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

FORM 10-K

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

For the fiscal year ended December 31, 2024

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

For the transition period from to

OMEGA HEALTHCARE INVESTORS, INC.

(Exact Name of Registrant as Specified in its Charter)

Maryland	**1-11316**	**38-3041398**
(Omega Healthcare Investors, Inc.)	**(Omega Healthcare Investors, Inc.)**	**(Omega Healthcare Investors, Inc.)**
(State or other jurisdiction of incorporation or organization)	**(Commission file number)**	**(IRS Employer Identification No.)**

303 International Circle, Suite 200, Hunt Valley, MD 21030
(Address of principal executive offices)

(410) 427-1700
(Telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Act:

Registrant	**Title of Each Class**	**Trading Symbol (s)**	**Name of Exchange on Which Registered**
Omega Healthcare Investors, Inc.	Common Stock, $.10 Par Value	OHI	New York Stock Exchange

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ **No** ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ **No** ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve 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 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one:)

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 7(a)(2)(B) of the Securities Act.

Yes ☐ **No** ☐

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

Yes ☒ **No** ☐

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ **No** ☒

The aggregate market value of the common stock Omega Healthcare Investors, Inc. held by non-affiliates was $8,700,286,277 as of June 28, 2024, the last business day of the registrant's most recently completed second fiscal quarter. The aggregate market value was computed using the $34.25 closing price per share for such stock on the New York Stock Exchange on such date.

As of February 7, 2025, there were on the 281,837 thousand shares of Omega Healthcare Investors, Inc. common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for the registrant's 2025 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission no later than 120 days after December 31, 2024, are incorporated by reference in Part III herein.

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Forward-Looking Statements and Factors Affecting Future Results

Unless otherwise indicated or except where the context otherwise requires, the terms "we," "us" and "our" and other similar terms in this Annual Report on Form 10-K refer to Omega Healthcare Investors, Inc. and its consolidated subsidiaries.

The following discussion should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this document. This document contains "forward-looking statements" within the meaning of the federal securities laws. These statements relate to our expectations, beliefs, intentions, plans, objectives, goals, strategies, future events, performance and underlying assumptions and other statements other than statements of historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology including, but not limited to, terms such as "may," "will," "anticipates," "expects," "believes," "intends," "should" or comparable terms or the negative thereof. These statements are based on information available on the date of this filing and only speak as to the date hereof and no obligation to update such forward-looking statements should be assumed.

Our actual results may differ materially from those reflected in the forward-looking statements contained herein as a result of a variety of factors, including, among other things:

(1) those items discussed under "Risk Factors" in Part I, Item 1A to this Annual Report on Form 10-K;
(2) uncertainties relating to the business operations of the operators of our assets, including those relating to reimbursement by third-party payors, regulatory matters, occupancy levels and quality of care, including the management of infectious diseases;
(3) the timing of our operators' recovery from staffing shortages, increased costs and decreased occupancy resulting from inflation and the long-term impacts of the COVID-19 pandemic and the sufficiency of previous government support and current reimbursement rates to offset such costs and the conditions related thereto;
(4) additional regulatory and other changes in the healthcare sector, including recently issued federal minimum staffing requirements for skilled nursing facilities ("SNFs") that may further exacerbate labor and occupancy challenges for our operators;
(5) the ability of our operators in bankruptcy to reject unexpired lease obligations, modify the terms of our mortgages and impede our ability to collect unpaid rent or interest during the pendency of a bankruptcy proceeding and retain security deposits for the debtor's obligations, and other costs and uncertainties associated with operator bankruptcies;
(6) changes in tax laws and regulations affecting real estate investment trusts ("REITs"), including as the result of any policy changes driven by the current focus on capital providers to the healthcare industry;
(7) our ability to re-lease, otherwise transition, or sell underperforming assets or assets held for sale on a timely basis and on terms that allow us to realize the carrying value of these assets or to redeploy the proceeds therefrom on favorable terms, including due to the potential impact of changes in the SNF and assisted living facility ("ALF") markets or local real estate conditions;
(8) the availability and cost of capital to us;
(9) changes in our credit ratings and the ratings of our debt securities;
(10) competition in the financing of healthcare facilities;
(11) competition in the long-term healthcare industry and shifts in the perception of various types of long-term care facilities, including SNFs and ALFs;
(12) changes in the financial position of our operators;
(13) the effect of economic, regulatory and market conditions generally and, particularly, in the healthcare industry and in jurisdictions where we conduct business, including the U.K.;
(14) changes in interest rates and the impact of inflation;
(15) the timing, amount and yield of any additional investments;
(16) our ability to maintain our status as a REIT; and
(17) the effect of other factors affecting our business or the businesses of our operators that are beyond our or their control, including natural disasters, health crises or pandemics, cyber threats and governmental action, particularly in the healthcare industry.

PART I

Item 1 – Business

Overview

Omega Healthcare Investors, Inc. (“Parent”) is a Maryland corporation that invests in healthcare-related real estate properties located in the United States (“U.S.”) and the United Kingdom (“U.K.”), which investments comprise our one reportable segment. Omega became a publicly traded company listed on the New York Stock Exchange in 1992. Our primary objective is to provide strong returns to our investors, while serving as the preferred capital partner to our third-party healthcare operating companies and affiliates (collectively, our “operators”) and other third-party high quality healthcare operators so they can concentrate on providing a high level of care for their resident-patients.

Parent, together with its consolidated subsidiaries (collectively, “Omega” or “Company”) has elected to be taxed as a REIT for federal income tax purposes. Omega is structured as an umbrella partnership REIT (“UPREIT”) under which all of Omega's assets are owned directly or indirectly by, and all of Omega's operations are conducted directly or indirectly through, its operating partnership subsidiary, OHI Healthcare Properties Limited Partnership (collectively with subsidiaries, “Omega OP”). As of December 31, 2024, Parent owned approximately 97% of the issued and outstanding units of partnership interest in Omega OP (“Omega OP Units”), and other investors owned approximately 3% of the outstanding Omega OP Units.

Property Types

Our core business is to provide financing and capital to the long-term healthcare industry with a particular focus on skilled nursing facilities (“SNFs”), assisted living facilities (“ALFs”), and to a lesser extent, independent living facilities (“ILFs”), rehabilitation and acute care facilities (“specialty facilities”) and medical office buildings (“MOBs”). The following is a summary of our various property types.

- *Skilled nursing facilities* – SNFs provide services that include daily nursing, therapeutic rehabilitation, social services, activities, housekeeping, nutrition, medication management and administrative services for individuals requiring certain assistance for activities in daily living.
- *Assisted living facilities* – ALFs provide services that include assistance for activities in daily living and permit residents to maintain some of their privacy and independence as they do not require constant supervision and assistance. Services usually include daily housekeeping, laundry, medical reminders and assistance with the activities of daily living, such as eating, dressing and bathing.
- *Independent living facilities* – ILFs are age-restricted multi-family properties with central dining facilities that provide services that include security, housekeeping, activities, nutrition and limited laundry services.
- *Specialty facilities* – Specialty facilities consist of specialty hospitals, long-term acute care hospitals, inpatient rehabilitation facilities, behavioral health substance facilities, behavioral health psychiatric facility and traumatic brain injury facilities.
- *Medical office buildings* – MOBs are facilities designed specifically for healthcare providers such as physicians, dentists and other clinicians.

Investment Strategy & Types

We maintain a portfolio of long-term healthcare facilities, mortgages and other real estate loans on healthcare facilities located in the U.S. and the U.K. Our investments are generally geographically diverse and operated by a diverse group of operators that we believe meet our standards for quality and experience of management and creditworthiness. Our criteria for evaluating potential investments include but are not limited to:

- the quality and experience of management and the creditworthiness of the operator of the facility;
- the facility’s historical and forecasted cash flow and its ability to meet operational needs, capital expenditure requirements and lease or debt service obligations;
- the construction quality, condition and design of the facility and its environmental impact;
- the location of the facility;

- the tax, growth, regulatory and reimbursement environment of the applicable jurisdiction;
- the occupancy rate for the facility and demand for similar healthcare facilities in the same or nearby communities; and
- the payor mix of private, Medicare and Medicaid patients at the facility.

As healthcare delivery continues to evolve, we continuously evaluate potential investments, as well as our assets, operators and markets to position our portfolio for long-term success. As part of our evaluation, we may sometimes consider selling or transitioning assets that do not meet our portfolio criteria.

We prefer to invest in fee simple ownership of properties. Due to regulatory, tax or other considerations, we may pursue alternative investment structures, such as mortgages, other real estate loans and investments in joint ventures. While the market for long-term care real estate acquisitions in the U.S. remained competitive in 2024, we continued to seek and identify selective investments that are accretive to our portfolio. In addition to our U.S.-based investments, we expect to continue to pursue investments in alternative jurisdictions such as the U.K. As part of our continuous evaluation of our portfolio and in connection with certain operator workout transactions, we may opportunistically sell assets, or portfolios of assets, from time to time. In addition, as the long-term care industry evolves and adapts to new protocols, we have made and may continue to make select ancillary investments, including equity investments, in companies that enhance the technology and infrastructure of long-term care providers and our operators.

We typically seek substantial liquidity deposits, covenants regarding minimum working capital and net worth, liens on accounts receivable and other operating assets, and various provisions for cross-default, cross-collateralization and corporate and/or personal guarantees for our investments when appropriate.

The following summarizes our primary investment structures. The average annualized yields described below reflect obligations under existing contractual arrangements. However, due to the nature of the long-term care industry, we cannot assure that the operators of our facilities will meet their payment obligations in full or when due. Therefore, the annualized yields as of December 31, 2024, set forth below, are not necessarily indicative of future yields, which may be lower.

Real Estate Assets & Leases

Our real estate assets are primarily comprised of land, buildings and improvements and any furniture and equipment contained within our facilities. Substantially all of our leases are triple-net operating leases and require the operator to pay rent and all additional charges incurred in the operation of the leased facility. Additionally, our triple-net leases generally require our operators to fund a minimum amount of capital expenditures. At December 31, 2024, we had one direct financing lease. Our triple-net operating leases typically range from 5 to 15 years, plus renewal options. Our leases generally provide for minimum annual rents that are subject to annual escalators. Leases with fixed annual rental escalators are generally recognized on a straight-line basis over the initial lease period, subject to a collectibility assessment. At December 31, 2024, our average annualized yield from operating leases was approximately 10.0%. At December 31, 2024, approximately 85.4% of our operating leases have lease terms expiring after 2029. The majority of our leased real estate properties are leased under provisions of master lease agreements that govern more than one facility, and to a lesser extent, we lease facilities under single facility leases. Under our master leases, our operators are required to make one monthly payment that represents rent on all the properties that are subject to the master lease. Certain of our leases also contain operator purchase options or landlord put options.

We direct a significant amount of our capital back into existing assets, which we believe sets the stage for our long-term strategic success. Some of our leases provide our operators with advances for the construction of facilities or capital expenditures for strategic facility enhancements. Typically, these advances require the operator to pay a fixed percentage of the advances funded as capital expenditure rent under the lease. Construction and upgrades made under these lease clauses are capitalized within our real estate assets. Certain interest costs associated with funds used for the construction of facilities owned by us are capitalized. The amount capitalized into our real estate assets is based upon the amount advanced during the construction period using an interest rate that approximates our cost of financing. Interest expense is reduced by the amount capitalized. As of December 31, 2024, we had $210.9 million of investments related to the construction of new facilities and we are committed to construction and capital expenditures of $221.8 million under lease agreements.

Real Estate Loans

Real estate loans consist of mortgage loans and other real estate loans which are primarily collateralized by a first, second or third mortgage lien or a leasehold mortgage on, or an assignment of the partnership interest in, the related properties. Our real estate loans typically have a fixed interest rate for the loan term. We enter into real estate loans for existing facilities and for the construction of facilities. From time to time, we may provide loans that allow us to participate in the expected residual profits of a facility through the sale, refinancing or acquisition of the property. At December 31, 2024, our average annualized yield on real estate loan investments was approximately 10.9%. At December 31, 2024, approximately 60.8% of our real estate loans have maturity dates that expire after 2029.

Investments in Unconsolidated Joint Ventures

From time to time, we also acquire equity interests in joint ventures or entities that own or provide financing for real estate assets and/or support the long-term healthcare industry and our operators. These are investments in entities that we do not consolidate but for which we can exercise significant influence over operating and financial policies and are reported under the equity method of accounting. Our investments in unconsolidated entities generally represent interests ranging from 9% to 51%. Under the equity method of accounting, our share of the investee's earnings or losses is included in our consolidated results of operations. The initial carrying value of investments in unconsolidated entities is based on the amount paid to purchase the entity interest inclusive of transaction costs.

Non-Real Estate Loans

Our portfolio includes non-real estate loans to our operators, their principals and/or asset purchasers. We make non-real estate loans on a limited basis, in connection with managing our overall credit risk. These loans may be either unsecured or secured by the collateral of the borrower and are typically short-term in nature. Collateral under secured non-real estate loans typically consists of the working capital of operator entities, personal guarantees or assets of the individual obligor. At December 31, 2024, our average annualized yield on these investments was approximately 9.6%. At December 31, 2024, approximately 24.8% of our non-real estate loans have maturity dates that expire after 2029.

Portfolio and Investment Summary

As of December 31, 2024, our portfolio of real estate investments included 1,026 healthcare facilities that are operated by 87 third-party operators in 42 states and the U.K. and consists of the following:

- real estate assets, subject to operating leases, that include 588 SNFs, 290 ALFs, 19 ILFs, 18 specialty facilities and one MOB;
- an investment in a direct financing lease on one SNF;
- real estate loans, including first lien mortgages, on 52 SNFs, 43 ALFs, one specialty facility and one ILF; and
- 12 facilities held for sale.

We also maintain investments in unconsolidated joint ventures that hold five SNFs, one ALF and one specialty facility. In addition, we maintain a portfolio of non-real estate loans, as noted in the table below.

Included below is a summary of our total investment assets, excluding accumulated depreciation, as of December 31, 2024 and 2023 (dollars in thousands):

	As of December 31,	
	2024	2023
Real estate assets:		
Real estate assets	$ 9,060,174	$ 8,372,419
Investments in direct financing leases – net	9,453	8,716
Real estate loans receivable – net	1,428,298	1,212,162
Investments in unconsolidated joint ventures	88,711	188,409
Assets held for sale	56,194	67,116
Total real estate investments	10,642,830	9,848,822
Non-real estate loans receivable – net	332,274	275,615
Total investments	$ 10,975,104	$ 10,124,437

Revenues

The following table summarizes our revenues by investment category for 2024, 2023 and 2022 (dollars in thousands):

	Year Ended December 31,		
	2024	2023	2022
Real estate related income:			
Rental income	$ 887,910	$ 826,394	$ 751,231
Real estate loans interest income	126,800	97,766	110,322
Total real estate related revenues	1,014,710	924,160	861,553
Non-real estate loans interest income	30,407	22,122	13,597
Miscellaneous income	6,273	3,458	3,094
Total revenues	$ 1,051,390	$ 949,740	$ 878,244

The table set forth in Item 2 – Properties contains additional information regarding the geographic concentration of our facilities and investments as of December 31, 2024.

Borrowing Policies

We generally attempt to match the maturity of our indebtedness with the maturity of our investment assets and employ long-term, fixed-rate debt to the extent practicable in view of market conditions in existence. We may use the proceeds of new indebtedness to finance our investments in additional healthcare facilities. In addition, we may invest in properties subject to existing loans, secured by mortgages, deeds of trust or similar liens on properties.

Policies With Respect To Certain Activities

With respect to our capital requirements, we typically rely on equity offerings, debt financing and retention of cash flow (subject to provisions in the Internal Revenue Code of 1986, as amended (the "Code") concerning taxability of undistributed REIT taxable income), or a combination of these methods. Our financing alternatives include bank borrowings, publicly or privately placed debt instruments, purchase money obligations to the sellers of assets or securitizations, any of which may be issued as secured or unsecured indebtedness. We have the authority to issue our common stock or other equity or debt securities in exchange for property and to repurchase or otherwise reacquire our securities. Subject to the percentage of ownership limitations and gross income and asset tests necessary for REIT qualification, we may invest in securities of other REITs, other entities engaged in real estate activities or securities of other issuers, including for the purpose of exercising control over such entities. We may engage in the purchase and sale of investments. We do not underwrite the securities of other issuers. Our officers and directors may change any of these policies without a vote of our stockholders. In the opinion of our management, our properties are adequately covered by insurance.

Competition

The healthcare industry is highly competitive and will likely become more competitive in the future. We face competition in making and pricing new investments from other public and private REITs, investment companies, private equity and hedge fund investors, healthcare operators, lenders, developers and other institutional investors, some of whom may have greater resources and lower costs of capital than us. In addition, a significant amount of our rental and loan interest income is generally derived from facilities in jurisdictions that require approval for development and expansion of healthcare facilities. We believe that such approvals may reduce competition for our operators and enhance the value of our properties. Our operators compete on a local and regional basis with operators of facilities that provide comparable services and, in certain cases, home and community health solutions. The basis of competition for our operators includes, amongst other factors, the quality of care provided, reputation, the physical appearance of a facility, price, the range of services offered, family preference, alternatives for healthcare delivery, the supply of competing properties, physicians, staff, referral sources, location and the size and demographics of the population and surrounding areas.

Increased competition makes it more challenging for us to identify and successfully capitalize on opportunities that meet our objectives. Our ability to compete is also impacted by global, national and local economic trends, availability of investment alternatives, availability and cost of capital, our financial condition, construction and renovation costs, existing laws and regulations, new legislation, healthcare trends and population trends.

Taxation of Omega

Omega elected to be taxed as a REIT, under Sections 856 through 860 of the Code, beginning with our taxable year ended December 31, 1992. To continue to qualify as a REIT, we must continue to meet certain tests that, among other things, generally require that our assets consist primarily of real estate assets, our income be derived primarily from real estate assets, and that we distribute at least 90% of our REIT taxable income (other than net capital gains) to our stockholders annually. Provided we maintain our qualification as a REIT, we generally will not be subject to U.S. federal income taxes at the corporate level on our net income to the extent such net income is distributed to our stockholders annually. Even if we continue to qualify as a REIT, we will continue to be subject to certain federal, state and local taxes on our income and property. We believe that we were organized and have operated in such a manner as to qualify for taxation as a REIT. We intend to continue to operate in a manner that will allow us to maintain our qualification as a REIT, but no assurance can be given that we have operated or will be able to continue to operate in a manner so as to qualify or remain qualified as a REIT.

We have utilized, and may continue to utilize, one or more taxable REIT subsidiaries ("TRS") to engage in activities that REITs may be prohibited from performing, including the provision of management and other services to third parties and the conduct of certain nonqualifying real estate transactions. Our TRSs generally are taxable as regular corporations, and therefore, subject to federal, foreign, state and local income taxes.

To the extent that we do not distribute all of our net capital gain or distribute at least 90%, but less than 100% of our "REIT taxable income," as adjusted, we will be subject to tax thereon at regular corporate rates. If we were to fail to qualify as a REIT in any taxable year, as a result of a determination that we failed to meet the annual distribution requirement or otherwise, we would be subject to federal and state income tax, and any applicable alternative minimum tax on our taxable income at regular corporate rates with respect to each such taxable year for which the statute of limitations remains open. In addition, even if we continue to qualify as a REIT, we could become subject to certain excise taxes. Moreover, unless entitled to relief under certain statutory provisions, we also would be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost. This treatment would significantly reduce our net earnings and cash flow because of our additional tax liability for the years involved, which could significantly impact our financial condition.

All of our investments are held directly or through entities owned by Omega OP. Omega OP is a pass through entity for U.S. federal income tax purposes, and therefore we are required to take into account our allocable share of each item of Omega OP's income, gain, loss, deduction, and credit for any taxable year of Omega OP ending within or with our taxable year, without regard to whether we have received or will receive any distribution from Omega OP. Although a partnership agreement for pass through entities generally will determine the allocation of income and losses among partners, such allocations will be disregarded for tax purposes if they do not comply with the provisions of the Code and Treasury Regulations governing partnership allocations. If an allocation is not recognized for federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by considering all the facts and circumstances relating to the economic arrangement of the partners with respect to such item. While Omega OP should generally not be a taxable entity for federal income tax purposes, any state or local revenue, excise or franchise taxes that result from the operating activities of the Omega OP may be incurred at the entity level.

Investors are strongly urged to consult their own tax advisors regarding the potential tax consequences of an investment in us based on such investor's particular circumstances.

Government Regulation and Reimbursement

The healthcare industry is heavily regulated. Our U.S.-based operators, which comprise the majority of our operators, are subject to extensive and complex federal, state and local healthcare laws and regulations; our U.K.-based operators are also subject to a variety of laws and regulations in their jurisdictions. These laws and regulations are subject to frequent and substantial changes resulting from the adoption of new legislation, rules and regulations, and administrative and judicial interpretations of existing law. The ultimate timing or effect of these changes, which may be applied retroactively, cannot be predicted. Changes in laws and regulations impacting our operators, in addition to regulatory non-compliance by our operators, can have a significant effect on the operations and financial condition of our operators, which in turn may adversely impact us. There is the potential that we may be subject directly to healthcare laws and regulations because of the broad nature of some of these regulations, such as the Anti-kickback Statute and False Claims Act in the U.S., among others.

The long-term care industry continues to recover from the impacts of the COVID-19 pandemic although a certain level of labor shortages, lower occupancy and certain expense increases that began during the COVID-19 pandemic persist, with certain operators continuing to experience these challenges in a much more profound way. In addition, the impact of these ongoing challenges such as labor pressures and inflationary cost increases may depend on future developments, including the ultimate scope, implementation timeline and impact of the federal minimum staffing rules for SNFs that were issued in April 2024, the sufficiency of reimbursement rate setting and the continued efficacy of infection control measures and regulations, all of which are uncertain and difficult to predict and may continue to adversely impact our business, results of operations, financial condition and cash flows.

A significant portion of our operators' revenue is derived from government-funded reimbursement programs, consisting primarily of Medicare and Medicaid in the U.S. and local authority funding in the U.K. As federal and state governments continue to focus on healthcare reform initiatives, efforts to reduce costs by government payors, such as the U.S. Centers for Medicare and Medicaid Services ("CMS") push towards Medicare Advantage programs and the potential for Medicaid reforms, will likely continue. Significant limits on the scope of services reimbursed and/or reductions of reimbursement rates could therefore have a material adverse effect on our operators' results of operations and financial condition. Additionally, new and evolving payor and provider programs that are tied to quality and efficiency could adversely impact our tenants' and operators' liquidity, financial condition or results of operations, and there can be no assurance that payments under any of these government healthcare programs are currently, or will be in the future, sufficient to fully reimburse the property operators for their operating and capital expenses. Changes in presidential administrations and/or congressional makeup at the federal level can increase the political focus on entitlement program changes which can create uncertainty with respect to the level of reimbursement available or the extent of regulation of the industry.

In addition to quality and value-based reimbursement reforms, CMS has implemented a number of initiatives focused on the reporting of certain facility-specific quality of care indicators that could affect our operators, including publicly released quality ratings for all of the nursing homes that participate in Medicare or Medicaid under the CMS "Five Star Quality Rating System." Facility rankings, ranging from five stars ("much above average") to one star ("much below average") are updated on a monthly basis. These rating changes have impacted referrals to SNFs, and it is possible that changes to this system or other ranking systems could lead to future reimbursement policies that reward or penalize facilities on the basis of the reported quality of care parameters. SNFs are required to comply with new reporting requirements, effective as of January 16, 2024, relating to ownership by and affiliations with private equity firms and REITs, as well as provide information for inclusion on the CMS Nursing Home Care Compare website regarding staffing and quality measures. Any of these reporting requirements may impact occupancy at our properties and our business, results of operations, financial condition and cash flows.

The following is a discussion of certain U.S. laws and regulations generally applicable to our operators, and in certain cases, to us.

Quality of Care and Staffing Initiatives. Several regulatory initiatives announced from 2020 to 2022 focused on addressing quality of care in long-term care facilities, including those related to COVID-19 testing and infection control protocols, vaccine protocols, staffing levels, reporting requirements, and visitation policies, as well as increased inspection of nursing homes. In addition, the CMS Nursing Home Care Compare website and the Five Star Quality Rating System were updated to include revisions to the inspection process, adjustment of staffing rating thresholds, the implementation of new quality measures and the inclusion of a staff turnover percentage (over a 12-month period).

Additionally, on April 22, 2024, CMS issued a final rule regarding minimum staffing requirements and increased inspections at SNFs, which CMS estimates exceed existing staffing standards in nearly all states. The final rule is being implemented on a staggered phase-in basis based on geographic location and will require nursing homes participating in Medicare and Medicaid to maintain a total nurse staffing standard of 3.48 hours per resident day ("HPRD"), which must include at least 0.55 HPRD of direct registered nurse care and 2.45 HPRD of direct nurse aide care. Facilities would be permitted to use any combination of nurse staff (registered nurse, licensed practical nurse and licensed vocational nurse or nurse aide) to account for the additional 0.48 HPRD required to comply with the total nurse staffing standard. In addition, the final rule requires SNFs to ensure a registered nurse is onsite 24 hours per day, seven days per week, although CMS indicated that a director of nursing role could fulfill such requirement. The final rule also provides possible hardship exemptions for qualifying facilities for some parts of these requirements based on workforce unavailability and other factors. The final rule was not accompanied by additional funding for our operators to offset the costs associated with meeting these increased staffing requirements in an industry that is already facing staffing shortages. Multiple lawsuits have been filed in federal court to overturn the minimum staffing requirements on the basis that CMS exceeded its authority. The increased staffing requirements, if not overturned legislatively or by legal action, or if not accompanied by increased state reimbursement to offset the increased financial burden, may have a future adverse impact on the financial condition of many of our operators, which may be material, but which likely would not be experienced until closer to the point of delayed implementation, ranging from within 90 days and five years of the final rule publication.

Further, on March 30, 2023, CMS issued a memorandum revising and enhancing enforcement efforts for infection control deficiencies found in nursing homes that are targeted at higher-level infection control deficiencies that result in actual harm or immediate jeopardy to residents. Similar to other serious survey deficiencies, penalties for the most serious infection control deficiencies include civil monetary penalties and discretionary payment denials for new resident admissions.

The Biden Administration additionally announced in March 2022 a focus on reviewing private equity investment specifically in the skilled nursing sector. On November 15, 2023, CMS issued a final rule, effective January 16, 2024, that requires SNFs participating in the Medicare or Medicaid programs to disclose certain ownership and managerial information regarding their relationships with certain entities that lease real estate to SNFs, including REITs. The CMS announcement noted concerns regarding the quality of care provided at SNFs owned by private equity firms, REITs and other investment firms. Further, in 2024, several U.S. senators proposed legislation that would, if enacted, restrict certain investors, including REITs and private equity firms, from investing in healthcare facilities or impose penalties on certain landlords or private equity investors in healthcare facilities whose operators subsequently enter into bankruptcy proceedings. On January 8, 2025, the State of Massachusetts enacted a law that requires notification for certain transactions involving SNFs and REITs and restricts new licenses to hospitals with certain facilities leased from REITs. In addition, in January 2025, HHS and the Senate Budget Committee issued reports that found private equity investment in healthcare has had negative consequences for patients and providers. These initiatives, as well as additional calls for federal and state governmental review of the role of private equity in the U.S. healthcare industry and proposed legislation related to certain SNF financial arrangements with REITs, if enacted, could result in additional requirements or restrictions on our operators or us. The likelihood of any of these measures passing at the federal level remains uncertain.

In addition, on April 22, 2024, CMS issued the Ensuring Access to Medicaid Services final rule, which requires that, beginning six years after the effective date of the final rule, states generally ensure that at least 80% of Medicaid home and community-based services ("HCBS") payments be put toward compensation for direct care workers. The final rule also requires more transparency regarding how much states pay for HCBS and how those rates are set. It is uncertain what the ultimate impact of the final rule, as well as similar initiatives at the state level, will be on providers of Medicaid HCBS services, given uncertainty related to how HCBS providers are currently spending Medicaid dollars, how many providers fall below the required 80% threshold and how well regulators can measure and track spending by HCBS providers. In addition, it remains unclear whether similar requirements, including those establishing minimum allocations of Medicaid or other reimbursements to direct care workers, will be proposed for SNFs, ALFs and other senior care providers; any such requirements, if enacted, could have a material adverse impact on the financial condition of our operators.

Reimbursement Generally

Medicaid. Most of our SNF operators derive a substantial portion of their revenue from state Medicaid programs. Whether and to what extent the level of Medicaid reimbursement covers the actual cost to care for a Medicaid eligible resident varies by state and depends on federal matching levels. While periodic rate setting occurs and, in most cases, has an inflationary component, the state rate setting process does not always keep pace with inflation or, even if it does, there is a risk that it may still not be sufficient to cover all or a substantial portion of the cost to care for Medicaid eligible residents. Additionally, rate setting is subject to changes based on state budgetary constraints and national and state level political factors, both of which could result in decreased or insufficient reimbursement to the industry even in an environment where costs are rising. Changes in presidential administrations and/or congressional makeup at the federal level can increase the political focus on entitlement program changes, which can create uncertainty with respect to the level of reimbursement available or the extent of regulation of the industry. Since our operators' profit margins on Medicaid patients are generally relatively low, more than modest reductions in Medicaid reimbursement or increases in the percentage of Medicaid patients have in the past, and may in the future, adversely affect our operators' results of operations and financial condition, which in turn could adversely impact us.

The risk of insufficient Medicaid reimbursement rates or delays in such reimbursements, along with possible initiatives to push residents historically cared for in SNFs to alternative settings, labor shortages in certain areas and limited regulatory support for increased levels of reimbursement in certain states, may impact us more acutely in states where we have a larger presence. While state reimbursement rates have generally improved over the last several years, reimbursement support is not consistent across states, and it is difficult to assess whether the level of reimbursement support has or will continue to adequately keep pace with increased operator costs. We continue to monitor rate adjustment activity, particularly in states in which we have a meaningful presence.

Medicare. On July 31, 2024, CMS issued a final rule regarding the government fiscal year 2025 Medicare payment rates and quality payment programs for SNFs, with aggregate Medicare Part A payments projected to increase by $1.4 billion, or 4.2%, for fiscal year 2025 compared to fiscal year 2024. This estimated reimbursement increase is attributable to a 4.2% net market basket update to the payment rates, which is based on a 3.0% SNF market basket increase plus a 1.7% market basket forecast error adjustment and less a 0.5% productivity adjustment. In addition to the payment rate update, CMS stated that it has rebased and revised the SNF market basket to reflect a 2022 base year. The annual update is reduced by 2% for SNFs that fail to submit required quality data to CMS under the SNF Quality Reporting Program. CMS has indicated that these impact figures did not incorporate the SNF Value-Based Program reductions that are estimated to be $196.5 million in fiscal year 2025. While Medicare reimbursement rate setting, which takes effect annually each October, has historically included forecasted inflationary adjustments, the degree to which those forecasts accurately reflect current expense levels remains uncertain. Additionally, it remains uncertain whether these adjustments will ultimately be offset by other factors, including any adjustments related to the impact of various payment models, such as those described below.

Payments to providers continue to be increasingly tied to quality and efficiency. The Patient Driven Payment Model ("PDPM"), which was designed by CMS to improve the incentives to treat the needs of the whole patient, became effective October 1, 2019. CMS has stated that it intended PDPM to be revenue-neutral to operators, with future Medicare reimbursement reductions possible if that was not the case. In August 2022, CMS issued a final rule providing that, to obtain revenue neutrality, it would utilize a PDPM parity adjustment factor of 4.6% for Medicare payment rates with a two-year phase-in period that would reduce SNF spending by 2.3%, or approximately $780 million, in each of fiscal years 2023 and 2024. Our operators continue to adapt to the reimbursement changes and other payment reforms resulting from the value-based purchasing programs applicable to SNFs under the 2014 Protecting Access to Medicare Act. These reimbursement changes have had and may, together with any further reimbursement changes to the PDPM or value-based purchasing models, in the future have an adverse effect on the operations and financial condition of some of our operators and could adversely impact the ability of our operators to meet their obligations to us.

The Budget Control Act of 2011 established a Medicare Sequestration of 2%, which is an automatic reduction of certain federal spending as a budget enforcement tool. Originally, the sequester was intended to be in effect from FY 2013 to FY 2021. However, most recently, the Infrastructure Investment and Jobs Act extended the sequester through FY 2031. The full 2% Medicare sequestration went into effect as of July 1, 2022 and gradually increases to 4% from 2030 through 2031.

On May 27, 2020, CMS added physical therapy, occupational therapy and speech-language pathology to the list of approved telehealth providers for the Medicare Part B programs provided by a SNF as a part of the COVID-19 1135 waiver provisions. The COVID-19 1135 waiver provisions also allowed for the facility to bill an originating site fee to CMS for telehealth services provided to Medicare Part B beneficiary residents of the facility when the services were provided by a physician from an alternate location, effective March 6, 2020 through May 11, 2023, the expiration of the public health emergency. The Consolidated Appropriations Act of 2023 extended the ability of occupational therapists, physical therapists and speech-language pathologists to continue to furnish these services via telehealth and bill as distant site practitioners until the end of 2024, which was further extended through March 31, 2025 by the American Relief Act.

Other Regulation:

Office of the Inspector General Activities. The Office of Inspector General ("OIG") of HHS has provided long-standing guidance for SNFs regarding compliance with federal fraud and abuse laws. More recently, the OIG has conducted increased oversight activities and issued additional guidance regarding its findings related to identified problems with the quality of care and the reporting and investigation of potential abuse or neglect at group homes, nursing homes and SNFs.

Department of Justice and Other Enforcement Actions. SNFs are under intense scrutiny for ensuring the quality of care being rendered to residents and appropriate billing practices conducted by the facility. The DOJ has historically used the False Claims Act to civilly pursue nursing homes that bill the federal government for services not rendered or care that is grossly substandard. For example, California prosecutors announced in March 2021 an investigation into a skilled nursing provider that is affiliated with one of our operators, alleging the chain manipulated the submission of staffing level data in order to improve its Five Star rating. In 2020, the DOJ launched a National Nursing Home Initiative to coordinate and enhance civil and criminal enforcement actions against nursing homes with grossly substandard deficiencies. Such enforcement activities are unpredictable and may develop over lengthy periods of time. An adverse resolution of any of these enforcement activities or investigations incurred by our operators may involve injunctive relief and/or substantial monetary penalties, either or both of which could have a material adverse effect on their reputation, business, results of operations and cash flows.

Medicare and Medicaid Program Audits. Governmental agencies and their agents, such as the Medicare Administrative Contractors, fiscal intermediaries and carriers, as well as the OIG, CMS and state Medicaid programs, conduct audits of our operators' billing practices from time to time. CMS contracts with Recovery Audit Contractors on a contingency basis to conduct post-payment reviews to detect and correct improper payments in the fee-for-service Medicare program, to managed Medicare plans and in the Medicaid program. Regional Recovery Audit Contractor program auditors along with the OIG and DOJ are expected to continue their efforts to evaluate SNF Medicare claims for any excessive therapy charges. CMS also employs Medicaid Integrity Contractors to perform post-payment audits of Medicaid claims and identify overpayments. In addition, the state Medicaid agencies and other contractors have increased their review activities. To the extent any of our operators are found out of compliance with any of these laws, regulations or programs, their financial position and results of operations can be adversely impacted, which in turn could adversely impact us.

Fraud and Abuse. There are various federal and state civil and criminal laws and regulations governing a wide array of healthcare provider referrals, relationships and arrangements, including laws and regulations prohibiting fraud by healthcare providers. Many of these complex laws raise issues that have not been clearly interpreted by the relevant governmental authorities and courts.

These laws include: (i) federal and state false claims acts, which, among other things, prohibit providers from filing false claims or making false statements to receive payment from Medicare, Medicaid or other federal or state healthcare programs; (ii) federal and state anti-kickback and fee-splitting statutes, including the Medicare and Medicaid Anti-kickback statute, which prohibit the payment or receipt of remuneration to induce referrals or recommendations of healthcare items or services, such as services provided in a SNF; (iii) federal and state physician self-referral laws (commonly referred to as the Stark Law), which generally prohibit referrals by physicians to entities for designated health services (some of which are provided in SNFs) with which the physician or an immediate family member has a financial relationship; (iv) the federal Civil Monetary Penalties Law, which prohibits, among other things, the knowing presentation of a false or fraudulent claim for certain healthcare services and (v) federal and state privacy laws, including the privacy and security rules contained in the Health Insurance Portability and Accountability Act of 1996, which provide for the privacy and security of personal health information.

Violations of healthcare fraud and abuse laws carry civil, criminal and administrative sanctions, including punitive sanctions, monetary penalties, imprisonment, denial of Medicare and Medicaid reimbursement and potential exclusion from Medicare, Medicaid or other federal or state healthcare programs. Additionally, there are criminal provisions that prohibit filing false claims or making false statements to receive payment or certification under Medicare and Medicaid, as well as failing to refund overpayments or improper payments. Violation of the Anti-kickback statute or Stark Law may form the basis for a federal False Claims Act violation. These laws are enforced by a variety of federal, state and local agencies and can also be enforced by private litigants through, among other things, federal and state false claims acts, which allow private litigants to bring qui tam or whistleblower actions, which have become more frequent in recent years.

Several of our operators have responded to subpoenas and other requests for information regarding their operations in connection with inquiries by the DOJ or other regulatory agencies.

Privacy. Our operators are subject to various federal, state and local laws and regulations designed to protect the confidentiality and security of patient health information, including the federal Health Insurance Portability and Accountability Act of 1996, as amended, the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and the corresponding regulations promulgated thereunder (collectively referred to herein as "HIPAA"). The HITECH Act expanded the scope of these provisions by mandating individual notification in instances of breaches of protected health information, providing enhanced penalties for HIPAA violations, and granting enforcement authority to states' Attorneys General in addition to the HHS Office for Civil Rights ("OCR"). Additionally, in a final rule issued in January 2013, HHS modified the standard for determining whether a breach has occurred by creating a presumption that any non-permitted acquisition, access, use or disclosure of protected health information is a breach unless the covered entity or business associate can demonstrate through a risk assessment that there is a low probability that the information has been compromised.

Various states have similar laws and regulations that govern the maintenance and safeguarding of patient records, charts and other information generated in connection with the provision of professional medical services. These laws and regulations require our operators to expend the requisite resources to secure protected health information, including the funding of costs associated with technology upgrades. Operators found in violation of HIPAA or any other privacy law or regulation may face significant monetary penalties. In addition, compliance with an operator's notification requirements in the event of a breach of unsecured protected health information could cause reputational harm to an operator's business.

Licensing and Certification. Our operators and facilities are subject to various federal, state and local licensing and certification laws and regulations, including laws and regulations under Medicare and Medicaid requiring operators of SNFs and ALFs to comply with extensive standards governing operations. Governmental agencies administering these laws and regulations regularly inspect our operators' facilities and investigate complaints. Our operators and their managers receive notices of observed violations and deficiencies from time to time, and sanctions have been imposed from time to time on facilities operated by them. In addition, many states require certain healthcare providers to obtain a certificate of need, which requires prior approval for the construction, expansion or closure of certain healthcare facilities, which has the potential to impact some of our operators' abilities to expand or change their businesses.

Other Laws and Regulations. Additional federal, state and local laws and regulations affect how our operators conduct their operations, including laws and regulations protecting consumers against deceptive practices and otherwise generally affecting our operators' management of their property and equipment and the conduct of their operations (including laws and regulations involving fire, health and safety); the Americans with Disabilities Act (the "ADA"), which imposes certain requirements to make facilities accessible to persons with disabilities, the costs for which we may be directly or indirectly responsible; the U.S. Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively referred to as the "Healthcare Reform Law"), which amended requirements for staff training, discharge planning, infection prevention and control programs, and pharmacy services, among others; staffing; quality of services, including care and food service; residents' rights, including abuse and neglect laws; and health standards, including those set by the federal Occupational Safety and Health Administration (in the U.S.). Our operators may continue to face additional federal and state regulatory requirements related to the operation of their facilities. These requirements may continue to evolve and develop over lengthy periods of time.

General and Professional Liability. Although arbitration agreements have been effective in limiting general and professional liabilities for SNF and long-term care providers, there have been numerous lawsuits in recent years challenging the validity of arbitration agreements in long-term care settings. On July 16, 2019, CMS issued a final rule lifting the prohibition on pre-dispute arbitration agreements offered to residents at the time of admission provided that certain requirements are met. The rule prohibits providers from requiring residents to sign binding arbitration agreements as a condition for receiving care and requires that the agreements specifically grant residents the explicit right to rescind the agreement within thirty calendar days of signing. A number of professional liability and employment related claims have been filed or are threatened to be filed against long-term care providers related to COVID-19. While such claims may be subject to liability protection provisions within various state executive orders or legislation and/or federal legislation, an adverse resolution of any of legal proceeding or investigations against our operators may involve injunctive relief and/or substantial monetary penalties, either or both of which could have a material adverse effect on our operators' reputation, business, results of operations and cash flows.

U.K. Regulations. The U.K. also imposes very high levels of regulation on our U.K.-based operators. In England, where the majority of our U.K. operators are based, the Care Quality Commission ("CQC") has regulatory oversight authority over the health and social care sectors and is responsible for approving, registering and inspecting our operators and the properties where they provide services. There is also a detailed legislative and regulatory framework in the U.K. designed to protect the vulnerable (whether by virtue of age or physical and/or mental impairment) and to prevent abuse. Each of these regulatory regimes carries significant enforcement powers, including the ability to criminally prosecute offending operators and facilities, impose fines or revoke registrations. Additionally, under the purview of the Competition and Markets Authority, local authorities are tasked with providing and funding the care needs of eligible residents within the applicable local authority area. There is ongoing debate and uncertainty within the U.K. as to how growing care needs will be met and funded in the future, and it is not clear at this stage what, if any, or the extent of such, impact will be on our U.K.-based operators.

Additionally, there has been significant legislation passed and guidance issued in the U.K. resulting from the COVID-19 pandemic. Much of the legislation or guidance sets out the additional precautions, measures or restrictions which were required in the care sector, including infection control measures and vaccination requirements for care sector workers. While the U.K. has transitioned to a post-COVID-19 pandemic position with lessened regulation across the U.K as a whole, the care sector remains subject to specific COVID-19 guidance and requirements issued by the CQC and the U.K. government's Department for Health and Social Care, including in relation to infection control measures, the use of personal protective equipment and testing. As a result, our U.K.-based operators still face significantly increased regulatory burdens under which they must deliver services and continue to experience significant impacts on their operations and financial condition, which has been somewhat offset by the level of stimulus provided.

Corporate Sustainability Program

We prioritize corporate responsibility initiatives that matter most to our business and shareholders. Our Nominating and Corporate Governance Committee of our Board of Directors ("Board") has been charged with primary oversight of these efforts. The Company has established a steering committee, with senior representation from all divisions of the company, that is responsible for advancing the Company's corporate sustainability programs, including environmental, governance and social responsibility programs. The Nominating and Corporate Governance Committee exercises oversight of this steering committee.

As a triple-net landlord, our third-party operators maintain operational control and responsibility for our real estate on a day-to-day basis. While our ability to mandate environmental changes to their operations is limited, our tenants are contractually bound to preserve and maintain our properties in good working order and condition. In connection with this, they are required to meet or exceed annual expenditure thresholds on capital improvements and enhancements of our properties, which in some cases may facilitate improvements in the environmental performance of our properties and reduces energy usage, water usage, and direct and indirect greenhouse gas emissions. Beginning in 2021, we have also implemented a capital expenditure sustainability initiative to encourage operators to invest in financially beneficial and environmentally enhancing investment projects. The goal is to incentivize operators to invest in sustainable capital projects that provide a favorable return on investment while reducing the environmental footprint of these operations. Our due diligence on real estate acquisitions generally includes environmental assessments as part of our analysis to understand the environmental condition of the property, and to determine whether the property meets certain environmental standards. Similarly, during the due diligence process, we seek to evaluate the risk of physical, natural disaster or extreme weather patterns on the properties we are looking to acquire and to assess their compliance with building codes, which often results in remediations that incorporate sustainable improvements into our properties.

We are committed to providing a positive and engaging work environment for our employees and taking an active role in the betterment of the communities in which our employees live and work. See also "Human Capital Management" immediately below.

Additional information regarding our corporate sustainability programs and initiatives is available in the Corporate Sustainability section of our website at www.omegahealthcare.com. Information on our website, including our Corporate Sustainability Report or sections thereof, is not incorporated by reference into this Annual Report.

