceeds from the sale of shares of our common stock by the forward purchasers at the time of the offering.

As of March 31, 2025, the remaining approximately 0.7 million shares of common stock under our December 2024 ATM forward sale agreement were available for settlement at a forward price of $74.12 per share for proceeds of approximately $53.6 million. This forward sale agreement matures in the fourth quarter of 2025.

Our use of ATM proceeds is to allow us to rebalance our leverage in response to our acquisitions and keeps our options flexible for further expansion. We have historically used proceeds from the ATM equity program for general corporate purposes, which may include future acquisitions and repayment of indebtedness, including borrowings under our Credit Facility. We view our ATM program as an effective way to match-fund our smaller acquisitions by exercising control over the timing and size of transactions and achieving a more favorable cost of capital as compared to larger follow-on offerings.

Material Cash Requirements

We had approximately $55.8 million in cash and cash equivalents on hand and $233.0 million in availability under our the Credit Facility as of April 30, 2025. Our expected material cash requirements for the twelve months ended March 31, 2026 and thereafter consist of long-term debt maturities, interest on long-term debt, and contractually obligated expenditures. We expect to meet our short-term liquidity needs largely through cash generated from operations and borrowings under the Credit Facility (refer to the "*Credit Facility" discussion* above), drawdowns on ATM forward sale agreements of our common stock, and sales from real estate investments, although we may choose to seek alternative sources of liquidity. Should we have additional liquidity needs, we believe that we could access long-term financing in the debt and equity capital markets.

Contractual Obligations and Contingent Liabilities

As of March 31, 2025, our contractual payment obligations were as follows *($ in thousands)*:

	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Debt, including interest[1]	$ 1,446,541	$ 372,329	$ 179,941	$ 486,054	$ 408,217
Loan commitments	50,685	18,937	31,748	—	—
Development commitments	17,452	—	17,452	—	—
	$ 1,514,678	$ 391,266	$ 229,141	$ 486,054	$ 408,217

[1] Interest is calculated based on the weighted average interest rate of outstanding debt balances as of March 31, 2025. The calculation also includes a facility fee of 0.25%.

Loan and Development Commitments and Contingencies

The following tables summarize information as of March 31, 2025 related to our outstanding commitments and contingencies, which are more fully described in the notes to the condensed consolidated financial statements (*$ in thousands*):

	Asset Class	Type	Total	Funded or Approved	Remaining
Loan Commitments:					
Carriage Crossing Senior Living Bloomington[1]	SHO	Mortgage	$ 2,000	$ —	$ 2,000
Encore	SHO	Construction	28,525	(28,458)	67
Montecito Medical Real Estate	MOB	Mezzanine Loan	50,000	(20,389)	29,611
Senior Living	SHO	Revolving Credit	15,000	(15,000)	—
Senior Living Hospitality Group[2]	SHO	Working Capital	5,000	(3,976)	1,024
The Sanders Trust, LLC	HOSP	Construction	27,720	(14,874)	12,846
Timber Ridge OpCo	SHO	Working Capital	5,000	—	5,000
Vizion Health	HOSP	Mezzanine Loan	18,102	(17,965)	137
			$ 151,347	$ (100,662)	$ 50,685

[1] Funding contingent upon the performance of facility operations.
[2] Formerly referred to as Watermark Retirement

See Note 9 to our condensed consolidated financial statements included in this report for details of our loan commitments. As provided above, loans funded do not include the effects of discounts or commitment fees.

The credit loss liability for unfunded loan commitments was $0.1 million as of March 31, 2025 and is estimated using the same methodology as used for our funded mortgage and other notes receivable based on the estimated amount that we expect to fund.

In the first quarter of 2024, our Board of Directors approved additional investment of up to $25.0 million in existing leased properties in the Real Estate Investments segment. Projects that qualify for these funds are designed to assist the current tenants with improving the net operating results of the facilities. The rents associated with the properties will increase generally at a lease rate of no less than 8.0% applied to the amount expended. Identification and oversight of qualified projects are within the control of Company management. Funds are expected to be expended within two years of project approval. As of March 31, 2025, $19.6 million was committed as noted in the table below, and $5.9 million has been expended.

	Asset Class	Type	Total	Funded	Remaining
Development Commitments:					
Bickford[1]	SHO	Renovation	$ 8,000	$ (1,559)	$ 6,44
Juniper Communities, LLC	SHO	Renovation	750	—	75
Navion Senior Solutions[1]	SHO	Renovation	1,000	(319)	68
Senior Living[1]	SHO	Renovation	10,000	(3,862)	6,13
Spring Arbor	SHO	Renovation	3,000	—	3,00
William James Group, LLC[1]	SHO	Renovation	600	(158)	44
			$ 23,350	$ (5,898)	$ 17,45

[1] Qualified project funds described above.