Human Capital Management

Our success is based on the focused passion and dedication of our people. We believe our employees' commitment to Omega provides better service to our tenants and stakeholders, supports an inclusive and collegial working environment and generates long-term value for our shareholders and the communities which we serve. As of February 1, 2025, we had 60 employees including the executive officers listed below, none of whom is subject to a collective bargaining agreement. Due to the size and nature of our business, our future performance depends to a significant degree upon the continued contributions of our executive management team and other key employees. As such, the ability to attract, develop and retain qualified personnel will continue to be important to the Company's long-term success.

We have a long-standing commitment to being an equal opportunity employer. The Company has expanded its recruitment practices to reach more diverse candidates for employment and Board positions and has developed an internship program that supports our local community, including underrepresented and underserved communities, and developing a talent pipeline for Omega. The Company requires employees and Board members to certify its Code of Business Conduct & Ethics periodically, and from time to time, conducts compliance training for all employees and Directors. As of February 1, 2025, at the executive level, one of the Company's five executive officers is a woman and brings ethnic diversity to the team and one other of the Company's five executive officers also brings ethnic diversity to the team. As of February 1, 2025, on the senior management team, 29% are women and 29% bring ethnic diversity to the team. We regularly conduct pay equity reviews as we seek for women and men, on average, at various roles and levels of the Company, to be paid equitably for their roles and contributions to our success.

We are committed to providing a positive and engaging work environment for our employees and taking an active role in the betterment of the communities in which our employees live and work. Our full-time employees are provided a competitive benefits program, including comprehensive healthcare benefits and a 401(k) plan with a matching contribution from the Company, the opportunity to participate in our employee stock purchase program, bonus and incentive pay opportunities, competitive paid time-off benefits and paid parental leave, wellness programs, continuing education and development opportunities, and periodic engagement surveys. In addition, we believe that giving back to our community is an extension of our mission to improve the lives of our stockholders, our employees, and their families. The Company has implemented a matching program for charitable contributions of employees, provides annual charitable donations to our local Baltimore community and has implemented scholarship, mentorship and internship programs.

Information about our Executive Officers

Biographical information regarding our executive officers and their ages as of February 1, 2025 are set forth below:

C. Taylor Pickett (63) is our Chief Executive Officer and has served in this capacity since June 2001. Mr. Pickett has also served as Director of the Company since May 30, 2002. Mr. Pickett has also been a member of the board of trustees of COPT Defense Properties, an office REIT focusing on U.S. government agencies and defense contractors, since November 2013. From January 1993 to June 2001, Mr. Pickett served as a member of the senior management team of Integrated Health Services, Inc., most recently as Executive Vice President and Chief Financial Officer. Prior to joining Integrated Health Services, Inc. Mr. Pickett held various positions at PHH Corporation and KPMG Peat Marwick.

Matthew Gourmand (49) is our President and has served in this capacity since January 2025. Mr. Gourmand previously served as Senior Vice President of Corporate Strategy & Investor Relations since October 2017. Prior to this, Mr. Gourmand spent ten years as an equity portfolio manager at Millenium Partners and Stevens Capital Management. Mr. Gourmand spent three years as an equity research analyst at UBS and six years in the audit department of Deloitte where he qualified as a Chartered Accountant and a Certified Public Accountant. Mr. Gourmand also holds the Chartered Financial Analyst designation.

Vikas Gupta (44) is our Chief Investment Officer and has served in this capacity since January 2025. Mr. Gupta joined the Company in July 2011 and most recently served as our Senior Vice President of Acquisitions & Development since April 2015. From 2003 to July 2011, Mr. Gupta served in various roles at CapitalSource Finance, most recently as a Senior Loan Officer/Vice President, where he oversaw a portfolio of healthcare assets.

Robert O. Stephenson (61) is our Chief Financial Officer and has served in this capacity since August 2001. From 1996 to July 2001, Mr. Stephenson served as the Senior Vice President and Treasurer of Integrated Health Services, Inc. Prior to joining Integrated Health Services, Inc., Mr. Stephenson held various positions at CSX Intermodal, Inc., Martin Marietta Corporation and Electronic Data Systems.

Gail D. Makode (49) is our Chief Legal Officer, General Counsel and has served in this capacity since September 2019. Previously, she served as Senior Vice President, General Counsel and Corporate Secretary of IES Holdings, Inc., from October 2012 to September 2019. Prior to IES, she served in various legal capacities at MBIA Inc., including as General Counsel and member of the board at MBIA Insurance Corporation and Chief Compliance Officer of MBIA Inc., from 2006 to 2012. Earlier in her career, she served as Vice President and Counsel for Deutsche Bank AG, and as an associate at Cleary, Gottlieb, Steen, & Hamilton, where she specialized in public and private securities offerings and mergers and acquisitions.

Available Information

Our website address is www.omegahealthcare.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") are available on our website, free of charge, as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the U.S. Securities and Exchange Commission ("SEC"). Additionally, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us, at www.sec.gov.

Item 1A – Risk Factors

This section discusses material risk factors that may affect our business, operations and financial condition. It does not describe all risks and uncertainties applicable to us, our industry or ownership of our securities. If any of the following risks, or any other risks and uncertainties that are not addressed below or that we have not yet identified, actually occur, we could be materially adversely affected and the value of our securities could decline.

Risks Related to the Operators of Our Facilities

Our financial position could be weakened and our ability to make distributions and fulfill our obligations with respect to our indebtedness could be limited if our operators, or a portion thereof, become unable to meet their obligations to us or fail to renew or extend their relationship with us as their lease terms expire or their mortgages mature, or if we become unable to lease or re-lease our facilities or make mortgage loans on economically favorable terms. We have no operational control over our operators.

The bankruptcy or insolvency of our operators could limit or delay our ability to recover on our investments.

We are exposed to the risk that a distressed or insolvent operator may not be able to meet its lease, loan, mortgage or other obligations to us or other third parties. This risk is heightened during a period of economic or political instability. Although our lease and loan agreements typically provide us with the right to terminate, evict an operator, foreclose on our collateral, demand immediate payment and exercise other remedies upon the bankruptcy or insolvency of an operator, title 11 of the U.S. Code (the "Bankruptcy Code") would limit or, at a minimum, delay our ability to collect unpaid pre-bankruptcy rents and mortgage payments and to pursue other remedies against a bankrupt operator.

Leases. A bankruptcy filing by one of our lessee operators would typically prevent us from collecting unpaid pre-bankruptcy rents or evicting the operator, absent approval of the bankruptcy court. The Bankruptcy Code provides a lessee with the option to assume or reject an unexpired lease within certain specified periods of time. Generally, a lessee is required to pay all rent that becomes payable between the date of its bankruptcy filing and the date of the assumption or rejection of the lease (although such payments will likely be delayed as a result of the bankruptcy filing). If one of our lessee operators chooses to assume its lease with us, the operator must promptly cure all monetary defaults existing under the lease (including payment of unpaid pre-bankruptcy rents) and provide adequate assurance of its ability to perform its future lease obligations. Even where a lessee operator assumes its lease with us, it will first often threaten to reject that lease to obtain better lease terms from us, and we sometimes have to consider making, or we do make, such economic concessions to avoid rejection of the lease and our taking a closed facility back. If one of our lessee operators opts to reject its lease with us, we would have a claim against such operator for unpaid and future rents payable under the lease, but such claim would be subject to a statutory "cap" under the Bankruptcy Code, and would likely result in a recovery substantially less than the face value of such claim. Although the operator's rejection of the lease would permit us to recover possession of the leased facility, we would likely face losses, costs and delays associated with repairs and/or maintenance of the facility and then re-leasing the facility to a new operator, or costs associated with selling the facility. In any event, re-leasing a facility or selling it could take a material amount of time, and the pool of interested and qualified tenants or buyers will be limited due to the unique nature of our properties, which may depress values and our eventual recovery. Finally, whether a lease operator in bankruptcy ends up assuming or rejecting our lease, we will incur legal and collection costs, which can be difficult or impossible to recover.

Several other factors could impact our rights under leases with bankrupt operators. First, the operator could seek to assign its lease with us to a third party. The Bankruptcy Code disregards anti-assignment provisions in leases to permit the assignment of unexpired leases to third parties (provided all monetary defaults under the lease are promptly cured and the assignee can demonstrate its ability to perform its obligations under the lease). Second, in instances in which we have entered into a master lease agreement with an operator that operates more than one facility, the bankruptcy court could determine that the master lease was comprised of separate, divisible leases (each of which could be separately assumed or rejected), rather than a single, integrated lease (which would have to be assumed or rejected in its entirety). Finally, the bankruptcy court could re-characterize our lease agreement as a disguised financing arrangement, which could require us to receive bankruptcy court approval to foreclose or pursue other remedies with respect to the facility.

Mortgages. A bankruptcy filing by an operator to which we have made a loan secured by a mortgage would typically prevent us from collecting unpaid pre-bankruptcy mortgage payments and foreclosing on our collateral, absent approval of the bankruptcy court. As an initial matter, we could ask the bankruptcy court to order the operator to make periodic payments or provide other financial assurances to us during the bankruptcy case (known as "adequate protection"), but the ultimate decision regarding "adequate protection" (including the timing and amount of any "adequate protection" payments) rests with the bankruptcy court. In addition, we would need bankruptcy court approval before commencing or continuing any foreclosure action against the operator's collateral (including a facility). The bankruptcy court could withhold such approval, especially if the operator can demonstrate that the facility or other collateral is necessary for an effective reorganization and that we have a sufficient "equity cushion" in the facility or that we are otherwise protected from any diminution in value of the collateral. If the bankruptcy court does not either grant us "adequate protection" or permit us to foreclose on our collateral, we may not receive any loan payments until after the bankruptcy court confirms a plan of reorganization for the operator. In addition, in any bankruptcy case of an operator to which we have made a loan, the operator may seek bankruptcy court approval to pay us (i) over a longer period of time than the terms of our loan, (ii) at a different interest rate, and/or (iii) for only the value of the collateral, instead of the full amount of the loan. Finally, even if the bankruptcy court permits us to foreclose on the facility, we would still be subject to the losses, costs and other risks associated with a foreclosure sale, including possible successor liability under government programs, indemnification obligations and suspension or delay of third-party payments. Should such events occur, our income and cash flow from operations would be adversely affected.

Personal Guarantees and Loans. While we sometimes have third-party guarantees of an operator's lease or loan obligations, and while from time to time we may make loans to individual obligors, such guarantees or loans can be expensive to enforce, and have their own risks of collection against the guarantors or obligors or the estates or successors of such obligors.

Failure by our operators to comply with government regulations may adversely impact their ability to make debt or lease payments to us.

Our operators are subject to numerous federal, state and local laws and regulations in the U.S. and, for certain operators, in the U.K., including those described in Item 1 – Business – Government Regulation and Reimbursement. Laws and regulations impacting our operators include, without limitation, those relating to reimbursement (including Medicare and Medicaid reimbursement programs in the U.S.), quality of care initiatives (including the implementation of proposed federal minimum staffing requirements in the U.S.), licensing and certification of our operators, fraud and abuse laws and regulations, and privacy and security laws. We cannot predict the effect that the costs of complying with these laws may have on the revenues of our operators, and thus their ability to meet their obligations to us. In addition, requirements applicable to our operators are subject to frequent and substantial changes (sometimes applied retroactively) resulting from new legislation, adoption of rules and regulations, and administrative and judicial interpretations of existing law, and any changes in the regulatory framework could have a material adverse effect on our tenants, operators, guarantors and managers. Any of these changes may be more pronounced following governmental leadership changes, particularly following a change in presidential administrations. The ultimate timing or effect of these changes cannot be predicted. These changes may have a dramatic effect on our operators' costs of doing business and on the amount of reimbursement by both government and other third-party payors. The failure of any of our operators to comply with these laws, requirements and regulations could adversely affect their ability to meet their obligations to us. If we fail to effectively implement or appropriately adjust our operational and strategic initiatives with respect to the implementation of new laws and regulations, or do not do so as effectively as our competitors, our results of operations may be materially adversely affected.

Our operators depend on reimbursement from governmental and other third-party payors, and reimbursement rates from such payors may be reduced, modified or delayed, including through reductions to the Medicare and Medicaid programs for U.S. operators.

Changes in the reimbursement rate or methods of payment from governmental and other third-party payors, including the Medicare and Medicaid programs for U.S. operators, or the implementation of other measures to reduce reimbursements for services provided by our operators has in the past, and could in the future, result in a substantial reduction in our operators' revenues and operating margins. Reimbursement from governmental and other third-party payors could be reduced or delayed as part of spending cuts and tax reform and governmental efficiency initiatives that impact Medicare, Medicaid or Medicare Advantage Plans, or as part of retroactive adjustments during claims settlement processes or as a result of post-payment audits. Further, alternative payment models, as well as other regulatory initiatives, have the potential to affect Medicare payments to SNFs, including, but not limited to, provisions changing the payment methodology, setting reimbursement caps, implementing value-based purchasing and payment bundling, and studying the appropriateness of restrictions on payments for healthcare acquired conditions. Any of these changes may be more pronounced following governmental leadership changes, particularly following a change in presidential administrations. In some cases, states have enacted or are considering enacting measures designed to reduce Medicaid expenditures or freeze Medicaid rates, to allocate funding available for reimbursement away from SNFs in favor of home health agencies and community-based care, and to make changes to private healthcare insurance. Several commercial payors have expressed an intent to pursue certain value-based purchasing models and initiatives. Since our operators' profit margins on Medicaid patients are generally relatively low, more than modest reductions or delays in Medicaid reimbursement to our SNF operators and an increase in the number of Medicaid patients could place some operators in financial distress, which in turn could adversely affect us. If funding for Medicare and/or Medicaid is reduced, it could have a material adverse effect on our operators' results of operations and financial condition, which could adversely affect our operators' ability to meet their obligations to us. Significant limits on the scope of services reimbursed and on reimbursement rates, as well as changes in reimbursement policies or other measures altering payment methodologies or delaying reimbursements for services provided by our operators, could have a material adverse effect on our operators' results of operations and financial condition, which could cause the revenues of our operators to decline and negatively impact their ability to meet their obligations to us.

We may be unable to find a replacement operator for one or more of our leased properties.

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

Our operators may be subject to significant legal actions that could result in their increased operating costs and substantial uninsured liabilities, which may affect their ability to meet their obligations to us; and we may become party to such legal actions.

Our operators may be subject to claims for damages relating to the services that they provide. While we are unable to predict the scope of future federal, state and local regulations and legislation, including the Medicare and Medicaid statutes and regulations, we believe that long-term care providers will continue to be the focus of governmental investigations, particularly in the area of Medicare/Medicaid false claims and in the use of COVID-19 related funds, including the Employee Retention Credit, and compliance with infection control and quality standards. We can give no assurance that the insurance coverage maintained by our operators will cover all claims made against them or continue to be available at a reasonable cost, if at all. In some states, insurance coverage for the risk of punitive damages arising from professional and general liability claims and/or litigation may not, in certain cases, be available to operators due to state law prohibitions or limitations of availability. As a result, our operators operating in these states may be liable for punitive damage awards that are either not covered or are in excess of their insurance policy limits.

Any adverse determination in a legal proceeding or governmental investigation, whether currently asserted or arising in the future, could have a material adverse effect on an operator's financial condition and its ability to meet its obligations to us, which, in turn, could have a material adverse effect on our business, financial condition, results of operations and ability to make distributions to our stockholders.

In addition, we may in some circumstances be named as a defendant in litigation involving the services provided by our operators. In the past, we and several of our wholly-owned subsidiaries have been named as defendants in professional liability and general liability claims related to our owned and operated facilities, and we could be named as defendants in similar suits in the future. In these suits, patients of our operators have alleged significant damages, including punitive damages, against the defendants. Although we generally have no involvement in the services provided by our operators, and our standard lease and loan agreements generally require our operators to indemnify us and carry insurance to cover us in certain cases, a significant judgment against us in such litigation could exceed our and our operators' insurance coverage, which would require us to make payments to cover the judgment.

Increased competition as well as increased operating costs result in lower revenues for some of our operators and may affect the ability of our operators to meet their obligations to us.

The long-term healthcare industry is highly competitive, and we expect that it may become more competitive in the future. Our operators are competing with numerous other companies providing similar healthcare services or alternatives such as home health agencies, life care at home, community-based service programs, retirement communities and convalescent centers. Our operators compete on several different levels including the quality of care provided, reputation, the physical appearance of a facility, price, the range of services offered, family preference, alternatives for healthcare delivery, the supply of competing properties, physicians, staff, referral sources, location and the size and demographics of the population in the surrounding areas. Our operators may encounter increased competition in the future that could limit their ability to attract residents or expand their businesses and therefore affect their ability to pay their lease or mortgage payments and meet their obligations to us.

In addition, the market for qualified personnel is highly competitive. Our operators have experienced and may continue to experience difficulties in attracting and retaining such personnel, in particular due to labor constraints and, in some cases, wage increases, which have been elevated since the beginning of the COVID-19 pandemic and may remain elevated. These labor constraints may also be adversely impacted by immigration restrictions and changes to immigration enforcement policy to the extent they impact our operators' workforces and by minimum staffing requirements that have been established in certain states and proposed at the federal level. Increases in labor costs could affect our operators' ability to meet their obligations to us.

We may be unable to successfully foreclose on the collateral securing our loans, and even if we are successful in our foreclosure efforts, we may be unable to successfully find a replacement operator, or operate or occupy the underlying real estate, which may adversely affect our ability to recover our investments.

If an operator defaults under one of our mortgage or other loans, we may foreclose on the loan or otherwise protect our interest by acquiring title to the property or collateral. In such a scenario, we may be required to make substantial improvements or repairs to maximize the facility's investment potential. Operators may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against our exercise of enforcement or other remedies and/or bring claims for lender liability in response to actions to enforce mortgage obligations. Even if we are able to successfully foreclose on the collateral securing our loans, we may be unable to expeditiously find a replacement operator, if at all, or otherwise successfully operate or occupy the property, which could adversely affect our ability to recover our investment.

Inflation could adversely impact our operators and our results of operations.

Inflation, both real or anticipated, as well as any responsive governmental policies, has and may continue to adversely affect the economy and the costs of labor, goods and services to our operators or borrowers. Inflation may also be adversely impacted by the imposition of additional tariffs by the U.S. federal government, which have been proposed and the impacts of which remain uncertain. Our long-term leases and loans typically contain provisions such as rent and interest escalators that are designed to mitigate the adverse impact of inflation on our results of operations. However, these provisions may have limited effectiveness at mitigating the risk of high levels of inflation due to contractual limits on escalation that exist in substantially all of our escalation provisions. Our leases are triple-net and typically require the operator to pay all property operating expenses, and therefore, increases in property-level expenses at our leased properties generally do not directly affect us. However, increased operating costs resulting from inflation have had, and may continue to have, an adverse impact on our operators and borrowers if increases in their operating expenses exceed increases in their reimbursements, which has and may continue to adversely affect our operators' or borrowers' ability to pay rent or other obligations owed to us.

An increase in our operators' expenses and a failure of their reimbursements to increase at least with inflation could adversely impact our operators' and our financial condition and our results of operations.

Uninsured losses or losses in excess of our operators' insurance coverage could adversely affect our financial position and our cash flow.

Under the terms of our leases, our operators are generally required to maintain comprehensive general liability, fire, flood, earthquake, boiler and machinery, nursing home or long-term care professional liability and extended coverage insurance with respect to our properties with policy specifications set forth in the leases or other written agreements between us and the operator. However, our properties may be adversely affected by casualty or other losses which exceed insurance coverages and reserves. In addition, we cannot provide any assurances that our tenants will maintain the required coverages, that we will continue to require the same levels of insurance under our leases, or that such insurance will be available at a reasonable cost in the future or that the policies maintained will fully cover all losses on our properties upon the occurrence of a catastrophic event. We also cannot make any guaranty as to the future financial viability of the insurers that underwrite the policies maintained by our tenants, or, alternatively if our tenants utilize captive or self-insurance programs, that such programs will be adequately funded.

Should an uninsured loss or a loss in excess of insured limits occur, we could lose both our investment in, and anticipated profits and cash flows from, the property, and disputes over insurance claims could arise. Even if it were practicable to restore the property to its condition prior to the damage caused by a major casualty, the operations of the affected property would likely be suspended for a considerable time.

Our development and redevelopment projects may not yield anticipated returns.

We consider and, when appropriate, invest in various development and redevelopment projects. In deciding whether to make an investment in a particular project, we make certain assumptions regarding the expected future performance of the property. Our assumptions are subject to risks generally associated with development and redevelopment projects, including, among others, that:

- Our operators may not be able to complete the project on schedule or within budgeted amounts;
- Our operators may encounter delays in obtaining or fail to obtain all necessary zoning, land use, building, occupancy, environmental and other governmental permits and authorizations, or underestimate the costs necessary to develop or redevelop the property to market standards;
- Volatility in the price of construction materials or labor may increase project costs;
- The builders may fail to perform or satisfy the expectations of our operators;

- We may incorrectly forecast risks associated with development in new geographic regions;
- Demand for our project may decrease prior to completion, due to competition from other developments; and
- New facilities may take longer than expected to reach stabilized operating levels, if at all.

If any of the risks described above occur, our development and redevelopment projects may not yield anticipated returns, which could have a material adverse effect on us.

Risks Related to Us and Our Operations

Severe respiratory disease seasons, epidemics, pandemics or other widespread illnesses could adversely affect our properties, and could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our business and operations were significantly impacted by the COVID-19 pandemic and are exposed to continuing risks from COVID-19, severe respiratory disease seasons or the occurrence of other epidemics, pandemics or other widespread illnesses. Our revenues and our operators' revenues are dependent on occupancy, and the occupancy of our properties could significantly decrease in the event of a severe respiratory disease season, a resurgence of COVID-19 or other epidemics or widespread illnesses. Such a decrease would affect the operating income of our properties and the ability of our operators to make payments to us. As we experienced during the COVID-19 pandemic, a future respiratory disease or other epidemic or pandemic could significantly increase the cost burdens faced by our operators, including if they are required to implement quarantines for residents, as well as cause a reduction in occupancy, each of which could adversely affect their ability to meet their obligations to us, which could have a material adverse effect on our financial results.

The effect of a pandemic or other future widespread illness on our and our operators' operational and financial performance will depend on future developments, including the ability to control the spread of the outbreak generally and in our facilities, and the delivery and efficacy of and participation in vaccination programs and other treatments, government funds and other support for the senior care sector and the efficacy of other policies and measures that may mitigate the impact of the pandemic or illness.

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

Our ability to pay dividends may be adversely affected upon the occurrence of any of the risks described herein. Our payment of dividends is subject to compliance with restrictions contained in our credit agreements, the indentures governing our senior notes and any preferred stock that our Board of Directors ("Board") may from time to time designate and authorize for issuance. All dividends will be paid at the discretion of our Board and will depend upon our earnings, our financial condition, maintenance of our REIT status and such other factors as our Board may deem relevant from time to time. There are no assurances of our ability to pay dividends in the future. In addition, our dividends in the past have included, and may in the future include a return 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.

As a REIT under the Code, we are required to, among other things, distribute at least 90% of our REIT taxable income each year to our stockholders. Because of this distribution requirement, we may not be able to fund, from cash retained from operations, all future capital needs, including capital needed to make investments and to satisfy or refinance maturing commitments. As a result, we rely on external sources of capital, including debt and equity financing. If we are unable to obtain needed capital at all or only on unfavorable terms from these sources, we might not be able to make the investments needed to grow our business, or to meet our obligations and commitments as they mature, which could negatively affect the ratings of our debt and even, in extreme circumstances, affect our ability to continue operations. We may not be in a position to take advantage of future investment opportunities in the event that we are unable to access the capital markets on a timely basis or we are only able to obtain financing on unfavorable terms.

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.

As with other publicly-traded companies, the availability of equity capital will depend, in part, on the market price of our common stock which, in turn, will depend upon various market conditions and other factors, some of which we cannot control, that may change from time to time including:

- the extent of investor interest;
- the general reputation of REITs and the attractiveness of their equity securities in comparison to other equity securities, including securities issued by other real estate-based companies;
- our financial performance and that of our operators;

- concentrations in our investment portfolio by operator and facility type;
- concerns about our operators' financial condition due to uncertainty regarding reimbursement from governmental and other third-party payor programs;
- our credit ratings and analyst reports on us and the REIT industry in general, including recommendations, and our ability to meet our guidance estimates or analysts' estimates;
- general economic, global and market conditions, including changes in interest rates on fixed income securities, which may lead prospective purchasers of our common stock to demand a higher annual yield from future distributions, or the impacts of a future pandemic or global conflicts on our operators;
- our failure to maintain or increase our dividend, which is dependent, to a large part, on the increase in funds from operations, which in turn depends upon increased revenues from additional investments and rental increases; and
- other factors such as governmental regulatory action and changes in REIT tax laws, as well as changes in litigation and regulatory proceedings.

The market value of the equity securities of a REIT is generally based upon the market's perception of the REIT's growth potential and its current and potential future earnings and cash distributions. Our failure to meet the market's expectations with regard to future earnings and cash distributions would likely adversely affect the market price of our common stock and, as a result, the availability of equity capital to us.

We are subject to risks associated with debt financing, including changes in our credit ratings, which could negatively impact our business and limit our ability to make distributions to our stockholders and to repay maturing debt.

The current high interest rate environment has been increasing interest costs on new and existing variable rate debt. Such increases in the cost of capital, and any further increases resulting from future interest rate hikes, could adversely impact our ability to finance operations, acquire and develop properties, and refinance existing debt. Additionally, increased interest rates may also result in less liquid property markets, limiting our ability to sell existing assets. Higher interest rates may also lead purchasers of our common stock to demand a greater annual dividend yield, which could adversely affect the market price of our common stock and could result in increased capitalization rates, which may lead to reduced valuation of our assets.

The financing required to make future investments and satisfy maturing commitments may be provided by borrowings under our credit facilities, private or public offerings of debt or equity, the assumption of secured indebtedness, mortgage financing on a portion of our owned portfolio or through joint ventures. To the extent we must obtain debt financing from external sources to fund our capital requirements, we cannot guarantee such financing will be available on favorable terms, if at all. In addition, if we are unable to refinance or extend principal payments due at maturity or pay them with proceeds from other capital transactions, our cash flow may not be sufficient to make distributions to our stockholders and repay our maturing debt. Furthermore, if prevailing interest rates, changes in our debt credit ratings or other factors at the time of refinancing result in higher interest rates upon refinancing, the interest expense relating to that refinanced indebtedness would increase, which could reduce our profitability and the amount of dividends we are able to pay. Factors that may affect our credit ratings include, among other things, our financial performance, our success in raising sufficient equity capital, adverse changes in our debt and fixed charge coverage ratios, our capital structure and level of indebtedness and pending or future changes in the regulatory framework applicable to our operators and our industry. Further, additional debt financing increases the amount of our leverage. The degree of leverage could have important consequences to stockholders, including affecting our investment grade ratings and our ability to obtain additional financing in the future, and making us more vulnerable to a downturn in our results of operations or the economy generally.

We may from time to time seek to manage our exposure to interest rate volatility with hedging arrangements, which involve additional risks, including the risks that counterparties may fail to honor their obligations under these arrangements, that these arrangements may not be effective in reducing our exposure to interest rate changes, that the amount of income we earn from hedging transactions may be limited by federal tax provisions governing REITs, and that these arrangements may reduce the benefits to us if interest rates decline. Developing and implementing an interest rate risk strategy is complex and no strategy can completely insulate us from risks associated with interest rate fluctuations and there can be no assurance that our hedging activities will be effective. Failure to hedge effectively against interest rate risk, if we choose to engage in such activities, could adversely affect our business, financial condition and results of operations.

We may be subject to additional risks in connection with our acquisitions of long-term care facilities.

We may be subject to additional risks in connection with our acquisitions of long-term care facilities, including but not limited to the following:

- our limited prior business experience with certain of the operators of the facilities we have recently acquired or may acquire in the future, or inability to diversify our operator relationships to support future acquisitions or re-leasing of properties;
- the facilities may underperform due to various factors, including unfavorable terms and conditions of the lease agreements that we assume, disruptions caused by the management of the operators of the facilities or changes in economic conditions impacting the facilities and/or the operators;
- large acquisitions or investments could place significant additional demands on, and require us to expand, our management, resources and personnel, as well as to adapt our administrative, accounting and operational systems to integrate and manage the long-term care facilities we have acquired or may acquire in a timely manner;
- diversion of our management's attention away from other business concerns;
- exposure to any undisclosed or unknown potential liabilities relating to the facilities; and
- potential underinsured losses on the facilities.

We cannot assure you that we will be able to manage our recently acquired facilities, or the future growth in our business, without encountering difficulties or that any such difficulties will not have a material adverse effect on us. Our growth could also increase our capital requirements, which may require us to issue potentially dilutive equity securities and incur additional debt.

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

Our asset portfolio primarily consists of real estate and real estate loans, which are subject to write-downs in value. From time to time, we close facilities and actively market such facilities for sale. To the extent we are unable to sell these properties for our book value, we may be required to take a non-cash impairment charge or loss on the sale, either of which would reduce our net income. In addition, we periodically, but not less than annually, evaluate our real estate investments and other assets for impairment indicators, and we establish general and specific reserves for our issued loans at least quarterly. The quarterly evaluation of our investments for impairment may result in significant fluctuations in our provision for credit losses or real estate impairments from quarter to quarter, impacting our results of operations. Judgments regarding the existence of impairment indicators or loan reserves are based on a number of factors, including market conditions, operator performance and legal structure, and these factors may involve estimates. If we determine that a significant impairment has occurred, we are required to make an adjustment to the net carrying value of the asset, which could have a material adverse effect on our results of operations. Our estimates of loan reserves, and other accounting estimates, are inherently uncertain and may be subject to future adjustment, leading potentially to an increase in reserves.

Our indebtedness could adversely affect our financial condition.

We have a material amount of indebtedness and we may increase our indebtedness in the future. Our level and type of indebtedness could have important consequences for our stockholders. For example, it could:

- increase our vulnerability to adverse changes in general economic, industry and competitive conditions;
- limit our ability to borrow additional funds, on satisfactory terms or at all, for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business plan or other general corporate purposes;
- increase our cost of borrowing;
- require us to dedicate a substantial portion of our cash flow from operations to make payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our ability to make material acquisitions or take advantage of business opportunities that may arise;
- limit our ability to make distributions to our stockholders, which may cause us to lose our qualification as a REIT under the Code or to become subject to federal corporate income tax on any REIT taxable income that we do not distribute;
- expose us to fluctuations in interest rates, to the extent our borrowings bear variable rates of interest;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; and
- place us at a competitive disadvantage compared to our competitors that have less debt.

Further, we have the ability to incur additional debt, including secured debt, which could intensify the risks above. In addition, if we are unable to refinance any of our floating rate debt, we would continue to be subject to interest rate risk. The short-term nature of some of our debt also subjects us to the risk that market conditions may be unfavorable or may prevent us from refinancing our debt at or prior to their existing maturities. In addition, our cash flow from operations may not be sufficient to repay all of our outstanding debt as it becomes due, and we may not be able to borrow money, sell assets or otherwise raise funds on acceptable terms, if at all, to refinance our debt.

Covenants in our debt documents limit our operational flexibility, and a covenant breach could materially adversely affect our operations.

The terms of our credit agreements and note indentures require us to comply with a number of customary financial and other covenants that may limit our management's discretion by restricting our ability to, among other things, incur additional debt, redeem our capital stock, enter into certain transactions with affiliates, pay dividends and make other distributions, make investments and other restricted payments, engage in mergers and consolidations, create liens, sell assets or engage in new lines of business. In addition, our credit facilities require us to maintain compliance with specified financial covenants, including those relating to maximum total leverage, maximum secured leverage, maximum unsecured leverage, minimum fixed charge coverage, minimum consolidated tangible net worth and minimum unsecured interest coverage. Any additional financing we may obtain could contain similar or more restrictive covenants. Our continued ability to incur indebtedness, conduct our operations, and take advantage of business opportunities as they arise is subject to compliance with these financial and other covenants. Breaches of these covenants could result in defaults under the instruments governing the applicable indebtedness, in addition to any other indebtedness cross-defaulted against such instruments. Any such breach could materially adversely affect our business, results of operations and financial condition.

We are subject to particular risks associated with real estate ownership, which could result in unanticipated losses or expenses.

Our business is subject to many risks that are associated with the ownership of real estate. For example, if our operators do not renew their leases, we may be unable to re-lease the facilities at favorable rental rates, if at all. Other risks that are associated with real estate acquisition and ownership include, without limitation, the following:

- general liability, property and casualty losses, some of which may be uninsured;
- the inability to purchase or sell our assets rapidly to respond to changing economic conditions, due to the illiquid nature of real estate and the real estate market;
- leases that are not renewed or are renewed at lower rental amounts at expiration;
- contingent rent escalators tied to changes in the Consumer Price Index or other parameters;
- the exercise of purchase options by operators resulting in a reduction of our rental revenue;
- costs relating to maintenance and repair of our facilities and the need to make expenditures due to changes in governmental regulations, including the Americans with Disabilities Act;
- environmental hazards created by prior owners or occupants, existing tenants, mortgagors or other persons for which we may be liable; and
- acts of God or terrorism affecting our properties.

Our real estate investments are relatively illiquid.

Real estate investments are relatively illiquid and generally cannot be sold quickly. The real estate market is affected by many factors which are beyond our control, including general economic conditions, availability of financing, interest rates and supply and demand. Additional factors that are specific to our industry also tend to limit our ability to vary our portfolio promptly in response to changes in economic or other conditions. For example, all of our properties are "special purpose" properties that cannot be readily converted into general residential, retail or office use. In addition, transfers of operations of nursing homes and other healthcare-related facilities are subject to extensive regulatory approvals. We cannot predict whether we will be able to sell any property for the price or on the terms set by us or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property, or that we will have funds available to make necessary repairs and improvements to a property held for sale. To the extent we are unable to sell any properties for our book value, we may be required to take a non-cash impairment charge or loss on the sale, either of which would reduce our net income.

We face possible risks and costs associated with severe weather conditions, natural disasters or the physical effects of climate change.

A large number of our properties are located in areas particularly susceptible to revenue loss, cost increase or damage caused by severe weather conditions or natural disasters such as hurricanes, earthquakes, tornadoes, fires and floods, as well as the effects of climate change. To the extent that climate change impacts changes in weather patterns, our markets could experience more frequent and severe natural disasters. Operationally, such events could cause a major power outage, leading to a disruption of our operators' operations or require them to incur additional cost associated with evacuation plans. Over time, any of these conditions could result in increased operator costs, delays in construction, resulting in increased construction costs, or in the inability of our operators to operate our facilities at all. Climate change and severe weather may also have indirect effects on our business by increasing the costs to our operators of, or decreasing the availability to our operators of, property insurance on terms they find acceptable, and by increasing the cost of energy, maintenance, repair of water and/or wind damage, and snow removal at our properties. In the event of a loss in excess of insured limits, we could lose our incremental capital invested in the affected property.

Although Congress has not yet enacted comprehensive federal legislation to address climate change, numerous states and municipalities, as well as the U.K., have adopted laws and policies on climate change and emission reduction targets. Changes in legislation and regulation within the U.S. and U.K. based on concerns about climate change could result in increased capital expenditures on our existing properties and our new development properties (for example, to improve their energy efficiency and/or resistance to severe weather) without a corresponding increase in revenue, resulting in adverse impacts to our net income. There can be no assurance that climate change and severe weather will not have a material adverse effect on our properties, operations or business.

As an owner or lender with respect to real property, we may be exposed to possible environmental liabilities.

Under various federal, state and local environmental laws, ordinances and regulations, a current or previous owner of real property or a secured lender may be liable in certain circumstances for the costs of investigation, removal or remediation of certain hazardous or toxic substances at such property, as well as certain other potential related costs, including government fines and damages for injuries to persons and adjacent property. Such laws often impose liability without regard to whether the owner knew of, or was responsible for, the presence or disposal of such substances. As a result, liability may be imposed on the owner in connection with the activities of an operator of the property, and the owner's liability could exceed the value of the property and/or the assets of the owner. In addition, the presence of such substances, or the failure to properly dispose of or remediate such substances, may adversely affect an operators' ability to attract additional residents and our ability to sell or rent such property or to borrow using such property as collateral which, in turn, could negatively impact our revenues.

Although our leases and mortgage loans generally require the lessee and the mortgagor to indemnify us for certain environmental liabilities, they may be unable to fulfill their indemnification obligations to us, and the scope of such obligations may be limited. For instance, most of our leases do not require the lessee to indemnify us for environmental liabilities arising before the lessee took possession of the premises.

The industry in which we operate is highly competitive. Increasing investor interest in our sector and consolidation at the operator or REIT level could increase competition and reduce our profitability.

Our business is highly competitive, and we expect that it may become more competitive in the future. We compete for healthcare facility investments with other healthcare investors, including other REITs, some of which have greater resources and lower costs of capital than we do. Increased competition makes it more challenging for us to identify and successfully capitalize on opportunities that meet our business goals. If we cannot capitalize on our development pipeline, identify and purchase a sufficient quantity of healthcare facilities at favorable prices, identify appropriate operators to lease our facilities or are unable to finance such acquisitions on commercially favorable terms, our business, results of operations and financial condition may be materially adversely affected. In addition, if our cost of capital should increase relative to the cost of capital of our competitors, the spread that we realize on our investments may decline if competitive pressures limit or prevent us from charging higher lease or mortgage rates.

Our charter and bylaws contain significant anti-takeover provisions which could delay, defer or prevent a change in control or other transactions that could provide our stockholders with the opportunity to realize a premium over the then-prevailing market price of our common stock.

Our charter and bylaws contain various procedural and other requirements which could make it difficult for stockholders to effect certain corporate actions. Our Board has the authority to issue additional shares of preferred stock and to fix the preferences, rights and limitations of the preferred stock without stockholder approval. In addition, our charter contains limitations on the ownership of our capital stock intended to ensure we continue to meet the requirements for qualification as a REIT. For example, our charter, among other restrictions, prohibits the beneficial or constructive ownership (as defined for federal income tax purposes) by any person of more than 9.8% in value or in number of shares of the outstanding shares of any class or series of our capital stock, unless our Board grants an exemption or modifies the ownership limit for such person and certain conditions are satisfied. These provisions could discourage unsolicited acquisition proposals or make it more difficult for a third party to gain control of us, which could adversely affect the market price of our securities and/or result in the delay, deferral or prevention of a change in control or other transactions that could provide our stockholders with the opportunity to realize a premium over the then-prevailing market price of our common stock.

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

We have investments in the U.K. and may from time to time may seek to acquire other properties in the U.K. or otherwise outside the U.S. International development, investment, ownership and operating activities involve risks that are different from those we face with respect to our U.S. properties and operations. These risks include, but are not limited to, any international currency gain recognized with respect to changes in exchange rates may not qualify under the income tests that we must satisfy annually in order to qualify and maintain our status as a REIT; fluctuations in the exchange rates between USD and the British Pound Sterling ("GBP"), or other foreign currencies in which we may transact in the future, which we may be unable to protect against through hedging; changes in foreign political, regulatory, and economic conditions, including increases in energy prices, such as those experienced in the U.K. resulting in part from the conflict in Ukraine and sanctions imposed on Russia; challenges in managing international operations and enforcing obligations in other countries; challenges of complying with a variety of foreign laws and regulations, including those relating to real estate, healthcare operations, environmental, climate impacts, taxes, employment and legal proceedings; financial risks to our operators, including differences in expenses and government reimbursement practices, as well as funding challenges in the public sector; differences in lending practices and the willingness of domestic or foreign lenders to provide financing; regional or country-specific business cycles and economic instability; and changes in applicable laws and regulations in the U.S. that affect foreign operations. If we are unable to successfully manage the risks associated with international expansion and operations, our results of operations and financial condition may be adversely affected.

Our assets are concentrated in the long-term care industry and face geographic and operator concentration risk.

Our assets are generally not diversified by industry and face risks associated with the long-term care industry. In addition, at December 31, 2024, one operator represented greater than 10% of our investments, and the three states in which we had our highest concentration of investments were Texas (9.2%), Indiana (6.2%) and California (5.7%). In addition, our concentration of investments in the U.K. is 14.1%. As a result, we are subject to increased exposure to adverse conditions affecting these operators and regions, with regional risks including unfavorable Medicaid reimbursements rates for SNFs, downturns in the local economies, local real estate conditions, staffing challenges, increased competition or decreased demand for our facilities, regional climate events, and unfavorable legislative or regulatory developments, which could adversely affect our business and results of operations.

Our primary assets are the units of partnership interest in Omega OP and, as a result, we will depend on distributions from Omega OP to pay dividends and expenses.

The Company is a holding company and has no material assets other than units of partnership interest in Omega OP. We intend to cause the partnership to make distributions to its partners, including the Company, in an amount sufficient to allow us to qualify as a REIT for U.S. federal income tax purposes and to pay all of our expenses. To the extent we need funds and the partnership is restricted from making distributions under applicable law or otherwise, or if the partnership is otherwise unable to provide such funds, the failure to make such distributions could materially adversely affect our liquidity and financial condition.

Members of our management and Board hold partnership interests in Omega OP, and their interests may differ from those of our public stockholders.

Some members of our management and Board hold partnership interests in Omega OP. Those unitholders may have conflicting interests with holders of the Company's common stock. For example, such unitholders of Omega OP Units may have different tax positions from the Company or holders of our common stock, which could influence their decisions in their capacities as members of management regarding whether and when to dispose of assets, whether and when to incur new or refinance existing indebtedness and how to structure future transactions.

Our investments in joint ventures or other equity investments could be adversely affected by shared decision-making authority, our counterparty's financial condition, and our exposure to potential losses from the actions of our counterparties.

As of December 31, 2024, we have ownership interests in one consolidated joint venture and several unconsolidated joint ventures, and we manage other equity investments. These joint ventures and investments involve additional risks, including the following:

- we may be unable to take actions that are opposed by our counterparties under arrangements that require us to share decision-making authority over major decisions affecting the ownership or operation of the joint venture or investment and any property or assets owned thereby, such as the sale or financing of the property or assets, our ability to sell or transfer our interest in a joint venture or investment or the making of additional capital contributions for the benefit of the property or assets;
- for joint ventures or investments in which we have a noncontrolling interest, our joint venture partners or other counterparties may take actions that we oppose;
- our joint venture partners or other counterparties may become bankrupt or fail to fund their share of required capital contributions, which could delay construction or development of a property or increase our financial commitment to the joint venture or investment;
- our joint venture partners or other counterparties may have business interests or goals with respect to a property that conflict with our business interests and goals, including with respect to the timing, terms and strategies for investment, which could increase the likelihood of disputes regarding the ownership, management or disposition of the property;
- disagreements with our joint venture partners or other counterparties could result in litigation or arbitration that increases our expenses, distracts our officers and directors, and disrupts the day-to-day operations of the property or assets, including by delaying important decisions until the dispute is resolved; and
- we may suffer losses resulting from actions taken by our joint venture partners or other counterparties with respect to our joint venture or other investments.

Risks Related to Taxation

Qualifying as a REIT involves highly technical and complex provisions of the Code; failure to qualify as a REIT would subject us to increased taxes and impair our ability to expand our business and make distributions; and complying with REIT requirements may affect our profitability. Certain subsidiaries might fail to qualify or remain qualified as a REIT.

We were organized to qualify for taxation as a REIT under Sections 856 through 860 of the Code. See Item 1 – Business – Taxation of Omega. Qualification as a REIT involves the application of technical and intricate Code provisions for which there are only limited judicial and administrative interpretations, and which involve the determination of various factual matters and circumstances not entirely within our control. We cannot assure that we will at all times satisfy these rules and tests. Even a technical or inadvertent violation could jeopardize our REIT qualification.

If we were to fail to qualify as a REIT in any taxable year, as a result of a determination that we failed to meet the annual distribution requirement or otherwise, we would be subject to federal corporate income tax, and any applicable alternative minimum tax with respect to each such taxable year for which the statute of limitations remains open, as well certain excise taxes on nonqualified REIT income, or disqualification from treatment as a REIT for the four taxable years following the year during which qualification is lost. This treatment would significantly reduce our net earnings and cash flow because of our additional tax liability for the years involved, which could significantly impact our financial condition. We generally must distribute annually at least 90% of our taxable income to our stockholders to maintain our REIT status. To the extent that we do not distribute all of our net capital gain or distribute at least 90%, but less than 100% of our "REIT taxable income," as adjusted, we will be subject to tax thereon at regular corporate rates. As a result of all these factors, our failure to maintain our qualification as a REIT could impair our ability to expand our business and raise capital, and would substantially reduce our ability to make distributions to you.

To qualify as a REIT for federal income tax purposes, we must continually satisfy tests concerning, among other things, the nature and diversification of our assets, the sources of our income and the amounts we distribute to our stockholders. Thus, we may be required to liquidate otherwise attractive investments from our portfolio or be unable to pursue investments that would be otherwise advantageous to us, to satisfy the asset and income tests or to qualify under certain statutory relief provisions. We may also be required to make distributions to stockholders at disadvantageous times or when we do not have funds readily available for distribution (e.g., if we have assets which generate mismatches between taxable income and available cash). Having to comply with the distribution requirement could cause us to: (i) sell assets in adverse market conditions; (ii) borrow on unfavorable terms; or (iii) distribute amounts that would otherwise be invested in future acquisitions, capital expenditures or repayment of debt. As a result, satisfying the REIT requirements could have an adverse effect on our business results and profitability.

We own interests in a number of entities that intend to operate as REITs for U.S. federal income tax purposes, some of which we consolidate for financial reporting purposes but each of which is treated as a separate REIT for federal income tax purposes (each a "Subsidiary REIT"). To qualify as a REIT, each Subsidiary REIT must independently satisfy all of the REIT qualification requirements under the Code, together with all other rules applicable to REITs. Provided that each Subsidiary REIT qualifies as a REIT, our interests in the Subsidiary REITs will be treated as qualifying real estate assets for purposes of the REIT asset tests. If a Subsidiary REIT fails to qualify as a REIT in any taxable year, such Subsidiary REIT would be subject to federal and state income taxes and would not be able to qualify as a REIT for the four subsequent taxable years following the year during which it was disqualified. Any such failure could have an adverse effect on our ability to comply with the REIT income and asset tests, and thus our ability to qualify as a REIT, unless we are able to avail ourselves of certain relief provisions.

There is a risk of changes in the tax law applicable to REITs.

The Internal Revenue Service, the U.S. Treasury Department and Congress frequently review U.S. federal income tax legislation, regulations and other guidance. We cannot predict whether, when or to what extent new U.S. federal tax laws, regulations, interpretations or rulings will be adopted. Any legislative action may prospectively or retroactively modify our tax treatment and, therefore, may adversely affect taxation of us, our properties, or our shareholders.

Risks Related to Our Stock and Capital Structure

Our issuance of additional capital stock, warrants or debt securities, whether or not convertible, may reduce the market price for our outstanding securities, including our common stock, and dilute the ownership interests of existing stockholders, and we may issue securities with greater dividend, liquidation and other rights than our common stock.

We cannot predict the effect, if any, that future sales of our capital stock, warrants or debt securities, or the availability of our securities for future sale, will have on the market price of our securities, including our common stock. Sales of substantial amounts of our common stock or preferred shares, warrants or debt securities convertible into or exercisable or exchangeable for common stock in the public market, or the perception that such sales might occur, could negatively impact the market price of our stock and the terms upon which we may obtain additional equity financing in the future. Our Board has the authority to designate and issue preferred stock that may have dividend, liquidation and other rights that are senior to those of our common stock.

Any debt securities, preferred shares, warrants or other rights to acquire shares or convertible or exchangeable securities that we issue in the future may have some rights, preferences and privileges more favorable than those of our common stock and may result in dilution to owners of our common stock. Holders of our common stock are not entitled to preemptive rights or other protections against dilution. Our preferred shares, if issued, could have a preference on liquidating distributions or a preference on dividend payments that could limit our ability pay dividends or other distributions to the holders of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our stockholders bear the risk that our future offerings could reduce the per share trading price of our common stock and dilute their interest in us.

General Risk Factors

Our success depends in part on our ability to retain key personnel and our ability to attract or retain other qualified personnel.

Our performance depends to a significant degree upon the continued contributions of our executive management team and other key employees, the loss of whom could have an adverse impact on our operations. Although we have entered into employment agreements with the members of our executive management team, these agreements may not assure their continued service. In addition, our failure to successfully attract, hire, retain and train qualified personnel may impede our ability to implement our business strategy.

We rely on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology, including related to artificial intelligence, could harm our business. Privacy and security laws and regulations may also increase costs for our business.

We rely on information technology networks and systems, including the Internet and including services that may incorporate artificial intelligence technologies, to process, transmit and store electronic information, and to manage or support a variety of business processes, including financial transactions and records, personal identifying information, tenant and lease data. In addition, we may, from time to time, make investments in unconsolidated entities that offer technology services, some of which may rely on artificial intelligence technologies, to operators, which may involve storage of customer or resident data. We purchase some of our information technology from vendors, on whom our systems depend. We generally rely on third-party systems, software, tools and monitoring to provide security for processing, transmission and storage of confidential tenant and other customer information, such as individually identifiable information, including information relating to financial accounts. It is possible that our safety and security measures or other controls will not be able to prevent the systems' improper functioning, the improper access or disclosure of personally identifiable information such as in the event of cyber-attacks, or other security or integrity challenges, including as a result of the rapid development and increased adoption of artificial intelligence technologies, which may also heighten our information technology security risks by making cyberattacks more difficult to detect, contain and mitigate. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorized disclosure of confidential information. Any failure to maintain proper function, security and availability of our information systems, and the privacy of the data we store, or failure to comply with related regulations, could interrupt our operations, damage our reputation, subject us to liability claims or regulatory penalties and could have a material adverse effect on our business, financial condition and results of operations. The regulatory environment related to cyber and information security, artificial intelligence, data collection and privacy is increasingly rigorous, with new and constantly changing requirements applicable to our business or to which we may become subject, including certain U.S. state laws and E.U. data protection legislation, such as they General Data Protection Regulation, or the GDPR, and the U.K.'s Data Protection Act, which impose significant data protection requirements and penalties for noncompliance. Compliance with any of these requirements may result in additional costs and could impact how we conduct in business in new jurisdictions.

Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, results of operations, financial condition and stock price.

We are required to provide a report by management on internal control over financial reporting, including management's assessment of the effectiveness of such control. Changes to our business will necessitate ongoing changes to our internal control systems and processes, and internal control over financial reporting may not prevent or detect misstatements due to inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls or to implement required new or improved controls, our business, results of operations and financial condition could be materially adversely harmed, we could fail to meet our reporting obligations and there could be a material adverse effect on our stock price. In addition, we may be adversely impacted by new accounting pronouncements which change our lease recognition or other accounting practices or otherwise alter how we report our financial results, or which require that we change our internal control and operating procedures, which we may be unable to do in a timely manner.

Item 1B – Unresolved Staff Comments

None.

Item 1C – Cybersecurity

Our Board and management exercise oversight over the Company's cybersecurity program, which represents an important component of the Company's overall approach to enterprise risk management.

Governance

Omega's Vice President of Information Technology ("VP of IT") manages a team responsible for leading enterprise-wide strategy, policy, standards, architecture, processes and risk assessment related to information security and data protection, including data privacy and network security (our "Cybersecurity Program"). The VP of IT has served in various roles in information technology and information security for over 30 years and, along with other members of the IT department, holds relevant and applicable certifications. The VP of IT reports directly to the Company's Chief Financial Officer and provides periodic reporting on our Cybersecurity Program to our senior management team, our Board and the Audit Committee of our Board.

Our Board, in coordination with our Audit Committee, oversees our management of cybersecurity risk, with the Audit Committee reviewing and discussing with management quarterly matters related to our Cybersecurity Program as related to financial reporting. The Board and Audit Committee receive periodic reports about the prevention, detection, mitigation and remediation of cybersecurity incidents, including material security risks and information security vulnerabilities. Additionally, risks associated with the Cybersecurity Program are integrated into the Company's enterprise risk management assessment and reported to our Board at least twice per year. We also share the key results of third-party assessments with our Board and Audit Committee.

Risk Management and Strategy

Technical Safeguards

As part of our Cybersecurity Program, the Company deploys technical safeguards that are designed to protect our information systems from cybersecurity threats, which are evaluated and improved through vulnerability assessments and cybersecurity threat intelligence.

Risk Assessment

Our Cybersecurity Program also includes an annual risk assessment which is generally based on frameworks established by the National Institute of Standards and Technology ("NIST").

Third-Party Risk Management

We also maintain policies and procedures designed to identify and mitigate cybersecurity threats related to our use of material third-party vendors. This includes reviewing the internal controls of certain third-party service providers to assess their procedures to mitigate material security risks.

Incident Response and Recovery Planning

We maintain an Information Security Incident Response Plan (the "Response Plan") governing prevention, detection, mitigation and remediation of cybersecurity incidents and threats. The Response Plan includes controls and procedures that provide for the prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made by management in a timely manner, with appropriate involvement by our Board. We regularly test the effectiveness of the Response Plan.

External Assessments

We obtain periodic assessments by third party experts to assess our vulnerability management and security controls and to assist us in identifying and mitigating security risks.

Education and Awareness

We provide cybersecurity training for all directors, officers and employees and periodic additional training of senior management through our cyber insurance carrier.

As of the date of this report, we are not aware of any risks from cybersecurity threats that have materially affected the Company, including our business strategy, results of operations, or financial condition. For information regarding cybersecurity risks that may materially affect our Company, see the risk factor titled "*We rely on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology, including related to artificial intelligence, could harm our business. Privacy and security laws and regulations may also increase costs for our business.*" under "Risk Factors" in Part I, Item 1A to this Annual Report on Form 10-K.

Item 2 – Properties

At December 31, 2024, our real estate investments include SNFs and ALFs and to a lesser extent ILFs, specialty facilities and MOBs, in the form of (i) owned facilities that are leased to operators or their affiliates, (ii) investments in direct financing leases to operators or their affiliates and (iii) real estate loans, including mortgages on facilities that are operated by the mortgagors or their affiliates. Our facilities related to these investments are located in 42 states and the U.K.

The following table presents the concentration of our gross real estate assets, assets held for sale, gross investment in direct financing leases and gross mortgage notes receivables (included within our real estate loans receivable) by state and the U.K. as of December 31, 2024:

Location	Number of Operating Beds	Number of Facilities	Gross Investment (in thousands)	% of Gross Investment
United Kingdom	12,829	244	$ 1,426,940	14.1 %
Texas	10,429	101	926,014	9.2 %
Indiana	6,988	68	623,238	6.2 %
California	4,244	51	571,565	5.7 %
Michigan	3,947	40	543,779	5.4 %
Florida	6,398	53	532,161	5.3 %
Ohio	4,109	42	458,846	4.5 %
Virginia	3,466	27	428,163	4.2 %
Pennsylvania	3,805	40	424,630	4.2 %
North Carolina	4,660	45	410,421	4.1 %
Remaining States	31,409	315	3,763,996	37.1 %
	92,284	1,026	$ 10,109,753	100.0 %

Item 3 – Legal Proceedings

See Note 20 – Commitments and Contingencies – Litigation to the Consolidated Financial Statements - Part IV, Item 15, which is hereby incorporated by reference in response to this item.

Item 4 – Mine Safety Disclosures

None.

PART II

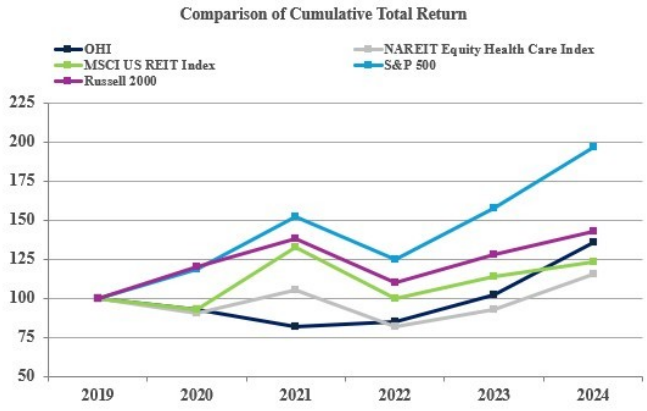
Item 5 – Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Shares of Omega Healthcare Investors, Inc. (together with its consolidated subsidiaries, collectively, "Omega" or the "Company") common stock are traded on the New York Stock Exchange under the symbol "OHI." As of February 7, 2025, there were 2,512 registered holders and 281,837 thousand shares of Omega common stock outstanding.

Performance Graph

The graph and table below compare the cumulative total return of Omega, the FTSE NAREIT Equity Health Care Index (Ticker: FN11-FTX), the MSCI US REIT Index (Ticker: RMZ), the S&P 500 Index, and the Russell 2000 from January 1, 2020 to December 31, 2024. We have included the FTSE NAREIT Equity Health Care Index and the MSCI US REIT Index because we believe that they are representative of the industry in which we compete and are relevant to an assessment of our performance. Total cumulative return is based on a $100 investment in Omega common stock and in each of the indices at the close of trading on December 31, 2019 and assumes quarterly reinvestment of dividends. Stockholder returns over the indicated periods should not be considered indicative of future stock prices or stockholder returns.



	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Omega Healthcare Investors, Inc.	$ 100.00	$ 93.06	$ 81.87	$ 84.83	$ 101.73	$ 135.99
FTSE NAREIT Equity Health Care Index	$ 100.00	$ 90.14	$ 104.85	$ 81.59	$ 92.96	$ 115.44
MSCI US REIT Index	$ 100.00	$ 92.43	$ 132.23	$ 99.82	$ 113.54	$ 123.47
S&P 500 Index	$ 100.00	$ 118.40	$ 152.39	$ 124.79	$ 157.59	$ 197.02
Russell 2000 Index	$ 100.00	$ 119.96	$ 137.74	$ 109.59	$ 128.14	$ 142.93

Issuer Purchases of Equity Securities

On January 27, 2022, the Board of Directors authorized the repurchase of up to $500 million of the Company's outstanding common stock from time to time through March 2025. The Company is authorized to repurchase shares of common stock in open market and privately negotiated transactions or in any other manner as determined by the Company's management and in accordance with applicable law. The timing and amount of stock repurchases will be determined, in management's discretion, based on a variety of factors, including but not limited to market conditions, other capital management needs and opportunities, and corporate and regulatory considerations. The Company has no obligation to repurchase any amount of its common stock, and such repurchases, if any, may be discontinued at any time. Omega did not repurchase any shares of its outstanding common stock during 2024.

Unregistered Sales of Equity Securities

From time to time, Omega issues shares of common stock in reliance on the private placement exemption under Section 4(a)(2) of the Securities Act of 1933, as amended, in exchange for units of partnership interest in OHI Healthcare Properties Limited Partnership (collectively with subsidiaries, "Omega OP"). During the quarter ended December 31, 2024, Omega issued an aggregate of 2,943 shares of Omega common stock in exchange for an equivalent number of Omega OP Units tendered to Omega OP for redemption in accordance with the provisions of the partnership agreement governing Omega OP in reliance on this exemption.

Item 6 – [Reserved]

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

The following discussion and analysis is based primarily on the consolidated financial statements of Omega Healthcare Investors, Inc. presented in conformity with U.S. generally accepted accounting principles ("GAAP") for the periods presented and should be read together with the notes thereto contained in this Annual Report on Form 10-K. Other important factors are identified in "Forward-Looking Statements" and "Item 1A – Risk Factors" above.

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

- Business Overview
- Outlook, Trends and Other Conditions
- 2024 and Recent Highlights
- Results from Operations
- Funds from Operations
- Liquidity and Capital Resources
- Supplemental Guarantor Information
- Critical Accounting Policies and Estimates

Business Overview

Omega Healthcare Investors, Inc. ("Parent") is a Maryland corporation that, together with its consolidated subsidiaries has elected to be taxed as a REIT for federal income tax purposes. Omega is structured as an umbrella partnership REIT ("UPREIT") under which all of Omega's assets are owned directly or indirectly by, and all of Omega's operations are conducted directly or indirectly through, its operating partnership subsidiary, Omega OP. As of December 31, 2024, Parent owned approximately 97% of the issued and outstanding units of partnership interest in Omega OP ("Omega OP Units"), and other investors owned approximately 3% of the outstanding Omega OP Units.

Omega has one reportable segment consisting of investments in healthcare-related real estate properties located in the United States ("U.S.") and the United Kingdom ("U.K."). Our core business is to provide financing and capital to the long-term healthcare industry with a particular focus on skilled nursing facilities ("SNFs"), assisted living facilities ("ALFs"), and to a lesser extent, independent living facilities ("ILFs"), rehabilitation and acute care facilities ("specialty facilities") and medical office buildings ("MOBs"). Our core portfolio consists of our long-term leases and real estate loans with healthcare operating companies and affiliates (collectively, our "operators"). Real estate loans consist of mortgage loans and other real estate loans that are primarily collateralized by a first, second or third mortgage lien or a leasehold mortgage on, or an assignment of the partnership interest in the related properties. In addition to our core investments, we make loans to operators and/or their principals. These loans, which may be either unsecured or secured by the collateral of the borrower, are classified as non-real estate loans. From time to time, we also acquire equity interests in joint ventures or entities that support the long-term healthcare industry and our operators.

Our portfolio of real estate investments (including properties associated with mortgages, direct financing leases, assets held for sale and consolidated joint ventures) at December 31, 2024, included 1,026 healthcare facilities, located in 42 states and the U.K. that are operated by 87 third-party operators. Our real estate investment in these facilities, net of impairments and allowances, totaled approximately $10.1 billion at December 31, 2024, with approximately 98% of our real estate investments related to long-term healthcare facilities. The portfolio is made up of (i) 589 SNFs, (ii) 290 ALFs, (iii) 19 ILFs, (iv) 18 specialty facilities, (v) one MOB, (vi) real estate loans, including mortgages on 52 SNFs, 43 ALFs, one specialty facility and one ILF and (vii) 12 facilities that are held for sale. At December 31, 2024, we also held other real estate loans (excluding mortgages) receivable of $485.5 million and non-real estate loans receivable of $332.3 million, consisting primarily of secured loans to third-party operators of our facilities, and $88.7 million of investments in 11 unconsolidated joint ventures, which comprise 5 SNFs, one ALF and one specialty facility.

As healthcare delivery continues to evolve, we continuously evaluate potential investments, our assets, operators and markets to position our portfolio for long-term success. As part of our evaluation, we may from time to time consider selling or transitioning assets that do not meet our portfolio criteria.

Outlook, Trends and Other Conditions

Our industry continues to recover from the impacts of the COVID-19 pandemic, which significantly and adversely impacted SNFs and long-term care providers during the height of the pandemic due to the higher rates of virus transmission and fatality among the elderly and frail populations that these facilities serve. While certain of our operators have experienced a level of recovery from pandemic-driven challenges such as occupancy declines, labor shortages, staffing expense increases, and other cost increases, certain of our other operators remain negatively impacted by these factors in a much more profound way. In addition, our operators have been and continue to be adversely affected by inflation-related cost increases, which may exacerbate labor shortages and increase labor costs, among other impacts, and may be adversely impacted by immigration restrictions and changes to immigration enforcement policy to the extent they contribute to labor shortages. There continues to be uncertainty regarding the duration of these impacts for those operators, particularly given uncertainty as to whether reimbursement increases from the federal government, the states and the U.K. will be effective in offsetting these incremental costs and lost revenues. In addition, there remains uncertainty as to the impact of potential regulatory changes, including the ultimate scope and impact of recently issued U.S. federal minimum staffing rules for our industry, and the continued ability of our operators to manage infectious diseases in our facilities. See Item 1 – Business – Government Regulation and Reimbursement for additional information.

We continue to monitor these impacts as well as the impacts of other regulatory changes, as discussed in Item 1 – Business – Government Regulation and Reimbursement, including any significant limits on the scope of services eligible for reimbursement and on reimbursement rates and fees, which could have a material adverse effect on an operator's results of operations and financial condition, which could adversely affect the operator's ability to meet its obligations to us. As discussed further in "Collectibility Issues" below, in 2024, we have had several operators that have failed to make contractual payments under their lease and loan agreements, and we have agreed to short-term payment deferrals, lease and portfolio restructurings and/or allowed several operators to apply security deposits or letters of credit to pay rent. While we continue to believe that longer term demographics will drive increasing demand for needs-based skilled nursing care, we remain cautious as some of the long-term impacts noted above may continue to have an impact on certain of our operators and their financial conditions.

2024 and Recent Highlights

Investments

- We acquired 114 facilities for total consideration of $740.5 million in 2024. The initial cash yield (the initial annual contractual cash rent divided by the purchase price) on these asset acquisitions was between 9.5% and 11.5%. Of the 114 facilities acquired during 2024, 63 facilities relate to our acquisition of the remaining 51% interest in the Cindat Joint Venture in July 2024 for total consideration of $364.9 million. See Note 3 – Real Estate Asset Acquisitions and Development for additional information.
- We invested $106.7 million under our construction in progress and capital improvement programs in 2024.
- We funded $370.2 million under 29 new real estate loans with a weighted average interest rate of 10.5% in 2024. We also advanced $7.9 million under existing real estate loans in 2024. We received principal repayments of $77.9 million on real estate loans during 2024.

Dispositions and Impairments

- In 2024, we sold 21 facilities (14 SNFs, six ALFs and one specialty facility) for approximately $95.0 million in net cash proceeds, recognizing a net gain of approximately $13.2 million.
- In 2024, we recorded impairments on real estate properties of approximately $23.8 million on 14 facilities. Of the $23.8 million, $10.9 million related to six facilities that were classified as held for sale for which the carrying value exceeded the fair value less costs to sell, and $12.9 million related to eight held for use facilities (of which $7.2 million relates to four closed facilities) for which the carrying values exceeded the estimated fair value. Of the $12.9 million, $5.3 million related to three facilities that were subsequently sold during the year but did not meet the criteria to be classified as held for sale when the impairments were recognized.

Financing Activities

- In 2024, we sold 33.8 million shares of common stock under our ATM Program (defined below) and Dividend Reinvestment and Common Stock Purchase Plan (“DRCSPP”), generating aggregate gross proceeds of $1.2 billion.
- We repaid the $400 million of 4.95% senior notes on the April 1, 2024 maturity date using available cash and proceeds from our $1.45 billion senior unsecured multicurrency revolving credit facility (“Revolving Credit Facility”).
- During the first quarter of 2024, the remaining nine HUD mortgages with outstanding principal of $41.6 million were paid off. The payoff included a $1.3 million prepayment fee that was recognized as a loss on extinguishment of debt.
- During the first quarter of 2024, we terminated two foreign currency forward contracts that were entered into in March 2021 with notional amounts totaling £70.0 million. Omega received a net cash settlement of $8.4 million as a result of termination. Concurrent with the termination of the two foreign currency forward contracts, also during the first quarter of 2024, we entered into three new foreign currency forward contracts with notional amounts totaling £78.0 million and a GBP-USD forward rate of 1.2707, each of which mature between March 8, 2027 and March 7, 2031. The new currency forward contracts hedge an intercompany loan between a U.S. and U.K. subsidiary.
- During the third quarter of 2024, we terminated our 2021 $1.0 billion At-The-Market Offering Program (the “2021 ATM Program”) and entered into a new ATM Equity Offering Sales Agreement pursuant to which shares of common stock having an aggregate gross sale price of up to $1.25 billion (the “2024 ATM Program,” and together with the 2021 ATM Program, the “ATM Program”) may be sold from time to time.
- As part of the Cindat JV acquisition in July 2024, we assumed a £188.6 million mortgage loan that matures in August 2026 (the “2026 Mortgage Loan”) but can be repaid without a prepayment penalty beginning November 2025. The 2026 Mortgage Loan bears interest at the Sterling Overnight Index Average (“SONIA”) plus an applicable margin of 5.38%. As part of the transaction, we assumed four interest rate cap contracts that ensure the annual interest rate does not exceed 10.38%.

Other Highlights

- During 2024, we advanced $60.6 million under 13 new non-real estate loans with a weighted average interest rate of 8.4%. We also advanced $14.8 million under existing non-real estate loans during 2024. We received principal repayments of $119.7 million on non-real estate loans during 2024. Please see a description of our non-real estate loans in Item 1 – Business – Investment Strategy & Types.

Collectibility Issues

- During the year ended December 31, 2024, we placed one existing operator and three new operators, which Omega did not previously have a relationship with prior to 2024, on a cash basis of revenue recognition as collection of substantially all contractual lease payments due from them was not deemed probable. There was a $2.8 million straight-line rent receivable write-off associated with placing the existing operator on a cash basis of revenue recognition. The lease agreements with the three new operators were executed in 2024 as part of the transition of facilities from other operators, and we placed them on a cash basis concurrent with the lease commencement dates, so there were no straight-line rent receivable write-offs associated with placing these operators on a cash basis. As of December 31, 2024, 21 operators are on a cash basis. These operators represent an aggregate 20.5% and 22.1% of our total revenues for the years ended December 31, 2024 and 2023, respectively. This includes the impact of straight-line rent receivable, lease inducement and effective yield interest write-offs of $4.2 million and $20.6 million for the years ended December 31, 2024 and 2023, respectively.
- Throughout 2024, Maplewood Senior Living (along with affiliates, "Maplewood") continued to short-pay the contractual rent amount due under its lease agreement, paying $47.5 million of contractual rent, a short pay of $21.8 million of the $69.3 million due under its lease agreement. In addition, Maplewood did not pay the $2.7 million of contractual interest due under its secured revolving credit facility (the "Maplewood Revolver") agreement during 2024. As Maplewood is on a cash basis of revenue recognition, we have recorded $47.5 million of revenue related to Maplewood for the year ended December 31, 2024 for the contractual rent payments that we received. Following the missed interest payments in the first quarter of 2024, we reviewed the characteristics associated with the loan and borrower and adjusted the internal risk rating on the loan, utilized as a component of our allowance for credit loss calculation, from a 4 to a 5 to reflect the increased risk associated with the loan. As discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements, in May 2024, Omega sent a demand letter to Maplewood notifying it of multiple events of default under its lease, loan and related agreements with Omega, including Mr. Smith's guaranty, including failure to pay full contractual rent and interest for periods in 2023 and 2024. Omega exercised its contractual rights in connection with these defaults, demanded immediate repayment of past due contractual rent and replenishment of the security deposit and accelerated all principal and accrued interest due under the Maplewood Revolver. On July 31, 2024, we entered into a settlement agreement (the "Settlement Agreement") with the Greg Smith estate (the "Estate") and submitted it to the probate court for approval. The Settlement Agreement, among other things, grants Omega the right to direct the assignment of Mr. Smith's equity to the key members of the existing Maplewood management team (the "Key Principals"), their designee(s) or another designee of Omega's choosing, with the Estate remaining liable under Mr. Smith's guaranty until the transition is complete or one year from the court's approval date, if earlier, and requires Omega to refrain from exercising contractual rights or remedies in connection with the defaults. In the proposed transition, the Key Principals would become the new majority equity holders in the Maplewood entities, which would maintain the Maplewood lease agreement and the Maplewood Revolver provided by Omega. On August 26, 2024, the probate court approved the Settlement Agreement, and in October 2024, following the probate court's final and non-appealable order approving the Settlement Agreement, we requested and were granted a dismissal without prejudice of our lawsuit against, among others, the Estate. We are still awaiting regulatory approvals related to licensure of the operating assets before the transition will be completed. There is no certainty that the regulatory approvals will be received or that this transition will be completed as intended, on a timely basis, or at all. If the proposed transition plan is not completed, we may incur a substantial loss on the Maplewood Revolver up to the amortized cost basis of the loan. As of December 31, 2024, the amortized cost basis of the Maplewood Revolver was $263.6 million, which represents 17.8% of the total amortized cost basis of all of Omega's real estate loan receivables. See Note 7 – Real Estate Loans Receivable. In January 2025, Maplewood short-paid the contractual rent and interest amounts due under its lease and loan agreements by $1.5 million.

- During the first quarter of 2024, we continued the process of restructuring our portfolio with LaVie Care Centers, LLC ("LaVie") by selling two facilities and transitioning two facilities to another operator, all of which were previously subject to the master lease with LaVie. Concurrent with the sales and transitions, we amended the master lease agreement with LaVie to reduce monthly rent to $3.2 million. In the first quarter of 2024, LaVie paid $4.4 million of contractual rent, a short pay of $5.5 million of the $9.9 million due under its lease agreement. In June 2024, LaVie commenced voluntary cases under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the "Bankruptcy Court"). LaVie will continue to operate, as a debtor-in-possession, the 30 facilities subject to a master lease agreement with Omega, unless and until LaVie's leasehold interest under the master lease agreement is rejected or assumed and assigned. On December 5, 2024, a plan of reorganization was confirmed by the Bankruptcy Court, pursuant to which the LaVie master lease agreement will be assumed and assigned by certain of the reorganized debtor(s) upon the effective date of the plan. As described in LaVie's filings with the Bankruptcy Court, we committed to provide, along with another lender, $10 million of a $20 million junior secured debtor-in-possession ("DIP") financing to LaVie. Omega recognized an aggregate $9.6 million provision for credit losses during 2024 on LaVie's $25.0 million secured term loan and DIP financing loan as a result of insufficient collateral supporting the loans. Prior to its bankruptcy filing, LaVie paid Omega $1.5 million in April 2024 and $1.5 million in May 2024. The April 2024 and May 2024 payments were short of full contractual rent by $1.7 million and $1.5 million, respectively. Following the bankruptcy filing, LaVie paid contractual rent of $2.9 million in June 2024, which reflects full contractual rent prorated for the period after LaVie entered bankruptcy and a $0.1 million short pay for the several days prior to the filing. In the third quarter of 2024, LaVie resumed making full contractual rent payments of $9.2 million due under its lease agreement, which continued through the fourth quarter of 2024 with LaVie making a full contractual rent payment of $9.1 million. As LaVie is on a cash basis of revenue recognition for lease purposes, only the $28.6 million of contractual rent payments that we received from LaVie were recorded as rental income during the year ended December 31, 2024.

- Beginning in August 2023, Guardian Healthcare ("Guardian") did not pay its contractual amounts due under its lease agreement. In April 2024, we transitioned the remaining six facilities previously included in Guardian's master lease to a new operator for minimum initial contractual rent of $5.5 million per annum with the potential to increase contractual rent dependent on revenue received by the operator. We recorded rental income of $8.3 million related to the lease with the new operator during the year ended December 31, 2024.

- Following Omega and Agemo Holdings, LLC ("Agemo") entering into a restructuring agreement during the first quarter of 2023, Agemo resumed making contractual rent and interest payments during the second quarter of 2023 and continued to make the required contractual rent and interest payments throughout the remainder of 2023 and 2024. Agemo is on a cash basis of revenue recognition for lease purposes, and we recorded rental income of $23.8 million for the year ended December 31, 2024 for the contractual rent payments that were received. Additionally, as Agemo's loans are on non-accrual status and are being accounted for under the cost recovery method, the $4.8 million of interest payments that we received during the year ended December 31, 2024 were applied directly against the principal balance outstanding.

Dividends

- Quarterly cash dividends paid during 2024 aggregated to $2.68 per share. On January 29, 2025, the Board of Directors declared a cash dividend of $0.67 per share. The dividend will be paid on February 18, 2025 to stockholders of record as of the close of business on February 10, 2025.

Results of Operations

The following is our discussion of the consolidated results of operations for the year ended December 31, 2024 as compared to the year ended December 31, 2023. For a discussion of our results of operation for the year ended December 31, 2023 as compared to the year ended December 31, 2022, see "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Form 10-K for the year ended December 31, 2023 ("2023 Form 10-K").

Comparison of results of operations for the years ended December 31, 2024 and 2023 (dollars in thousands):

	Year Ended December 31,		
	2024	2023	Variance
Revenues:			
Rental income	$ 887,910	$ 826,394	$ 61,516
Interest income	157,207	119,888	37,319
Miscellaneous income	6,273	3,458	2,815
Expenses:			
Depreciation and amortization	304,648	319,682	(15,034)
General and administrative	88,001	81,504	6,497
Real estate taxes	14,561	15,025	(464)
Acquisition, merger and transition related costs	11,615	5,341	6,274
Impairment on real estate properties	23,831	91,943	(68,112)
(Recovery) provision for credit losses	(15,483)	44,556	(60,039)
Interest expense	221,716	235,529	(13,813)
Other income (expense):			
Other income – net	6,826	20,297	(13,471)
Loss on debt extinguishment	(1,749)	(492)	(1,257)
Gain on assets sold – net	13,168	79,668	(66,500)
Income tax expense	(10,858)	(6,255)	(4,603)
Income (loss) from unconsolidated joint ventures	7,916	(582)	8,498

Revenues

Following is a description of certain of the changes in revenues for the year ended December 31, 2024 compared to 2023:

- The increase in rental income was primarily the result of (i) a $59.5 million increase related to facility acquisitions made throughout 2023 and 2024, lease extensions and other rent escalations, (ii) an increase related to a one-time option termination payment of $12.5 million to Maplewood that was recorded as a reduction to rental income during the first quarter of 2023 and (iii) a $4.0 million increase as a result of fewer straight-line rent receivable write-offs in 2024 compared to 2023, partially offset by a $15.2 million net decrease in rental income from cash basis operators, including Maplewood and LaVie, as a result of not recording straight-line lease revenue and/or receiving lower cash rent payments period over period from these operators.
- The increase in interest income was primarily due to a $39.2 million increase related to new and refinanced loans and additional fundings to existing operators made throughout 2023 and 2024, partially offset by (i) a $2.6 million decrease related to early principal payments on our loans during 2023 and 2024 and (ii) a $0.8 million net decrease related to loans placed on non-accrual status, primarily the Maplewood Revolver, in which we have recognized less interest income period over period as a result of receiving less cash payments or the loans converting to PIK interest. As noted above, during the year ended December 31, 2024, we funded $378.1 million in new or existing real estate loans and $75.4 million in new or existing non-real estate loans.

Expenses

Following is a description of certain of the changes in our expenses for the year ended December 31, 2024 compared to 2023:

- The decrease in depreciation and amortization expense primarily relates to facility sales and facilities reclassified to assets held for sale, partially offset by facility acquisitions and capital additions.
- The increase in general and administrative (“G&A”) expense primarily relates to (i) a $3.2 million increase in payroll and benefits, (ii) a $1.6 million increase in stock-based compensation expense (see Note 19 – Stock-Based Compensation to the Consolidated Financial Statements for a full summary of stock-compensation movements over the last three years) and (iii) a $0.5 million increase in professional service costs.

- The increase in acquisition, merger and transition related costs primarily relates to costs incurred related to (i) transition costs following our acquisition of the remaining 51% interest in the Cindat Joint Venture and (ii) the transition of facilities with troubled operators.
- The 2024 impairments were recognized in connection with six facilities that were classified as held for sale for which the carrying values exceeded the estimated fair values less costs to sell and eight held for use facilities for which the carrying value exceeded the fair value. The 2023 impairments were recognized in connection with two facilities that were classified as held for sale for which the carrying values exceeded the estimated fair value less costs to sell and 23 held for use facilities for which the carrying value exceeded the fair value. The 2024 and 2023 impairments were primarily the result of decisions to exit certain non-strategic facilities and/or operators.
- The change in (recovery) provision for credit losses primarily relates to (i) decreases in the general reserve recorded primarily resulting from decreases in loss rates utilized in the estimate of expected credit losses for loans partially offset by increases in loan balances, and a net decrease in aggregate specific provisions recorded during 2024 compared to specific provisions recorded during 2023 (see Note 9 – Allowance for Credit Losses to the Consolidated Financial Statements for a full summary of allowance movements over the last three years).
- The decrease in interest expense primarily relates to (i) the repayment of $350 million of 4.375% senior notes in August 2023, (ii) the repayment of $400 million of 4.95% senior notes in April 2024 and (iii) the payoff of all remaining HUD mortgages in the first quarter of 2024. The overall decrease was partially offset by increases due to (i) the issuance of a $428.5 million term loan in the third quarter of 2023, (ii) the assumption of the 2026 Mortgage Loan as part of our acquisition of the remaining 51% interest in the Cindat Joint Venture in July 2024 and (iii) increased borrowings on our Revolving Credit Facility during 2024.

Other Income (Expense)

The decrease in total other income (expense) was primarily due to (i) a $66.5 million decrease in gain on assets sold resulting from the sale of 21 facilities in 2024 compared to the sale of 69 facilities in 2023 as we continue to exit certain facilities, operator relationships and/or states to improve the strength of our overall portfolio and (ii) a $13.5 million change in other income (expense) – net primarily related to decreased interest income on short-term investments due to lower invested cash in 2024 and foreign currency and fair value losses on financial instruments in 2024.

Income Tax Expense

The increase in income tax expense was primarily due to (i) adjustments made to our deferred tax assets and liabilities in the first quarter of 2023 as a result of the majority of our U.K. portfolio entering into the U.K. REIT regime effective April 1, 2023 and (ii) an increase in taxable income in the U.K. as a result of acquisitions in 2023 and 2024 including our acquisition of the remaining 51% interest in the Cindat Joint Venture in July 2024.

Income (Loss) from Unconsolidated Joint Ventures

The change in income (loss) income from unconsolidated joint ventures was primarily due to one unconsolidated joint venture, OMG Senior Holdings, LLC, which sold one facility during the third quarter of 2024 for a $12.9 million gain ($6.5 million of which represents the Company's share of the gain).

Funds From Operations

We use funds from operations ("Nareit FFO"), a non-GAAP financial measure, as one of several criteria to measure the operating performance of our business. We calculate and report Nareit FFO in accordance with the definition of Funds from Operations and interpretive guidelines issued by the National Association of Real Estate Investment Trusts ("Nareit"). Nareit FFO is defined as net income (computed in accordance with GAAP), adjusted for the effects of asset dispositions and certain non-cash items, primarily depreciation and amortization and impairment on real estate assets, and after adjustments for unconsolidated partnerships and joint ventures and changes in the fair value of warrants. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect funds from operations on the same basis. Revenue recognized based on the application of security deposits and letters of credit or based on the ability to offset against other financial instruments is included within Nareit FFO. We believe that Nareit FFO is an important supplemental measure of our operating performance. As real estate assets (except land) are depreciated under GAAP, such accounting presentation implies that the value of real estate assets diminishes predictably over time, while real estate values instead have historically risen or fallen with market conditions. Nareit FFO was designed by the real estate industry to address this issue. Nareit FFO herein is not necessarily comparable to Nareit FFO of other REITs that do not use the same definition or implementation guidelines or interpret the standards differently from us.

We further believe that by excluding the effect of depreciation, amortization, impairment on real estate assets and gains or losses from sales of real estate, all of which are based on historical costs and which may be of limited relevance in evaluating current performance, Nareit FFO can facilitate comparisons of operating performance between periods and between other REITs. We offer this measure to assist the users of our financial statements in evaluating our financial performance under GAAP, and Nareit FFO should not be considered a measure of liquidity, an alternative to net income or an indicator of any other performance measure determined in accordance with GAAP. Investors and potential investors in our securities should not rely on this measure as a substitute for any GAAP measure, including net income.

The following table presents our Nareit FFO reconciliation for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
	(in thousands)		
Net income [1]	$ 417,804	$ 248,796	$ 438,841
Deduct gain from real estate dispositions	(13,168)	(79,668)	(359,951)
Deduct gain from real estate dispositions - unconsolidated joint ventures	(6,260)	—	(93)
	398,376	169,128	78,797
Elimination of non-cash items included in net income:			
Depreciation and amortization	304,648	319,682	332,407
Depreciation – unconsolidated joint ventures	7,057	10,423	10,881
Add back impairments on real estate properties	23,831	91,943	38,451
Nareit FFO	$ 733,912	$ 591,176	$ 460,536

(1) The years ended December 31, 2024, 2023 and 2022 include the application of $2.2 million, $17.6 million and $11.0 million, respectively, of security deposits (letter of credit and cash deposits) in revenue.

Liquidity and Capital Resources

Sources and Uses

Our primary sources of cash include rental income and interest receipts, existing availability under our Revolving Credit Facility, proceeds from our DRCSPP and 2024 ATM Program, facility sales, the issuance of additional debt, including unsecured notes and term loans, and proceeds from real estate loan and non-real estate loan payoffs. We anticipate that these sources will be adequate to fund our cash flow needs through the next twelve months, which include common stock dividends and distributions to noncontrolling interest members, debt service payments (including principal and interest), real estate investments (including facility acquisitions, capital improvement programs and other capital expenditures), real estate loan and non-real estate loan advances and normal recurring G&A expenses (primarily consisting of employee payroll and benefits and expenses relating to third parties for legal, consulting and audit services).

Capital Structure

At December 31, 2024, we had total assets of $9.9 billion, total equity of $4.7 billion and total debt of $4.9 billion in our consolidated financial statements, with such debt representing approximately 50.7% of total capitalization.

Debt

At December 31, 2024 and 2023, the weighted average annual interest rate of our debt was 4.6% and 4.4%, respectively. Additionally, as of December 31, 2024, approximately 95% of our debt with outstanding principal balances has fixed interest payments after reflecting the impact of interest rate swaps that are designated cash flow hedges. As of December 31, 2024, Omega's debt obligations consisted of the following:

- $4.2 billion of senior unsecured notes with staggered maturity dates ranging from 2025 to 2033. These notes bear fixed interest rates between 3.25% and 5.25% per annum.
- A $1.45 billion Revolving Credit Facility that bears interest at Secured Overnight Financing Rate ("SOFR") plus an adjustment of 0.11448% per annum (or in the case of loans denominated in GBP, the SONIA reference rate plus an adjustment of 0.1193% per annum) plus an applicable percentage (with a range of 95 to 185 basis points) based on our credit ratings. The Revolving Credit Facility matures on April 30, 2025, subject to Omega's option to extend such maturity date for two six-month periods. As of December 31, 2024, Omega had zero outstanding on the Revolving Credit Facility. In January 2025, Omega provided notification to extend the maturity date to October 30, 2025.
- A $428.5 million senior unsecured term loan facility (the "2025 Term Loan") that bears interest at SOFR plus an adjustment of 0.1% per annum plus an applicable percentage (with a range of 85 to 185 basis points) based on our credit ratings. We have 11 interest rate swaps designated as cash flow hedges, with notional value of $428.5 million, that effectively fix the SOFR-based portion of the 2025 Term Loan interest rate at 4.047%. The 2025 Term Loan matures on August 8, 2025, subject to Omega's option to extend such maturity date for two sequential 12-month periods.
- The 2026 Mortgage Loan with £184.6 million or $231.1 million outstanding that bears interest at SONIA plus an applicable margin of 5.38%. We have four interest rate cap contracts that ensure the annual interest rate on the 2026 Mortgage Loan does not exceed 10.38%. The 2026 Mortgage Loan matures in August 2026.
- A $50.0 million senior unsecured term loan facility (the "OP Term Loan") that bears interest at SOFR plus an adjustment of 0.11448% per annum plus an applicable percentage (with a range of 85 to 185 basis points) based on our credit ratings. We have an interest rate swap designated as a cash flow hedge, with a notional value of $50.0 million, that effectively fixes the SOFR-based portion of the OP Term Loan at 3.957%. The OP Term Loan matures on April 30, 2025, subject to Omega OP's option to extend such maturity date for two six-month periods. In January 2025, Omega provided notification to extend the maturity date to October 30, 2025.

As of December 31, 2024, we had long-term credit ratings of Baa3 from Moody's and BBB- from S&P Global and Fitch. Credit ratings impact our ability to access capital and directly impact our cost of capital as well. For example, our Revolving Credit Facility accrues interest and fees at a rate per annum equal to SOFR plus a margin that depends upon our credit rating. A downgrade in credit ratings by Moody's, S&P Global and/or Fitch may have a negative impact on the interest rates and fees for our Revolving Credit Facility, OP Term Loan and 2025 Term Loan.

As of December 31, 2024, we had $400 million of 4.50% senior notes due January 2025 (which were repaid on January 15, 2025 using available cash). Our Revolving Credit Facility, OP Term Loan and 2025 Term Loan also mature in 2025. As noted above, we have remaining options under each of these loans to extend the maturity dates beyond 2025. We will evaluate market conditions during the course of 2025 and determine if it is advantageous to further extend the terms of, refinance and/or pay off these loans. As of December 31, 2024, we had approximately $518.3 million of cash and cash equivalents on our Consolidated Balance Sheets and $1.45 billion of availability under our Revolving Credit Facility. Our next senior note maturity is the $600 million of 5.25% senior notes due January 2026. As discussed below, we also have $821.0 million of potential sales remaining under the ATM Program. This combination of liquidity sources, along with cash from operating activities, provides us with ability to repay the senior notes due in January 2026. We also could elect to refinance these notes based on our evaluation of market conditions at maturity.

Certain of our other secured and unsecured borrowings are subject to customary affirmative and negative covenants, including financial covenants. As of December 31, 2024 and 2023, we were in compliance with all affirmative and negative covenants, including financial covenants, for our secured and unsecured borrowings.

Equity

At December 31, 2024, we had 279,129 thousand shares of common stock outstanding, and our shares had a market value of $10.6 billion. As of December 31, 2024, we had the following equity programs in place that we can utilize to raise capital:

- The 2024 ATM Program under which shares of common stock having an aggregate gross sales price of up to $1.25 billion may be sold from time to time. The 2024 ATM Program has a forward sale provision that generally allows Omega to lock in a price on the sale of shares of common stock when sold by the forward sellers but defer receiving the net proceeds from such sales until the shares of our common stock are issued at settlement on a later date. We have not utilized the forward provisions under the ATM Program. We have $821.0 million of sales remaining under the 2024 ATM Program as of December 31, 2024.
- We have a DRCSPP that allows for the reinvestment of dividends and the optional purchase of our common stock.