	Asset Class	Total	Funded	Remaining
Contingencies (Lease Inducements):				
Discovery	SHO	$ 4,000	$ —	$ 4,000
IntegraCare	SHO	750	—	750
Navion Senior Solutions	SHO	4,850	(2,700)	2,150
Spring Arbor	SHO	10,000	—	10,000
		$ 19,600	$ (2,700)	$ 16,900

Litigation

Our facilities are subject to claims and suits in the ordinary course of business. Such claims may include, among other things professional liability and general liability claims, as well as regulatory proceedings related to our SHOP segment. Our managers, tenants and borrowers have indemnified, and are obligated to continue to indemnify, us against all liabilities arising from the operation of the facilities, and are further obligated to indemnify us against environmental or title problems affecting the real estate underlying such facilities. While there may be lawsuits pending against us and certain of the owners and/or lessees of the facilities, management believes that the ultimate resolution of all such pending proceedings will have no material adverse effect on our financial condition, results of operations or cash flows.

FFO & FAD

The supplemental performance measures described below may not be comparable to similarly titled measures used by other REITs. Consequently, our Funds From Operations ("FFO"), Normalized FFO and Normalized Funds Available for Distribution ("FAD") may not provide a meaningful measure of our performance as compared to that of other REITs. Since other REITs may not use our definition of these measures, caution should be exercised when comparing our FFO, Normalized FFO and Normalized FAD to that of other REITs. These measures do not represent cash generated from operating activities in accordance with GAAP (these measures do not include changes in operating assets and liabilities) and therefore should not be considered an alternative to net income as an indication of performance, or to net cash flow from operating activities as determined by GAAP as a measure of liquidity, and are not necessarily indicative of cash available to fund cash needs.

Funds From Operations - FFO

Our FFO per diluted common share for the three months ended March 31, 2025 increased $0.04, or 3.6%, over the same period in 2024 due primarily to new investments completed since March 31, 2024, offset by the disposals of real estate. FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT") and applied by us, is calculated using the two-class method with net income allocated to common stockholders and holders of unvested restricted stock by applying the respective weighted-average shares outstanding during each period. The calculation of FFO begins with net income attributable to common stockholders (computed in accordance with GAAP), and excludes gains (or losses) on sales of real estate, impairments of real estate, and real estate depreciation and amortization after adjusting for unconsolidated partnerships and joint ventures, if any. Diluted FFO attributable to common stockholders per share assumes the exercise of stock options and other potentially dilutive securities.

Our Normalized FFO per diluted common share for the three months ended March 31, 2025 increased $0.03, or 2.7%, over the same period in 2024. Normalized FFO excludes from FFO certain items which, due to their infrequent or unpredictable nature, may create some difficulty in comparing FFO for the current period to similar prior periods, and may include, but are not limited to, impairment of non-real estate assets, gains and losses attributable to the acquisition and disposition of non-real estate assets and liabilities, and recoveries of previous write-downs.

FFO and Normalized FFO are important supplemental measures of operating performance for a REIT. Because the historical cost accounting convention used for real estate assets requires depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen and fallen with market conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative, and should be supplemented with a measure such as FFO. The term FFO was designed by the REIT industry to address this issue.

Funds Available for Distribution - FAD

Our Normalized FAD for the three months ended March 31, 2025 increased $5.0 million, or 9.9%, over the same period in 2024. In addition to the adjustments included in the calculation of Normalized FFO, Normalized FAD excludes the impact of any straight-line rents revenue, amortization of the original issue discount on our senior unsecured notes and amortization of debt issuance costs. We also adjust Normalized FAD for the net change in our allowance for expected credit losses, non-cash share-based compensation as well as certain non-cash items related to our equity method investment such as straight-line lease expense and amortization of purchase accounting adjustments. Normalized FAD for the three months ended March 31, 2025 includes an adjustment for transaction costs incurred related to a large SHOP transaction that is no longer probable of occurring. Approximately $0.6 million of this adjustment relates to amounts that were capitalized in "*Other assets, net*" as of December 31, 2024. Normalized FAD for the three months ended March 31, 2024 included no equivalent costs.