Dividends

As a REIT, we are required to distribute dividends (other than capital gain dividends) to our stockholders in an amount at least equal to (A) the sum of (i) 90% of our "REIT taxable income" (computed without regard to the dividends paid deduction and our net capital gain), and (ii) 90% of the net income (after tax), if any, from foreclosure property, minus (B) the sum of certain items of non-cash income. In addition, if we dispose of any built-in gain asset during a recognition period, we will be required to distribute at least 90% of the built-in gain (after tax), if any, recognized on the disposition of such asset. Such distributions must be paid in the taxable year to which they relate, or in the following taxable year if declared before we timely file our tax return for such year and paid on or before the first regular dividend payment after such declaration. In addition, such distributions are required to be made pro rata, with no preference to any share of stock as compared with other shares of the same class, and with no preference to one class of stock as compared with another class except to the extent that such class is entitled to such a preference. To the extent that we do not distribute all of our net capital gain or distribute at least 90%, but less than 100% of our "REIT taxable income" as adjusted, we will be subject to tax thereon at regular corporate rates.

Material Cash Requirements

The following table shows our material cash requirements, described below, as of December 31, 2024:

	Payments due by period				
	Total	Less than 1 year	Years 2-3	Years 4-5	More than 5 years
			(in thousands)		
Debt[1][2][3]	$ 4,859,648	$ 878,500	$ 1,531,148	$ 1,050,000	$ 1,400,000
Interest payments on long-term debt[2][3][4]	719,568	201,764	259,592	142,063	116,149
Operating lease and other obligations[2][5]	80,520	3,082	5,446	5,289	66,703
Total	$ 5,659,736	$ 1,083,346	$ 1,796,186	$ 1,197,352	$ 1,582,852

(1) The $4.9 billion of debt outstanding includes: (i) $50 million under the OP Term Loan due April 2025, (ii) $428.5 million under the 2025 Term Loan due August 2025, (iii) $400 million of 4.50% Senior Notes due January 2025 (which were repaid on January 15, 2025 using available cash), (iv) $600 million of 5.25% Senior Notes due January 2026, (v) $700 million of 4.5% Senior Notes due April 2027, (vi) $550 million of 4.75% Senior Notes due January 2028, (vii) $500 million of 3.625% Senior Notes due October 2029, (viii) $700 million of 3.375% Senior Notes due February 2031, (ix) $700 million of 3.25% Senior Notes due April 2033 and (x) $231.1 million under the 2026 Mortgage Loan. Other than the $50 million outstanding under the OP Term Loan and the $231.1 million outstanding under the 2026 Mortgage Loan, Parent is the obligor of all outstanding debt.
(2) Based on foreign currency exchange rates in effect as of December 31, 2024.
(3) Does not include the impact of Omega providing notification to extend the maturity date of the OP Term Loan to October 30, 2025 in January 2025.
(4) Based on variable interest rates in effect as of December 31, 2024 and including the impact of interest rate swaps designated as cash flow hedges.
(5) See Note 6 – Leases to our consolidated financial statements for additional information.

Capital Expenditures and Funding Commitments

In addition to the obligations in the table above, as of December 31, 2024, we also had $221.8 million of commitments to fund the construction of new leased and mortgaged facilities, capital improvements and other commitments. Additionally, we have commitments to fund $50.4 million of advancements under existing other real estate loans and $65.7 million of advancements under existing non-real estate loans. These commitments are expected to be funded over the next several years and are dependent upon the operators' election to use the commitments.

Other Arrangements

We own interests in certain unconsolidated joint ventures as described in Note 11 to the Consolidated Financial Statements – Investments in Joint Ventures. Our risk of loss is generally limited to our investment in the joint venture and any outstanding loans receivable.

We also hold variable interests in certain unconsolidated entities through our loan and other investments. See disclosures regarding our risk of loss associated with these entities within Note 10 to the Consolidated Financial Statements – Variable Interest Entities.

We use derivative instruments to hedge interest rate and foreign currency exchange rate exposure as discussed in Note 15 to the Consolidated Financial Statements – Derivatives and Hedging.

Cash Flow Summary

The following is a summary of our sources and uses of cash flows for the year ended December 31, 2024 as compared to the year ended December 31, 2023 (dollars in thousands):

	Year Ended December 31,		
	2024	2023	Increase/(Decrease)
Net cash provided by (used in):			
Operating activities	$ 749,430	$ 617,736	$ 131,694
Investing activities	(671,164)	(770)	(670,394)
Financing activities	26,319	(473,310)	499,629

For a discussion of our consolidated cash flows for the year ended December 31, 2023 as compared to the year ended December 31, 2022, see "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2023 Form 10-K.

Cash, cash equivalents and restricted cash totaled $548.7 million as of December 31, 2024, an increase of $104.0 million as compared to the balance at December 31, 2023. The following is a discussion of changes in cash, cash equivalents and restricted cash due to operating, investing and financing activities, which are presented in our Consolidated Statements of Cash Flows.

Operating Activities –The increase in net cash provided by operating activities is primarily driven by an increase of $83.7 million of net income, net of $85.3 million of non-cash items, primarily due to a year over year increase in rental income and interest income, as discussed in our material changes analysis under Results of Operations above. The $48.0 million change in the net movements of the operating assets and liabilities also contributed to the overall increase in cash provided by operating activities.

Investing Activities –The increase in cash used in investing activities related primarily to (i) a $490.0 million decrease in proceeds from the sales of real estate investments due to significant restructuring activities related to Guardian and LaVie in 2023, (ii) a $146.2 million increase in real estate acquisitions driven by several large portfolio acquisitions in the U.K. in 2024, (iii) a $24.2 million increase in capital improvements to real estate investments and construction in progress primarily as a result of on-going construction of an ALF in Washington D.C., (iv) a $7.8 million decrease in distributions from unconsolidated joint ventures in excess of earnings, (v) a $7.0 million increase in loan placements, net of repayments due to new loans advanced in 2024 partially offset by significant paydowns on loans during 2024, (vi) a $3.7 million decrease in receipts from insurance proceeds and (vii) a $2.9 million decrease in proceeds from net investment hedges, partially offset by an $11.4 million decrease in investments in unconsolidated joint ventures.

Financing Activities –The change in cash provided by (used in) financing activities was primarily related to a $899.2 million increase in cash proceeds from the issuance of common stock as a result of increased volume under our ATM Program and DRSCPP, partially offset by (i) a $259.6 million increase in repayments on other long-term borrowings, net of proceeds, primarily due to repayment of $400 million of 4.95% senior notes in April 2024, (ii) a $92.6 million decrease in proceeds from derivative instruments as a result of the termination of our forward starting swaps in the second quarter of 2023, (iii) a $41.6 million increase in dividends paid primarily related to share issuances during 2024, (iv) a $3.2 million increase in payment of financing related costs related to costs incurred in connection with the assumption of the 2026 Mortgage Loan as part of our acquisition of the remaining 51% interest in the Cindat Joint Venture and (v) a $2.9 million increase in distributions to Omega OP Unit holders.

Supplemental Guarantor Information

Parent has issued approximately $4.2 billion aggregate principal of senior notes outstanding at December 31, 2024 that were registered under the Securities Act of 1933, as amended. The senior notes are guaranteed by Omega OP.

The SEC adopted amendments to Rule 3-10 of Regulation S-X and created Rule 13-01 to simplify disclosure requirements related to certain registered securities, such as our senior notes. As a result of these amendments, registrants are permitted to provide certain alternative financial and non-financial disclosures, to the extent material, in lieu of separate financial statements for subsidiary issuers and guarantors of registered debt securities. Accordingly, separate consolidated financial statements of Omega OP have not been presented. Parent and Omega OP, on a combined basis, have no material assets, liabilities or operations other than financing activities (including borrowings under the outstanding senior notes, Revolving Credit Facility and term loans) and their investments in non-guarantor subsidiaries.

Omega OP is currently the sole guarantor of our senior notes. The guarantees by Omega OP of our senior notes are full and unconditional and joint and several with respect to the payment of the principal and premium and interest on our senior notes. The guarantees of Omega OP are senior unsecured obligations of Omega OP that rank equal with all existing and future senior debt of Omega OP and are senior to all subordinated debt. However, the guarantees are effectively subordinated to any secured debt of Omega OP. As of December 31, 2024, there were no significant restrictions on the ability of Omega OP to make distributions to Omega.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses. Our significant accounting policies are described in Note 2 – Summary of Significant Accounting Policies to the Consolidated Financial Statements. These policies were followed in preparing the Consolidated Financial Statements for all periods presented. Actual results could differ from those estimates.

We have identified the following accounting policies that we believe are critical accounting policies. These critical accounting policies are those that have the most impact on the reporting of our financial condition and those requiring significant assumptions, judgments and estimates. With respect to these critical accounting policies, we believe the application of assumptions, judgments and estimates is consistently applied and produces financial information that fairly presents the results of operations for all periods presented. The following table presents information about our critical accounting policies, as well as the material assumptions used to develop each estimate:

Nature of Critical Accounting Estimate	Assumptions/Approach Used
Revenue Recognition Rental income from our operating leases is generally recognized on a straight-line basis over the lease term when we have determined that the collectibility of substantially all of the lease payments is probable. If we determine that it is not probable that substantially all of the lease payments will be collected, we account for the revenue under the lease on a cash basis.	We assess the probability of collecting substantially all payments under our leases based on several factors, including, among other things, payment history of the lessee, the financial strength of the lessee and any guarantors, historical operations and operating trends, current and future economic conditions and expectations of performance (which includes known substantial doubt about an operator's ability to continue as a going concern). If our evaluation of these factors indicates it is not probable that we will be able to collect substantially all rents, we place that operator on a cash basis and limit our rental income to the lesser of lease income on a straight-line basis plus variable rents when they become accruable or cash collected. As a result of placing an operator on a cash basis, we may recognize a charge to rental income for any contractual rent receivable, straight-line rent receivable and lease inducements. As of December 31, 2024 and 2023, we had outstanding straight-line rent receivables of $238.7 million and $202.7 million, respectively, and lease inducements of $8.8 million and $8.8 million, respectively. During 2024, we wrote-off approximately $2.8 million of contractual receivables, straight-line rent receivables and lease inducements to rental income primarily as a result of placing one existing operator on a cash-basis. Also, during 2024, we placed three new operators on a cash-basis concurrent with the lease commencement dates, so there were no straight-line rent receivable write-offs in connection with these operators. During 2023, we placed three operators on a cash-basis but did not write-off any contractual receivables, straight-line rent receivables and lease inducements to rental income in connection with these operators, as two related to new lease agreements and one related to an operator with a lease that had no rent escalators. Changes in the assessment of probability are accounted for on a cumulative basis as if the lease had always been accounted for based on the current determination of the likelihood of collection, potentially resulting in increased volatility of rental income.

Nature of Critical Accounting Estimate	Assumptions/Approach Used
Real Estate Investment Impairment Assessing impairment of real property involves subjectivity in determining if indicators of impairment are present and in estimating the future undiscounted cash flows. The estimated future undiscounted cash flows are generally based on the related lease which relates to one or more properties and may include cash flows from the eventual disposition of the asset. In some instances, there may be various potential outcomes for a real estate investment and its potential future cash flows. In these instances, the undiscounted future cash flows used to assess the recoverability are probability-weighted based on management's best estimates as of the date of evaluation. These estimates can have a significant impact on the undiscounted cash flows.	We evaluate our real estate investments for impairment indicators at each reporting period, including the evaluation of our assets' useful lives. The judgment regarding the existence of impairment indicators is based on factors such as, but not limited to, market conditions, operator performance including the current payment status of contractual obligations and expectations of the ability to meet future contractual obligations, legal structure, as well as our intent with respect to holding or disposing of the asset. If indicators of impairment are present, we evaluate the carrying value of the related real estate investments in relation to our estimate of future undiscounted cash flows of the underlying facilities to determine if an impairment charge is necessary. This analysis requires us to use judgment in determining whether indicators of impairment exist, probabilities of potential outcomes and to estimate the expected future undiscounted cash flows or estimated fair values of the facility which impact our assessment of impairment, if any. During 2024, we recorded impairments on real estate properties of approximately $23.8 million on 14 facilities. During 2023, we recorded impairments on real estate properties of approximately $91.9 million on 25 facilities.
Asset Acquisitions We believe that our real estate acquisitions are typically considered asset acquisitions. The assets acquired and liabilities assumed are recognized by allocating the cost of the acquisition, including transaction costs, to the individual assets acquired and liabilities assumed on a relative fair value basis. Tangible assets consist primarily of land, building and site improvements and furniture and equipment. Identifiable intangible assets and liabilities primarily consist of the above or below market component of in-place leases.	The allocation of the purchase price to the related real estate acquired (tangible assets and intangible assets and liabilities) involves subjectivity as such allocations are based on a relative fair value analysis. In determining the fair values that drive such analysis, we estimate the fair value of each component of the real estate acquired which generally includes land, buildings and site improvements, furniture and equipment, and the above or below market component of in-place leases. Significant assumptions used to determine such fair values include comparable land sales, capitalization rates, discount rates, market rental rates and property operating data, all of which can be impacted by expectations about future market or economic conditions. Our estimates of the values of these components affect the amount of depreciation and amortization we record over the estimated useful life of the property or the term of the lease. During 2024 and 2023, we acquired real estate assets of approximately $740.5 million and $261.2 million, respectively. These transactions were accounted for as asset acquisitions and the purchase price of each was allocated based on the relative fair values of the assets acquired and liabilities assumed.
Allowance for Credit Losses on Real Estate Loans, Non-real Estate Loans and Direct Financing Leases For purposes of determining our allowance for credit loss, we pool financial assets that have similar risk characteristics. We aggregate our financial assets by financial instrument type and by internal risk rating. Our internal ratings range between 1 and 7. An internal rating of 1 reflects the lowest likelihood of loss and a 7 reflects the highest likelihood of loss. We have a limited history of incurred losses and consequently have elected to employ external data to perform our expected credit loss calculation. We utilize a probability of default ("PD") and loss given default ("LGD") methodology. Periodically, the Company may identify an individual loan for impairment. When we identify a loan impairment, the loan is written down to the present value of the expected future cash flows. In cases where expected future cash flows are not readily determinable, the loan is written down to the fair value of the underlying collateral. We may base our valuation on a loan's observable market price, if any, or the fair value of collateral, net of sales costs, if the repayment of the loan is expected to be provided solely by the sale of the collateral.	We assess our internal credit ratings on a quarterly basis. Our internal credit ratings consider several factors including the collateral and/or security, the performance of borrowers underlying facilities, if applicable, available credit support (e.g., guarantees), borrowings with third parties, and other ancillary business ventures and real estate operations of the borrower. Our model's historic inputs consider PD and LGD data for residential care facilities published by the Federal Housing Administration ("FHA") along with Standards & Poor's one-year global corporate default rates. Our historical loss rates revert to historical averages after 36 periods. Our model's current conditions and supportable forecasts consider internal credit ratings, current and projected U.S. unemployment rates published by the U.S. Bureau of Labor Statistics and the Federal Reserve Bank of St. Louis and the weighted average life to maturity of the underlying financial asset. During 2024 and 2023, we recorded a (recovery) provision for credit losses of approximately ($15.5) million and $44.6 million, respectively. As of December 31, 2024 and 2023, we had a total allowance for credit loss of $198.6 million and $222.2 million, respectively. A 10% increase or decrease in the FHA default rates as of December 31, 2024 would result in an additional provision or recovery for credit losses of $3.2 million. If the weighted average yield to maturity on our portfolio increases or decreases by 10%, this will result in an additional provision or recovery for credit losses of $6.9 million or $7.0 million, respectively.

Item 7A – Quantitative and Qualitative Disclosures About Market Risk

We are exposed to various market risks, including the potential loss arising from adverse changes in interest rates and foreign currency exchange rates. We use financial derivative instruments to hedge our interest rate exposure as well as our foreign currency exchange rate exposure. We do not enter into our market risk sensitive financial instruments and related derivative positions (if any) for trading or speculative purposes. The following disclosures discuss potential fluctuations in interest rates and foreign currency exchange rates and are subjective in nature and are dependent on a number of important assumptions, including estimates of future cash flows, risks, discount rates and relevant comparable market information associated with each financial instrument. Readers are cautioned that many of the statements contained in these paragraphs are forward-looking and should be read in conjunction with our disclosures under the heading "Forward-Looking Statements" set forth above. The use of different market assumptions and estimation methodologies may have a material effect on the reported estimated fair value amounts. Accordingly, the estimates presented below are not necessarily indicative of the amounts we would realize in a current market exchange.

Interest Rate Risk

We borrow debt at a combination of variable and fixed rates. Movements in interest rates on our variable rate borrowings would change our future earnings and cash flows but not significantly affect the fair value of those instruments. During the year ended December 31, 2024, we incurred interest expense of $14.9 million related to variable rate borrowings outstanding under our Revolving Credit Facility, one term loan and the 2026 Mortgage Loan, after considering the impact of interest rate swaps. Assuming no changes in outstanding balances, and inclusive of the impact of interest rate swaps and interest rate caps designated as cash flow hedges noted below, a hypothetical 1% increase in interest rates would result in a $0.6 million increase in our annual interest expense. A hypothetical 1% decrease in interest rates would result in a $1.3 million decrease in our annual interest expense. As of December 31, 2024, only our Revolving Credit Facility and 2026 Mortgage Loan have variable rate borrowings, when considering the impact of interest rate swaps that are designated as cash flow hedges for the 2025 Term Loan and the OP Term Loan. As of December 31, 2024, the interest rate on the 2026 Mortgage Loan was variable as SONIA did not exceed the cap rate.

A change in interest rates will not affect the interest expense associated with our long-term fixed rate borrowings but will affect the fair value of our long-term fixed rate borrowings. The estimated fair value of our total long-term fixed-rate borrowings at December 31, 2024 was approximately $3.9 billion, which includes our senior notes. A hypothetical 1% increase in interest rates would result in a decrease in the fair value of long-term fixed-rate borrowings by approximately $235.0 million at December 31, 2024. A hypothetical 1% decrease in interest rates would result in an increase in the fair value of long-term fixed-rate borrowings by approximately $254.8 million at December 31, 2024.

At December 31, 2024, we have $478.5 million of interest rate swaps outstanding and £190.0 million of interest rate caps outstanding that are recorded at fair value in other assets and accrued expenses and other liabilities on our Consolidated Balance Sheets. The interest rate swaps and interest rate caps hedge the interest rate risk associated with interest payments on the 2025 Term Loan, the OP Term Loan and the 2026 Mortgage Loan.

Foreign Currency Risk

We are exposed to foreign currency risk through our investments in the U.K. Increases or decreases in the value of the British Pound Sterling relative to the U.S. Dollar impact the amount of net income we earn from our investments in the U.K. Based solely on our results for the year ended December 31, 2024, if the applicable exchange rate were to increase or decrease by 10%, our net income from our consolidated U.K.-based investments would increase or decrease, as applicable, by $3.2 million.

To hedge a portion of our net investments in the U.K., at December 31, 2024, we have 11 foreign currency forward contracts with notional amounts totaling £258.0 million that mature between 2027 and 2031.

Item 8 – Financial Statements and Supplementary Data

The consolidated financial statements listed under Item 15 – Exhibits and Financial Statement Schedules and the report of Ernst & Young LLP, Independent Registered Public Accounting Firm, on such financial statements are filed as part of this report beginning on page F-1. There have been no retrospective changes to our Consolidated Statements of Operations for any of the quarters within the two most recent fiscal years that are individually or in the aggregate material.

Item 9 – Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A – Controls and Procedures

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of our Form 10-K as of and for the year ended December 31, 2024, management evaluated the effectiveness of the design and operation of disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) of the Company as of December 31, 2024. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer of the Company concluded that the disclosure controls and procedures of the Company were effective at the reasonable assurance level as of December 31, 2024.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations and can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

In connection with the preparation of this Form 10-K, our management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. In making that assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework ("2013 framework"). Based on management's assessment, management believes that, as of December 31, 2024, the Company's internal control over financial reporting was effective based on those criteria.

The independent registered public accounting firm's attestation reports regarding the Company's internal control over financial reporting is included in the 2024 financial statements under the caption entitled Report of Independent Registered Public Accounting Firm and is incorporated by reference herein.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the quarter ended December 31, 2024 identified in connection with the evaluation of their disclosure controls and procedures (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) described above that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Item 9B – Other Information

(a) Amendment and Restatement of Omega OP Partnership Agreement

Effective February 11, 2025, Omega entered into that certain Third Amended and Restated Agreement of Limited Partnership governing Omega OP (the "Partnership Agreement") to, among other things (i) provide for option units, a special class of units of Omega OP that are structured in a manner intended to qualify as profits interests ("Option Units"), which may be used for incentive compensation awards, subject to vesting, forfeiture and additional restrictions on transfer, all as determined by Omega, as general partner, and Omega OP, in their sole discretion, prior to any grant of Option Units and set forth in an applicable vesting agreement and (ii) make other updates to the Partnership Agreement primarily relating to the ownership of subsidiary REITs, changes in applicable law and ministerial and conforming changes.

The description of the Partnership Agreement contained in this Annual Report on Form 10-K is qualified in its entirety by reference to the Partnership Agreement, a copy of which is filed herewith as Exhibit 3.5 and is incorporated herein by reference.

(b) Rule 10b5-1 Trading Plans

No officers or directors, as defined in Rule 16a-1(f), adopted, modified and/or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408, during the fourth quarter of 2024.

Item 9C – Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

Item 10 – Directors, Executive Officers of the Registrant and Corporate Governance

For information regarding executive officers of our Company, see Item 1 – Business – Information about our Executive Officers.

The other information required by this item is incorporated herein by reference to the "Proposal 1 – Election of Directors," "Board Committees and Corporate Governance" and "Audit Committee and Independent Auditor Matters" sections of Company's definitive proxy statement for the 2025 Annual Meeting of Stockholders, to be filed with the SEC pursuant to Regulation 14A.

Code of Business Conduct and Ethics

We have adopted a written Code of Business Conduct and Ethics ("Code of Ethics") that applies to all of our directors and employees, including our chief executive officer, chief financial officer, chief accounting officer and controller. A copy of our Code of Ethics is available on our website at www.omegahealthcare.com. Any amendment to our Code of Ethics or any waiver of our Code of Ethics that is required to be disclosed will be provided on our website at www.omegahealthcare.com promptly following the date of such amendment or waiver.

Insider Trading Policy

We have adopted an Insider Trading Policy that governs the purchase, sale and/or other dispositions of our securities by our directors, officers and employees, as well as the Company, that is reasonably designed to promote compliance with insider trading laws, rules and regulations, and the New York Stock Exchange listing standards applicable to us. A copy of our Insider Trading Policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

Equity Award Grant Policy

The Compensation Committee of our Board of Directors approves all equity awards granted to the executive officers. Approval of the equity awards for the executive officers generally occurs at the Compensation Committee's regularly scheduled quarterly meeting for the fourth quarter of each year, although the Compensation Committee retains the right to approve them at any time. The Company has not historically issued stock options or stock appreciation awards.

Item 11 – Executive Compensation

The information required by this item is incorporated herein by reference to the "Compensation Discussion and Analysis" and "Executive Compensation Tables and Related Information" sections of our Company's definitive proxy statement for the 2025 Annual Meeting of Stockholders, to be filed with the SEC pursuant to Regulation 14A.

Item 12 – Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to the "Stock Ownership Information" section of our Company's definitive proxy statement for the 2025 Annual Meeting of Stockholders, to be filed with the SEC pursuant to Regulation 14A, except as set forth below.

The following table provides information about shares available for future issuance under our equity compensation plans as of December 31, 2024:

Equity Compensation Plan Information

Plan category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights [1]	(b) Weighted-average exercise price of outstanding options, warrants and rights [2]	(c) Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a) [3]
Equity compensation plans approved by security holders	7,333,538	$ —	4,215,990
Equity compensation plans not approved by security holders	—	—	—
Total	7,333,538	$ —	4,215,990

(1) Reflects (i) 564,901 time-based restricted stock units ("RSUs") and profit interest units ("PIUs"), (ii) 6,100,651 shares related to performance-based RSUs ("PRSUs") and performance-based PIUs that could be issued if certain performance conditions are achieved and (iii) 667,986 shares in respect of outstanding deferred stock units.
(2) No exercise price is payable with respect to the RSUs and PRSUs.
(3) Reflects (i) 3,766,787 shares of common stock under our 2018 Stock Incentive Plan and (ii) 449,203 shares of common stock under the Omega Healthcare Investors, Inc. Employee Stock Purchase Plan.

Item 13 – Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated herein by reference to the "Proposal 1 – Election of Directors" and "Board Committees and Corporate Governance" sections of our Company's definitive proxy statement for the 2025 Annual Meeting of Stockholders, to be filed with the SEC pursuant to Regulation 14A.

Item 14 – Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to the "Audit Committee and Independent Auditor Matters" section of our Company's definitive proxy statement for the 2025 Annual Meeting of Stockholders, to be filed with the SEC pursuant to Regulation 14A.

PART IV

Item 15 – Exhibits and Financial Statement Schedules

(a)(1) Listing of Consolidated Financial Statements

Title of Document	Page Number
Reports of Independent Registered Public Accounting Firm (PCAOB ID: 42)	F-1
Consolidated Balance Sheets as of December 31, 2024 and 2023	F-4
Consolidated Statements of Operations for the three years ended December 31, 2024	F-5
Consolidated Statements of Comprehensive Income for the three years ended December 31, 2024	F-6
Consolidated Statements of Equity for the three years ended December 31, 2024	F-7
Consolidated Statements of Cash Flows for the three years ended December 31, 2024	F-8
Notes to Consolidated Financial Statements	F-9

(a)(2) Financial Statement Schedules. The following consolidated financial statement schedules are included herein:

Schedule III – Real Estate and Accumulated Depreciation	F-71
Schedule IV – Mortgage Loans on Real Estate	F-73

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable or have been omitted because sufficient information has been included in the notes to the Consolidated Financial Statements.

(a)(3) Exhibits — See "*Index to Exhibits*" beginning on Page I-1 of this report.

Item 16 – Form 10-K Summary

None.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Omega Healthcare Investors, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Omega Healthcare Investors, Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedules listed in the Index at Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 13, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

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

Collectibility of future lease payments

Description of the Matter

During 2024, the Company recognized rental income of $887.9 million and has recorded straight-line rent and lease inducement receivables of $247.5 million at December 31, 2024. As described in Note 2 to the consolidated financial statements, the timing and pattern of rental income recognition for operating leases is affected by the Company's determination as to whether the collectibility of substantially all lease payments is probable.

Auditing the Company's accounting for rental income is complex due to the judgment involved in the Company's determination of the collectibility of future lease payments. The determination involves consideration of the lessee's payment history, an assessment of the financial strength of the lessee and any guarantors, where applicable, historical operations and operating trends, current and future economic conditions, and expectations of performance (which includes known substantial doubt about an operator's ability to continue as a going concern).

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls over the recognition of rental income, including controls over management's assessment of the collectibility of future lease payments. For example, we tested controls over management's consideration of the factors used in assessing collectibility and controls over the completeness and accuracy of the data used in management's analyses.

To test the rental income recognized, we performed audit procedures that included, among others, evaluating the collectibility of future lease payments. For example, we assessed the lessee's payment history, historical operating results of the properties, and factors contributing to the financial strength of the lessee, including current and future economic conditions, as well as management's assessment of the expectation of performance of a sample of operators. We also considered whether other information obtained throughout the course of our audit procedures corroborated or contradicted management's analysis. In addition, we tested the completeness and accuracy of the data that was used in management's analyses.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1992.
Baltimore, Maryland
February 13, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of Omega Healthcare Investors, Inc.

Opinion on Internal Control over Financial Reporting

We have audited Omega Healthcare Investors, Inc.'s internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control —Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Omega Healthcare Investors, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Omega Healthcare Investors, Inc. as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedules listed in the Index at Item 15(a)(2) and our report dated February 13, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Baltimore, Maryland
February 13, 2025

OMEGA HEALTHCARE INVESTORS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	December 31, 2024	December 31, 2023
ASSETS		
Real estate assets		
Buildings and improvements	$ 7,342,497	$ 6,894,045
Land	996,701	870,310
Furniture and equipment	510,106	469,654
Construction in progress	210,870	138,410
Total real estate assets	9,060,174	8,372,419
Less accumulated depreciation	(2,721,016)	(2,469,893)
Real estate assets – net	6,339,158	5,902,526
Investments in direct financing leases – net	9,453	8,716
Real estate loans receivable – net	1,428,298	1,212,162
Investments in unconsolidated joint ventures	88,711	188,409
Assets held for sale	56,194	67,116
Total real estate investments	7,921,814	7,378,929
Non-real estate loans receivable – net	332,274	275,615
Total investments	8,254,088	7,654,544
Cash and cash equivalents	518,340	442,810
Restricted cash	30,395	1,920
Contractual receivables – net	12,611	11,888
Other receivables and lease inducements	249,317	214,657
Goodwill	643,664	643,897
Other assets	189,476	147,686
Total assets	$ 9,897,891	$ 9,117,402
LIABILITIES AND EQUITY		
Revolving credit facility	$ —	$ 20,397
Secured borrowings	243,310	61,963
Senior notes and other unsecured borrowings – net	4,595,549	4,984,956
Accrued expenses and other liabilities	328,193	287,795
Total liabilities	5,167,052	5,355,111
Preferred stock $1.00 par value authorized – 20,000 shares, issued and outstanding – none	—	—
Common stock $0.10 par value authorized – 350,000 shares, issued and outstanding – 279,129 shares as of December 31, 2024 and 245,282 shares as of December 31, 2023	27,912	24,528
Additional paid-in capital	7,915,873	6,671,198
Cumulative net earnings	4,086,907	3,680,581
Cumulative dividends paid	(7,516,750)	(6,831,061)
Accumulated other comprehensive income	22,731	29,338
Total stockholders' equity	4,536,673	3,574,584
Noncontrolling interest	194,166	187,707
Total equity	4,730,839	3,762,291
Total liabilities and equity	$ 9,897,891	$ 9,117,402

See accompanying notes.

OMEGA HEALTHCARE INVESTORS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Year Ended December 31,		
	2024	**2023**	**2022**
Revenues			
Rental income	$ 887,910	$ 826,394	$ 751,231
Interest income	157,207	119,888	123,919
Miscellaneous income	6,273	3,458	3,094
Total revenues	1,051,390	949,740	878,244
Expenses			
Depreciation and amortization	304,648	319,682	332,407
General and administrative	88,001	81,504	69,397
Real estate taxes	14,561	15,025	15,500
Acquisition, merger and transition related costs	11,615	5,341	42,006
Impairment on real estate properties	23,831	91,943	38,451
(Recovery) provision for credit losses	(15,483)	44,556	68,663
Interest expense	221,716	235,529	233,244
Total expenses	648,889	793,580	799,668
Other income (expense)			
Other income (expense) – net	6,826	20,297	(1,997)
Loss on debt extinguishment	(1,749)	(492)	(389)
Gain on assets sold – net	13,168	79,668	359,951
Total other income	18,245	99,473	357,565
Income before income tax expense and income (loss) from unconsolidated joint ventures	**420,746**	**255,633**	**436,141**
Income tax expense	(10,858)	(6,255)	(4,561)
Income (loss) from unconsolidated joint ventures	7,916	(582)	7,261
Net income	**417,804**	**248,796**	**438,841**
Net income attributable to noncontrolling interest	(11,478)	(6,616)	(11,914)
Net income available to common stockholders	**$ 406,326**	**$ 242,180**	**$ 426,927**
Earnings per common share available to common stockholders:			
Basic:			
Net income available to common stockholders	$ 1.57	$ 1.01	$ 1.81
Diluted:			
Net income available to common stockholders	$ 1.55	$ 1.00	$ 1.80

See accompanying notes.

OMEGA HEALTHCARE INVESTORS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year Ended December 31,		
	2024	2023	2022
Net income	**$ 417,804**	**$ 248,796**	**$ 438,841**
Other comprehensive income (loss)			
Foreign currency translation	(8,373)	20,531	(32,770)
Cash flow hedges	1,602	(11,245)	55,949
Total other comprehensive (loss) income	(6,771)	9,286	23,179
Comprehensive income	**411,033**	**258,082**	**462,020**
Comprehensive income attributable to noncontrolling interest	(11,314)	(6,889)	(12,568)
Comprehensive income attributable to common stockholders	**$ 399,719**	**$ 251,193**	**$ 449,452**

See accompanying notes.

OMEGA HEALTHCARE INVESTORS, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(in thousands, except per share amounts)

	Common Stock Par Value	Additional Paid-in Capital	Cumulative Net Earnings	Cumulative Dividends	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2021	23,906	6,427,566	3,011,474	(5,553,908)	(2,200)	3,906,838	201,388	4,108,226
Stock related compensation	—	27,487	—	—	—	27,487	—	27,487
Issuance of common stock	40	8,072	—	—	—	8,112	—	8,112
Repurchase of common stock	(521)	(141,746)	—	—	—	(142,267)	—	(142,267)
Common dividends declared ($2.68 per share)	—	—	—	(633,078)	—	(633,078)	—	(633,078)
Vesting/exercising of OP units	—	(7,176)	—	—	—	(7,176)	7,176	—
Conversion and redemption of Omega OP Units to common stock	—	—	—	—	—	—	(9,704)	(9,704)
Omega OP Units distributions	—	—	—	—	—	—	(20,498)	(20,498)
Net change in noncontrolling interest holder in consolidated JV	—	—	—	—	—	—	2,984	2,984
Other comprehensive income	—	—	—	—	22,525	22,525	654	23,179
Net income	—	—	426,927	—	—	426,927	11,914	438,841
Balance at December 31, 2022	23,425	6,314,203	3,438,401	(6,186,986)	20,325	3,609,368	193,914	3,803,282
Stock related compensation	—	35,276	—	—	—	35,276	—	35,276
Issuance of common stock	1,100	335,302	—	—	—	336,402	—	336,402
Common dividends declared ($2.68 per share)	—	—	—	(644,075)	—	(644,075)	—	(644,075)
Vesting/exercising of OP units	—	(14,570)	—	—	—	(14,570)	14,570	—
Conversion and redemption of Omega OP Units to common stock	3	1,018	—	—	—	1,021	(1,098)	(77)
Omega OP Units distributions	—	—	—	—	—	—	(26,397)	(26,397)
Net change in noncontrolling interest holder in consolidated JV	—	(31)	—	—	—	(31)	(171)	(202)
Other comprehensive income	—	—	—	—	9,013	9,013	273	9,286
Net income	—	—	242,180	—	—	242,180	6,616	248,796
Balance at December 31, 2023	24,528	6,671,198	3,680,581	(6,831,061)	29,338	3,574,584	187,707	3,762,291
Stock related compensation	—	36,940	—	—	—	36,940	—	36,940
Issuance of common stock	3,383	1,232,274	—	—	—	1,235,657	—	1,235,657
Common dividends declared ($2.68 per share)	—	—	—	(685,689)	—	(685,689)	—	(685,689)
Vesting/exercising of OP units	—	(25,011)	—	—	—	(25,011)	25,011	—
Conversion and redemption of Omega OP Units to common stock	1	472	—	—	—	473	(1,157)	(684)
Omega OP Units distributions	—	—	—	—	—	—	(29,254)	(29,254)
Net change in noncontrolling interest holder in consolidated JV	—	—	—	—	—	—	545	545
Other comprehensive loss	—	—	—	—	(6,607)	(6,607)	(164)	(6,771)
Net income	—	—	406,326	—	—	406,326	11,478	417,804
Balance at December 31, 2024	$ 27,912	$ 7,915,873	$ 4,086,907	$ (7,516,750)	$ 22,731	$ 4,536,673	$ 194,166	$ 4,730,839

See accompanying notes.

OMEGA HEALTHCARE INVESTORS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2024	2023	2022
Cash flows from operating activities			
Net income	$ 417,804	$ 248,796	$ 438,841
Adjustment to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	304,648	319,682	332,407
Impairment on real estate properties	23,831	91,943	38,451
Provision for rental income	4,174	20,633	124,758
(Recovery) provision for credit losses	(15,483)	44,556	68,663
Amortization of deferred financing costs and loss on debt extinguishment	12,146	14,189	13,337
Accretion of direct financing leases	148	114	83
Stock-based compensation expense	36,696	35,068	27,302
Gain on assets sold – net	(13,168)	(79,668)	(359,951)
Amortization of acquired in-place leases – net	(1,686)	(9,450)	(5,662)
Straight-line rent and effective interest receivables	(43,018)	(41,849)	(58,994)
Interest paid-in-kind	(11,463)	(11,365)	(9,423)
Loss from unconsolidated joint ventures	1,947	182	455
Change in operating assets and liabilities – net:			
Contractual receivables	(845)	(3,660)	3,031
Lease inducements	(61)	(15,210)	5,957
Other operating assets and liabilities	33,760	3,775	6,472
Net cash provided by operating activities	749,430	617,736	625,727
Cash flows from investing activities			
Acquisition of real estate	(408,628)	(262,453)	(229,987)
Net proceeds from sale of real estate investments	95,045	585,031	759,047
Investments in construction in progress	(68,980)	(44,495)	(17,130)
Placement of loan principal	(470,011)	(420,626)	(371,987)
Collection of loan principal	207,617	165,191	345,665
Investments in unconsolidated joint ventures	(971)	(12,350)	(113)
Distributions from unconsolidated joint ventures in excess of earnings	1,017	8,807	3,328
Capital improvements to real estate investments	(37,757)	(38,011)	(47,221)
Proceeds from net investment hedges	8,429	11,378	—
Receipts from insurance proceeds	3,075	6,758	1,251
Net cash (used in) provided by investing activities	(671,164)	(770)	442,853
Cash flows from financing activities			
Proceeds from long-term borrowings	657,819	507,072	597,403
Payments of long-term borrowings	(1,145,301)	(734,991)	(589,292)
Payments of financing related costs	(7,018)	(3,827)	(389)
Net proceeds from issuance of common stock	1,235,657	336,402	8,112
Repurchase of common stock	—	—	(142,267)
Dividends paid	(685,445)	(643,867)	(632,893)
Net payments to noncontrolling members of consolidated joint venture	545	(202)	81
Proceeds from derivative instruments	—	92,577	—
Redemption of Omega OP Units	(684)	(77)	(9,704)
Distributions to Omega OP Unit Holders	(29,254)	(26,397)	(20,498)
Net cash provided by (used in) financing activities	26,319	(473,310)	(789,447)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	(580)	430	(2,900)
Increase in cash, cash equivalents and restricted cash	104,005	144,086	276,233
Cash, cash equivalents and restricted cash at beginning of period	444,730	300,644	24,411
Cash, cash equivalents and restricted cash at end of period	$ 548,735	$ 444,730	$ 300,644

See accompanying notes.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION

Omega Healthcare Investors, Inc. ("Parent"), is a Maryland corporation that, together with its consolidated subsidiaries (collectively, "Omega", the "Company", "we", "our", "us") invests in healthcare-related real estate properties located in the United States ("U.S.") and the United Kingdom ("U.K."). Our core business is to provide financing and capital to the long-term healthcare industry with a particular focus on skilled nursing facilities ("SNFs"), assisted living facilities ("ALFs"), and to a lesser extent, independent living facilities ("ILFs"), rehabilitation and acute care facilities ("specialty facilities") and medical office buildings ("MOBs"). Our core portfolio consists of our long-term "triple-net" leases and real estate loans with healthcare operating companies and affiliates (collectively, our "operators"). In addition to our core investments, we make loans to operators and/or their principals. From time to time, we also acquire equity interests in joint ventures or entities that support the long-term healthcare industry and our operators.

Omega has elected to be taxed as a real estate investment trust ("REIT") for federal income tax purposes and is structured as an umbrella partnership REIT ("UPREIT") under which all of Omega's assets are owned directly or indirectly by, and all of Omega's operations are conducted directly or indirectly through, its operating partnership subsidiary, OHI Healthcare Properties Limited Partnership (collectively with subsidiaries, "Omega OP"). Omega has exclusive control over Omega OP's day-to-day management pursuant to the partnership agreement governing Omega OP. As of December 31, 2024, Parent owned approximately 97% of the issued and outstanding units of partnership interest in Omega OP ("Omega OP Units"), and other investors owned approximately 3% of the outstanding Omega OP Units.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Consolidation

The consolidated financial statements include the accounts of Omega Healthcare Investors, Inc, its wholly-owned subsidiaries, joint venture ("JVs") and variable interest entities ("VIEs") that it controls, through voting rights or other means. All intercompany transactions and balances have been eliminated in consolidation.

GAAP requires us to identify entities for which control is achieved through means other than voting rights and to determine which business enterprise, if any, is the primary beneficiary of VIEs. A VIE is broadly defined as an entity with one or more of the following characteristics: (a) the total equity investment at risk is insufficient to finance the entity's activities without additional subordinated financial support; (b) as a group, the holders of the equity investment at risk lack (i) the ability to make decisions about the entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; or (c) the equity investors have voting rights that are not proportional to their economic interests, and substantially all of the entity's activities either involve, or are conducted on behalf of, an investor that has disproportionately few voting rights. We may change our original assessment of a VIE upon subsequent events such as the modification of contractual arrangements that affects the characteristics or adequacy of the entity's equity investments at risk and the disposition of all or a portion of an interest held by the primary beneficiary.

Our variable interests in VIEs may be in the form of equity ownership, leases and/or loans with our operators. We analyze our agreements and investments to determine whether our operators or unconsolidated joint ventures are VIEs and, if so, whether we are the primary beneficiary.

We consolidate a VIE when we determine that we are its primary beneficiary. We identify the primary beneficiary of a VIE as the enterprise that has both: (i) the power to direct the activities of the VIE that most significantly impact the entity's economic performance; and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could be significant to the entity. Factors considered in determining whether we are the primary beneficiary of an entity include: (i) our voting rights, if any; (ii) our involvement in day-to-day capital and operating decisions; (iii) our risk and reward sharing; (iv) the financial condition of the operator or joint venture and (iv) our representation on the VIE's board of directors. We perform this analysis on an ongoing basis. As of December 31, 2024 and 2023, we have one joint venture that is a consolidated VIE as we have concluded that we are the primary beneficiary through our equity investment in the entity.

Revenue Recognition

Rental Income

Rental income from operating leases is recognized on a straight-line basis, inclusive of fixed annual escalators, over the lease term when we have determined that the collectibility of substantially all of the lease payments is probable. Certain of our operating leases contain provisions for an increase based on the change in pre-determined formulas from year to year (e.g., increases in the Consumer Price Index). We do not include in our measurement of our lease receivables these variable increases until the specific events that trigger the variable payments have occurred. Certain payments made to operators are treated as lease inducements and are amortized as a reduction of revenue over the lease term. Our leased real estate properties are leased under provisions of single or master leases with initial terms typically ranging from 5 to 15 years. Some of our leases have options to extend, terminate or purchase the facilities, which are considered when determining the lease term.

We assess the probability of collecting substantially all payments due under our leases on several factors, including, among other things, payment history, the financial strength of the lessee and any guarantors, as applicable, historical operations and operating trends, current and future economic conditions, and expectations of performance (which includes known substantial doubt about an operator's ability to continue as a going concern). If our evaluation of these factors indicates it is not probable that we will be able to collect substantially all rents, we recognize a charge to rental income to write off straight-line rent receivables, contractual receivables and lease inducements and limit our rental income to the lesser of lease income on a straight-line basis plus variable rents when they become accruable or cash collected. Provisions for uncollectible lease payments are recognized as a direct reduction to rental income. If we change our conclusion regarding the probability of collecting rent payments required by a lessee, we may recognize an adjustment to rental income in the period we make a change to our prior conclusion, potentially resulting in increased volatility of rental income.

Under the terms of our leases, the lessee is responsible for all maintenance, repairs, taxes and insurance on the leased properties. Certain of our operating leases require the operators to reimburse us for property taxes and other expenditures that are not considered components of the lease and therefore no consideration is allocated to them as they do not result in the transfer of a good or service to the operators. We have determined that all of our leases qualify for the practical expedient, under Accounting Standards Codification ("ASC") 842, Leases ("Topic 842"), to not separate the lease and non-lease components because (i) the lease components are operating leases and (ii) the timing and pattern of recognition of the non-lease components are the same as the lease components.

Certain operators are obligated to pay directly their obligations under their leases for real estate taxes, insurance and certain other expenses. These obligations, which have been assumed by the tenants under the terms of their respective leases, are not reflected in our consolidated financial statements. To the extent any tenant responsible for these obligations under their respective lease defaults on its lease or if it is deemed probable that the tenant will fail to pay for such costs, we would record a liability for such obligation.

We have elected to exclude sales and other similar taxes from the measurement of lease revenue and expense.

Loan Interest Income

Interest income is recognized as earned over the term of the related real estate and non-real estate loans receivable. Interest income is recorded on an accrual basis to the extent that such amounts are expected to be collected using the effective interest method. In applying the effective interest method, the effective yield on a loan is determined based on its contractual payment terms, adjusted for prepayment terms.

Direct Financing Lease Income

As of December 31, 2024 and 2023, we have one lease for a facility that is classified as a direct financing lease. For leases accounted for as direct financing leases, we record the present value of the future minimum lease payments (utilizing a constant interest rate over the term of the lease agreement) as a receivable and record interest income based on the contractual terms of the lease agreement. Costs related to originating direct financing leases are deferred and amortized on a straight-line basis as a reduction to income from direct financing leases over the term of the direct financing leases. Income from direct financing leases is included within rental income on the Consolidated Statements of Operations.

Real Estate Sales

We recognize gains on the disposition of real estate when the recognition criteria have been met, generally at the time the risks and rewards and title have transferred, and we no longer have substantial continuing involvement with the real estate sold. Gains on the sale of real estate are recognized pursuant to provisions under Accounting Standards Codification ("ASC") 610-20, Gains and Losses from the Derecognition of Nonfinancial Assets. Under ASC 610-20, we determine whether the transaction is a sale to a customer or non-customer. As a REIT, we do not sell real estate within the ordinary course of our business and therefore, expect that our sale transactions will not be contracts with customers. ASC 610-20 refers to the revenue recognition principles under ASC 606, Revenue from Contracts with Customers. Under ASC 610-20, if we determine we do not have a controlling financial interest in the entity that holds the asset and the arrangement meets the criteria to be accounted for as a contract, we will dispose of the asset and recognize a gain or loss on the sale of the real estate when control of the underlying asset transfers to the buyer. If we determine a sale has not occurred under ASC 610-20, we continue to record the asset on the Consolidated Balance Sheets and related depreciation expense on the Consolidated Statements of Operations.

Fair Value Measurement

The Company measures and discloses the fair value of nonfinancial and financial assets and liabilities utilizing a hierarchy of valuation techniques based on whether the inputs to a fair value measurement are considered to be observable or unobservable in a marketplace. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. This hierarchy requires the use of observable market data when available. These inputs have created the following fair value hierarchy:

- Level 1 - quoted prices for identical instruments in active markets;
- Level 2 - quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3 - fair value measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The Company measures fair value using a set of standardized procedures that are outlined herein for all assets and liabilities which are required to be measured at fair value. When available, the Company utilizes quoted market prices from an independent third-party source to determine fair value and classifies such items in Level 1. In some instances where a market price is available, but the instrument is in an inactive or over-the-counter market, the Company consistently applies the dealer (market maker) pricing estimate and classifies such items in Level 2.

If quoted market prices or inputs are not available, fair value measurements are based upon valuation models that utilize current market or independently sourced market inputs, such as interest rates, option volatilities, credit spreads and/or market capitalization rates. Items valued using such internally-generated valuation techniques are classified according to the lowest level input that is significant to the fair value measurement. As a result, these items could be classified in either Level 2 or Level 3 even though there may be some significant inputs that are readily observable. Internal fair value models and techniques used by the Company include discounted cash flow and Monte Carlo valuation models.

Real Estate Acquisitions

Upon acquisition of real estate properties, we evaluate the acquisition to determine if it is a business combination or an asset acquisition. Our real estate acquisitions are generally accounted for as asset acquisitions as substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

If the acquisition is determined to be an asset acquisition, the Company records the purchase price and other related costs incurred to the acquired tangible assets and identified intangible assets and liabilities on a relative fair value basis. In addition, costs incurred for asset acquisitions, including transaction costs, are capitalized.

If the acquisition is determined to be a business combination, we record the purchase of properties to net tangible and identified intangible assets acquired and liabilities assumed at fair value. Goodwill is measured as the excess of the fair value of the consideration transferred over the fair value of the identifiable net assets. Transaction costs are expensed as incurred as part of a business combination.

In making estimates of fair value for purposes of recording asset acquisitions and business combinations, we utilize a number of sources, including independent appraisals that may be obtained in connection with the acquisition or financing of the respective property and other market data. The Company determines the fair value of acquired assets and liabilities as follows:

- Land is determined based on third-party appraisals which typically include market comparables.
- Buildings and site improvements acquired are valued using a combination of discounted cash flow projections that assume certain future revenues and costs and consider capitalization and discount rates using current market conditions as well as the residual approach.
- Furniture and fixtures are determined based on third-party appraisals which typically utilize a replacement cost approach.
- Real estate loans and non-real estate loans are valued using a discounted cash flow analysis, using interest rates being offered for similar loans to borrowers with similar credit ratings.
- Investments in joint ventures are valued based on the fair value of the joint ventures' assets and liabilities. Differences, if any, between the Company's basis and the joint venture's basis are generally amortized over the lives of the related assets and liabilities, and such amortization is included in the Company's share of earnings (losses) of the joint venture.
- Intangible assets and liabilities acquired are valued using a combination of discounted cash flow projections as well as other valuation techniques based on current market conditions for the intangible asset or liability being acquired. When evaluating below market leases we consider extension options controlled by the lessee in our evaluation.
- Other assets acquired and liabilities assumed are typically valued at stated amounts, which approximate fair value on the date of the acquisition.
- Assumed debt balances are valued by discounting the remaining contractual cash flows using a current market rate of interest.
- Noncontrolling interests are valued using a stock price, if available, or by other methods to estimate the fair value on the acquisition date.

Real Estate Properties

Real estate properties are carried at initial recorded value less accumulated depreciation. The costs of significant improvements, renovations and replacements, including interest are capitalized. Our interest expense reflected in the Consolidated Statements of Operations has been reduced by the amounts capitalized. For the years ended December 31, 2024, 2023 and 2022, we capitalized $7.3 million, $4.3 million and $3.2 million, respectively, of interest to our projects under development. In addition, we capitalize leasehold improvements when certain criteria are met, including when we supervise construction and will own the improvement. Expenditures for maintenance and repairs are expensed as they are incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives ranging from 20 to 40 years for buildings, eight to 15 years for site improvements, and three to ten years for furniture and equipment. Leasehold interests are amortized over the shorter of the estimated useful life or term of the lease.

Management evaluates our real estate properties for impairment indicators at each reporting period, including the evaluation of our assets' useful lives. The judgment regarding the existence of impairment indicators is based on factors such as, but not limited to, market conditions, operator performance including the current payment status of contractual obligations and expectations of the ability to meet future contractual obligations, legal structure, as well as our intent with respect to holding or disposing of the asset. If indicators of impairment are present, management evaluates the carrying value of the related real estate investments in relation to management's estimate of future undiscounted cash flows of the underlying facilities. The estimated future undiscounted cash flows are generally based on the related lease which relates to one or more properties and may include cash flows from the eventual disposition of the asset. In some instances, there may be various potential outcomes for a real estate investment and its potential future cash flows. In these instances, the undiscounted future cash flows used to assess the recoverability of the assets are probability-weighted based on management's best estimates as of the date of evaluation. Impairment losses related to long-lived assets are recognized when expected future undiscounted cash flows based on our intended use of the property are determined to be less than the carrying values of the assets. An adjustment is made to the net carrying value of the real estate investments for the excess of carrying value over fair value. The fair value of the real estate investment is determined based on current market conditions and considers matters such as rental rates and occupancies for comparable properties, recent sales data for comparable properties, and, where applicable, contracts or the results of negotiations with purchasers or prospective purchasers. Additionally, our evaluation of fair value may consider valuing the property as a nursing home or other healthcare facility as well as alternative uses. All impairments are taken as a period cost at that time, and depreciation is adjusted going forward to reflect the new value assigned to the asset. Management's impairment evaluation process, and when applicable, impairment calculations involve estimation of the future cash flows from management's intended use of the property as well as the fair value of the property. Changes in the facts and circumstances that drive management's assumptions may result in an impairment to our assets in a future period that could be material to our results of operations.

Assets Held for Sale

We consider properties to be assets held for sale when (1) management commits to a plan to sell the property; (2) it is unlikely that the disposal plan will be significantly modified or discontinued; (3) the property is available for immediate sale in its present condition; (4) actions required to complete the sale of the property have been initiated; (5) sale of the property is probable and we expect the completed sale will occur within one year; and (6) the property is actively being marketed for sale at a price that is reasonable given our estimate of current market value. Upon designation of a property as an asset held for sale, we record the property's value at the lower of its carrying value or its estimated fair value, less estimated costs to sell, and we cease depreciation.

Lessee Accounting

Omega leases real estate (corporate headquarters and certain other facilities), office equipment and is party to certain ground leases on our owned facilities. We determine if an arrangement is or contains a lease at inception. Leases are classified as either finance or operating at inception of the lease. Short-term leases, defined as leases with an initial term of 12 months or less that do not contain a purchase option, are not recorded on the balance sheet. Lease expense for short-term leases is recognized on a straight-line basis over the lease term. As of December 31, 2024 and 2023, all of the leases where we are the lessee were classified as operating leases.

We have leases that contain both lease and non-lease components and have elected, as an accounting policy, to not separate lease components and non-lease components. Operating and finance lease right-of-use ("ROU") assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Our ROU assets and lease liabilities are included in other assets and accrued expenses and other liabilities, respectively, on our Consolidated Balance Sheets. The lease liability is calculated as the present value of the remaining minimum rental payments for existing leases using either the rate implicit in the lease or, if none exists, the Company's incremental borrowing rate, as the discount rate. Certain leases have options to extend, terminate or purchase the asset and have been considered in our analysis of the lease term and the measurement of the ROU assets and lease liabilities.

On a quarterly basis, we record our lease liabilities at the present value of the future lease payments using the discount rate determined at lease commencement. Rental expense from operating leases is generally recognized on a straight-line basis over the lease term. Lease expense derived from our operating leases is recorded in general and administrative in our Consolidated Statements of Operations. We do not include in our measurement of our lease liability certain variable payments, including changes in an index until the specific events that trigger the variable payments have occurred.

We record on a straight-line basis rental income and ground lease expense for those assets we lease and are reimbursed by our operators and/or are paid for directly by our operators.

In-Place Leases

In-place lease assets and liabilities result when we assume a lease as part of an asset acquisition or business combination. The fair value of in-place leases consists of the following components, as applicable (1) the estimated cost to replace the leases and (2) the above or below market cash flow of the leases, determined by comparing the projected cash flows of the leases in place at the time of acquisition to projected cash flows of comparable market-rate leases.

Above market leases, net of accumulated amortization, are included in other assets on our Consolidated Balance Sheets. Below market leases, net of accumulated amortization, are included in accrued expenses and other liabilities on our Consolidated Balance Sheets. The net amortization related to the above and below market leases is included in our Consolidated Statements of Operations as an adjustment to rental income over the estimated remaining term of the underlying leases. Should a tenant terminate the lease, the unamortized portion of the lease intangible is recognized immediately as an adjustment to rental income.

Allowance for Credit Losses

The allowance for credit losses reflects our current estimate of the potential credit losses on our real estate loans, non-real estate loans, and our investment in direct financing leases and is recorded as a valuation account as a direct offset against these financial instruments on our Consolidated Balance Sheets. Expected credit losses inherent in non-cancelable unfunded loan commitments are accounted for as separate liabilities included in accrued expenses and other liabilities on the Consolidated Balance Sheets. The Company has elected to not measure an allowance for credit losses on accrued interest receivables related to all of its real estate loans and non-real estate loans because we write off uncollectible accrued interest receivable in a timely manner pursuant to our non-accrual policy, described below. Changes to the allowance for credit losses on loans resulting from quarterly evaluations are recorded through provision for credit losses on the Consolidated Statements of Operations.

We assess the creditworthiness of our borrowers on a quarterly basis. For purposes of determining our allowance for credit loss, we pool financial assets that have similar risk characteristics. We aggregate our financial assets by financial instrument type (i.e. real estate loan, non-real estate loan, etc.) and by our internal risk rating. Our internal credit ratings consider several factors including the collateral and/or security, the performance of borrowers underlying facilities, if applicable, available credit support (e.g., guarantees), borrowings with third parties, and other ancillary business ventures and real estate operations of the borrower. Our internal ratings range between 1 and 7. An internal rating of 1 reflects the lowest likelihood of loss and a 7 reflects the highest likelihood of loss. The characteristics associated with each risk rating is as follows:

- Risk Rating 1 through 3 – Instruments with minimal to marginally acceptable risk.
- Risk Rating 4 - Instruments with potential weaknesses identified (Special mention).

- Risk Rating 5 - Instruments with well-defined weaknesses that may result in possible losses (Substandard).
- Risk Rating 6 – Instruments that are unlikely to be repaid in full and will probably result in losses (Doubtful).
- Risk Rating 7 – Instrument that will not be repaid in full and losses will occur (Loss).

We have a limited history of incurred losses and consequently have elected to employ external data to perform our expected credit loss calculation. We utilize a probability of default ("PD") and loss given default ("LGD") methodology. Our model's historic inputs consider PD and LGD data for residential care facilities published by the Federal Housing Administration along with Standards & Poor's one-year global corporate default rates. Our historical loss rates revert to historical averages after 36 months. Our model's current conditions and supportable forecasts consider internal credit ratings, current and projected U.S. unemployment rates published by the U.S. Bureau of Labor Statistics and the Federal Reserve Bank of St. Louis and the weighted average life to maturity of the underlying financial asset.

Periodically, the Company may identify an individual loan for impairment. A loan is considered impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due as scheduled according to the contractual terms of the loan agreements. Our assessment of collectibility considers several factors, including, among other things, payment history, the financial strength of the borrower and any guarantors, historical operations and operating trends, current and future economic conditions, expectations of performance (which includes known substantial doubt about an operator's ability to continue as a going concern) and the fair value of the underlying collateral of the agreement, a Level 3 measurement, if any. Consistent with this definition, all loans on non-accrual status may be deemed impaired. To the extent circumstances improve and the risk of collectibility is diminished, we will return these loans to full accrual status. When we identify a loan impairment, the loan is written down to the present value of the expected future cash flows or to the fair value of the underlying collateral. Financial instruments are charged off against the allowance for credit losses when collectibility is determined to be permanently impaired.

We account for impaired loans using (a) the cost-recovery method, and/or (b) the cash basis method. We generally utilize the cost-recovery method for impaired loans for which impairment reserves were recorded. Under the cost-recovery method, we apply cash received against the outstanding loan balance prior to recording interest income. Under the cash basis method, we apply cash received to principal or interest income based on the terms of the agreement.

Investments in Unconsolidated Joint Ventures

We account for our investments in unconsolidated joint ventures using the equity method of accounting as we exercise significant influence, but do not control the entities.

Under the equity method of accounting, the net equity investments of the Company are reflected in the accompanying Consolidated Balance Sheets and the Company's share of net income and comprehensive income from the joint ventures are included in the accompanying Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income, respectively.

On a periodic basis, management assesses whether there are any indicators that the value of the Company's investments in the unconsolidated joint ventures may be other-than-temporarily-impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investment, and such a decline in value is deemed to be other than-temporary. To the extent impairment has occurred, the loss is measured as the excess of the carrying amount of the investment over the estimated fair value of the investment. The estimated fair value of the investment is determined using a discounted cash flow model which is a Level 3 valuation. We consider a number of assumptions that are subject to economic and market uncertainties including, among others, rental rates, operating costs, capitalization rates, holding periods and discount rates.

In Substance Real Estate Investments

We provide loans to third parties for the acquisition, development and construction of real estate. Under these arrangements, it is possible that we will participate in the expected residual profits of the project through the sale, refinancing or acquisition of the property. We evaluate the characteristics of each arrangement, including its risks and rewards, to determine whether they are more similar to those associated with a loan or an investment in real estate. Arrangements with characteristics implying loan classification are presented as real estate loans receivable and result in the recognition of interest income. Arrangements with characteristics implying real estate joint ventures are treated as in substance real estate investments and presented as investments in unconsolidated joint ventures and are accounted for using the equity method. The classification of each arrangement as either a real estate loan receivable or investment in unconsolidated joint venture involves judgment and relies on various factors, including market conditions, amount and timing of expected residual profits, credit enhancements in the form of guarantees, estimated fair value of the collateral, and significance of borrower equity in the project, among others. The classification of such arrangements is performed at inception, and periodically reassessed when significant changes occur in the circumstances or conditions described above.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and highly liquid investments with a maturity date of three months or less when purchased. The majority of our cash, cash equivalents and restricted cash are held at major commercial banks. Certain cash account balances exceed FDIC insurance limits of $250,000 per account and, as a result, there is a concentration of credit risk related to amounts in excess of the insurance limits.

Restricted Cash

Restricted cash consists primarily of liquidity deposits escrowed for tenant obligations required by us pursuant to certain contractual terms and other deposits required by our lenders in connection with financing arrangements.

Deposits

We obtain liquidity deposits and other deposits, security deposits and letters of credit from certain operators pursuant to our lease and mortgage agreements. These generally represent the rental and/or mortgage interest for periods ranging from three to six months with respect to certain of our investments or the required deposits in connection with our HUD borrowings. At December 31, 2024 and 2023, we held $15.5 million and $1.9 million, respectively, in liquidity and other deposits and $52.7 million and $36.0 million, respectively, in security deposits. We also had the ability to draw on $29.1 million and $27.1 million of letters of credit at December 31, 2024 and 2023, respectively.

The liquidity deposits and other deposits, security deposits and the letters of credit may be used in the event of lease and/or loan defaults, subject to applicable limitations under bankruptcy law with respect to operators filing under Chapter 11 of the U.S. Bankruptcy Code. Liquidity deposits and other deposits are recorded as restricted cash on our Consolidated Balance Sheets with the offset recorded as a liability in accrued expenses and other liabilities on our Consolidated Balance Sheets. Security deposits related to cash received from the operators are primarily recorded in cash and cash equivalents on our Consolidated Balance Sheets with a corresponding offset in accrued expenses and other liabilities on our Consolidated Balance Sheets. Additional security for rental and loan interest revenue from operators is provided by covenants regarding minimum working capital and net worth, liens on accounts receivable and other operating assets of the operators, provisions for cross-default, provisions for cross-collateralization and by corporate or personal guarantees.

Goodwill

We test goodwill for potential impairment at least annually in the fourth quarter, or more frequently if an event or other circumstance indicates that we may not be able to recover the carrying amount of the net assets of the reporting unit. An impairment loss is recognized to the extent that the carrying amount, including goodwill, exceeds the reporting unit's fair value. Goodwill is not deductible for tax purposes. We have had no goodwill impairment charges for the last three fiscal years.

Income Taxes

Omega and its wholly-owned subsidiaries were organized to qualify for taxation as a REIT under Section 856 through 860 of the Internal Revenue Code ("Code"). As long as we qualify as a REIT, we will not be subject to federal income taxes on the REIT taxable income that we distributed to stockholders, subject to certain exceptions. However, with respect to certain of our subsidiaries that have elected to be treated as taxable REIT subsidiaries ("TRSs"), we record income tax expense or benefit, as those entities are subject to federal income tax similar to regular corporations. Omega OP is a pass-through entity for U.S. federal income tax purposes.

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

We are subject to certain state and local income tax, franchise taxes and foreign taxes. The expense associated with these taxes are included in income tax expense on the Consolidated Statements of Operations.

Stock-Based Compensation

We recognize stock-based compensation expense to employees and directors, in general and administrative in our Consolidated Statements of Operations on a straight-line basis over the vesting period. Forfeitures of share-based awards are recognized as they occur.

Deferred Financing Costs, Discounts and Premiums

External costs incurred from the placement of our debt are capitalized and amortized on a straight-line basis over the terms of the related borrowings which approximates the effective interest method. Deferred financing costs related to our revolving line of credit are included in other assets on our Consolidated Balance Sheets and deferred financing costs related to our other borrowings are included as a direct deduction from the carrying amount of the related liability on our Consolidated Balance Sheets. Original issuance premium or discounts reflect the difference between the face amount of the debt issued and the cash proceeds received and are amortized on a straight-line basis over the term of the related borrowings. Any difference between fair value and stated value of debt, assumed in an assets acquisition or business combination, is recorded as a discount or premium and amortized over the remaining term of the loan. All premiums and discounts are recorded as an addition to or reduction from debt on our Consolidated Balance Sheets. Net amortization of deferred financing costs and premiums or discounts totaled $10.4 million, $13.7 million and $12.9 million for the years ended December 31, 2024, 2023 and 2022, respectively, and are recorded in interest expense on our Consolidated Statements of Operations.

Earnings Per Share

The computation of basic earnings per share/unit ("EPS") is computed by dividing net income available to common stockholders by the weighted-average number of shares of common stock outstanding during the relevant period. Diluted EPS is computed using the treasury stock method, which is net income divided by the total weighted-average number of common outstanding shares plus the effect of dilutive common equivalent shares during the respective period. Dilutive common shares reflect the assumed issuance of additional common shares pursuant to certain of our share-based compensation plans, including restricted stock and profit interest units, performance restricted stock and profit interest units, the assumed issuance of additional shares related to Omega OP Units held by outside investors.

Noncontrolling Interests and Redeemable Limited Partnership Unitholder Interests

Noncontrolling interests is the portion of equity not attributable to the respective reporting entity. We present the portion of any equity that we do not own in consolidated entities as noncontrolling interests and classify those interests as a component of total equity, separate from total stockholders' equity on our Consolidated Balance Sheets. We include net income attributable to the noncontrolling interests in net income in our Consolidated Statements of Operations.

As our ownership of a controlled subsidiary increases or decreases, any difference between the aggregate consideration paid to acquire the noncontrolling interests and our noncontrolling interest balance is recorded as a component of equity in additional paid-in capital, so long as we maintain a controlling ownership interest.

The noncontrolling interest for Omega primarily represents the outstanding Omega OP Units held by outside investors. Each of the Omega OP Units (other than the Omega OP Units owned by Omega) is redeemable at the election of the Omega OP Unit holder for cash equal to the then-fair market value of one share of Omega common stock, par value $0.10 per share ("Omega Common Stock"), subject to Omega's election to exchange the Omega OP Units tendered for redemption for unregistered shares of Omega Common Stock on a one-for-one basis, subject to adjustment as set forth in Omega OP's partnership agreement. As of December 31, 2024, Omega owns approximately 97% of the issued and outstanding Omega OP Units, and investors own approximately 3% of the outstanding Omega OP Units.

Foreign Operations

The U.S. dollar ("USD") is the functional currency for our consolidated subsidiaries operating in the U.S. The functional currency for our consolidated subsidiaries operating in the U.K. is the British Pound ("GBP"). Total revenues from our consolidated U.K. operating subsidiaries were $93.6 million, $56.8 million and $47.7 million for the years ended December 31, 2024, 2023 and 2022, respectively. Our consolidated U.K. operating subsidiaries held long-lived assets of $1.1 billion and $539.6 million as of December 31, 2024 and 2023, respectively.

For our consolidated subsidiaries whose functional currency is not the USD, we translate their financial statements into the USD. We translate the balance sheet accounts at the exchange rate in effect as of the financial statement date. The income statement accounts are translated using an average exchange rate for the period. Gains and losses resulting from translation are included in accumulated other comprehensive income (loss) ("AOCI"), as a separate component of equity and a proportionate amount of gain or loss is allocated to noncontrolling interests, if applicable.

We and certain of our consolidated subsidiaries may have intercompany and third-party debt that is not denominated in the entity's functional currency. When the debt is remeasured against the functional currency of the entity, a gain or loss can result. The resulting adjustment is reflected in results of operations within other income (expense) - net, unless it is intercompany debt that is deemed to be long-term in nature in which case the adjustments are included in AOCI and a proportionate amount of gain or loss is allocated to noncontrolling interests, if applicable.

Derivative Instruments

We are exposed to, among other risks, the impact of changes in foreign currency exchange rates as a result of our investments in the U.K. and interest rate risk related to our capital structure. As a matter of policy, we do not use derivatives for trading or speculative purposes. Our risk management program is designed to manage the exposure and volatility arising from these risks, and utilizes foreign currency forward contracts, interest rate swaps, interest rate caps and debt issued in foreign currencies to offset a portion of these risks.

To qualify for hedge accounting, derivative instruments used for risk management purposes must effectively reduce the risk exposure that they are designed to hedge. We formally document all relationships between hedging instruments and hedged items, as well as our risk-management objectives and strategy for undertaking various hedge transactions. This process includes designating all derivatives that are part of a hedging relationship to specific forecasted transactions as well as recognized liabilities or assets on the Consolidated Balance Sheets. In addition, at the inception of a qualifying cash flow hedging relationship, the underlying transaction or transactions, must be, and are expected to remain, probable of occurring in accordance with the Company's related assertions. The Company recognizes all derivative instruments, including embedded derivatives required to be bifurcated, as assets or liabilities on the Consolidated Balance Sheets at fair value which is determined using a market approach and Level 2 inputs. Changes in the fair value of derivative instruments that are not designated in hedging relationships or that do not meet the criteria of hedge accounting are recognized in the Consolidated Statements of Operations. For derivatives designated in qualifying cash flow hedging relationships, the gain or loss on the derivative is recognized in AOCI as a separate component of equity and a proportionate amount of gain or loss is allocated to noncontrolling interest, if applicable.

If it is determined that a derivative instrument ceases to be highly effective as a hedge, or that it is probable the underlying forecasted transaction will not occur, the Company discontinues its cash flow hedge accounting prospectively and records the appropriate adjustment to earnings based on the current fair value of the derivative instrument. For net investment hedge accounting, upon sale or liquidation of our U.K. investment, the cumulative balance of the remeasurement value is reclassified to the Consolidated Statements of Operations.

Reclassifications

Certain amounts in the prior year period have been reclassified to conform to the current period presentation. Income from direct financing leases, which was previously reported separately on our Consolidated Statements of Operations, is now included in rental income for all periods presented. In addition, we previously reported assets held for sale of $93.7 million on the Consolidated Balance Sheet as of December 31, 2023. In the first quarter of 2024 and the fourth quarter of 2024, it was determined that $12.2 million and $14.4 million, respectively, of these assets no longer qualified as held for sale and were reclassified to assets held for use within the applicable line items in real estate assets – net on the Consolidated Balance Sheet as of December 31, 2023. Of the $26.6 million reclassified net of $11.1 million of accumulated depreciation, $30.9 million relates to buildings, $3.4 million relates to land and $3.4 million relates to furniture and equipment.

Recent Accounting Pronouncements

ASU – 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, which requires disclosure of certain costs and expenses on an interim and annual basis in the notes to the financial statements. The guidance is effective for the first annual reporting period beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. The amendments in this update are to be applied on a prospective basis, with the option for retrospective application. Early adoption is permitted. We are currently evaluating the potential impact of adopting this new guidance on our consolidated financial statements and disclosures.

ASU – 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, which modifies the rules on income tax disclosures to require entities to disclose (i) specific categories in the rate reconciliation, (ii) the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign) and (iii) income tax expense or benefit from continuing operations (separated by federal, state and foreign). The guidance also requires entities to disclose their income tax payments to international, federal, state and local jurisdictions. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The guidance should be applied on a prospective basis, but retrospective application is permitted. We are currently evaluating the potential impact of adopting this new guidance on our consolidated financial statements and disclosures.

ASU – 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07, which is intended to improve reportable segment disclosures, primarily through enhanced disclosures about significant segment expenses, as well as how the Chief Operating Decision Maker (CODM) uses the reported measure(s) of segment profit or loss in assessing performance. We have adopted the guidance in the fourth quarter of 2024 and have included the required disclosures for all periods presented within Note 23 – Segments. The adoption of the new guidance and related codification improvements did not have a material impact to the Company's financial position, results of operations and cash flows.

ASU – 2020-04, Financial Instruments – Reference Rate Reform (Topic 848)

On March 12, 2020, the FASB issued ASU 2020-04, which contains optional practical expedients for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting for contracts, hedging relationships, and other transactions that reference the London Interbank Offered Rate ("LIBOR"). The guidance may be elected over time until December 31, 2022, as reference rate reform activities occur. In December 2022, the FASB issued ASU 2022-06, Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848, which extended the practical expedients under ASU 2020-04 to December 31, 2024. The Company had several derivative instruments that referenced LIBOR which were terminated during the second quarter of 2023 (see Note 15 – Derivatives and Hedging). The Company also had a $1.45 billion senior unsecured multicurrency revolving credit facility and a $50.0 million senior unsecured term loan facility (see Note 14 – Borrowing Activities and Arrangements) that referenced LIBOR. During the second quarter of 2023, the Company amended its $1.45 billion senior unsecured multicurrency revolving credit facility and $50.0 million senior unsecured term loan facility to adjust the interest on each loan from a LIBOR based interest rate to a Secured Overnight Financing Rate ("SOFR") based interest rate. For both loans we have elected to apply the optional expedient pursuant to Topic 848. As such we will account for the amendments as if the modifications were not substantial and thus a continuation of the existing contract resulting in no change to the current loan carrying values or the related deferred financing costs.

NOTE 3 – REAL ESTATE ASSET ACQUISITIONS AND DEVELOPMENT

2024 Acquisitions

The following table summarizes the significant asset acquisitions that occurred in 2024:

Period	Number of Facilities SNF	Number of Facilities ALF	Country/State	Total Real Estate Assets Acquired (in millions)	Initial Annual Cash Yield[1]
Q1	1	—	WV	$ 8.1	10.0 %
Q1	—	1	U.K.	5.2	9.5 %
Q2	1	—	MI	31.0	11.5 %
Q2	—	32	U.K.	50.8 [2]	10.0 %
Q2	1	—	LA	21.0	10.0 %
Q3	—	63	U.K.	421.0 [3]	9.9 %[4]
Q3	—	1	U.K.	5.1	10.0 %
Q3	1	—	NC	8.8	10.0 %
Q3	—	1	U.K.	10.8	10.0 %
Q4	—	3	U.K.	39.7	10.0 %
Q4	—	1	OR	8.0	10.0 %
Q4	2	—	TX	19.5	10.0 %
Q4	—	6	U.K.	111.5	10.0 %
Total	6	108		$ 740.5	

(1) Initial annual cash yield reflects the initial annual contractual cash rent divided by the purchase price.
(2) Total consideration paid for this acquisition was $62.7 million. We allocated $11.9 million of the purchase consideration to a deferred tax asset related to net operating losses acquired in the transaction. See Note 17 - Taxes for additional information.
(3) Relates to our acquisition of the remaining 51% ownership interest in the Cindat Joint Venture, discussed below under "Cindat Portfolio Acquisition." Total costs to be allocated for this acquisition was $461.9 million, inclusive of our previously held equity interest of $97.0 million. We allocated $53.8 million of the costs to be allocated to other assets acquired in the transaction and we allocated $13.0 million of the costs to be allocated to other liabilities assumed in the transaction.
(4) Reflects the yield based on cash consideration, the assumption of a mortgage loan, deferred contingent consideration and the previously held equity interest in the unconsolidated real estate joint venture. See "Cindat Portfolio Acquisition" below for additional information.

Cindat Portfolio Acquisition

As of December 31, 2023, we held a 49% interest in an unconsolidated real estate joint venture owning 63 facilities in the U.K. (the "Cindat Joint Venture") accounted for using the equity method of accounting. As of December 31, 2023, our equity interest was $97.6 million. The 63 facilities are subject to leases with two operators that have contractual rent of $43.6 million per annum with minimum escalators between 1.0% to 2.0% that can escalate further based on certain inflationary measures.

In July 2024, we acquired the remaining 51% interest in the Cindat Joint Venture for total consideration of $364.9 million inclusive of: (i) $98.9 million of cash consideration including direct transaction costs, (ii) the assumption of a £188.6 million mortgage loan (the "2026 Mortgage Loan") with an estimated fair value of $264.0 million and (iii) deferred contingent consideration of $2.0 million that was paid in December 2024. The fair market value of the mortgage debt assumed was determined by discounting the remaining contractual cash flows using a current market rate of interest of comparable debt instruments.

Following the acquisition, we own 100% of the equity interests in the entity that owns the Cindat portfolio, and accordingly, we will consolidate its results in our consolidated financial statements going forward. The acquired interest was accounted for as an asset acquisition as substantially all of the fair value of the gross assets acquired is concentrated in a group of similar identifiable assets. Under our existing accounting policy election, we follow the asset acquisition cost accumulation and allocation model. Accordingly, we did not remeasure our previously held $97.0 million equity interest, as of the acquisition date, at fair value.

The following table summarizes the assets and liabilities recorded as part of the acquisition as of the date of the acquisition:

	(in thousands)
Costs to be allocated:	
49% equity method investment in Cindat Joint Venture	$ 96,971
Consideration for additional 51% interest in Cindat Joint Venture	100,921
Fair market value of debt assumed	263,990
Total acquisition cost to be allocated	$ 461,882
Net assets acquired:	
Real estate assets	$ 421,044
Non-real estate loans receivable	1,632
Cash and cash equivalents	6,866
Restricted cash	14,050
Contractual receivables	8
Other assets	31,278
Total assets	474,878
Accrued expenses and other liabilities	(12,996)
Net assets acquired	$ 461,882

2023 Acquisitions

The following table summarizes the significant asset acquisitions that occurred in 2023:

Period	Number of Facilities SNF	Number of Facilities ALF	Country/State	Total Real Estate Assets Acquired (in millions)	Initial Annual Cash Yield[1]
Q1	—	6	U.K.	$ 26.4 [2]	8.0 %
Q2	4	—	WV	114.8 [3]	9.5 %
Q2	1	—	WV	13.7	10.0 %
Q3	1	—	VA	15.6	10.0 %
Q3	—	14	U.K.	39.5	10.2 %
Q4	1	—	MD	22.5	10.0 %[4]
Q4	—	1	U.K.	3.8	9.0 %
Q4	2	—	LA	24.9	10.0 %
Total	9	21		$ 261.2	

(1) Initial annual cash yield reflects the initial annual contractual cash rent divided by the purchase price.
(2) In connection with this acquisition, the Company recorded $9.9 million of right-of-use assets and lease liabilities associated with ground leases assumed in the acquisition.
(3) In connection with this acquisition, the Company also provided $104.6 million of mezzanine financing discussed further in Note 7 – Real Estate Loans Receivable and Note 8 – Non-Real Estate Receivable.
(4) Of the 10% initial annual cash yield for this acquisition, 2% can be deferred.

2022 Acquisitions

The following table summarizes the significant asset acquisitions that occurred in 2022:

Period	Number of Facilities SNF	Number of Facilities ALF	Country/State	Total Real Estate Assets Acquired (in millions)	Initial Annual Cash Yield[1]
Q1	—	1	U.K.	$ 8.7 [2]	8.0 %
Q1	—	1	U.K.	5.0	8.0 %
Q1	—	27	U.K.	86.6 [2]	8.0 %
Q1	1	—	MD	8.2 [3]	9.5 %
Q3	—	4	U.K.	28.2	8.0 %
Q4	6	1	PA, NC	88.5 [4]	9.0 %
Total	7	34		$ 225.2	

(1) Initial annual cash yield reflects the initial annual contractual cash rent divided by the purchase price.
(2) The total consideration paid for the one-facility U.K. acquisition and the 27-facility U.K. acquisition was $8.2 million and $100.0 million, respectively. In connection with these acquisitions, we allocated $0.5 million of the purchase consideration to a deferred tax liability related to the one-facility U.K. acquisition, and $13.4 million to a deferred tax asset related to the 27-facility U.K. acquisition. See Note 17 – Taxes for additional information.
(3) Total consideration for the one-facility Maryland acquisition was paid on December 30, 2021, but the closing of the acquisition did not occur until January 1, 2022.
(4) During the fourth quarter of 2022, we acquired seven facilities using a reverse like-kind exchange structure pursuant to Section 1031 of the Code (a "reverse 1031 exchange"). As of December 31, 2022, we had completed the reverse 1031 exchange for three of the acquired facilities and the remaining four acquired facilities remained in the possession of the EATs. During the second quarter of 2023, the remaining four facilities were released from the possession of the EATs, as we did not identify any qualifying exchange transactions. The EATs were classified as VIEs as they do not have sufficient equity investment at risk to permit the entity to finance its activities. The Company consolidated the EATs because it had the ability to control the activities that most significantly impacted the economic performance of the EATs and was, therefore, the primary beneficiary of the EATs. The properties held by the EATs were reflected as real estate with a carrying value of $55.2 million as of December 31, 2022. The EATs also held cash of $23.9 million as of December 31, 2022.

Construction in progress and capital expenditure investments

We invested $106.7 million, $82.5 million and $64.4 million, respectively under our construction in progress and capital improvement programs during the years ended December 31, 2024, 2023 and 2022. As of December 31, 2024, construction in progress included three projects consisting of the development of a SNF in Virginia, a SNF in Florida and an ALF in Washington D.C.

During the second quarter of 2023, we purchased land located in Virginia (not reflected in the table above) for approximately $0.8 million that we plan to develop into a SNF. Concurrent with the acquisition, we amended our lease with an existing operator to include the land in the lease. We are committed to a maximum funding of $15.2 million for the development of the land. As of December 31, 2024 and 2023, $2.5 million and $2.4 million, respectively, was included in construction in progress related to this development project.

During the third quarter of 2021, we purchased a real estate property located in Washington, D.C. for approximately $68.0 million and are redeveloping the property into a 174 bed ALF. Concurrent with the 2021 acquisition, we entered into a single facility lease for this property with Maplewood Senior Living (along with affiliates, "Maplewood"). The original lease was terminated in November 2024 and replaced with a new 24-year single facility lease with an entity that is jointly owned by Maplewood and a third-party investor. For accounting purposes, the new lease will commence upon the substantial completion of construction of the ALF, which is currently expected to be in February 2025. The lease provides for the accrual of financing costs at a rate of 5% per annum during the construction phase. The lease provides for an annual cash yield of 6% in the first year following the completion of construction, increasing to 7% in year two and 8% in year three with 2.5% annual escalators thereafter. Rent can be deferred by the operator for months in which certain operating metrics are not met. Deferred rent bears interest at 5% per annum and is required to be repaid in any month in which certain operating metrics are met. In connection with the new lease, the operator prefunded $5.5 million into an account, which can be drawn from by Omega to pay rent once it commences. We are committed to a maximum funding of $225.8 million for the redevelopment of the real estate property, subject to ordinary development related cost changes (see Note 20 – Commitments and Contingencies). Excluding the initial acquisition cost associated with the land, Omega capitalized costs of $72.0 million, $51.2 million and $14.9 million, respectively, related to this development project for the years ended December 31, 2024, 2023 and 2022. As of December 31, 2024 and 2023, $208.0 million and $136.0 million, respectively, was included in construction in progress related to this development project.

NOTE 4 – ASSETS HELD FOR SALE, DISPOSITIONS AND IMPAIRMENTS

We periodically sell facilities to reduce our concentration in certain operators, geographies and non-strategic assets or due to the exercise of a tenant purchase option.

The following is a summary of our assets held for sale:

	December 31, 2024	December 31, 2023
Number of facilities held for sale	12	14
Amount of assets held for sale (in thousands)	$ 56,194	$ 67,116

Ten of the facilities that were classified as held for sale at December 31, 2024 were subsequently sold during the first quarter of 2025 for gross cash proceeds of $54.2 million.

Asset Sales

2024 Activity

During the year ended December 31, 2024, we sold 21 facilities (14 SNFs, six ALFs and one specialty facility) for $95.0 million in net cash proceeds, recognizing a net gain of approximately $13.2 million.

2023 Activity

During the year ended December 31, 2023, we sold 69 facilities (64 SNFs, two ALFs, one ILF, one specialty facility and one MOB) for $585.0 million in net cash proceeds, recognizing net gains of $79.7 million. Our 2023 facility sales were primarily driven by restructuring transactions and negotiations related to our lease agreements with Guardian Healthcare ("Guardian") and LaVie Care Centers, LLC ("LaVie"). In the second quarter of 2023, we sold five facilities that were previously leased to Guardian and were included in assets held for sale as of March 31, 2023. The net cash proceeds from the sale were $23.8 million, and we did not recognize any gain or loss on the sale because we had already impaired the facilities down to the estimated fair value less costs to sell during the first quarter of 2023. Additionally, we sold one facility, also previously leased to Guardian, for a sales price of $12.0 million during the second quarter of 2023, which was fully financed by Omega through a $12.0 million first lien mortgage on the facility. The one facility sale during the second quarter of 2023 and related seller financing did not meet the contract criteria to be recognized under ASC 610-20.

In the third quarter of 2023, we sold seven facilities subject to operating agreements with LaVie for $84.4 million in purchase consideration, which included cash proceeds of $14.8 million and an aggregate $69.6 million pay-off of the outstanding principal and accrued interest on seven HUD mortgages on the sold properties made by the buyer, on Omega's behalf. The sale resulted in a net loss of $5.5 million. Also in the third quarter of 2023, we recognized the sale of 11 facilities, previously leased to LaVie, related to a December 2022 transaction, further discussed below, that did not meet the contract criteria to be recognized under ASC 610-20 at the legal sale date. During the third quarter of 2023, Omega received an aggregate $104.8 million of principal prepayments for the mortgage from the seller. As a result of the principal prepayments, the Company determined the transaction met the contract criteria under ASC 610-20 and recognized the sale, resulting in a $50.2 million gain during the year ended December 31, 2023, which includes a $25 million contract liability and $5.7 million of deferred interest income received to date.

In the fourth quarter of 2023, we sold 30 facilities subject to operating agreements with LaVie for $317.9 million in purchase consideration, which included cash proceeds of $104.6 million and an aggregate $213.3 million pay-off of the outstanding principal and accrued interest on 22 HUD mortgages on the sold properties made by the buyer, on Omega's behalf. The sale resulted in a net gain of $6.5 million.

2022 Activity

During the year ended December 31, 2022, we sold 66 facilities for approximately $759.0 million in net cash proceeds, recognizing a net gain of approximately $360.0 million. Our 2022 sales were primarily driven by restructuring transactions and negotiations related to our lease agreements with the following operators: Gulf Coast Health Care LLC (together with certain affiliates "Gulf Coast"), Guardian and Agemo Holdings, LLC ("Agemo"). In addition, during the fourth quarter of 2022, we sold 11 facilities previously leased to and operated by LaVie which did not meet the contract criteria to be recognized under ASC 610-20. As discussed above, this sale was recognized in the third quarter of 2023, and as such are not included in the 2022 sale amounts above.

In the first quarter of 2022, we sold 22 facilities that were previously leased and operated by Gulf Coast. The net cash proceeds from the sale, including related costs accrued for as of the end of the fourth quarter, were $304.9 million, and we recognized a net gain of $114.5 million. The agreement includes an earnout clause pursuant to which the buyer is obligated to pay an additional $18.7 million to Omega if certain financial metrics are achieved at the facilities in the three years following the sale. As we have determined it is not probable that we will receive any additional funds, we have not recorded any income related to the earnout clause. In addition, we transitioned one facility that was previously leased and operated by Gulf Coast to another operator in the second quarter of 2022. The transition and sale of these facilities completed our exit from our relationship with Gulf Coast.

During the first and second quarter of 2022, we sold nine total facilities that were leased to Guardian for $39.5 million in net proceeds, which resulted in a net gain of $13.7 million.

In the third and fourth quarter of 2022, we sold 22 facilities that were previously leased to Agemo for $358.7 million in net proceeds, which resulted in a net gain of $218.9 million.

Sales Not Recognized

As of December 31, 2024 and 2023, we had three and one facility sales, respectively, that were not recognized as a result of not meeting the contract criteria under ASC 610-20 at the legal sale date. During the years ended December 31, 2024 and 2023, we received interest of $1.7 million and $6.4 million, respectively, related to seller financing provided in connection with sales that were not recognized at the legal sale date. The interest received was deferred and recorded as a contract liability within accrued expenses and other liabilities on our Consolidated Balance Sheets.

Real Estate Impairments

2024 Activity

During the year ended December 31, 2024, we recorded impairments of approximately $23.8 million on 14 facilities. Of the $23.8 million, $10.9 million related to six facilities that were classified as held for sale (four of which were subsequently sold) for which the carrying values exceeded the estimated fair values less costs to sell, and $12.9 million related to eight held for use facilities (of which $7.2 million relates to four closed facilities) for which the carrying value exceeded the fair value. Of the $12.9 million, $5.3 million related to three facilities that were subsequently sold during the year but did not meet the criteria to be classified as held for sale when the impairments were recognized.