Normalized FAD is an important supplemental performance measure for a REIT and a useful measure of liquidity as an indicator of the ability to distribute dividends to stockholders. GAAP requires a lessor to recognize contractual lease payments as income on a straight-line basis over the expected term of the lease. This straight-line adjustment has the effect of reporting rental income that is significantly more or less than the contractual cash flows received pursuant to the terms of the lease agreement. GAAP also requires any discount or premium related to indebtedness and debt issuance costs to be amortized as non-cash adjustments to earnings.

The following table reconciles "*Net income attributable to common stockholders*", the most directly comparable GAAP metric, to FFO, Normalized FFO and Normalized FAD and is presented for both basic and diluted weighted average common shares *($ in thousands, except share and per share amounts)*:

	Three Months Ended March 31,	
	2025	2024
Net income attributable to common stockholders	$ 34,113	$ 30,915
Elimination of certain non-cash items in net income:		
Real estate depreciation	18,764	17,309
Real estate depreciation related to noncontrolling interests	(413)	(411)
Gains on sales of real estate, net	(114)	(100)
NAREIT FFO attributable to common stockholders	52,350	47,713
Non-cash write-off of straight-line rents receivable	—	786
Proxy contest and related	264	—
Normalized FFO attributable to common stockholders	52,614	48,499
Straight-line rents revenue, net	(1,410)	(478)
Straight-line rents revenue, net, related to noncontrolling interests	(12)	(4)
Non-real estate depreciation	393	196
Non-real estate depreciation related to noncontrolling interests	(55)	(32)
Amortization of lease incentives	725	723
Amortization of lease incentive related to noncontrolling interests	(127)	(127)
Amortization of original issue discount	80	80
Amortization of debt issuance costs	894	740
Adjustments related to equity method investments, net	(265)	(347)
Note receivable credit loss expense	(14)	10
Non-cash share-based compensation	2,558	2,155
Equity method investment capital expenditures	(125)	(68)
Equity method investment non-refundable fees received	310	280
Gains from equity method investment	(415)	(166)
SHOP recurring capital expenditures	(362)	(529)
SHOP recurring capital expenditures related to noncontrolling interests	48	43
Transaction costs	1,164	—
Normalized FAD attributable to common stockholders	$ 56,001	$ 50,975
BASIC		
Weighted average common shares outstanding	45,720,496	43,388,841
NAREIT FFO attributable to common stockholders per share	$ 1.15	$ 1.10
Normalized FFO attributable to common stockholders per share	$ 1.15	$ 1.12
DILUTED		
Weighted average common shares outstanding	45,878,528	43,424,550
NAREIT FFO attributable to common stockholders per share	$ 1.14	$ 1.10
Normalized FFO attributable to common stockholders per share	$ 1.15	$ 1.12

Adjusted EBITDA

We consider Adjusted EBITDA to be an important supplemental measure because it provides information which we use to evaluate our performance and serves as an indication of our ability to service debt. We define Adjusted EBITDA as consolidated earnings before interest, taxes, depreciation and amortization, excluding real estate asset impairments, and gains on dispositions and certain items which, due to their infrequent or unpredictable nature, may create some difficulty in comparing Adjusted EBITDA for the current period to similar prior periods. These items include, but are not limited to, impairment of non-real estate assets, gains and losses attributable to the acquisition and disposition of assets and liabilities, and recoveries of previous write-downs. Adjusted EBITDA also includes our proportionate share of unconsolidated equity method investment presented on a similar basis. Since others may not use our definition of Adjusted EBITDA, caution should be exercised when comparing our Adjusted EBITDA to that of other companies. EBITDA reflects GAAP interest expense, which excludes amounts capitalized during the period.

The following table reconciles "*Net income*", the most directly comparable GAAP metric, to Adjusted EBITDA (*$ in thousands*):

	Three Months Ended March 31,	
	2025	2024
Net income	$ 33,817	$ 30,657
Interest expense	14,337	14,869
Franchise, excise and other taxes	269	(187)
Depreciation	19,157	17,505
NHI's share of EBITDA adjustments for unconsolidated entities	—	719
Note receivable credit loss expense	(14)	10
Gains on sales of real estate, net	(114)	(100)
Write-off of transaction costs	608	—
Non-cash write-off of straight-line rents receivable	—	786
Adjusted EBITDA	$ 68,060	$ 64,259
Interest expense at contractual rates	$ 13,359	$ 14,088
Principal payments	112	105
Fixed Charges	$ 13,471	$ 14,193
Fixed Charge Coverage	5.1x	4.5x

For all periods presented, Adjusted EBITDA reflects GAAP interest expense, which excludes amounts capitalized during the period.