2023 Activity

During the year ended December 31, 2023, we recorded impairments of approximately $91.9 million on 25 facilities. Of the $91.9 million, $2.6 million related to two facilities that were classified as held for sale (and subsequently sold) for which the carrying values exceeded the estimated fair values less costs to sell, and $89.3 million related to 23 held for use facilities (of which $48.0 million relates to three facilities that were closed during the year) for which the carrying value exceeded the fair value. Of the $89.3 million, $51.7 million related to 20 facilities that were subsequently sold during the year but did not meet the criteria to be classified as held for sale when the impairments were recognized.

2022 Activity

During the year ended December 31, 2022, we recorded impairments of approximately $38.5 million on 22 facilities. Of the $38.5 million, $3.5 million related to two facilities that were classified as held for sale (and subsequently sold) for which the carrying values exceeded the estimated fair values less costs to sell, and $35.0 million related to 20 held for use facilities for which the carrying value exceeded the fair value, of which $17.2 million relates to 12 facilities that were leased to and operated by LaVie. $10.0 million of the 2022 impairments recorded on four held-for-use facilities relate to the 2.0% Operator discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements.

To estimate the fair value of the facilities, for the impairments noted above, we utilized a market approach which considered binding sale agreements (a Level 1 input) or non-binding offers from unrelated third parties and/or broker quotes (a Level 3 input).

NOTE 5 – CONTRACTUAL RECEIVABLES AND OTHER RECEIVABLES AND LEASE INDUCEMENTS

Contractual receivables relate to the amounts currently owed to us under the terms of our lease and loan agreements. Effective yield interest receivables relate to the difference between the interest income recognized on an effective yield basis over the term of the loan agreement and the interest currently due to us according to the contractual agreement. Straight-line rent receivables relate to the difference between the rental revenue recognized on a straight-line basis and the amounts currently due to us according to the contractual agreement. Lease inducements result from value provided by us to the lessee, at the inception, modification or renewal of the lease, and are amortized as a reduction of rental income over the non-cancellable lease term.

A summary of our net receivables by type is as follows:

	December 31, 2024	December 31, 2023
	(in thousands)	
Contractual receivables – net	$ 12,611	$ 11,888
Effective yield interest receivables	$ 1,839	$ 3,127
Straight-line rent receivables	238,690	202,748
Lease inducements	8,788	8,782
Other receivables and lease inducements	$ 249,317	$ 214,657

Cash basis operators and straight-line rent receivable write-offs

We review our collectibility assumptions related to our operator leases on an ongoing basis. During the year ended December 31, 2024, we placed one existing operator and three new operators, which Omega did not previously have a relationship with prior to 2024, on a cash basis of revenue recognition as collection of substantially all contractual lease payments due from them was not deemed probable. There was a $2.8 million write-off of straight-line rent receivable associated with placing the existing operator on a cash basis of revenue recognition. The lease agreements with the three new operators were executed in 2024 as part of the transitions of facilities from other operators, and we placed them on a cash basis concurrent with the lease commencement dates, so there were no straight-line rent receivable write-offs associated with placing these operators on a cash basis.

During the year ended December 31, 2023, we placed one existing operator and two new operators on a cash basis of revenue recognition as collection of substantially all contractual lease payments due from them was not deemed probable. There was no straight-line write-off associated with placing the existing operator on a cash basis of revenue recognition because the lease agreement did not contain any rent escalators. Omega did not previously have relationships with the two new operators placed on a cash basis of revenue recognition prior to the second quarter of 2023. The new lease agreements with each of the two new operators were executed in the respective lease commencement dates, so there were no straight-line rent receivable write-offs associated with moving these operators to a cash basis.

During the year ended December 31, 2023, we transitioned the portfolios of four cash basis operators with an aggregate of 48 facilities to new or amended leases with five operators. We are recognizing revenue on a straight-line basis for the leases associated with these five operators. The aggregate initial contractual rent related to the 48 facilities transitioned to these five operators is $48.0 million per annum. The transitioned facilities included 14 facilities related to the operator referred to as the "1.2% Operator" below and 20 facilities related to the operator referred to as the "2.0% Operator" below for the year ended December 31, 2022. In connection with the transition of the 14 facilities, Omega made or agreed to make termination payments of $15.5 million in aggregate that were recorded as initial direct costs related to the lease with the new operator of the 14 transitioned facilities in the first quarter of 2023. These termination payments are deferred and recognized within depreciation and amortization expense on a straight-line basis over the term of the master lease.

During the year ended December 31, 2022, we placed nine additional operators on a cash basis of revenue recognition as collection of substantially all contractual lease payments due from them was no longer deemed probable. In connection with placing these operators on a cash basis, we recognized $119.8 million in total straight-line rent receivable and lease inducement write-offs through rental income during the year ended December 31, 2022.

During the years ended December 31, 2024, 2023 and 2022, we also wrote-off $1.4 million, $8.1 million and $3.2 million of straight-line rent receivable balances through rental income as a result of transitioning facilities between existing operators.

As of December 31, 2024, we had 21 operators on a cash basis for revenue recognition, which represent 20.5%, 22.1% and 25.6% of our total revenues for the years ended December 31, 2024, 2023 and 2022, respectively. As of December 31, 2023, we had 19 operators on a cash basis for revenue recognition, which represent 23.1% and 25.9% of our total revenues for the years ended December 31, 2023 and 2022, respectively. These amounts include the impact of straight-line rent receivable, lease inducement and effective yield interest receivable write-offs of $4.2 million, $20.6 million and $124.8 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Rent Deferrals and Application of Collateral

During the years ended December 31, 2024, 2023 and 2022, we allowed four, ten and ten operators to defer $4.3 million, $35.9 million and $27.0 million of contractual rent and interest, respectively. The deferrals during the year ended December 31, 2024 primarily related to Maplewood ($3.5 million). The deferrals during the year ended December 31, 2023 primarily related to the following operators: LaVie ($19.0 million), Healthcare Homes Limited ("Healthcare Homes") ($8.2 million), Agemo ($1.9 million) and Maplewood ($1.8 million). During the years ended December 31, 2024, 2023 and 2022, we received repayments of deferred rent of $2.1 million, $1.4 million and $0.3 million, respectively.

Additionally, we allowed six, six and seven operators to apply collateral, such as security deposits or letters of credit, to contractual rent and interest during the years ended December 31, 2024, 2023 and 2022, respectively. The total collateral applied to contractual rent and interest was $2.2 million, $17.6 million and $11.0 million for the years ended December 31, 2024, 2023 and 2022 respectively.

Operator updates

Agemo

Agemo, an operator on a cash basis of revenue recognition, did not pay contractual rent and interest due under its lease and loan agreements during the year ended December 31, 2022. Omega had previously entered into a forbearance agreement related to Agemo's defaults under its lease and loan agreements (the "Agemo Forbearance Agreement") in 2021. As part of a May 2018 restructuring agreement, we also agreed to, among other things, allow for the deferral of $6.3 million of rent per annum for a 3-year period (the "Agemo Rent Deferral"). The Agemo Forbearance Agreement was amended multiple times throughout 2022 and the most recent 2022 amendment on December 30, 2022 extended the forbearance period through January 31, 2023. In 2022, the Agemo Rent Deferral period was also extended multiple times, and the most recent amendment extended the deferral through April 2022, after which time the deferral period terminated, with the Company remaining subject to the Agemo Forbearance Agreement through January 31, 2023. As of December 31, 2022, the aggregate rent deferred under the Agemo lease agreement was $25.2 million. As discussed in Note 4 – Assets Held for Sale, Dispositions and Impairments, we sold 22 facilities, subject to the Agemo lease agreement, during 2022.

In the first quarter of 2023, Omega and Agemo entered into a restructuring agreement, an amended and restated master lease and a replacement loan agreement for two replacement loans. As part of the restructuring agreement and related agreements, Omega agreed to, among other things:

- forgive and release Agemo from previously written off past due rent and interest obligations related to certain periods prior to the 2018 Restructuring and from August 2021 through January 2023, with contractual rent under the lease agreement and contractual interest under the loan agreements scheduled to resume on April 1, 2023;
- reduce monthly contractual base rent from $4.8 million to $1.9 million following the sales of the 22 facilities, previously leased and operated by Agemo, that occurred in the third and fourth quarters of 2022 (See Note 4 – Assets Held For Sale, Dispositions and Impairments);
- extend the initial Agemo lease term from December 31, 2030, to December 31, 2036 with three consecutive tenant 10-year extension options; and
- refinance and restructure the $25.0 million secured working capital loan (the "Agemo WC Loan"), the $32.0 million term loan (the "Agemo Term Loan") and the aggregate deferred rent balance of $25.2 million into two replacement loans to Agemo that mature on December 31, 2036, with aggregate principal of $82.2 million and an annual interest rate of 5.63% through October 2024, which increases to 5.71% until maturity.

Agemo resumed making contractual rent and interest payments during the second quarter of 2023 in accordance with the restructuring terms discussed above. We recorded rental income of $23.8 million and $17.4 million for the years ended December 31, 2024 and 2023, respectively, for the contractual rent payments that were received. No interest income was recognized during the years ended December 31, 2024 and 2023 on the two loans with Agemo because these loans are on non-accrual status and we are utilizing the cost recovery method, under which any payments are applied against the principal amount. See Note 8 – Non-Real Estate Loans Receivable for further discussion on the impact of the restructuring on the loans.

LaVie

In the fourth quarter of 2022, Omega began the process of restructuring the portfolio with LaVie, which primarily consists of two master lease agreements and two term loan agreements. On December 30, 2022, we sold 11 facilities previously subject to one of the two leases agreements with LaVie. See further discussion on the sale and the accounting treatment in Note 4 – Assets Held For Sale, Dispositions and Impairments. Concurrent with the sale, we also amended the lease agreement impacted by the sale and our loan agreements with LaVie. The amendments to the loan agreements are discussed in Note 8 – Non-Real Estate Loans. With the lease amendment and other related documents, Omega and LaVie agreed to, among other terms:

- remove the 11 sold facilities from the lease agreement and reduce monthly contractual rent due under all agreements from $8.3 million to $7.3 million;
- provide Omega the ability to enact a one-time rent reset on one of the lease agreements, if LaVie's coverage exceeds a threshold, after February 1, 2027; and
- require Omega to pay LaVie a $35.0 million termination fee in connection with transitioning the 11 facilities sold in the fourth quarter and the additional facilities sold in the restructure ($25.0 million was assumed by the third-party buyer of the 11 facilities).

As a result of the restructuring activities during 2022 and future expected restructuring activities, during the fourth quarter of 2022, we placed LaVie on a cash basis of revenue recognition and wrote-off approximately $58.0 million of straight-line rent receivables and lease inducements.

During 2023, we continued the process of restructuring our portfolio with LaVie by amending the lease agreements with LaVie to allow for a partial rent deferral of $19.0 million for the first four months of 2023, transitioning two facilities previously subject to the master lease with LaVie to another operator during the second quarter of 2023 and selling seven facilities previously subject to the master lease with LaVie to a third party during the third quarter of 2023. In the fourth quarter of 2023, Omega sold an additional 30 facilities and amended the master lease with LaVie to further reduce monthly rent to $3.3 million.

LaVie began to short pay contractual rent during the third quarter of 2023, which continued into the fourth quarter of 2023 with LaVie paying $5.3 million of contractual rent, a short pay of $7.8 million of the $13.1 million due under its lease agreement. For the year ended December 31, 2023, LaVie paid total contractual rent of $37.0 million, a total short pay of $21.1 million of the $58.1 million due under the lease agreement after reflecting the deferral discussed above. As LaVie was placed on a cash basis of revenue recognition for lease purposes in the fourth quarter of 2022, only the $5.3 million and $37.0 million, respectively, of contractual rent payments that were received from LaVie were recorded as rental income during the three months and year ended December 31, 2023.

LaVie continued to short pay contractual rent throughout the first quarter of 2024 and into the second quarter of 2024. In June 2024, LaVie commenced voluntary cases under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the "Bankruptcy Court"). LaVie will continue to operate, as a debtor-in-possession, the 30 facilities subject to a master lease agreement with Omega, unless and until LaVie's leasehold interest under the master lease agreement is rejected or assumed and assigned. On December 5, 2024, a plan of reorganization was confirmed by the Bankruptcy Court, pursuant to which the LaVie master lease agreement will be assumed and assigned by certain of the reorganized debtor(s) upon the effective date of the plan. We committed to provide, along with another lender, $10 million of a $20 million junior secured debtor-in-possession ("DIP") financing to LaVie, as further discussed in Note 8 – Non-Real Estate Loans Receivable. As a condition of the DIP financing, LaVie is required to pay Omega full contractual rent under its lease agreement. We determined LaVie was a VIE after it became a debtor-in-possession and following the issuance of the DIP financing loan. Omega is not the primary beneficiary of LaVie because we do not have the power to control the activities that most significantly impact LaVie's economic performance. See Note 10 – Variable Interest Entities, for additional disclosures surrounding our VIEs.

Prior to its bankruptcy filing, LaVie paid Omega $1.5 million in April 2024 and $1.5 million in May 2024. The April 2024 and May 2024 payments were short of full contractual rent by $1.7 million and $1.5 million, respectively. Following the bankruptcy filing, LaVie paid contractual rent of $2.9 million in June 2024, which reflects full contractual rent prorated for the period after LaVie entered bankruptcy and a $0.1 million short pay for the several days prior to the filing. In the third quarter of 2024, LaVie resumed making full contractual rent payments of $9.2 million due under its lease agreement, which continued through the fourth quarter of 2024 with LaVie making a full contractual rent payment of $9.1 million. As LaVie is on a cash basis of revenue recognition for lease purposes, rental income recorded was equal to cash received of $28.6 million during the year ended December 31, 2024. We did not recognize any interest income related to LaVie during the years ended December 31, 2024, 2023 and 2022 as the three loans outstanding have PIK interest and are on non-accrual status.

Maplewood

During the fourth quarter of 2022, Omega began discussions with Maplewood to restructure its portfolio, which includes a lease agreement and a secured revolving credit facility (the "Maplewood Revolver"). During the fourth quarter of 2022, we placed Maplewood on a cash basis of revenue recognition and wrote-off approximately $29.3 million of straight-line rent receivables and lease inducements.

In the first quarter of 2023, we agreed to a formal restructuring agreement, master lease amendments and loan amendments with Maplewood. As part of the restructuring agreement and related agreements, Omega agreed to, among other things:

- extend the maturity date of the master lease from December 2033 to December 2037 with two consecutive 5-year tenant extension options;
- fix contractual rent at $69.3 million per annum (December 2022 rent annualized) and defer the 2.5% annual escalators under our lease agreement through December 31, 2025, with mandatory repayments to be made subject to certain metrics and due in full by the maturity date;
- fund $22.5 million of capital expenditures through December 31, 2025;
- extend the maturity date of the Maplewood Revolver from June 2030 to June 2035 with one borrower 2-year extension option;
- increase the capacity of the secured revolving credit facility from $250.5 million to $320.0 million, inclusive of payment-in-kind ("PIK") interest applied to principal;
- convert the 7% per annum cash interest due on the Maplewood Revolver to all PIK interest in 2023, 1% cash interest and 6% PIK interest in 2024, and 4% cash interest and 3% PIK interest in 2025 and through the maturity date;
- pay a one-time option termination fee of $12.5 million to Maplewood; and
- reduce Maplewood's share of any future potential sales proceeds (in excess of our gross investment) by the unpaid deferred rent balance, the $22.5 million of capital expenditures and the $12.5 million option termination fee payment.

Shortly after the restructuring was completed, on March 31, 2023, Greg Smith, the principal and chief executive officer of Maplewood, passed away. Mr. Smith had been a guarantor of Maplewood's contractual obligations pursuant to a $40.0 million limited unconditional guaranty agreement. Maplewood began to short pay contractual rent under its lease agreement during the second quarter of 2023, which continued through the end of the third quarter of 2024 as discussed further below. Since Mr. Smith's passing in 2023, Omega has been in discussions with the Greg Smith estate (the "Estate") in order to protect our interests, including Mr. Smith's guaranty, and facilitate an orderly transition of Mr. Smith's controlling equity interest in Maplewood to key members of the existing Maplewood management team (the "Key Principals"). Under the proposed transition, the Key Principals would become the new majority equity holders in the Maplewood entities.

In order to accelerate a negotiated transition process, in May 2024, Omega sent a demand letter to Maplewood and the Estate notifying them of multiple events of default under Maplewood's lease, loan and related agreements with Omega, including Mr. Smith's guaranty, including failure to pay full contractual rent and interest for periods in 2023 and 2024. Omega exercised its contractual rights in connection with these defaults, demanded immediate repayment of past due contractual rent and replenishment of the security deposit and accelerated all principal and accrued interest due to Omega under the Maplewood Revolver, which had $301.7 million outstanding as of December 31, 2024, including PIK interest that is not recorded for accounting purposes. We also filed a lawsuit during the second quarter of 2024 to, among other things, foreclose on the pledged equity and assets of Maplewood.

After sending the demand letter, in June 2024, Omega executed a non-binding term sheet with the Key Principals outlining the terms of the proposed transition, which includes maintaining the Maplewood lease agreement and the Maplewood Revolver provided by Omega. On July 31, 2024, we entered into a settlement agreement (the "Settlement Agreement") with the Estate and submitted it to the probate court for approval. The Settlement Agreement, among other things, grants Omega the right to direct the assignment of Mr. Smith's equity to the Key Principals, their designee(s) or another designee of Omega's choosing, with the Estate remaining liable under Mr. Smith's guaranty until the transition is complete or one year from the court's approval date, if earlier, and requires Omega to refrain from exercising contractual rights or remedies in connection with the defaults. On August 26, 2024, the probate court approved the Settlement Agreement, and in October 2024, following the probate court's final and non-appealable order approving the Settlement Agreement, we requested and were granted a dismissal without prejudice of our lawsuit against, among others, the Estate. We are still awaiting regulatory approvals related to licensure of the operating assets before the transition will be completed.

Maplewood began to short pay contractual rent during the second quarter of 2023, which continued throughout 2023 and 2024. For the year ended December 31, 2023, Maplewood paid total contractual rent of $57.8 million, a total short pay of $11.5 million of the $69.3 million due under the lease agreement for the year. Omega applied all $4.8 million of Maplewood's security deposit towards the total year to date shortfall and recognized rental income of $62.6 million for the year ended December 31, 2023. The $12.5 million option termination fee payment made in the first quarter of 2023 in connection with the restructuring agreement was accounted for as a lease inducement. As Maplewood is on a cash basis of revenue recognition, the inducement was immediately expensed and was recorded as a reduction to the $62.6 million of rental income recognized for the year ended December 31, 2023. For the year ended December 31, 2024, Maplewood paid total contractual rent of $47.5 million, a total short pay of $24.5 million of the $72.0 million (consisting of $69.3 million of contractual rent and $2.7 million of contractual interest) due under the lease and loan agreements for the year. Maplewood's $4.8 million security deposit was fully exhausted in the fourth quarter of 2023, so we were unable to apply collateral to unpaid rent and interest in 2024. In January 2025, Maplewood short-paid the contractual rent amount due under its lease agreement by $1.3 million.

As discussed further in Note 7 – Real Estate Loans Receivable, we recorded interest income of zero, $1.5 million and $14.7 million on the Maplewood Revolver during the years ended December 31, 2024, 2023 and 2022, respectively.

Guardian

Guardian, an operator on a cash basis of revenue recognition, did not pay contractual rent and interest due under its lease and mortgage loan agreements during the first quarter of 2022. During the first and second quarters of 2022, we completed significant restructuring activities related to the Guardian lease and loan portfolio. In the first quarter of 2022, we transitioned eight facilities previously leased to Guardian to two other operators as part of the planned restructuring. Additionally, during the six months ended June 30, 2022, we sold nine facilities to a third party that were previously leased to Guardian and three facilities previously subject to the Guardian mortgage loan. In the second quarter of 2022, we agreed to a formal restructuring agreement, master lease amendments and mortgage loan amendments with Guardian. As part of the restructuring agreement and related agreements, Omega agreed to, among other things:

- reduce the combined rent and mortgage interest to an aggregate $24.0 million per year as of July 1, 2022 ($15.0 million in rent and $9.0 million in interest) with annual escalators of 2.25% beginning in January 2023; and

- allow Guardian to retrospectively defer $18.0 million of aggregate contractual rent and interest that it failed to pay from October 2021 through March 2022 (consisting of $12.2 million of deferred rent and $5.8 million of deferred interest), with repayment required beginning after September 30, 2024, based on certain financial metrics, and in full by December 31, 2031, or the earlier termination of the lease for any reason.

Following the execution of the restructuring agreement, Guardian resumed paying contractual rent and interest during the second quarter of 2022 and continued such payments for the remainder of 2022, in accordance with the restructuring terms. For the year ended December 31, 2022, we recorded rental income of $11.3 million for the contractual rent payments that were received. Guardian continued to make contractual rent and interest payments in accordance with the restructuring terms during the first and second quarters of 2023. As discussed in Note 4 – Assets Held For Sale, Dispositions and Impairments, we sold 6 facilities previously leased to Guardian in the second quarter of 2023 and amended the master lease agreement to further reduce rent to $1.5 million. As discussed further in Note 7 – Real Estate Loans Receivable, Guardian also sold the remaining 4 facilities subject to Guardian mortgage loan in the second quarter of 2023 and used the proceeds from the sale to make a principal repayment to Omega, in the same amount, against the mortgage note. Following the repayment, Omega agreed to release the mortgage liens on the facilities.

In August 2023, Guardian failed to make the contractual rent payment due under its lease agreement and continued to fail to make the required contractual rent payments due under its lease agreement throughout the remainder of 2023. We applied $6.3 million of Guardian's security deposit to fund the unpaid rent for payment missed in the third and fourth quarters. As Guardian is on a cash basis of revenue recognition, we recorded rental income of $16.8 million for the year ended December 31, 2023, respectively, for the contractual rent payments that were received from Guardian and through the application of Guardian's security deposit.

Guardian continued to fail to make the contractual rent payment due under its lease agreement during the first quarter of 2024. As such, we only recorded rental income of $0.1 million related to our lease with Guardian for the three months ended March 31, 2024 for the application of Guardian's remaining security deposit to fund a portion of the unpaid rent. In April 2024, we transitioned the remaining six facilities previously included in Guardian's master lease to a new operator for minimum initial contractual rent of $5.5 million per annum with the potential to increase contractual rent dependent on revenue received by the operator. We recorded rental income of $8.3 million related to our lease with the new operator for the year ended December 31, 2024.

Additionally, as discussed further in Note 7 – Real Estate Loans Receivable, no mortgage interest income has been recognized on the Guardian mortgage loan during the years ended December 31, 2023 and 2022, respectively, as we were accounting for this loan under the cost recovery method.

Healthcare Homes

In December 2022, we agreed to allow Healthcare Homes, a U.K. based operator, to defer £6.7 million of contractual rent from January 2023 through April 2023 with regular payments required to resume in May 2023. During the fourth quarter of 2023, the rent deferral agreement and lease agreement were amended to, among other things, extend the repayment period for the rent deferral to six years, with full repayment due by April 1, 2030, and grant Omega the right to extend the lease by two years. In May 2023, Healthcare Homes resumed making full contractual rent payments. In the third quarter of 2024, Healthcare Homes began making quarter repayments of the deferred rent. Healthcare Homes has remained on a straight-line basis of revenue recognition.

1.2% Operator

In March 2022, an operator (the "1.2% Operator"), representing 1.2% of total revenue for the year ended December 31, 2022, did not pay its contractual amounts due under its lease agreement. In April 2022, the lease with the 1.2% Operator was amended to allow the operator to apply its $2.0 million security deposit toward payment of March 2022 rent and to allow for a short-term rent deferral for April 2022 with regular rent payments required to resume in May 2022. The 1.2% Operator paid contractual rent in May 2022, but it failed to pay the full contractual rent for June 2022 on a timely basis. We placed the 1.2% Operator on a cash basis of revenue recognition during the second quarter of 2022 and wrote-off approximately $8.3 million of straight-line rent receivables. During the third and fourth quarters of 2022, the 1.2% Operator made partial contractual rent payments totaling $4.0 million. As discussed above, we transitioned all 14 facilities previously include in the 1.2% Operator's master lease to another operator during the first quarter of 2023.

2.0% Operator

In June 2022, an operator (the "2.0% Operator"), representing 2.0% of total revenue for the year ended December 31, 2022, short-paid the contractual rent amount due under its lease agreement by $0.6 million. In July 2022, we drew the full $5.4 million letter of credit that was held as collateral from the 2.0% Operator and applied $0.6 million of the proceeds to pay the unpaid portion of June 2022 rent. In the third quarter of 2022, the 2.0% Operator continued to short-pay the contractual amount due under its lease agreement. As such, we applied $3.3 million of the remaining proceeds of the letter of credit to pay the unpaid portion of July, August and September 2022 rent. We placed the 2.0% Operator on a cash basis of revenue recognition during the third quarter of 2022 and wrote-off approximately $10.5 million of straight-line rent receivables and lease inducements. In the fourth quarter of 2022, the 2.0% Operator paid $2.2 million in contractual rent and we applied the remaining $1.5 million of collateral against the remaining unpaid rent. During the fourth quarter of 2022, we transitioned three of the facilities previously included in the 2.0% Operator's master lease to another operator. As discussed above, during the first quarter of 2023, we transitioned the remaining 20 facilities previously included in the 2.0% Operator's master lease to other operators.

Lease Inducements

For the year ended December 31, 2024, we provided a funding of $1.0 million to one of our operators subject to operating leases, which was accounted for as a lease inducement and will be amortized as a reduction to rental income over the remaining term of the lease. As discussed in the "Maplewood" section above, the $12.5 million option termination fee payment made in the first quarter of 2023 in connection with the Maplewood restructuring agreement was accounted for as a lease inducement. In addition, for the year ended December 31, 2023, we provided a funding of $3.4 million to Healthcare Homes, which was accounted for as a lease inducement and will be amortized as a reduction to rental income over the remaining contractual term of the lease.

NOTE 6 –LEASES

Lease Income

The following table summarizes the Company's rental income:

	Year Ended December 31,		
	2024	2023	2022
		(in thousands)	
Fixed income from operating leases	$ 871,189	$ 811,123	$ 735,247
Variable income from operating leases	15,718	14,257	14,961
Interest income from direct financing leases	1,003	1,014	1,023
Total rental income	$ 887,910	$ 826,394	$ 751,231

Our variable lease income primarily represents the reimbursement of real estate taxes by operators that Omega pays directly.

Lessor – Operating Leases

The following amounts reflect the future minimum lease payments due to us for the remainder of the initial terms of our operating leases as of December 31, 2024:

	(in thousands)
2025	$ 927,069
2026	947,098
2027	941,009
2028	917,667
2029	905,495
Thereafter	6,282,523
Total	$ 10,920,861

Lessor – Direct Financing Leases

The components of investments in direct financing leases consist of the following:

	December 31, 2024	December 31, 2023
	(in thousands)	
Minimum lease payments receivable	$ 21,478	$ 22,628
Less unearned income	(10,420)	(11,423)
Investment in direct financing leases	11,058	11,205
Less allowance for credit losses on direct financing leases	(1,605)	(2,489)
Investment in direct financing leases – net	$ 9,453	$ 8,716
Properties subject to direct financing leases	1	1
Number of direct financing leases	1	1

Lessee – Operating Leases

As of December 31, 2024, the Company is a lessee under ground leases and/or facility leases related to 10 SNFs, four ALFs and one MOB and our corporate headquarters. For the years ended December 31, 2024, 2023 and 2022, the expenses associated with these operating leases were $3.2 million, $2.8 million and $2.2 million, respectively and are included within general and administrative expense on the Statements of Operations.

The following table summarizes the balance sheet information related to leases where the Company is a lessee:

	December 31, 2024	December 31, 2023
	(in thousands)	
Other assets - right of use assets	$ 28,302	$ 30,178
Accrued expenses and other liabilities – lease liabilities	$ 30,328	$ 31,625

In connection with a 6-facility asset acquisition in the first quarter of 2023, the Company recorded $9.9 million of right-of-use assets and lease liabilities associated with ground leases assumed in the acquisition.

NOTE 7 – REAL ESTATE LOANS RECEIVABLE

Real estate loans consist of mortgage loans and other real estate loans which are primarily collateralized by a first, second or third mortgage lien or a leasehold mortgage on, or an assignment of the partnership interest in the related properties. As of December 31, 2024, our real estate loans receivable consists of 21 fixed rate mortgages on 97 long-term care facilities and 18 other real estate loans. The facilities subject to the mortgage notes are operated by 16 independent healthcare operating companies and are located in 10 states and within the U.K. The other real estate loans are with 13 of our operators as of December 31, 2024. We monitor compliance with the loans and when necessary have initiated collection, foreclosure and other proceedings with respect to certain outstanding real estate loans.

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A summary of our real estate loans receivable by loan type and by borrower and/or guarantor is as follows:

	December 31, 2024	December 31, 2023
	(in thousands)	
Mortgage notes due 2030; interest at 11.39%[1][2]	$ 525,530	$ 514,866
Mortgage notes due 2025; interest at 10.59%[1]	172,476	—
Mortgage notes due 2027 and 2037; interest at 10.60%[1]	84,951	72,420
Mortgage note due 2028; interest at 10.00%	53,750	50,000
Mortgage note due 2025; interest at 7.85%	—	62,010
Other mortgage notes outstanding[3]	145,620	55,141
Mortgage notes receivable – gross	982,327	754,437
Allowance for credit losses on mortgage notes receivable	(39,562)	(55,661)
Mortgage notes receivable – net	942,765	698,776
Other real estate loan due 2035; interest at 7.00%	263,580	263,520
Other real estate loans due 2025-2030; interest at 11.85%[1]	101,904	120,576
Other real estate loan due 2025; interest at 10.00%[4]	13,000	106,807
Other real estate loans outstanding[5]	138,736	57,812
Other real estate loans – gross	517,220	548,715
Allowance for credit losses on other real estate loans	(31,687)	(35,329)
Other real estate loans – net	485,533	513,386
Total real estate loans receivable – net	$ 1,428,298	$ 1,212,162

(1) Approximates the weighted average interest rate on facilities as of December 31, 2024.
(2) All mortgage notes mature in 2030 with the exception of one mortgage note with an outstanding principal balance of $21.3 million with a maturity date of December 31, 2024, which was extended to December 31, 2025 subsequent to year end.
(3) Other mortgage notes outstanding consists of 12 loans to multiple borrowers that have a weighted average interest rate of 9.80% as of December 31, 2024, with maturity dates ranging from 2025 through 2029 (with $18.8 million maturing in 2025). Two of the mortgage notes with an aggregate principal balance of $12.9 million are past due and have been written down, through our allowance for credit losses, to the estimated fair value of the underlying collateral of $1.5 million.
(4) During the third quarter of 2024, we modified the priority of collateral available to use under the loan agreements for two loans with aggregate principal balances of $115.9 million and $106.8 million as of December 31, 2024 and December 31, 2023, respectively. As a result of these modifications, we adjusted the presentation of the loans from real estate loans receivable to non-real estate loans receivable as of September 30, 2024. See Note 8 – Non-Real Estate Loans Receivable for additional information. Additionally, we issued a new $13.0 million other real estate loan to the same borrower during the third quarter of 2024.
(5) Other real estate loans outstanding consists of 11 loans to multiple borrowers that have a weighted average interest rate of 11.0% as of December 31, 2024, with maturity dates ranging from 2027 to 2033.

Interest income on real estate loans is included within interest income on the Consolidated Statements of Operations and is summarized as follows:

	Year Ended December 31,		
	2024	2023	2022
		(in thousands)	
Mortgage notes – interest income	$ 91,434	$ 68,340	$ 74,233
Other real estate loans – interest income	35,366	29,426	36,089
Total real estate loans interest income	$ 126,800	$ 97,766	$ 110,322

During the year ended December 31, 2024, we funded $370.2 million under 29 real estate loans that were originated during 2024 with a weighted average interest rate of 10.5%. We also advanced $7.9 million under existing real estate loans during the year ended December 31, 2024. We received principal repayments of $77.9 million on real estate loans during the year ended December 31, 2024.

Mortgage Notes due 2030; interest at 11.39%

At December 31, 2024, Omega had $525.5 million of Mortgage Notes with Ciena Healthcare Management, Inc ("Ciena"). This primarily includes one master mortgage agreement consisting of the following:

- A Ciena master mortgage note with initial principal of $415 million that matures on June 30, 2030 (the "Ciena Master Mortgage"). Following an amendment in May 2020, the Ciena Master Mortgage interest rate was adjusted to 10.67% per annum with annual escalators of 0.225%. During 2022, Ciena repaid $92.4 million under the Ciena Master Mortgage. Concurrent with this repayment, we released the mortgage liens on five facilities in exchange for the partial repayment. As of December 31, 2024, the outstanding principal balance of the Ciena Master Mortgage note is $277.0 million and it is secured by 19 facilities. The interest rate on the Ciena Master Mortgage was 11.8% at December 31, 2024.
- Multiple incremental facility mortgages, construction and/or improvement mortgages with maturities through 2030 with initial annual interest rates ranging between 8.5% and 10% and fixed annual escalators of 2% or 2.5% over the prior year's interest rate, or a fixed increase of 0.225% per annum. During the fourth quarter of 2024, one construction mortgage, included in the mortgage notes described above, with an original maturity date of 2023 was extended to 2030 and converted into a facility mortgage. During 2022, Ciena repaid $51.0 million under seven additional mortgages. Concurrent with this repayment, we released the mortgage liens on two facilities in exchange for the partial repayment. As of December 31, 2024, the outstanding principal balance of these mortgage notes is $116.1 million. The notes are secured by five facilities and have a weighted average rate of 10.96%.
- A mortgage note with initial principal of $44.7 million that was originally secured by five SNFs located in Michigan. The mortgage note matures on June 30, 2030 and bore an initial annual interest rate of 9.5% which increases each year by 0.225%. During 2022, Ciena repaid $15.1 million under this mortgage. Concurrent with this repayment, we released the mortgage liens on one facility in exchange for the partial repayment. As of December 31, 2024, the outstanding principal balance of this mortgage note is $28.5 million and it is secured by four SNFs. The interest rate on the mortgage note was 10.85% at December 31, 2024.
- A mortgage note with initial principal of $83.5 million secured by eight SNFs and one ALF located in Michigan. The mortgage note matures on June 30, 2030 and bore an initial annual interest rate of 10.31% which increases each year by 2%. The interest rate on the mortgage note was 11.16% at December 31, 2024. As of December 31, 2024, the outstanding principal balance of this mortgage note is $82.6 million.

In addition, Omega has a $21.3 million mortgage note with Ciena secured by one SNF located in Ohio. The mortgage note had an original maturity date of March 31, 2022 and bore an initial annual interest rate of 9.5%. The mortgage note has since been amended multiple times, extending the maturity date to December 31, 2024 and increasing the interest rate to 9.74% beginning April 1, 2022, to 9.98% beginning April 1, 2023 and to 10% beginning January 1, 2024. Subsequent to year end, the mortgage note was amended to extend the maturity date to December 31, 2025. As of December 31, 2024, the outstanding principal balance of this mortgage note is $21.3 million.

The mortgage notes with Ciena are cross-defaulted and cross-collateralized with our existing master lease and other non-real estate loans with Ciena.

Mortgage Notes due 2025; interest at 10.59%

In May 2024, we funded an aggregate $71.7 million under two new mortgage loans to an existing U.K. operator. Both mortgage loans bear interest at 10.0% and had original maturity dates of October 28, 2024. Interest is payable monthly in arrears and no principal payments are due until maturity. The loans are secured by first mortgage liens on two parcels of land that the U.K. operator intends to develop into two facilities. During the fourth quarter of 2024, the $18.5 million mortgage loan was extended to February 28, 2025 and the $53.2 million mortgage loan was extended to May 31, 2025.

During the fourth quarter of 2024, we funded an additional $61.7 million and $39.1 million, respectively, under two new mortgage loans to the same existing U.K. operator discussed above. Both mortgage loans bear interest at 11.0%. The $61.7 million mortgage loan has a maturity date of October 29, 2025 and the $39.1 million mortgage loan has a maturity date of November 27, 2025. Interest is payable monthly in arrears and no principal payments are due until maturity. Both mortgage loans contain a purchase option, whereby Omega can purchase the facilities that secure the mortgage loans. The purchase options can be exercised upon the occurrence of certain conditions.

Mortgage Notes due 2027 and 2037; interest at 10.60%

In July 2021, we financed six SNFs in Ohio and amended an existing $6.4 million mortgage, inclusive of two Ohio SNFs, to include the six facilities in a consolidated $72.4 million mortgage for eight Ohio facilities bearing interest at an initial rate of 10.5% per annum. The mortgage loan originally had a maturity date of December 31, 2032, which was subsequently amended in the second quarter of 2023 to December 31, 2037.

Mortgage Note due 2028; interest at 10.00%

In December 2023, we funded a $50.0 million mortgage loan to a new operator for the purpose of acquiring four Illinois facilities. The mortgage loan bears interest at 10% and matures on December 28, 2028. During the fourth quarter of 2024, the mortgage loan was amended to increase the maximum principal to $60.0 million. Interest is payable monthly in arrears. The loan is secured by a first mortgage lien on the four facilities. As of December 31, 2024, the outstanding principal balance of this mortgage note is $53.8 million.

Mortgage Note due 2025; interest at 7.85%

In connection with our acquisition of MedEquities Realty Trust, Inc. in May 2019, the Company acquired a first mortgage lien issued to Lakeway Realty, L.L.C., an unconsolidated joint venture discussed in Note 11 – Investments in Joint Ventures. The loan had original principal of approximately $73.0 million and bore interest at 8% per annum based on a 25-year amortization schedule with a March 20, 2025 maturity date. The remaining outstanding principal balance of $60.1 million was repaid in full in December 2024.

Mortgage Note due 2031; interest at 11.27%

In January 2014, we entered into a $112.5 million first mortgage loan with Guardian. The mortgage loan was placed on non-accrual status for interest recognition in October 2021 and was being accounted for under the cost recovery method as a result of ongoing liquidity issues.

Guardian did not pay contractual rent and interest due under its lease and mortgage loan agreements during the first quarter of 2022. In February 2022, Guardian completed the sale of three facilities subject to the Guardian mortgage loan with Omega. Concurrent with the sale, Omega agreed to release the mortgage liens on these facilities in exchange for a partial paydown of $21.7 million. In connection with the partial paydown, we recorded a $5.1 million recovery for credit losses in the first quarter of 2022 related to the Guardian mortgage loan. In the second quarter of 2022, we agreed to a formal restructuring agreement and amendments to the master lease and mortgage loan with Guardian, which among other adjustments, allowed for the deferral of certain contractual interest as discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements. These amendments were treated as a loan modification provided to a borrower experiencing financial difficulty. Following the execution of the restructuring agreement, Guardian resumed paying contractual rent and interest during the second quarter of 2022 and continued such payments throughout the remainder of 2022, in accordance with the restructuring terms.

In the second quarter of 2023, Guardian completed the sale of the four remaining facilities subject to the mortgage note with Omega. Guardian used $35.2 million of proceeds from the sale of the facilities to make a principal repayment to Omega, in the same amount, against the mortgage note. Following the repayment, Omega agreed to release the mortgage liens on these facilities and forgive the remaining $46.8 million of outstanding principal due under the mortgage note. We had previously established an allowance for credit loss to reserve this loan down to $35.2 million in anticipation of this settlement.

During the years ended December 31, 2023 and 2022, we received $3.9 million and $6.0 million, respectively, of interest payments that we applied against the outstanding principal balance of the loan and recognized a recovery for credit loss equal to the amount of payments applied against principal.

Other mortgage notes outstanding

As of December 31, 2024, our other mortgage notes outstanding represent 12 mortgage loans to 12 operators with liens on 19 facilities. Included below are significant new mortgage loans within this line item that were entered into during the years ended December 31, 2024 and 2023 and significant updates to any existing loans.

Mortgage Note due 2027

In January 2024, we funded $11.7 million under a new mortgage loan to a new operator. In June 2024, we amended the loan and funded an additional $18.0 million under the mortgage loan. The mortgage loan bears interest at 10.0% and matures on January 31, 2027. Interest is payable monthly in arrears and no principal payments are due until maturity. The loan is secured by a first mortgage lien on three SNFs and one ALF.

Mortgage Note due 2026

In October 2023, we funded a $29.5 million mortgage loan to a new operator for the purpose of acquiring two Pennsylvania facilities. The mortgage loan bears interest at 10% and matures on October 1, 2026. Interest is payable monthly in arrears; however, under certain conditions prior to August 31, 2025, the borrower can elect to pay a portion of interest as PIK interest. The maximum PIK interest allowable under the mortgage loan is $3.0 million. Due to the fact that the borrower can elect to pay a portion of interest as PIK interest, this loan will initially be accounted for on a non-accrual status for interest recognition. The loan is secured by a first mortgage lien on the two facilities.

Other real estate loan due 2035; interest at 7.00%

In July 2020, we entered into the Maplewood Revolver with maximum borrowings of $220.5 million as a part of an overall restructuring with this operator. Loan proceeds under the Maplewood Revolver may be used to fund Maplewood's working capital needs. Advances made under the Maplewood Revolver bear interest at a fixed rate of 7% per annum and the facility originally matured on June 30, 2030. In June 2022, we amended the Maplewood Revolver to increase the maximum commitment under the facility from $220.5 million to $250.5 million. Maplewood was determined to be a VIE when this loan was originated in 2020. Our balances and risk of loss associated with Maplewood are included within our disclosures in Note 10 – Variable Interest Entities. As discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements, we began negotiations to restructure and amend Maplewood's lease and loan agreements during the fourth quarter of 2022. As a result of the anticipated restructuring, we placed the Maplewood Revolver on non-accrual status for interest recognition during the fourth quarter of 2022 due to the anticipated restructuring of its lease and loan agreement.

In the first quarter of 2023, Omega entered into a restructuring agreement and a loan amendment that modified the Maplewood Revolver. As part of the restructuring agreement and loan amendment, Omega agreed to extend the maturity date to June 2035, increase the capacity of the Maplewood Revolver from $250.5 million to $320.0 million, including PIK interest applied to the principal, and to convert the 7% cash interest due on the Maplewood Revolver to all PIK interest in 2023, 1% cash interest and 6% PIK interest in 2024, and 4% cash interest and 3% PIK interest in 2025 and through the maturity date. The maximum PIK interest allowable under the Maplewood Revolver, as amended, is $52.2 million. This amendment was treated as a loan modification provided to a borrower experiencing financial difficulty.

Omega sent a demand letter to Maplewood during the second quarter of 2024 notifying Maplewood that due to multiple existing events of default under Maplewood's lease, loan, and related agreements, Omega had exercised its contractual rights to immediately accelerate the outstanding principal and accrued interest under the Maplewood Revolver agreement. After sending the demand letter, in June 2024 Omega executed a non-binding term sheet with the Key Principals outlining the terms of a proposed transition, which includes the assignment of Mr. Smith's equity in Maplewood to the Key Principals and maintaining the existing Maplewood lease agreement and the Maplewood Revolver (without reflecting the acceleration of the maturity) provided by Omega. On July 31, 2024, we entered into the Settlement Agreement with the Estate and submitted it to the probate court for approval. The Settlement Agreement, among other things, grants Omega the right to direct the assignment of Mr. Smith's equity to the Key Principals, their designee(s) or another designee of Omega's choosing, with the Estate remaining liable under Mr. Smith's guaranty until the transition is complete or one year from the court's approval date, if earlier, and requires Omega to refrain from exercising contractual rights or remedies in connection with the defaults. On August 26, 2024, the probate court approved the Settlement Agreement, and in October 2024, following the probate court's final and non-appealable order approving the Settlement Agreement, we requested and were granted a dismissal without prejudice of our lawsuit against, among others, the Estate. We are still awaiting regulatory approvals related to licensure of the operating assets before the transition will be completed. There is no certainty that the regulatory approvals will be received or that this transition will be completed as intended, on a timely basis, or at all. If the proposed transition plan is not completed, we may incur a substantial loss on the Maplewood Revolver up to the amortized cost basis of the loan. We adjusted the internal risk rating on the Maplewood Revolver, utilized as a component of our allowance for credit loss calculation, from a 3 to a 4 in the second quarter of 2023 when Maplewood began to short-pay contractual rent under its lease agreement. In the first quarter of 2024, we again adjusted the internal risk rating from a 4 to 5 to reflect the increased risk of the Maplewood Revolver as a result of the missed interest payments in the first quarter of 2024, discussed below, and due to the status of the on-going negotiations with the Estate. We believe the internal risk rating of a 5 appropriately reflects the risks as of December 31, 2024. See the allowance for credit losses attributable to real estate loans with a 5 internal risk rating within Note 9 – Allowance for Credit Losses.

During the year ended December 31, 2024, Maplewood failed to make aggregate cash interest payments of $2.7 million that were required under the Maplewood Revolver agreement. During the three months ended March 31, 2023, we recorded interest income of $1.5 million on the Maplewood Revolver for the contractual interest payment received related to December 2022, as the loan was placed on non-accrual status for interest recognition during the fourth quarter of 2022. During the year ended December 31, 2022, we recorded interest income of $14.7 million on the Maplewood Revolver. We did not record any interest income related to the PIK interest during the years ended December 31, 2024 and 2023. As of December 31, 2024, the amortized cost basis of the Maplewood Revolver was $263.6 million, which represents 17.6% of the total amortized cost basis of all real estate loan receivables. As of December 31, 2024, the remaining commitment under the Maplewood Revolver, including the unrecognized PIK interest, was $18.3 million.

Other real estate loans due 2025-2030; interest at 11.85%

In June 2022, we entered into a $35.6 million mezzanine loan with an existing operator related to new operations undertaken by the operator. The loan bears interest at a fixed rate of 12% per annum and matures on June 30, 2025. The loan also requires quarterly principal payments of $1.0 million commencing on January 1, 2023 and additional payments contingent on the operator's achievement of certain metrics. The loan is secured by a leasehold mortgage and a pledge of the operator's equity interest in a joint venture. As of December 31, 2024, the outstanding principal balance of this loan is $27.6 million.

In April 2023, we entered into two mezzanine loans, with principal balances of $68.0 million and $6.6 million, respectively, with an existing operator and its affiliates in connection with the operator's acquisition of 13 SNFs in West Virginia. The $68.0 million loan matures on April 13, 2029 and bears interest at a variable rate that results in a blended interest rate of 12% per annum across this loan and three other loans, including the $6.6 million mezzanine loan and both $15.0 million mezzanine loans discussed under Notes due 2024-2029 in Note 8 – Non-Real Estate Loans Receivable. The $68.0 million loan requires quarterly principal payments of $1.0 million commencing on July 1, 2023 and additional payments contingent on certain metrics. The $68.0 million loan is secured by a leasehold mortgage and a pledge of the operator's equity interest in subsidiaries of the operator. The $6.6 million mezzanine loan matures on April 14, 2029 and bears interest at a rate of 8% per annum. The $6.6 million mezzanine loan was made to a new real estate joint venture, RCA NH Holdings RE Co., LLC, that we formed in April 2023 with the acquiring operator. As of December 31, 2024, the aggregate outstanding principal balance of these two mezzanine loans is $63.8 million.

Other real estate loans outstanding

As of December 31, 2024, our other real estate loans outstanding represent 11 loans to 10 operators. Included below are the significant new loans entered into during the years ended December 31, 2024 and 2023 and significant updates to any existing loans.

Preferred Equity Investment in Joint Venture - $27.3 million

In July 2024, we made a $27.3 million preferred equity investment in a new real estate joint venture that was formed to acquire a facility in Massachusetts, which is treated as a real estate loan receivable for accounting purposes. Omega's preferred equity investment bears a 10.0% return per annum and provides for mandatory redemption by the joint venture at the earlier of July 2030 or the occurrence of certain significant events within the joint venture. We have determined that the joint venture is a VIE, but we are not the primary beneficiary as we do not have the power to direct the activities that most significantly impact the joint venture's economic performance, so this $27.3 million preferred equity investment is included in the unconsolidated VIE table presented in Note 10 – Variable Interest Entities.

NOTE 8 – NON-REAL ESTATE LOANS RECEIVABLE

Our non-real estate loans consist of fixed and variable rate loans to operators and/or principals. These loans may be either unsecured or secured by the collateral of the borrower, which may include the working capital of the borrower and/or personal guarantees. As of December 31, 2024, we had 48 loans with 30 different borrowers. A summary of our non-real estate loans by borrower and/or guarantor is as follows:

	December 31, 2024	December 31, 2023
	(in thousands)	
Notes due 2026; interest at 13.22%[1]	$ 115,913	$ —
Notes due 2036; interest at 5.71%	73,142	77,854
Note due 2026; interest at 11.00%	47,126	53,300
Notes due 2025-2029; interest at 11.81%[1][2]	45,226	92,681
Note due 2025; interest at 9.12%[1]	42,499	44,999
Notes due 2025 and 2036; interest at 3.25%[1]	38,308	32,308
Other notes outstanding[3]	92,855	96,104
Non-real estate loans receivable – gross	455,069	397,246
Allowance for credit losses on non-real estate loans receivable	(122,795)	(121,631)
Total non-real estate loans receivable – net	$ 332,274	$ 275,615

(1) Approximate weighted average interest rate as of December 31, 2024.
(2) During the second quarter of 2024, two working capital loans with maturity dates of June 30, 2024 were repaid in full. These two loans had an aggregate outstanding principal balance of $39.5 million as of December 31, 2023.
(3) Other notes outstanding have a weighted average interest rate of 9.17% as of December 31, 2024, with maturity dates ranging from 2025 through 2034 (with $40.7 million maturing in 2025). Three of the other notes outstanding with an aggregate principal balance of $9.0 million are past due, two of which have been written down to the estimated fair value of the underlying collateral of zero, through our allowance for credit losses. The one other past due other loan outstanding has sufficient collateral to support the principal balance outstanding of $0.1 million as of December 31, 2024.

For the years ended December 31, 2024, 2023 and 2022, non-real estate loans generated interest income of $30.4 million, $22.1 million and $13.6 million, respectively. Interest income on non-real estate loans is included within interest income on the Consolidated Statements of Operations.

During the year ended December 31, 2024, we funded $60.6 million under 13 non-real estate loans that were originated during 2024 with a weighted average interest rate of 8.4%. We advanced $14.8 million under existing non-real estate loans during the year ended December 31, 2024. We received principal repayments of $119.7 million on non-real estate loans during the year ended December 31, 2024.

Notes due 2026; interest at 13.22%

Notes due in 2026 consists of two secured term loans with Genesis with initial borrowings of $48.0 million and $16.0 million at issuance that previously were included as real estate loans receivables within our Consolidated Balance Sheets. The $48.0 million term loan was issued in July 2016 (the "2016 Term Loan"), with subsequent amendments in 2018, 2019, 2021 and 2023, and currently bears interest at a fixed rate of 14% per annum, of which 9% per annum is paid-in-kind. The 2016 Term Loan was initially scheduled to mature on July 29, 2020. The $16.0 million secured term loan was issued on March 6, 2018 (the "2018 Term Loan"), with subsequent amendments in 2021 and 2023, and bears interest at a fixed rate of 10% per annum, of which 5% per annum is paid-in-kind. The 2018 Term Loan was initially scheduled to mature on July 29, 2020. As amended, both loans had a maturity date of June 30, 2025. On September 30, 2024, the loans were amended to (i) modify the priority of certain real estate collateral securing the loans, (ii) extend the maturity date to June 30, 2026 and (iii) keep the existing interest rates but reduce the portion of contractual interest permitted to be paid in kind to 3.5% per annum on the 2016 Term Loan and to 2.5% per annum on the 2018 Term Loan beginning September 1, 2025. Following the modification to the priority of certain real estate collateral available to us under the loan agreements, we adjusted our presentation of these loans from real estate loans receivable to non-real estate loans receivable as of September 30, 2024. Both the 2016 and 2018 Term Loans are on an accrual status as of December 31, 2024. As of December 31, 2024, there was approximately $93.4 million and $22.5 million outstanding on the 2016 and 2018 Term Loans, respectively.

Notes due 2036; interest at 5.71%

As of December 31, 2022, Notes due 2036 consisted of a $32 million secured term loan (the "Agemo Term Loan") and a $25.0 million secured working capital loan (the "Agemo WC Loan") with Agemo. The Agemo Term Loan was acquired in 2016 and bore interest at 9% per annum. The Agemo Term Loan had a maturity date of December 31, 2024 and was secured by a security interest in certain collateral of Agemo. The Agemo WC Loan was issued on May 7, 2018 and bore interest at 7% per annum. The Agemo WC Loan had a maturity date of April 30, 2025 and was primarily secured by a collateral package that includes a second lien on the accounts receivable of Agemo. The proceeds of the Agemo WC Loan were used to pay operating expenses, settlement payments, fees, taxes and other costs approved by the Company.

As discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements, Agemo did not pay contractual rent and interest due under its lease and loan agreements throughout 2022. The loans are on non-accrual status and are accounted for under the cost recovery method and whereby any interest and fees received directly against the principal of the loan. During the year ended December 31, 2022, we recorded additional provisions for credit losses of $10.8 million related to the Agemo WC Loan because of reductions in the fair value of the underlying collateral assets supporting the current carrying values.

As discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements, in the first quarter of 2023, Omega entered into a restructuring agreement and a replacement loan agreement that modified the existing Agemo loans. Under the restructuring agreement, previously written off contractual unpaid interest related to the Agemo WC Loan and the Agemo Term Loan was forgiven. The outstanding principal of the Agemo Term Loan was refinanced into a new $32.0 million loan ("Agemo Replacement Loan A"). The outstanding principal of the Agemo WC Loan and the aggregate rent deferred and outstanding under the Agemo lease agreement was combined and refinanced into a new $50.2 million loan ("Agemo Replacement Loan B" and with Agemo Replacement Loan A, the "Agemo Replacement Loans"). The Agemo Replacement Loans bear interest at 5.63% per annum through October 2024, which increases to 5.71% per annum until maturity. The Agemo Replacement Loans mature on December 31, 2036. Interest payments were scheduled to resume on April 1, 2023, contingent upon Agemo's compliance with certain conditions of the restructuring agreement; however, Agemo had the option to defer the interest payment due on April 1, 2023. Beginning in January 2025, Agemo will be required to make principal payments on the Agemo Replacement Loans dependent on certain metrics. These amendments were treated as loan modifications provided to a borrower experiencing financial difficulty. Both of these loans are on non-accrual status, and we are utilizing the cost recovery method, under which any payments, if received, are applied against the principal amount.

Prior to the restructuring, the principal of the Agemo WC Loan and the Agemo Term Loan were written down to $5.9 million and zero, respectively, the fair value of the underlying collateral of these loans. No changes to the collateral supporting the loans were made because of the refinancing of these loans into the Agemo Replacement Loans. Additional principal of $25.2 million related to deferred rent due under the master lease was combined with the principal of the Agemo WC Loan under Agemo Replacement Loan B. This deferred rent balance was previously written off when the Agemo master lease was taken to a cash basis of revenue recognition in 2020. We believe it is not probable that we will collect the additional $25.2 million of principal balance associated with the deferred rent under Agemo Replacement Loan B. As such, we added an additional allowance for credit losses of $25.2 million related to Agemo Replacement Loan B concurrent with the increase in loan principal during the first quarter of 2023. There is no income statement impact as a result of this additional reserve due to the balance previously being written off.

Agemo exercised its option to defer the interest payments due on April 1, 2023 and resumed making interest payments in May 2023 in accordance with the restructuring terms discussed above. During the years ended December 31, 2024 and 2023, we received $4.7 million and $3.2 million of interest payments from Agemo that we applied against the outstanding principal of the loans and recognized a recovery for credit loss equal to the amount of payments applied against the principal. As of December 31, 2024, the amortized cost basis of these loans was $73.1 million, which represents 16.1% of the total amortized cost basis of all non-real estate loans receivables. As of December 31, 2024, the total reserves related to the Agemo Replacement loans was $70.9 million.

Note due 2026; interest at 11.00%

In December 2023, the Company entered into a $50.0 million secured term loan with a principal of an operator that bears interest at a fixed rate of 11% per annum and matures on December 19, 2026. In connection with entering into this loan, we also entered into two lease amendments to extend the term of two leases with entities associated with this principal. The loan is collateralized by a pledge of equity interests in a closely held corporation of which the principal is the majority owner. The loan requires monthly interest and principal payments commencing January 19, 2024. As of December 31, 2024, there was approximately $47.1 million outstanding on the secured term loan.

Notes due 2025-2029; interest at 11.81%

Notes due 2025-2029 consist of 11 loans with the same operator, the majority of which are primarily short-term revolving lines of credit that are collateralized by the accounts receivable of certain operations of the operator. During the second quarter of 2024, the most significant loan with this operator, which was a revolving line of credit that we entered into on June 28, 2022 in connection with the $35.6 million mezzanine loan discussed in Note 7 – Real Estate Loans Receivable above, was repaid in full. The line of credit bore interest at a fixed rate of 10% per annum and had an original maturity date of June 30, 2023 (or earlier based on certain state reimbursement conditions), which was subsequently extended during 2023 to June 30, 2024. The revolving line of credit was secured by a first priority interest on the operator's accounts receivable related to the new operations.

During the second quarter of 2023, we entered into two $15.0 million mezzanine loans with the same operator and its affiliates in connection with the operator's acquisition of 13 SNFs in West Virginia (discussed in Note 7 – Real Estate Loans Receivable). The first $15.0 million mezzanine loan (the "2028 Mezz Loan") matures on April 1, 2028 and bears interest at a variable rate based on the one-month term SOFR plus 8.6% per annum. The 2028 Mezz Loan requires monthly principal payments commencing on May 1, 2023 and is secured by a pledge of the operator's equity interest in its subsidiaries. The second $15.0 million mezzanine loan (the "2029 Mezz Loan") matures on April 13, 2029 and bears interest at a fixed rate of 12% per annum. The 2029 Mezz Loan also requires quarterly principal payments commencing on July 1, 2023 and additional payments contingent on the operator's achievement of certain metrics. The 2029 Mezz Loan is secured by a pledge of the operator's equity interest in its subsidiaries.

Note due 2025; interest at 9.12%

On July 8, 2019, the Company entered into a $15 million unsecured revolving credit facility agreement with a principal of an operator that bore interest at a fixed rate of 7.5% per annum and originally matured on July 8, 2022. The loan is collateralized by the assets of the principal and is cross-collateralized with the lease and other loans of the operator of which this borrower is the principal. During 2022, this revolving credit facility was amended multiple times to increase the maximum principal to $48 million, extend the maturity date to December 31, 2024 and amend the principal payment schedule to include escalating monthly principal payments beginning in July 2022. During 2023, this revolving credit facility was further amended to increase the maximum principal to $55 million, increase the interest rate on certain borrowings as discussed above and modify the principal payment schedule. During the third and fourth quarters of 2023, the borrower failed to make aggregate contractual principal payments of $8.5 million due under the revolving credit facility. In February 2024, we amended the revolving credit facility agreement to, among other items, extend the maturity date to December 31, 2025, reduce the maximum principal under the loan from $55.0 million to $45.0 million and to modify the mandatory principal payments required under the loan, such that the $8.5 million of missed principal payments are no longer past due and will be paid over the remaining loan term. Additionally, the amendment increased the interest rate on principal balances exceeding $15.0 million to 8% in January 2024, with further interest rate increases to 9% and 10% in April 2024 and June 2024, respectively. The interest rate remains at 7.5% for borrowings that do not exceed $15.0 million. In December 2024, the loan was amended to increase the interest rate on the entire balance outstanding to 12.5% per annum beginning January 1, 2025 and modify the principal payment schedule.

Notes due 2025 and 2036; interest at 3.25%

On September 1, 2021, we entered into an $8.3 million term loan with LaVie. This term loan bore interest at a fixed rate of 7% per annum, originally matured on March 31, 2031 and required monthly principal payments of $0.1 million commencing September 1, 2022. The loan is secured by a guarantee from LaVie's parent entities.

On March 25, 2022, we entered into a $25.0 million term loan with LaVie that bore interest at a fixed rate of 8.5% per annum and originally matured on March 31, 2032. This term loan required quarterly principal payments of $1.3 million commencing January 1, 2028 and is secured by a second priority lien on the operator's accounts receivable.

During the fourth quarter of 2022, we amended these loans with LaVie to, among other terms, extend the loan maturities to November 30, 2036 to align with the lease term, and starting in January 2023, reduce the interest rates to 2%, remove the requirement to make any principal payments until the maturity dates and to convert from monthly cash interest payments to PIK interest. These amendments were treated as loan modifications to a borrower experiencing financial difficulty. Given the modifications, we evaluated the risk of loss on these loans on an individual basis based on the fair value of the collateral. Based on our evaluation of the collateral, during the fourth quarter of 2022, we recognized provisions for credit losses of $7.5 million related to the $8.3 million term loan (to fully reserve the loan balance) and $15.8 million related to the $25.0 million term loan. Following the sale of 11 facilities in the fourth quarter of 2022, discussed in Note 4 – Assets Held for Sale, Dispositions and Impairments, the remaining accounts receivable outstanding that collateralize the $25.0 million term loan was insufficient to support the current outstanding balance, and as a result, we recorded the additional reserves to reduce the carrying value of the $25.0 million loan to the fair value of the collateral. Additionally, the loans were placed on non-accrual status and we will use the cost recovery method and will apply any interest and fees received directly against the principal of the loans. During the year ended December 31, 2022, we applied $0.4 million of interest payments received to the $25.0 million term loan principal balance outstanding and $0.1 million of interest payments received to the $8.3 million term loan principal balance outstanding.

On June 2 and 3, 2024, LaVie commenced voluntary cases under Chapter 11 of the U.S. Bankruptcy Code in the Bankruptcy Court. As described in LaVie's filings with the Bankruptcy Court, we provided $10.0 million of DIP financing to LaVie in order to support sufficient liquidity to, among other things, effectively operate its facilities during bankruptcy. Another lender, TIX 33433, LLC, also agreed to provide $10.0 million of DIP financing to LaVie, which is pari passau to Omega's loan. The DIP loan bears interest at 10.0% and is paid-in-kind in arrears on a monthly basis. The principal is due upon maturity. Currently, the DIP loan matures on the earlier of (i) October 31, 2024, (ii) the effective date of a plan of reorganization or liquidation in the Chapter 11 cases or (iii) upon an event of default as defined in the DIP loan agreement. The DIP lenders hold a second priority interest in the assets of LaVie, which include cash and accounts receivable. Proceeds of any future asset sales, claims and causes of action and debt or equity issuances all serve as collateral for the DIP loans. During the fourth quarter of 2024, the maturity date of DIP loan was extended to November 15, 2024. In January 2025, the maturity date of the loan was again extended to March 31, 2025.

Given the risks associated with the bankruptcy process, we elected to evaluate the risk of loss on the DIP loan on an individual basis. As the fair value of the collateral available to Omega was estimated to be less than the outstanding principal of $4.5 million as of June 30, 2024, we reserved $4.2 million through the provision for credit losses in the second quarter of 2024 to write the loan down to the estimated fair value of the collateral of $0.3 million. The DIP loan was also placed on non-accrual status for interest recognition, and we will utilize the cost recovery method for any proceeds received on the DIP loan. As a result of the issuance of the DIP loans discussed above, Omega's collateral position under the $25.0 million secured term loan decreased from second to third priority. We estimated that there will be insufficient collateral available for this loan following the decrease in priority and therefore recognized a $3.6 million provision for credit losses in the second quarter of 2024 to fully reserve the $25.0 million secured term loan. During the fourth quarter of 2024, we reserved an additional $1.8 million through the provision for credit losses to write the DIP loan down to zero following additional draws of $1.5 million during the fourth quarter of 2024.

As of December 31, 2024, the amortized cost basis of the three LaVie loans was $38.3 million, which represents 8.4% of the total amortized cost basis of all non-real estate loan receivables. The total reserve as of December 31, 2024 related to the LaVie loans was $38.3 million.

Other notes outstanding

As of December 31, 2024, our other notes outstanding represent 28 loans to operators and/or principals that primarily consists of term loans and working capital loans or revolving credit facilities. Many of these loans are not individually significant and the use of proceeds of these loans can vary. Included below are the significant new loans entered into during the years ended December 31, 2024 and 2023 and significant updates to any existing loans.

Working Capital Loan – $20 million

In November 2021, we entered into a $20.0 million working capital loan (the "$20.0 million WC loan") with an operator that managed, on an interim basis, the operations of 23 facilities formerly leased to Gulf Coast. The $20.0 million WC loan bore interest at 3% per annum. The maturity date of the $20.0 million WC loan was December 31, 2022. The $20.0 million WC loan was secured by the accounts receivable of these facilities during the interim period of operation.

During the year ended December 31, 2022, we recognized provisions for credit losses of $5.2 million related to the $20.0 million WC loan, which resulted in the loan being fully reserved. Following the sale of 22 facilities, discussed in Note 4 – Assets Held for Sale, Dispositions and Impairments, the remaining accounts receivable outstanding that collateralize the loan was insufficient to support the current outstanding balance, and as a result, we recorded the additional reserves to reduce the carrying value of the loan to the fair value of the collateral. The $20.0 million WC Loan was placed on non-accrual status during the third quarter of 2022 and was accounted for under the cost recovery method. During the year ended December 31, 2023, we recognized a recovery for credit loss of $0.8 million for principal payments received on this loan. During the second quarter of 2024, we wrote-off the loan and reserve balances.

Gulf Coast – DIP Facility

In October 2021, we provided a $25.0 million senior secured DIP facility (the "DIP Facility") to Gulf Coast, in order to provide liquidity for the operations of the Gulf Coast facilities during its Chapter 11 cases. Given the uncertainty and complexity surrounding the bankruptcy process and the deteriorated credit of Gulf Coast, we estimated that the collateral would have insufficient value to support the loan at maturity and that we would be unable to collect on substantially all principal amounts advanced to Gulf Coast under the DIP Facility. Upon funding, we fully reserved all principal amounts advanced under the DIP Facility. Additionally, we placed the loan on non-accrual status and used the cost recovery method to apply any interest and fees received directly against the principal of the loan.

During the year ended December 31, 2022, we recorded an additional net provision for credit losses of $0.2 million related to the DIP Facility, which reflects the full reserve of additional advances of $2.2 million made under the facility during 2022 and a $2.0 million recovery for interest and fee payments received during 2022 that were applied against the outstanding principal. The DIP Facility matured on August 15, 2022, which resulted in a write-off of the loan and reserve balances. During the years ended December 31, 2024 and 2023, we received proceeds of $5.3 million and $1.0 million, respectively, from the liquidating trust which resulted in a recovery for credit losses equal to that amount.

Revolving Credit Facility – $25 million

On October 1, 2021, the Company amended the terms of a $15 million revolving credit facility with an operator that was previously issued in December 2020 and had a maturity date of December 1, 2022. The amendment increased the maximum principal of $20 million, reduced the interest rate to 5% for the first year and 6% thereafter and extended the maturity date to September 30, 2024. The credit facility is secured by a first lien on the accounts receivable of the operator. This revolving credit facility was further amended in the fourth quarter of 2022 to increase the maximum principal to $25 million, with any borrowed amount in excess of $20 million to be repaid no later than June 30, 2023. During the third quarter of 2023, this revolving credit facility was further amended to increase the maximum principal to $25 million, increase the interest rate to 8.5% beginning in October 2024 and extend the maturity date to December 31, 2025. As of December 31, 2024, $23.6 million was outstanding on the revolving credit facility.

Promissory Notes – $20 million

In the fourth quarter of 2022, the Company entered into three unsecured loans with a principal of an operator with principal amounts of $17.0 million, $2.5 million and $0.5 million. The loans bear interest at 9% and mature on September 30, 2027. All three loans require quarterly principal payments commencing on January 3, 2023. As of December 31, 2024, the loans have total outstanding principal of $14.7 million.

$10.0 million Mezzanine Loan and Working Capital Loan

On June 30, 2023, the Company entered into a $10.0 million mezzanine loan and a revolving working capital loan with an existing operator in connection with the operator's acquisition of a portfolio of facilities in Pennsylvania. The $10.0 million mezzanine loan matures on June 30, 2028 and bears interest at a fixed rate of 11% per annum. The $10.0 million mezzanine loan also requires monthly amortizing payments of principal and interest in the amount of $0.2 million. The $10.0 million mezzanine loan is secured by an equity interest in a subsidiary of the operator. The working capital loan matures on June 30, 2026 and bears interest at a fixed rate of 10% per annum. The working capital loan has a maximum principal of $34.0 million for the first year that decreases to $20.0 million thereafter. The working capital loan is secured by the accounts receivable of the acquired facilities. During the fourth quarter of 2024, the working capital loan was repaid in full. As of December 31, 2024, the mezzanine loan has an outstanding principal balance of $7.7 million.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

NOTE 9 – ALLOWANCE FOR CREDIT LOSSES

A rollforward of our allowance for credit losses, summarized by financial instrument type and internal credit risk rating, for the years ended December 31, 2024, 2023 and 2022 is as follows:

Rating	Financial Statement Line Item	Allowance for Credit Loss as of December 31, 2023	Provision (recovery) for Credit Loss for the year ended December 31, 2024[1]	Write-offs charged against allowance for the year ended December 31, 2024	Other additions to the allowance for the year ended December 31, 2024	Allowance for Credit Loss as of December 31, 2024
		(in thousands)				
1	Real estate loans receivable	$ 1,501	$ (1,189)	$ —	$ —	$ 312
2	Real estate loans receivable	291	201	—	—	492
3	Real estate loans receivable	12,635	(1,644)	—	—	10,991
4	Real estate loans receivable	65,113	(42,585)[2]	—	—	22,528
5	Real estate loans receivable	—	25,476 [2]	—	—	25,476
6	Real estate loans receivable	11,450	—	—	—	11,450
	Sub-total	90,990	(19,741)	—	—	71,249
5	Investment in direct financing leases	2,489	(884)	—	—	1,605
	Sub-total	2,489	(884)	—	—	1,605
2	Non-real estate loans receivable	1,151	(1,114)	—	—	37
3	Non-real estate loans receivable	3,903	(2,035)	—	—	1,868
4	Non-real estate loans receivable	720	1,548	—	—	2,268
5	Non-real estate loans receivable	43,404	(117)	—	—	43,287
6	Non-real estate loans receivable	72,453	16,393	(13,511)	—	75,335
	Sub-total	121,631	14,675 [3]	(13,511)	—	122,795
2	Unfunded real estate loan commitments	10	(9)	—	—	1
3	Unfunded real estate loan commitments	335	126	—	—	461
4	Unfunded real estate loan commitments	4,314	(4,274)[2]	—	—	40
5	Unfunded real estate loan commitments	—	1,767 [2]	—	—	1,767
2	Unfunded non-real estate loan commitments	692	(679)	—	—	13
3	Unfunded non-real estate loan commitments	46	137	—	—	183
4	Unfunded non-real estate loan commitments	63	370	—	—	433
5	Unfunded non-real estate loan commitments	1,594	(1,594)	—	—	—
6	Unfunded non-real estate loan commitments	—	65	—	—	65
	Sub-total	7,054	(4,091)	—	—	2,963
	Total	$ 222,164	$ (10,041)	$ (13,511)	$ —	$ 198,612

(1) During the year ended December 31, 2024, we received proceeds of $5.3 million from the liquidating trust related to the DIP Facility with Gulf Coast, which resulted in a recovery for credit losses of $5.3 million that is not included in the rollforward above since we had previously written-off the loan balance and related reserves.
(2) Amount reflects the movement of reserves associated with the Maplewood Revolver due to an adjustment to the internal risk rating on the loan from 4 to a 5 during the first quarter of 2024. See Note 7 – Real Estate Loans Receivable for additional information.
(3) This amount includes cash recoveries of $4.7 million related to interest payments received on loans that are written down to fair value and are being accounted for under the cost recovery in which any payments received are applied directly against the principal balance outstanding. This amount also includes $0.6 million related to principal payments received on loans that were fully reserved.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

Rating	Financial Statement Line Item	Allowance for Credit Loss at December 31, 2022	Provision (recovery) for Credit Loss for the year ended December 31, 2023[1]	Write-offs charged against allowance for the year ended December 31, 2023	Other additions to the allowance for the year ended December 31, 2023	Allowance for Credit Loss as of December 31, 2023
				(in thousands)		
1	Real estate loans receivable	$ 162	$ 1,339	$ —	$ —	$ 1,501
2	Real estate loans receivable	157	134	—	—	291
3	Real estate loans receivable	15,110	(2,475)	—	—	12,635
4	Real estate loans receivable	33,666	31,447	—	—	65,113
6	Real estate loans receivable	52,265	(3,860)	(36,955)[2]	—	11,450
	Sub-total	101,360	26,585	(36,955)	—	90,990
5	Investment in direct financing leases	2,816	(327)	—	—	2,489
	Sub-total	2,816	(327)	—	—	2,489
2	Non-real estate loans receivable	859	292	—	—	1,151
3	Non-real estate loans receivable	2,079	1,824	—	—	3,903
4	Non-real estate loans receivable	634	86	—	—	720
5	Non-real estate loans receivable	18,619	(415)	—	25,200 [3]	43,404
6	Non-real estate loans receivable	61,677	10,776	—	—	72,453
	Sub-total	83,868	12,563	—	25,200	121,631
2	Unfunded real estate loan commitments	—	10	—	—	10
3	Unfunded real estate loan commitments	—	335	—	—	335
4	Unfunded real estate loan commitments	84	4,230	—	—	4,314
2	Unfunded non-real estate loan commitments	207	485	—	—	692
3	Unfunded non-real estate loan commitments	29	17	—	—	46
4	Unfunded non-real estate loan commitments	—	63	—	—	63
5	Unfunded non-real estate loan commitments	—	1,594	—	—	1,594
	Sub-total	320	6,734	—	—	7,054
	Total	$ 188,364	$ 45,555	$ (36,955)	$ 25,200	$ 222,164

(1) During the year ended December 31, 2023, we received proceeds of $1.0 million from the liquidating trust related to the DIP Facility with Gulf Coast, which resulted in a recovery for credit losses of $1.0 million that is not included in the rollforward above since we had previously written-off the loan balance and related reserves.
(2) This amount relates to the write-off of the allowance for the Guardian mortgage note in connection with the settlement and partial forgiveness of the note in the second quarter of 2023. See Note 7 – Real Estate Loans Receivable for additional provision includes an additional details.
(3) This amount relates to the additional $25.2 million allowance recorded during the first quarter of 2023 to reserve the aggregate deferred rent amount that is included within Agemo Replacement Loan B. See Note 8 – Non-Real Estate Loans Receivable for additional details.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

Rating	Financial Statement Line Item	Allowance for Credit Loss at December 31, 2021	Provision (recovery) for Credit Loss for the year ended December 31, 2022	Write-offs charged against allowance for the year ended December 31, 2022	Allowance for Credit Loss as of December 31, 2022
		(in thousands)			
1	Real estate loans receivable	$ —	$ 162	$ —	$ 162
2	Real estate loans receivable	14	143	—	157
3	Real estate loans receivable	5,367	9,743	—	15,110
4	Real estate loans receivable	20,577	13,089	—	33,666
5	Real estate loans receivable	136	(136)	—	—
6	Real estate loans receivable	56,480	248	(4,463)(1)	52,265
	Sub-total	82,574	23,249	(4,463)	101,360
3	Investment in direct financing leases	530	(530)	—	—
5	Investment in direct financing leases	-	2,816	—	2,816
	Sub-total	530	2,286	—	2,816
2	Non-real estate loans receivable	29	830	—	859
3	Non-real estate loans receivable	1,206	873	—	2,079
4	Non-real estate loans receivable	56	578	—	634
5	Non-real estate loans receivable	7,861	10,758 (2)	—	18,619
6	Non-real estate loans receivable	51,269	28,460 (3)(4)	(18,052)(5)	61,677
	Sub-total	60,421	41,499	(18,052)	83,868
3	Unfunded real estate loan commitments	251	(251)	—	—
4	Unfunded real estate loan commitments	117	(33)	—	84
2	Unfunded non-real estate loan commitments	7	200	—	207
3	Unfunded non-real estate loan commitments	207	(178)	—	29
4	Unfunded non-real estate loan commitments	216	(216)	—	—
6	Unfunded non-real estate loan commitments	143	2,107 (5)	(2,250)(5)	—
	Sub-total	941	1,629	(2,250)	320
	Total	$ 144,466	$ 68,663	$ (24,765)	$ 188,364

(1) During the third quarter of 2022, we wrote-off the loan balance and reserve for a loan that expired during the quarter which had previously been fully reserved.
(2) This provision includes an additional $10.8 million allowance recorded on the Agemo WC Loan during the year ended December 31, 2022. See Note 8 – Non-Real Estate Loans Receivable for additional information on the Agemo WC Loan.
(3) This provision includes an additional $23.3 million allowance recorded on the LaVie $25.0 million term loan and on the $8.3 million term loan during the fourth quarter of 2022. See Note 8 – Non-Real Estate Loans Receivable for additional information on the LaVie term loans.
(4) This provision includes an additional $5.2 million allowance recorded on the $20 million WC loan during the year ended December 31, 2022 as discussed in Note 8 – Non-Real Estate Loans Receivable.
(5) In the second quarter of 2022 we recorded an additional reserve of $2.2 million related to the remaining commitment under the Gulf Coast DIP Facility as we were notified of the operator's intent to draw the funds in the third quarter of 2022. In the third quarter of 2022, the remaining commitment under the DIP Facility was drawn and the DIP Facility expired and as a result we wrote-off the loan balance and related reserves as we did not expect to collect amounts under the DIP Facility following the expiration.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

Included below is a summary of the amortized cost basis of our financial instruments by year of origination and internal risk rating and a summary of our gross write-offs by year of origination:

Rating	Financial Statement Line Item	2024	2023	2022	2021	2020	2019 & older	Revolving Loans	Balance as of December 31, 2024
					(in thousands)				
1	Real estate loans receivable	$ —	$ —	$ 20,000	$ —	$ —	$ —	$ —	$ 20,000
2	Real estate loans receivable	29,700	8,680	—	—	21,325	—	—	59,705
3	Real estate loans receivable	273,243	161,166	27,600	72,420	—	—	—	534,429
4	Real estate loans receivable	73,991	90,403	—	31,626	82,615	330,276	—	608,911
5	Real estate loans receivable	—	—	—	—	—	—	263,580	263,580
6	Real estate loans receivable	—	—	—	—	—	12,922	—	12,922
	Sub-total	376,934	260,249	47,600	104,046	103,940	343,198	263,580	1,499,547
5	Investment in direct financing leases	—	—	—	—	—	11,058	—	11,058
	Sub-total	—	—	—	—	—	11,058	—	11,058
2	Non-real estate loans receivable	—	—	—	—	—	—	15,989	15,989
3	Non-real estate loans receivable	4,175	81,333	17,687	—	—	2,551	55,761	161,507
4	Non-real estate loans receivable	4,411	—	—	—	—	117,477	27,822	149,710
5	Non-real estate loans receivable	6,000	1,500	—	—	—	45,028	—	52,528
6	Non-real estate loans receivable	5,027	3,812	24,457	7,851	—	28,188	6,000	75,335
	Sub-total	19,613	86,645	42,144	7,851	—	193,244	105,572	455,069
	Total	$ 396,547	$ 346,894	$ 89,744	$ 111,897	$ 103,940	$ 547,500	$ 369,152	$ 1,965,674
	Year to date gross write-offs	$ —	$ (5,879)	$ —	$ —	$ —	$ (3,092)	$ (4,540)	$ (13,511)

Interest Receivable on Real Estate Loans and Non-real Estate Loans

We have elected the practical expedient to exclude interest receivable from our allowance for credit losses. As of December 31, 2024 and 2023, we have excluded $11.1 million and $10.2 million, respectively, of contractual interest receivables and $1.8 million and $3.1 million, respectively, of effective yield interest receivables from our allowance for credit losses. We write-off interest receivable to provision for credit losses in the period we determine the interest is no longer considered collectible.

During the years ended December 31, 2024, 2023 and 2022, we recognized $3.3 million, $1.7 million and $17.2 million, respectively, of interest income related to loans on non-accrual status as of December 31, 2024.

NOTE 10 – VARIABLE INTEREST ENTITIES

We hold variable interests in several VIEs through our investing and financing activities, which are not consolidated, as we have concluded that we are not the primary beneficiary of these entities as we do not have the power to direct activities that most significantly impact the VIE's economic performance and/or the variable interest we hold does not obligate us to absorb losses or provide us with the right to receive benefits from the VIE which could potentially be significant.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

Below is a summary of our assets, liabilities, collateral, and maximum exposure to loss associated with these unconsolidated VIEs as of December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
	(in thousands)	
Assets		
Real estate assets – net	$ 1,250,131	$ 996,540
Assets held for sale	—	51,700
Real estate loans receivable – net	534,048	370,147
Investments in unconsolidated joint ventures	9,754	9,009
Non-real estate loans receivable – net	38,463	10,679
Contractual receivables – net	994	746
Other assets	1,539	1,423
Total assets	1,834,929	1,440,244
Liabilities		
Accrued expenses and other liabilities	(52,692)	(46,677)
Total liabilities	(52,692)	(46,677)
Collateral		
Personal guarantee	(48,000)	(48,000)
Other collateral[1]	(1,422,096)	(1,090,953)
Total collateral	(1,470,096)	(1,138,953)
Maximum exposure to loss	$ 312,141	$ 254,614

(1) Amount excludes accounts receivable amounts that Omega has a security interest in as collateral under the two working capital loans with entities that are unconsolidated VIEs. The fair value of the accounts receivable available to Omega was $5.5 million and $8.9 million as of December 31, 2024 and December 31, 2023, respectively.

In determining our maximum exposure to loss from these VIEs, we considered the underlying carrying value of the real estate subject to leases with these entities and other collateral, if any, supporting our other investments, which may include accounts receivable, security deposits, letters of credit or personal guarantees, if any, as well as other liabilities recognized with respect to these entities.

The table below reflects our total revenues from the entities that are considered unconsolidated VIEs, following the date they were determined to be VIEs, for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
		(in thousands)	
Revenue			
Rental income [1]	$ 106,911	$ 81,900	$ 53,158
Interest income	16,414	5,512	16,456
Total	$ 123,325	$ 87,412	$ 69,614

(1) The rental income for the year ended December 31, 2023, reflects the $12.5 million option termination fee payment made to Maplewood in the first quarter of 2023 that was accounted for as a lease inducement (see Note 5 – Contractual Receivables and Other Receivables and Lease Inducements). The rental income for the year ended December 31, 2022, reflects the write-off of approximately $29.3 million of straight-line rent receivables and lease inducements related to Maplewood (see Note 5 – Contractual Receivables and Other Receivables and Lease Inducements).

Consolidated VIEs

We own a partial equity interest in a joint venture that we have determined is a VIE. We have consolidated this VIE because we have concluded that we are the primary beneficiary of this VIE based on a combination of our ability to direct the activities that most significantly impact the joint venture's economic performance and our rights to receive residual returns and obligation to absorb losses arising from the joint venture. We also sold an ALF to the joint venture for $7.7 million in net proceeds during the first quarter of 2022. Accordingly, this joint venture has been consolidated. Omega is not required to make any additional capital contributions to the joint venture. As of December 31, 2024 and 2023, this joint venture has $24.3 million and $27.9 million, respectively, of total assets and $20.8 million and $20.7 million, respectively, of total liabilities, which are included in our Consolidated Balance Sheets. As a result of consolidating the joint venture, in the first quarter of 2022, we recorded a $2.9 million noncontrolling interest to reflect the contributions of the minority interest holder of the joint venture. No gain or loss was recognized on the initial consolidation of the VIE or upon the sale of the ALF to the joint venture.

In addition, as discussed in Note 3 – Real Estate Asset Acquisitions and Development, we consolidated the EATs that were classified as VIEs. See further discussion of EATs that were consolidated in Note 3 – Real Estate Asset Acquisitions and Development.

NOTE 11 – INVESTMENTS IN JOINT VENTURES

Unconsolidated Joint Ventures

Omega owns an interest in a number of joint ventures which generally invest in the long-term healthcare industry. The following is a summary of our investments in unconsolidated joint ventures (dollars in thousands):

Entity	Ownership % [1]	Facility Type	Facility Count [1]	Carrying Amount December 31, 2024	Carrying Amount December 31, 2023
Lakeway Realty, L.L.C.[2]	51%	Specialty facility	1	$ 67,541	$ 68,902
Second Spring Healthcare Investment	15%	N/A	—	7,117	8,945
Cindat Joint Venture[3]	N/A	N/A	N/A	—	97,559
Other Real Estate JVs[4][5][6]	20% – 50%	Various	6	6,736	6,009
Other Healthcare JVs[6][7]	9% – 25%	N/A	N/A	7,317	6,994
				$ 88,711	$ 188,409

(1) Ownership percentages and facility counts are as of December 31, 2024.
(2) The joint venture owns the Lakeway Regional Medical Center (the "Lakeway Hospital") in Lakeway, Texas. Our initial basis difference of approximately $69.9 million is being amortized on a straight-line basis over 40 years to income (loss) from unconsolidated joint ventures in the Consolidated Statements of Operations. The lessee of the Lakeway Hospital has an option to purchase the facility from the joint venture. The lessee also has a right of first refusal and a right of first offer in the event the joint venture intends to sell or otherwise transfer Lakeway Hospital. As of December 31, 2023, we had $62.0 million outstanding under a mortgage loan to this joint venture, which was repaid in full in December 2024.
(3) As of December 31, 2023, we held a 49% interest in the Cindat Joint Venture that owned 63 care homes leased to two operators in the U.K. pursuant to operating leases. In July 2024, we acquired the remaining 51% ownership interest in the Cindat Joint Venture, such that we now own 100% of the ownership interest in the entity that owns the Cindat portfolio. See Note 3 – Real Estate Asset Acquisitions and Development for additional information.
(4) Includes three joint ventures formed for the purpose of owning or providing financing for SNFs, ALFs or specialties facilities.
(5) During the third quarter of 2024, one of the other real estate JVs, OMG Senior Holdings, LLC, sold one specialty facility to an unrelated third party for approximately $40.7 million in net cash proceeds and recognized a gain on sale of approximately $12.9 million ($6.5 million of which represents the Company's share of the gain).
(6) As of December 31, 2024 and 2023, we had an aggregate of $18.5 million and $17.5 million, respectively, of loans outstanding with these joint ventures.
(7) Includes six joint ventures engaged in businesses that support the long-term healthcare industry and our operators.

NOTE 12 – GOODWILL AND OTHER INTANGIBLES

The following is a summary of our goodwill:

	(in thousands)
Balance as of December 31, 2023	$ 643,897
Foreign currency translation	(233)
Balance as of December 31, 2024	$ 643,664

The following is a summary of our lease intangibles as of December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
	(in thousands)	
Assets:		
Above market leases[1]	$ 31,864	$ 4,214
Accumulated amortization	(3,800)	(3,532)
Net above market leases	$ 28,064	$ 682
Liabilities:		
Below market leases	$ 34,723	$ 48,791
Accumulated amortization	(26,647)	(37,177)
Net below market leases	$ 8,076	$ 11,614

(1) As of December 31, 2024, includes $27.4 million of intangible assets related to above market leases assumed in connection with the acquisition of the remaining 51% interest in the Cindat Joint Venture during the third quarter of 2024 (see Note 3 – Real Estate Asset Acquisitions and Development).

Above market leases, net of accumulated amortization, are included in other assets on our Consolidated Balance Sheets. Below market leases, net of accumulated amortization, are included in accrued expenses and other liabilities on our Consolidated Balance Sheets. The net amortization related to the above and below market leases is included in our Consolidated Statements of Operations as an adjustment to rental income.

For the years ended December 31, 2024, 2023 and 2022, our net amortization related to intangibles was $1.7 million, $9.4 million and $5.7 million, respectively. The estimated net amortization related to these intangibles for the subsequent five years is as follows: 2025 – $(0.9) million; 2026 – $(1.2) million; 2027 – $(1.3) million; 2028 – $(1.9) million; 2029 – $(2.2) million and $(12.5) million thereafter. As of December 31, 2024, the weighted average remaining amortization period of above market lease assets is approximately ten years and of below market lease liabilities is approximately seven years.

NOTE 13 - CONCENTRATION OF RISK

As of December 31, 2024, our portfolio of real estate investments (including properties associated with mortgages, direct financing leases, assets held for sale and consolidated joint ventures) consisted of 1,026 healthcare facilities, located in 42 states and the U.K. and operated by 87 third-party operators. Our investment in these facilities, net of impairments and allowances, totaled approximately $10.1 billion at December 31, 2024, with approximately 98% of our real estate investments related to long-term healthcare facilities. Our portfolio is made up of (i) 589 SNFs, 290 ALFs, 19 ILFs, 18 specialty facilities and one MOB, (ii) fixed rate mortgages on 52 SNFs, 43 ALFs, one specialty facility and one ILF, and (iii) 12 facilities that are held for sale. At December 31, 2024, we also held other real estate loans (excluding mortgages) receivable of $485.5 million and non-real estate loans receivable of $332.3 million, consisting primarily of secured loans to third-party operators of our facilities, and $88.7 million of investments in 11 unconsolidated joint ventures.