Net Operating Income

NOI is a non-GAAP financial measure used to evaluate the operating performance of real estate. We define NOI as total revenues, less tenant reimbursements and property operating expenses. We believe NOI provides investors relevant and useful information as it measures the operating performance of our properties at the property level on an unleveraged basis. We use NOI to make decisions about resource allocations and to assess the property level performance of our properties.

The following table reconciles NOI to net income, the most directly comparable GAAP metric (*$ in thousands*):

NOI Reconciliations:	Three Months Ended March 31, 2025	2024
Net income	$ 33,817	$ 30,657
Gains from equity method investment	(415)	(166)
Gains on sales of real estate, net	(114)	(100)
Loan and realty (gains) losses	(14)	10
General and administrative	6,829	5,642
Proxy contest and related	264	—
Franchise, excise and other taxes	269	(187)
Legal	1,426	236
Interest	14,337	14,869
Depreciation	19,157	17,505
Consolidated NOI	$ 75,556	$ 68,466
NOI by segment:		
Real Estate Investments	$ 72,428	$ 65,396
SHOP	3,086	2,942
Non-Segment/Corporate	42	128
Total NOI	$ 75,556	$ 68,466

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

At March 31, 2025, we were exposed to market risks related to fluctuations in interest rates on approximately $647.2 million of variable-rate indebtedness and on our mortgage and other notes receivable. The unused portion ($252.8 million at March 31, 2025) of our Credit Facility, should it be drawn upon, is subject to variable rates.

Interest rate fluctuations will generally not affect our future earnings or cash flows on our fixed rate debt and mortgage and other notes receivable unless such instruments mature or are otherwise terminated. However, interest rate changes will affect the fair value of our fixed rate instruments. Conversely, changes in interest rates on variable rate debt and investments would change our future earnings and cash flows, but not significantly affect the fair value of those instruments. Assuming a 50 basis-point increase or decrease in the interest rate related to variable-rate debt, and assuming no change in the outstanding balance as of March 31, 2025, net interest expense would increase or decrease annually by approximately $3.2 million, or $0.07 per common share on a diluted basis.

We have historically used derivative financial instruments in the normal course of business to mitigate interest rate risk. We do not use derivative financial instruments for speculative purposes. We currently have no derivative financial instruments but may engage in hedging strategies to manage our exposure to market risks in the future, depending on an analysis of the interest rate environment and the costs and risks of such strategies.

The following table sets forth certain information with respect to our debt (*$ in thousands*):

	March 31, 2025			December 31, 2024		
	Balance[1]	% of total	Rate[2]	Balance[1]	% of total	Rate[2]
Fixed rate:						
Private placement term loans - unsecured	$ 150,000	11.8 %	4.45 %	$ 150,000	13.0 %	4.45 %
2031 Senior Notes - unsecured	400,000	31.4 %	3.00 %	400,000	34.6 %	3.00 %
Fannie Mae term loans - secured, non-recourse	75,704	6.0 %	3.96 %	75,815	6.6 %	3.96 %
Variable rate:						
Bank term loan - unsecured	200,000	15.7 %	5.66 %	200,000	17.2 %	5.95 %
Revolving credit facility - unsecured	447,200	35.1 %	5.46 %	331,200	28.6 %	5.75 %
	$ 1,272,904	100.0 %	4.51 %	$ 1,157,015	100.0 %	4.55 %

[1] Differs from carrying amount due to unamortized discounts and loan costs.

[2] Total is weighted average rate.

To highlight the sensitivity of our fixed rate debt to changes in interest rates, the following summary shows the effects on fair value ("FV") assuming a parallel shift of 50 bps in market interest rates for a contract with similar maturities as of March 31, 2025 (*$ in thousands*):

	Balance[1]	Fair Value[2]	FV reflecting change in interest rates	
Fixed rate:			-50 bps	+50 bps
Private placement term loans	$ 150,000	$ 146,480	$ 147,496	$ 145,472
2031 Senior Notes	400,000	337,937	348,748	330,582
Fannie Mae term loans	75,704	75,604	75,630	75,579

[1] Differs from carrying amount due to unamortized discounts and loan costs.

[2] The change in fair value of our fixed rate debt was due primarily to the overall change in interest rates.

At March 31, 2025, the fair value of our mortgage and other notes receivable, discounted for estimated changes in the risk-free rate, was approximately $255.3 million. A 50 basis-point increase in market rates would decrease the estimated fair value of our mortgage and other notes receivable by approximately $2.9 million, while a 50 bps decrease in such rates would increase their estimated fair value by approximately $2.3 million.

Inflation Risk

Our real estate leases generally provide for annual increases in contractual rent due based on a fixed amount or percentage or based on increases in the CPI. Leases with increases based on CPI may contain a minimum increase or a cap on the maximum annual increase. Substantially all of our leases require the tenant to pay all operating expenses for the property, whether paid directly by the tenant or reimbursed to us. We believe that inflationary increases will be at least partially offset by the contractual rent increases and expense reimbursements described above.

Item 4. Controls and Procedures.

Evaluation of Disclosure Control and Procedures. As of March 31, 2025, an evaluation was performed under the supervision and with the participation of our management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), of the effectiveness of NHI's disclosure controls and procedures (as defined in rules 13a-15(e) and 15d-15(e) under the Exchange Act) to ensure information required to be disclosed in our filings is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms; and (ii) accumulated and communicated to our management, including our CEO and our CFO, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving desired control objectives, and management is necessarily required to apply its judgment when evaluating the cost-benefit relationship of potential controls and procedures. Based upon the evaluation, the CEO and CFO concluded that the design and operation of these disclosure controls and procedures were effective as of March 31, 2025.

There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Changes in Internal Control over Financial Reporting. There were no changes in our internal control over financial reporting identified in management's evaluation during the three months ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Our facilities are subject to claims and suits in the ordinary course of business. Such claims may include, among other things professional liability and general liability claims, as well as regulatory proceedings related to our SHOP segment. Our managers, tenants and borrowers have indemnified, and are obligated to continue to indemnify, us against all liabilities arising from the operation of the facilities, and are further obligated to indemnify us against environmental or title problems affecting the real estate underlying such facilities. While there may be lawsuits pending against us and certain of the owners and/or lessees of our facilities, management believes that the ultimate resolution of all such pending proceedings will have no material adverse effect on our financial condition, results of operations or cash flows.

Item 1A. Risk Factors.

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 except noted below.

Stockholder activism efforts could cause us to incur substantial costs, divert management's attention and have an adverse effect on our business.

Activist investors have engaged, and may in the future engage, in proxy solicitations, advance shareholder proposals or otherwise attempt to affect changes or acquire control over us. Responding to such investor activism can be costly and time-consuming, and can divert the attention of our Board and management from the management of our business and the pursuit of our business strategies. In addition to incurred costs, perceived uncertainties as to our future direction may result in the loss of potential business opportunities, damage to our reputation and may make it more difficult to attract and retain qualified directors, personnel and business partners. These actions could also cause our stock price to experience periods of volatility.

Item 5. Other Information.

None of the Company's directors or officers adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the Company's fiscal quarter ended March 31, 2025.

Item 6. Exhibits.

Exhibit No.	Description
3.1	Articles of Incorporation of National Health Investors, Inc. (incorporated by reference to Exhibit 3.1 to Form S-3 Registration Statement No. 333-192322)
3.2	Articles of Amendment to Articles of Incorporation of National Health Investors, Inc. dated as of June 8, 1994, (incorporated by reference to Exhibit 3.2 to the Registration Statement on Form S-3 Registration Statement No. 333-194653 of National Health Investors, Inc.)
3.3	Amendment to Articles of Incorporation (incorporated by reference to Exhibit A to the Company's Definitive Proxy Statement filed March 23, 2009)
3.4	Amendment to Articles of Incorporation approved by stockholders on May 2, 2014 (incorporated by reference to Exhibit 3.3 to the Company's Form 10-Q filed August 4, 2014)
3.5	Amendment to Articles of Incorporation approved by stockholders on May 6, 2020 (incorporated by reference to Exhibit 3.6 to the Company's Form 10-Q filed August 10, 2020)
3.6	Amended and Restated Bylaws as approved February 17, 2023, as amended April 27, 2023 (incorporated by reference to Exhibit 3.5 to the Company's Form 10-Q filed May 9, 2023)
31.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of Principal Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32	Certification of Chief Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

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

NATIONAL HEALTH INVESTORS, INC.
(Registrant)

Date: May 5, 2025

/s/ D. Eric Mendelsohn
D. Eric Mendelsohn
President, Chief Executive Officer and Director
(duly authorized officer)

Date: May 5, 2025

/s/ John L. Spaid
John L. Spaid
Chief Financial Officer
(Principal Financial Officer)