At December 31, 2024 and 2023, we had investments with one operator/or manager that approximated or exceeded 10% of our total investments: Maplewood. Maplewood generated approximately 5.2%, 5.4% and 6.9% of our total revenues for the years ended December 31, 2024, 2023 and 2022, respectively. The revenue associated with Maplewood for the year ended December 31, 2023 reflects a reduction of revenue of $12.5 million related to a termination fee payment made by Omega as discussed in Note 5 – Contractual Receivables and Other Receivables and Lease Inducements. During the year ended December 31, 2024, we also have one operator with total revenues that exceeded 10% of our total revenues: CommuniCare Health Services, Inc. (“CommuniCare”). CommuniCare generated approximately 11.8%, 11.7% and 9.1% of our total revenues for the years ended December 31, 2024, 2023 and 2022, respectively. Revenue percentages above include the impact of straight-line rent receivable write-offs, lease inducement write-offs and effective yield interest receivable write-offs of $4.2 million, $20.6 million and $124.8 million for the years ended December 31, 2024, 2023 and 2022, respectively. As of December 31, 2024, CommuniCare represented approximately 8.2% of our total investments.

At December 31, 2024, the three states in which we had our highest concentration of investments were Texas (9.2%), Indiana (6.2%) and California (5.7%). In addition, our concentration of investments in the U.K. is 14.1%.

NOTE 14 - BORROWING ARRANGEMENTS

The following is a summary of our long-term borrowings:

	Maturity	Annual Interest Rate as of December 31, 2024	December 31, 2024	December 31, 2023
			(in thousands)	
Secured borrowings:				
HUD mortgages[1]	2049-2051	N/A	$ —	$ 41,878
2024 term loan[2]	2024	N/A	—	20,085
2026 mortgage loan[1]	2026	10.31 %	231,148	—
Deferred financing costs – net			(3,753)	—
Premium – net			15,915	—
Total secured borrowings			243,310	61,963
Unsecured borrowings:				
Revolving credit facility[3][4]	2025	5.67 %	—	20,397
			—	20,397
Senior notes and other unsecured borrowings:				
2024 notes[3][5]	2024	N/A	—	400,000
2025 notes[3][6]	2025	4.50 %	400,000	400,000
2026 notes[3]	2026	5.25 %	600,000	600,000
2027 notes[3]	2027	4.50 %	700,000	700,000
2028 notes[3]	2028	4.75 %	550,000	550,000
2029 notes[3]	2029	3.63 %	500,000	500,000
2031 notes[3]	2031	3.38 %	700,000	700,000
2033 notes[3]	2033	3.25 %	700,000	700,000
2025 term loan[3][7]	2025	5.60 %	428,500	428,500
OP term loan[8][9]	2025	5.52 %	50,000	50,000
Deferred financing costs – net			(14,843)	(20,442)
Discount – net			(18,108)	(23,102)
Total senior notes and other unsecured borrowings – net			4,595,549	4,984,956
Total unsecured borrowings – net			4,595,549	5,005,353
Total secured and unsecured borrowings – net[10][11]			$ 4,838,859	$ 5,067,316

(1) Wholly owned subsidiaries of Omega OP are or were the obligor on these borrowings.
(2) Borrowing was the debt of the consolidated joint venture discussed in Note 8 – Variable Interest Entities which was formed in the first quarter of 2022. The borrowing was secured by two ALFs, which are owned by the joint venture. During the second quarter of 2024, Omega repaid this loan using available cash and proceeds from our $1.45 billion senior unsecured multicurrency revolving credit facility ("Revolving Credit Facility").
(3) Guaranteed by Omega OP.
(4) During the second quarter of 2023, the Company transitioned its benchmark interest rate for its Revolving Credit Facility from LIBOR to SOFR. The applicable interest rate on the US Dollar tranche and on the GBP borrowings under the alternative currency tranche of the credit facility were 5.67% and 6.02% as of December 31, 2024, respectively.
(5) The Company repaid the $400 million of 4.95% senior notes that matured on April 1, 2024 using available cash and proceeds from our Revolving Credit Facility.
(6) Subsequent to December 31, 2024, the Company repaid the $400 million of 4.50% senior notes that matured on January 15, 2025 using available cash.
(7) The weighted average interest rate of the $428.5 million 2025 term loan has been adjusted to reflect the impact of the interest rate swaps that effectively fix the SOFR-based portion of the interest rate at 4.047%.
(8) Omega OP is the obligor on this borrowing.
(9) During the second quarter of 2023, the Company transitioned its benchmark interest rate for its $50.0 million senior unsecured term loan facility (the "OP Term Loan") from LIBOR to SOFR. The weighted average interest rate of the $50 million OP Term Loan has been adjusted to reflect the impact of the interest rate swaps that effectively fix the SOFR-based portion of the interest rate at 3.957%.
(10) All borrowings are direct borrowings of Parent unless otherwise noted.
(11) Certain of our other secured and unsecured borrowings are subject to customary affirmative and negative covenants, including financial covenants. As of December 31, 2024 and December 31, 2023, we were in compliance with all applicable covenants for our borrowings.

Secured Borrowings

HUD Mortgage Debt

On October 31, 2019, we assumed $389 million in mortgage loans guaranteed by HUD. The HUD loans had maturity dates between 2046 and 2052 with fixed interest rates ranging from 2.82% per annum to 3.24% per annum.

During 2020, we paid $13.7 million to retire two mortgage loans with an average interest rate of 3.08% per annum with maturities in 2051 and 2052.

On August 31, 2022, we paid approximately $7.9 million to retire one mortgage loan with a fixed interest rate of 2.92% per annum with a maturity date in 2051.

In connection with the sales made in the third and fourth quarters of 2023 (as discussed further in Note 4 – Assets Held for Sale, Dispositions and Impairments), 29 mortgage loans in the aggregate amount of $281.7 million were retired. These 29 loans had a weighted average fixed interest rate of 3.03% per annum with maturities between 2046 and 2052.

During the fourth quarter of 2023, we paid approximately $14.8 million to retire three mortgage loans with a weighted average fixed interest rate of 2.97% per annum with maturity dates between 2046 and 2052.

During the first quarter of 2024, the remaining nine HUD mortgages with outstanding principal of $41.6 million were paid off.

We recognized $1.3 million, $0.5 million and $0.4 million, respectively, of losses on debt extinguishment for prepayment penalties incurred on the HUD mortgage payoffs, discussed above, for the years ended December 31, 2024, 2023 and 2022.

All HUD loans were subject to the regulatory agreements that require escrow reserve funds to be deposited with the loan servicer for mortgage insurance premiums, property taxes, debt service and capital replacement expenditures. As of December 31, 2023, the Company had total escrow reserves of $4.9 million with the loan servicer that is reported within other assets on the Consolidated Balance Sheets.

2026 Mortgage Loan

As discussed in Note 3 – Real Estate Asset Acquisitions and Development, we assumed the 2026 Mortgage Loan as part of our acquisition of the remaining 51% interest in the Cindat Joint Venture. The 2026 Mortgage Loan matures in August 2026 but can be repaid without a prepayment penalty beginning November 2025. The 2026 Mortgage Loan bears interest at the Sterling Overnight Index Average (“SONIA”) plus an applicable margin of 5.38%. As part of the transaction, we assumed four interest rate cap contracts that ensure the annual interest rate on the 2026 Mortgage Loan does not exceed 10.38%. The fair value adjustment on the 2026 Mortgage Loan was $20.7 million and is being amortized into interest expense over the remaining contractual term of the loan. The net premium of $15.9 million in the table above relates to the fair value adjustment on the 2026 Mortgage Loan. We incurred $4.9 million of deferred costs in connection with the assumption of the 2026 Mortgage Loan.

Unsecured Borrowings

2025 Term Loan

On August 8, 2023, Omega entered into a credit agreement (the "2025 Omega Credit Agreement") providing it with a new $400 million senior unsecured term loan facility (the "2025 Term Loan"). The 2025 Omega Credit Agreement contains an accordion feature permitting us, subject to compliance with customary conditions, to increase the maximum aggregate commitments thereunder to $500 million by requesting an increase in the aggregate commitments under the 2025 Term Loan. On September 27, 2023, Omega exercised the accordion feature to increase the aggregate commitment under the 2025 Term Loan by $28.5 million. The 2025 Term Loan bears interest at SOFR plus an adjustment of 0.1% per annum plus an applicable percentage (with a range of 85 to 185 basis points) based on our credit rating. The 2025 Term Loan matures on August 8, 2025, subject to Omega's option to extend such maturity date for two sequential 12-month periods. We recorded $3.3 million of deferred financing costs and a $1.4 million discount in connection with the 2025 Omega Credit Agreement.

Revolving Credit Facility

On April 30, 2021, Omega entered into a credit agreement (the "Omega Credit Agreement") providing us with a new Revolving Credit Facility, replacing our previous $1.25 billion senior unsecured multicurrency revolving credit facility obtained in 2017 and the related credit agreement. The Omega Credit Agreement contains an accordion feature permitting us, subject to compliance with customary conditions, to increase the maximum aggregate commitments thereunder to $2.5 billion, by requesting an increase in the aggregate commitments under the Revolving Credit Facility or by adding term loan tranches.

The Revolving Credit Facility bears interest at SOFR plus an adjustment of 0.11448% per annum (or in the case of loans denominated in GBP, the SONIA reference rate plus an adjustment of 0.1193% per annum, and in the case of loans denominated in Euros, the Euro interbank offered rate, or EURIBOR) plus an applicable percentage (with a range of 95 to 185 basis points) based on our credit ratings. SOFR is a broad measure of the cost of borrowing cash in the overnight U.S. Treasury repo market, and is administered by the Federal Reserve Bank of New York. The Revolving Credit Facility may be drawn in Euros, GBP, Canadian Dollars (collectively, "Alternative Currencies") or USD, with a $1.15 billion tranche available in USD and a $300 million tranche available in Alternative Currencies. The Revolving Credit Facility matures on April 30, 2025, subject to Omega's option to extend such maturity date for two six-month periods. In January 2025, Omega provided notification to extend the maturity date to October 30, 2025.

We incurred $12.9 million of deferred costs in connection with the Omega Credit Agreement.

OP Term Loan

On April 30, 2021, Omega OP entered into a credit agreement (the "Omega OP Credit Agreement") providing it with a new OP Term Loan. The OP Term Loan replaces the $50 million senior unsecured term loan obtained in 2017 and the related credit agreement. The OP Term Loan bears interest at SOFR plus an adjustment of 0.11448% per annum plus an applicable percentage (with a range of 85 to 185 basis points) based on our credit ratings. The OP Term Loan matures on April 30, 2025, subject to Omega OP's option to extend such maturity date for two, six-month periods. In January 2025, Omega provided notification to extend the maturity date to October 30, 2025.

We incurred $0.4 million of deferred costs in connection with the Omega OP Credit Agreement.

General

Parent and Omega OP, on a combined basis, have no material assets, liabilities or operations other than financing activities (including borrowings under the senior unsecured revolving and term loan credit facility, OP term loan and the outstanding senior notes) and their investments in non-guarantor subsidiaries. Substantially all of our assets are held by non-guarantor subsidiaries.

The required principal payments, excluding the premium or discount and deferred financing costs on our secured and unsecured borrowings, for each of the five years following December 31, 2024 and the aggregate due thereafter are set forth below:

	(in thousands)
2025	$ 878,500
2026	831,148
2027	700,000
2028	550,000
2029	500,000
Thereafter	1,400,000
Total	$ 4,859,648

NOTE 15 – DERIVATIVES AND HEDGING

We are exposed to, among other risks, the impact of changes in foreign currency exchange rates as a result of our investments in the U.K. and interest rate risk related to our capital structure. As a matter of policy, we do not use derivatives for trading or speculative purposes. Our risk management program is designed to manage the exposure and volatility arising from these risks, and utilizes foreign currency forward contracts, interest rate swaps and debt issued in foreign currencies to offset a portion of these risks. As of December 31, 2024, we have 12 interest rate swaps with $478.5 million in notional value and four interest rate caps with £190.0 million in notional value. The swaps and the majority of the caps are designated as cash flow hedges of the interest payments on three of Omega's variable interest loans. Additionally, we have 11 foreign currency forward contracts with £258.0 million in notional value issued at a weighted average GBP-USD forward rate of 1.2899 that are designated as net investment hedges.

Cash Flow Hedges of Interest Rate Risk

We enter into interest rate swaps in order to maintain a capital structure containing targeted amounts of fixed and floating-rate debt and manage interest rate risk. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for our fixed-rate payments. These interest rate swap agreements are used to hedge the variable cash flows associated with variable-rate debt.

On March 27, 2020, we entered into five forward starting swaps totaling $400 million, indexed to 3-month LIBOR, that were issued at a weighted average fixed rate of approximately 0.8675% and were subsequently designated as cash flow hedges of interest rate risk associated with interest payments on a forecasted issuance of fixed rate long-term debt, initially expected to occur within the next five years. The swaps had an effective date of August 1, 2023 and an expiration date of August 1, 2033. In conjunction with the October 2020 issuance of $700 million of 3.375% Senior Notes due 2031 and the March 2021 issuance of $700 million aggregate principal amount of our 3.25% Senior Notes due 2033, we applied hedge accounting for these five forward starting swaps and began amortization. Simultaneously, we re-designated these swaps in new cash flow hedging relationships of interest rate risk associated with interest payments on another forecasted issuance of long-term debt. We were hedging our exposure to the variability in future cash flows for forecasted transactions over a maximum period of 46 months (excluding forecasted transactions related to the payment of variable interest on existing financial instruments). As a result of these transactions, the aggregate unrealized gain of $41.2 million ($9.5 million gain related to the October 2020 issuance and $31.7 million gain related to the March 2021 issuance) included within accumulated other comprehensive income at the time of the bond issuances is being ratably reclassified as a reduction to interest expense, net over 10 years. On May 30, 2023, the five forward starting swaps were terminated, and Omega received a net cash settlement of $92.6 million from the swap counterparties. The incremental $51.4 million of gains related to the forward swaps, recorded in accumulated other comprehensive income, were frozen at the time of termination and will be recognized ratably over 10 years in earnings when the next qualifying debt issuance occurs. Consistent with our accounting policy and historical practice, the $92.6 million net cash settlement from the forward swap termination is reflected within net cash used in financing activities in the Consolidated Statements of Cash Flows.

In June 2023, we entered into an interest rate swap with a notional amount of $50.0 million. The swap is effective June 30, 2023 and terminates on April 30, 2027. This interest rate swap is designated as a hedge against our exposure to changes in interest payment cash flow fluctuations in the variable interest rates on the OP Term Loan. The interest rate swap contract effectively converts our $50.0 million OP Term Loan to an aggregate fixed rate of approximately 5.521% through its maturity. The effective fixed rate achieved by the combination of the Omega OP Credit Agreement and the interest rate swaps could fluctuate up by 40 basis points or down by 60 basis points based on future changes to our credit ratings.

In August 2023, we entered into ten interest rate swaps with $400.0 million in notional value. The swaps are effective August 14, 2023 and terminate on August 6, 2027. The interest rate swaps are designated as hedges against our exposure to changes in interest payment cash flows as a result of the variable interest rate on the 2025 Term Loan. The interest rate swap contracts effectively convert our $400.0 million 2025 Term Loan to an aggregate fixed rate of approximately 5.565%. In September 2023, in connection with the exercise of the accordion feature on the 2025 Term Loan, we entered into one additional interest rate swap with $28.5 million in notional value to hedge the additional $28.5 million under the 2025 Term Loan. This swap is effective September 29, 2023 and terminates on August 6, 2027. These 11 interest rate swap contracts effectively convert our $428.5 million 2025 Term Loan to a new combined aggregate fixed rate of approximately 5.597% through its maturity. The effective fixed rate achieved by the combination of the 2025 Omega Credit Agreement and the interest rate swaps could fluctuate up by 40 basis points or down by 60 basis points based on future changes to our credit ratings.

As discussed in Note 3 – Real Estate Asset Acquisitions and Development, we assumed four interest rate cap contracts as a part of our acquisition of the remaining 51% interest in the Cindat Joint Venture. The interest rate caps terminate on August 26, 2026. The interest rate cap contracts ensure that the annual interest rate on the 2026 Mortgage Loan does not exceed 10.38%.

Foreign Currency Forward Contracts and Debt Designated as Net Investment Hedges

We have historically used debt denominated in GBP and foreign currency forward contracts to hedge a portion of our net investments, including certain intercompany loans, in the U.K. against fluctuations in foreign exchange rates.

In March 2021, we entered into four foreign currency forward contracts with notional amounts totaling £174.0 million, that matured on March 8, 2024, to hedge a portion of our net investments in the U.K., including an intercompany loan and an investment in our U.K. joint venture, effectively replacing the terminated net investment hedge. The forwards were issued at a weighted average GBP-USD forward rate of 1.3890.

On May 17, 2022, we entered into two new foreign currency forward contracts with notional amounts totaling £76.0 million and a GBP-USD forward rate of 1.3071, each of which mature on May 21, 2029. These currency forward contracts hedge a portion of our net investments in U.K. subsidiaries, including an intercompany loan.

On December 27, 2023, we terminated two foreign currency forward contracts that were entered into in March 2021 with notional amounts totaling £104.0 million. Omega received a net cash settlement of $11.4 million as a result of termination, which is included within net cash used in investing activities in the Consolidated Statements of Cash Flows. The $11.4 million related to the termination will remain in accumulated other comprehensive income until the underlying hedged items are liquidated. Concurrent with the termination of the two foreign currency forward contracts, also on December 27, 2023, we entered into six new foreign currency forward contracts with notional amounts totaling £104.0 million and a GBP-USD forward rate of 1.2916, each of which mature between March 8, 2027 and March 8, 2030. Consistent with the terminated forwards, the new currency forward contracts hedge an intercompany loan between a U.S. and U.K. subsidiary.

On February 27, 2024, we terminated two foreign currency forward contracts that were entered into in March 2021 with notional amounts totaling £70.0 million. Omega received a net cash settlement of $8.4 million as a result of termination, which is included within net cash used in investing activities in the Consolidated Statements of Cash Flows. The $8.4 million related to the termination will remain in accumulated other comprehensive income until the underlying hedged items are liquidated. Concurrent with the termination of the two foreign currency forward contracts, also on February 27, 2024, we entered into three new foreign currency forward contracts with notional amounts totaling £78.0 million and a GBP-USD forward rate of 1.2707, each of which mature between March 8, 2027 and March 7, 2031. The new currency forward contracts hedge an intercompany loan between a U.S. and a U.K. subsidiary.

The location and the fair value of derivative instruments designated as hedges, at the respective balance sheet dates, were as follows:

	December 31, 2024	December 31, 2023
Cash flow hedges:	(in thousands)	
Other assets	$ 381	$ —
Accrued expenses and other liabilities	$ 554	$ 6,533
Net investment hedges:		
Other assets	$ 8,434	$ 8,903
Accrued expenses and other liabilities	$ —	$ 8

The fair value of the interest rate swaps and foreign currency forwards is derived from observable market data such as yield curves and foreign exchange rates and represents a Level 2 measurement on the fair value hierarchy.

NOTE 16 - FINANCIAL INSTRUMENTS

The net carrying amount of cash and cash equivalents, restricted cash, contractual receivables, other assets and accrued expenses and other liabilities reported in the Consolidated Balance Sheets approximates fair value because of the short maturity of these instruments (Level 1).

OMEGA HEALTHCARE INVESTORS, INC.
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At December 31, 2024 and 2023, the net carrying amounts and fair values of other financial instruments were as follows:

	December 31, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(in thousands)			
Assets:				
Investments in direct financing leases – net	$ 9,453	$ 9,453	$ 8,716	$ 8,716
Real estate loans receivable – net	1,428,298	1,447,262	1,212,162	1,258,838
Non-real estate loans receivable – net	332,274	340,025	275,615	279,710
Total	$ 1,770,025	$ 1,796,740	$ 1,496,493	$ 1,547,264
Liabilities:				
Revolving credit facility	$ —	$ —	$ 20,397	$ 20,397
2026 mortgage loan	243,310	247,063	—	—
2024 term loan	—	—	20,085	19,750
2025 term loan	427,044	428,500	424,662	428,500
OP term loan	49,966	50,000	49,864	50,000
4.95% notes due 2024 – net	—	—	399,747	398,888
4.50% notes due 2025 – net	399,968	399,856	399,207	393,240
5.25% notes due 2026 – net	599,259	600,714	598,553	596,508
4.50% notes due 2027 – net	696,766	691,040	695,302	671,538
4.75% notes due 2028 – net	546,933	542,553	545,925	528,704
3.63% notes due 2029 – net	494,308	461,180	493,099	440,785
3.38% notes due 2031 – net	688,962	620,809	687,172	594,734
3.25% notes due 2033 – net	692,343	585,389	691,425	564,809
HUD mortgages – net	—	—	41,878	31,322
Total	$ 4,838,859	$ 4,627,104	$ 5,067,316	$ 4,739,175

Fair value estimates are subjective in nature and are dependent on a number of important assumptions, including estimates of future cash flows, risks, discount rates and relevant comparable market information associated with each financial instrument (see Note 2 – Summary of Significant Accounting Policies). The use of different market assumptions and estimation methodologies may have a material effect on the reported estimated fair value amounts.

The following methods and assumptions were used in estimating fair value disclosures for financial instruments.

- Real estate loans receivable: The fair value of the real estate loans receivable are estimated using a discounted cash flow analysis, using current interest rates being offered for similar loans to borrowers with similar credit ratings (Level 3).
- Non-real estate loans receivable: Non-real estate loans receivable are primarily comprised of notes receivable. The fair values of notes receivable are estimated using a discounted cash flow analysis, using current interest rates being offered for similar loans to borrowers with similar credit ratings (Level 3).
- Revolving Credit Facility, OP Term Loan, 2024 term loan and 2025 term loan: The carrying amount of these approximate fair value because the borrowings are interest rate adjusted. Differences between carrying value and the fair value in the table above are due to the inclusion of deferred financing costs in the carrying value.
- 2026 Mortgage Loan: The 2026 Mortgage Loan was recorded at fair market value in July 2024, as of the date we assumed it as part of our acquisition of the remaining 51% interest in the Cindat Joint Venture. The fair market value was determined by discounting the remaining contractual cash flows using a current market rate of interest of comparable debt instruments. Differences between carrying value and the fair value in the table above are due to the inclusion of deferred financing costs in the carrying value.

- Senior notes: The fair value of the senior unsecured notes payable was estimated based on publicly available trading prices (Level 1).
- HUD mortgages: The fair value of our borrowings under HUD debt agreements are estimated using an expected present value technique based on quotes obtained by HUD debt brokers (Level 2).

NOTE 17 – TAXES

Omega and Omega OP, including their wholly owned subsidiaries were organized, have operated, and intend to continue to operate in a manner that enables Omega to qualify for taxation as a REIT under Sections 856 through 860 of the Code. On a quarterly and annual basis we perform several analyses to test our compliance within the REIT taxation rules. If we fail to meet the requirements for qualification as a REIT in any tax year, we will be subject to federal income tax on our taxable income at regular corporate rates and may not be able to qualify as a REIT for the four subsequent years, unless we qualify for certain relief provisions that are available in the event we fail to satisfy any of the requirements.

We are also subject to federal taxation of 100% of the net income derived from the sale or other disposition of property, other than foreclosure property, that we held primarily for sale to customers in the ordinary course of a trade or business. We believe that we do not hold assets for sale to customers in the ordinary course of business and that none of the assets currently held for sale or that have been sold would be considered a prohibited transaction within the REIT taxation rules.

As a REIT under the Code, we generally will not be subject to federal income taxes on the REIT taxable income that we distribute to stockholders, subject to certain exceptions. In 2024, 2023 and 2022, we distributed dividends in excess of our taxable income.

We currently own stock in certain subsidiary REITs. These subsidiary entities are required to individually satisfy all of the rules for qualification as a REIT. If we fail to meet the requirements for qualification as a REIT for any of the subsidiary REITs, it may cause the Parent REIT to fail the requirements for qualification as a REIT also.

We have elected to treat certain of our active subsidiaries as TRSs. Our domestic TRSs are subject to federal, state and local income taxes at the applicable corporate rates. Our foreign TRSs are subject to foreign income taxes and may be subject to current-year income inclusion relating to ownership of a controlled foreign corporation for U.S. income tax purposes. As of December 31, 2024, one of our TRSs that is subject to income taxes at the applicable corporate rates had a net operating loss ("NOL") carry-forward of approximately $9.8 million. Our NOL carry-forward was partially reserved as of December 31, 2024, with a valuation allowance due to uncertainties regarding realization. Under current law, NOL carry-forwards generated up through December 31, 2017 may be carried forward for no more than 20 years, and NOL carry-forwards generated in taxable years ended after December 31, 2017, may be carried forward indefinitely. We do not anticipate that such changes will materially impact the computation of Omega's taxable income, or the taxable income of any Omega entity, including our TRSs.

Our foreign subsidiaries are subject to foreign income taxes and withholding taxes. The majority of our U.K. portfolio elected to enter the U.K. REIT regime with an effective date of April 1, 2023. In connection with entering the U.K. REIT regime, we recognized several adjustments to our deferred tax balances in the first quarter of 2023 as summarized below. As discussed in Note 3 – Real Estate Asset Acquisitions and Development, we acquired foreign net operating losses of $47.8 million resulting in a NOL deferred tax asset of $11.9 million in connection with our acquisition of one U.K. entity in the second quarter of 2024 and we acquired foreign net operating losses of $55.0 million resulting in a NOL deferred tax asset of $13.4 million in connection with the acquisition of one U.K. entity in the first quarter of 2022. As of December 31, 2024, we have aggregate NOL carryforwards of approximately $76.4 million associated with two U.K. subsidiaries. These U.K. NOLs have no expiration date and may be available to offset future taxable income. We believe these foreign NOLs are realizable under a "more likely than not" measurement and have not recorded a valuation allowance against the deferred tax asset.

The Organization for Economic Co-operation and Development (OECD) has a framework to implement a global minimum corporate tax of 15% for companies with global revenues and profits above certain thresholds (referred to as Pillar 2), with certain aspects of Pillar 2 effective January 1, 2024 and other aspects effective January 1, 2025. While it is uncertain whether the U.S. will enact legislation to adopt Pillar 2, the U.K. has adopted legislation. We do not expect Pillar 2 to have a material impact on our effective tax rate or our consolidated results of operation, financial position, and cash flows.

The following is a summary of our provision for income taxes:

	Year Ended December 31,		
	2024	2023	2022
	(in millions)		
Federal, state and local income tax expense[1]	$ 1.5	$ 2.0	$ 1.2
Foreign income tax expense[2]	9.4	4.3	3.4
Total income tax expense [3]	$ 10.9	$ 6.3	$ 4.6

(1) For the years ended December 31, 2024, 2023 and 2022, income before income tax expense and income from unconsolidated joint ventures from domestic operations was $386.4 million, $234.2 million and $418.5 million, respectively.
(2) For the years ended December 31, 2024, 2023 and 2022, income before income tax expense and income from unconsolidated joint ventures from foreign operations was $34.3 million, $21.5 million and $17.6 million, respectively.
(3) The above amounts do not include gross income receipts or franchise taxes payable to certain states and municipalities.

The following is a summary of deferred tax assets and liabilities:

	December 31, 2024	December 31, 2023
	(in thousands)	
U.S. Federal net operating loss carryforward	$ 2,048	$ 2,079
Valuation allowance on deferred tax asset	(1,925)	(2,024)
Foreign net operating loss carryforward	19,101	9,491
Foreign deferred tax asset [1]	200	—
Net deferred tax asset	$ 19,424	$ 9,546
Foreign deferred tax liability [1]	$ —	$ 1,508
Net deferred tax liability	$ —	$ 1,508

(1) The deferred tax asset and liability resulted from book to tax differences recorded in the U.S. relating to depreciation and revenue recognition in the U.K.

NOTE 18 – STOCKHOLDERS' EQUITY

Stock Repurchase Program

On January 27, 2022, the Company authorized the repurchase of up to $500 million of our outstanding common stock from time to time through March 2025. The Company is authorized to repurchase shares of its common stock in open market and privately negotiated transactions or in any other manner as determined by the Company's management and in accordance with applicable law. The timing and amount of stock repurchases will be determined, in management's discretion, based on a variety of factors, including but not limited to market conditions, other capital management needs and opportunities, and corporate and regulatory considerations. The Company has no obligation to repurchase any amount of its common stock, and such repurchases, if any, may be discontinued at any time. Under Maryland law, shares repurchased become authorized but unissued shares. The Company reduced the common stock at par value and to the extent the cost acquired exceeds par value, it is recorded through additional paid-in capital on our Consolidated Balance Sheets and Consolidated Statements of Equity. During the year ended December 31, 2022, the Company repurchased 5.2 million shares of our outstanding common stock at an average price of $27.32 per share, for a total repurchase cost of $142.3 million. The average price per share and repurchase cost includes the cost of commissions. Omega did not repurchase any of its outstanding common stock under this announced program during 2023 or 2024.

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At-The-Market Offering Program

During the second quarter of 2021, we entered into a new "at-the-market" ("ATM") Equity Offering Sales Agreement pursuant to which shares of common stock having an aggregate gross sales price of up to $1.0 billion (the "2021 ATM Program") may be sold from time to time by Omega through several financial institutions acting as a sales agent or directly to the financial institutions as principals. Under the 2021 ATM Program, compensation for sales of the shares was limited to 2% or less of the gross sales price per share for shares sold through each financial institution.

During the third quarter of 2024, we terminated the 2021 ATM Program and entered into a new ATM Equity Offering Sales Agreement pursuant to which shares of common stock having an aggregate gross sales price of up to $1.25 billion (the "2024 ATM Program," and together with the 2021 ATM Program, the "ATM Program") may be sold from time to time (i) by Omega through several financial institutions acting as a sales agent or directly to the financial institutions as principals, or (ii) by several financial institutions acting as forward sellers on behalf of any forward purchasers pursuant to a forward sale agreement. Under the 2024 ATM Program, compensation for sales of the shares will not exceed 2% of the gross sales price per share for shares sold through each financial institution. The use of forward sales under the 2024 ATM Program generally allows Omega to lock in a price on the sale of shares of common stock when sold by the forward sellers but defer receiving the net proceeds from such sales until the shares of our common stock are issued at settlement on a later date. We did not utilize the forward provisions under the ATM Program during 2022, 2023 or 2024. The following is a summary of the shares issued under our ATM Program for each of the years ended December 31, 2022, 2023, and 2024 (in thousands except average price per share):

Period Ended	Shares issued	Average Net Price Per Share[1]	Gross Proceeds	Net Proceeds
December 31, 2022	—	$ —	$ —	$ —
December 31, 2023	7,243	30.25	221,732	219,140
December 31, 2024	28,714	36.49	1,058,080	1,047,767

(1) Represents the average price per share after commissions.

Dividend Reinvestment and Common Stock Purchase Plan

We have a Dividend Reinvestment and Common Stock Purchase Plan (the "DRCSPP") that allows for the reinvestment of dividends and the optional purchase of our common stock. The table below presents information regarding the shares issued under the DRCSPP for each of the years ended December 31, 2022, 2023, and 2024 (in thousands):

Period Ended	Shares issued	Gross Proceeds
December 31, 2022	308	$ 9,229
December 31, 2023	3,715	117,259
December 31, 2024	5,078	187,969

Dividends

The Board of Directors has declared common stock dividends as set forth below:

Record Date	Payment Date	Dividend per Common Share
February 5, 2024	February 15, 2024	$ 0.67
April 30, 2024	May 15, 2024	0.67
August 5, 2024	August 15, 2024	0.67
November 4, 2024	November 15, 2024	0.67
February 10, 2025	February 18, 2025	0.67

Per Share Distributions

Per share distributions by our Company were characterized in the following manner for income tax purposes (unaudited):

	Year Ended December 31,		
Common	**2024**	**2023**	**2022**
Ordinary income	$ 1.862	$ 2.258	$ 1.264
Return of capital	0.712	0.212	0.095
Capital gains	0.106	0.210	1.321
Total dividends paid	$ 2.680	$ 2.680	$ 2.680

Pursuant to Treasury Regulation Section 1.1061-6(c), Omega Healthcare Investors Inc. is disclosing the following information to its shareholders. "One Year Amounts Disclosure" is zero percent of the capital gain distributions allocated to each shareholder and "Three Year Amounts Disclosure" is zero percent of the capital gain distributions allocated to each shareholder. All capital gain distributions reported are related to Section 1231 gain.

For additional information regarding dividends, see Note 17 – Taxes.

Accumulated Other Comprehensive Income (Loss)

The following is a summary of our accumulated other comprehensive income (loss), net of tax as of December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
	(in thousands)	
Foreign currency translation	$ (66,110)	$ (49,770)
Derivative instruments designated as cash flow hedges[1]	76,713	75,111
Derivative instruments designated as net investment hedges	11,898	3,931
Total accumulated other comprehensive income before noncontrolling interest	22,501	29,272
Add: portion included in noncontrolling interest	230	66
Total accumulated other comprehensive income for Omega	$ 22,731	$ 29,338

(1) During the years ended December 31, 2024, 2023 and 2022, we reclassified $9.6 million, $6.7 million and $4.2 million, respectively, of realized gains out of accumulated other comprehensive income into interest expense on our Consolidated Statements of Operations associated with our cash flow hedges.

NOTE 19 – STOCK-BASED COMPENSATION

At December 31, 2024, we maintained several stock-based compensation plans as described below. For the years ended December 31, 2024, 2023 and 2022, we recognized stock-based compensation of $36.7 million, $35.1 million and $27.3 million, respectively, related to these plans. For purposes of measuring stock-based compensation expense, we consider whether an adjustment to the observable market price is necessary to reflect material nonpublic information that is known to us at the time the award is granted. No adjustments were deemed necessary for the years ended December 31, 2024, 2023 or 2022.

Time-Based Restricted Equity Awards

Restricted stock, restricted stock units ("RSUs") and profits interest units ("PIUs") are subject to forfeiture if the holder's service to us terminates prior to vesting, subject to certain exceptions for certain qualifying terminations of service or a change in control of the Company. Prior to vesting, ownership of the shares/units cannot be transferred. The restricted stock has the same dividend and voting rights as our common stock. RSUs accrue dividend equivalents but have no voting rights. PIUs accrue distributions, which are equivalent to dividend equivalents, but have no voting rights. Once vested, each RSU is settled by the issuance of one share of Omega common stock and each PIU is settled by the issuance of one Omega OP Unit, subject to certain conditions. Restricted stock and RSUs are valued at the price of our common stock on the date of grant. The PIUs are valued using a Monte Carlo model to estimate fair value. We expense the cost of these awards ratably over their vesting period.

Performance-Based Restricted Equity Awards

Performance-based restricted equity awards include performance restricted stock units ("PRSUs") and PIUs. PRSUs and PIUs are subject to forfeiture if the performance requirements are not achieved or if the holder's service to us terminates prior to vesting, subject to certain exceptions for certain qualifying terminations of employment or a change in control of the Company. PRSUs and PIUs have varying degrees of performance requirements to achieve vesting, and each PRSU and PIU award represents the right to a variable number of shares of common stock or partnership units. Each PIU once earned is convertible into one Omega OP Unit in Omega OP, subject to certain conditions. The vesting requirements are based on either the (i) total shareholder return ("TSR") of Omega or (ii) Omega's TSR relative to other REITs in the FTSE NAREIT Equity Health Care Index ("Relative TSR"). We expense the cost of these awards ratably over their service period.

Prior to vesting and the distribution of shares or Omega OP Units, ownership of the PRSUs or PIUs cannot be transferred. Dividend equivalents on the PRSUs are accrued and paid to the extent the applicable performance requirements are met. While each PIU is unearned, the employee receives a partnership distribution equal to 10% of the quarterly approved regular periodic distributions per Omega OP Unit. Partnership distributions (which in the case of normal periodic distributions is equal to the total approved quarterly dividend on Omega's common stock), less the 10% already paid, on the PIUs accumulate, and if the PIUs are earned, the accumulated distributions are paid. We used a Monte Carlo model to estimate the fair value for the PRSUs and PIUs granted to the employees. The following are the significant assumptions used in estimating the value of the awards for grants made on the following dates:

	January 1, 2024	January 1, 2023	January 1, 2022
Closing price on date of grant	$ 30.66	$ 27.95	$ 29.59
Dividend yield	8.74 %	9.59 %	9.06 %
Risk free interest rate at time of grant	4.15 %	4.28 %	0.98 %
Expected volatility[(1)]	25.27 %	40.28 %	38.74 %

(1) Expected volatility is using 50% historical volatility and 50% implied volatility.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

The following table summarizes the activity in restricted stock, RSUs, PRSUs, and PIUs for the years ended December 31, 2022, 2023 and 2024:

	Time-Based		Performance-Based		
	Number of Shares/Omega OP Units	Weighted - Average Grant-Date Fair Value per Share	Number of Shares/Omega OP Units	Weighted - Average Grant-Date Fair Value per Share	Total Compensation Cost [1] (in millions)
Non-vested at December 31, 2021	318,412	$ 38.62	2,222,047	$ 17.94	
Granted during 2022	256,818	29.40	1,620,330	14.73	$ 31.40
Cancelled during 2022	(2,000)	29.59	(5,232)	11.90	
Forfeited during 2022	—	—	(621,199)	13.68	
Vested during 2022	(165,206)	40.91	—	—	
Non-vested at December 31, 2022	408,024	31.93	3,215,946	17.16	
Granted during 2023	309,927	28.15	2,139,421	13.42	$ 37.40
Cancelled during 2023	—	—	(1,228)	11.35	
Forfeited during 2023	—	—	(539,312)	17.50	
Vested during 2023	(208,119)	34.31	(482,772)	21.52	
Non-vested at December 31, 2023	509,832	28.66	4,332,055	14.78	
Granted during 2024	306,526	30.73	2,368,170	13.22	$ 40.70
Cancelled during 2024	—	—	(20,811)	12.98	
Vested during 2024[2]	(251,457)	29.56	(578,763)	19.93	
Non-vested at December 31, 2024	564,901	$ 29.38	6,100,651	$ 13.69	

(1) Total compensation cost to be recognized on the awards based on grant date fair value.

(2) PRSUs are shown as vesting in the year that the Compensation Committee determines the level of achievement of the applicable performance measures.

As of December 31, 2024, unrecognized compensation costs related to unvested awards to employees is as follows:

- $5.1 million on RSUs and PIUs expected to be recognized over a weighted average period of approximately 28 months.
- $1.4 million on RSUs and PIUs expected to be recognized over a weighted average period of approximately 12 months.
- $16.9 million on TSR PRSUs and PIUs expected to be recognized over a weighted average period of approximately 42 months.
- $20.6 million on Relative TSR PRSUs and PIUs expected to be recognized over a weighted average period of approximately 42 months.

In addition, we have a deferred stock compensation plan that allows employees and directors the ability to defer the receipt of stock awards (units). The deferred stock awards (units) participate in future dividend equivalents as well as the change in the value of the Company's common stock. As of December 31, 2024 and 2023, the Company had 667,986 and 653,842 deferred stock units outstanding.

Tax Withholding for Stock Compensation Plans

Stock withheld to pay tax withholdings for equity instruments granted under stock-based payment arrangements for the years ended December 31, 2024, 2023 and 2022, was $0.3 million, $0.6 million and $1.1 million, respectively.

Shares Available for Issuance for Compensation Purposes

On June 8, 2018, at the Annual Meeting of Stockholders, our stockholders approved the 2018 Stock Incentive Plan (the "2018 Plan"), which amended and restated the Company's 2013 Stock Incentive Plan (the "2013 Plan"). The 2018 Plan is a comprehensive incentive compensation plan that allows for various types of equity-based compensation, including RSUs (including PRSUs), stock awards (including restricted stock), deferred RSUs, incentive stock options, non-qualified stock options, stock appreciation rights, dividend equivalent rights, performance unit awards, certain cash-based awards (including performance-based cash awards), PIUs and other stock-based awards. The 2018 Plan increased the number of shares of common stock available for issuance under the 2013 Plan by 4.5 million. On June 5, 2023, our stockholders approved an amendment to the 2018 Plan to increase the number of shares of common stock authorized for issuance from 10.5 million shares to 17.2 million shares, an increase of 6.7 million shares.

As of December 31, 2024, approximately 3.8 million shares of common stock were reserved for issuance to our employees, directors and consultants under our stock incentive plans.

NOTE 20 – COMMITMENTS AND CONTINGENCIES

Litigation

Shareholder Litigation Settlement

The Company and certain of its officers, *C. Taylor Pickett, Robert O. Stephenson, and Daniel J. Booth*, were named as defendants in a purported securities class action lawsuit in the U.S. District Court for the Southern District of New York (the "Securities Class Action"). The parties executed a stipulation of settlement dated December 9, 2022 ("Settlement"), which provided for a dismissal and release of all claims against the defendants without any admission of wrongdoing or liability on the part of the Company or the individual defendants. The Settlement became effective May 25, 2023, and the Settlement payment of $30.75 million was distributed to class members. In the second quarter of 2023, after the Company fulfilled all of its obligations pursuant to the court-approved Settlement, the Company reversed the previously recorded $31 million legal reserve, which was included within accrued expenses and other liabilities on the Consolidated Balance Sheets, and the related $31 million receivable related to the insurance reimbursement, which was included within other assets on the Consolidated Balance Sheets.

Certain derivative actions were brought against the officers named in the Securities Class Action, and certain current and former directors of the Company, alleging claims relating to the matters at issue in the Securities Class Action. In February 2024, formal stipulations of settlement incorporating the substantive terms of the memoranda of understanding and detailing the proposed settlements' operational terms were submitted for court approval. The orders approving the formal stipulations of settlement became final and non-appealable in the second and third quarters of 2024, respectively, and the Company fulfilled all of its obligations pursuant to such stipulations of settlements. The settlements are without any admission of the allegations in the complaints, which the defendants deny. In the second quarter of 2024, the Company's insurers funded $2.8 million to an escrow account established for the purpose of paying the settlement amounts in accordance with the terms of the applicable settlement, and the Company reversed the previously recorded $2.8 million legal reserve within accrued expenses and other liabilities and the related $2.8 million receivable within other assets on the Consolidated Balance Sheets.

Other

Gulf Coast Subordinated Debt

In August 2021, we filed suit in the Circuit Court for Baltimore County (the "Court") against the holders of certain Subordinated Debt (the "Debt Holders") associated with our Gulf Coast master lease agreement, following an assertion by the Debt Holders that our prior exercise of offset rights in connection with Gulf Coast's non-payment of rent had resulted in defaults under the terms of the Subordinated Debt. The suit seeks a declaratory judgment to, among other items, declare that the aggregate amount of unpaid rent due from Gulf Coast under the master lease agreement exceeds all amounts which otherwise would be due and owing by an indirect subsidiary of Omega ("Omega Obligor") under the Subordinated Debt, and that all principal and interest due and owing under the Subordinated Debt may be (and was) offset in full as of December 31, 2021. In October 2021, the Debt Holders filed a motion to dismiss for lack of personal jurisdiction. On November 3, 2022, the Court granted the Debt Holders' motion to dismiss for lack of personal jurisdiction, and Omega filed a timely appeal of the ruling. While Omega believes Omega Obligor is entitled to the enforcement of the offset rights sought in the action, Omega cannot predict the outcome of the declaratory judgment action, irrespective of whether (a) it is ultimately litigated in the Court if Omega Obligor prevails in its appeal or (b) if the order granting the motion to dismiss for lack of personal jurisdiction is affirmed and the issues are litigated in the Delaware Court (as defined below).

On or about January 19, 2023, the Debt Holders served a lawsuit against the Omega Obligor in the Superior Court of the State of Delaware (the "Delaware Court"), asserting claims for (i) breach of the instruments evidencing the Subordinated Debt, (ii) declaratory judgment, and (iii) unjust enrichment, all claims that are factually based on the claims that are the subject of Omega Obligor's suit in the Court and that are now on appeal. On February 8, 2023, Omega Obligor filed a motion to dismiss or, in the alternative, to stay this action pending the outcome of the above-referenced lawsuit in Maryland. On July 10, 2023, the Delaware state court case stayed the proceeding pending further developments in the Maryland litigation. Omega believes that the claims are baseless and is evaluating procedural and substantive legal options in connection with this recently filed suit to the extent the stay is lifted.

Other

In addition to the matters above, we are subject to various other legal proceedings, claims and other actions arising out of the normal course of business. While any legal proceeding or claim has an element of uncertainty, management believes that the outcome of each lawsuit, claim or legal proceeding that is pending or threatened, or all of them combined, will not have a material adverse effect on our consolidated financial position or results of operations.

Indemnification Agreements

In connection with certain facility transitions, we have agreed to indemnify certain operators in certain events. As of December 31, 2024, our maximum funding commitment under these indemnification agreements was approximately $11.4 million. Claims under these indemnification agreements generally may be made within 18 months to 72 months of the transition date. These indemnification agreements were provided to certain operators in connection with facility transitions and generally would be applicable if the prior operators do not perform under their transition agreements.

Commitments

We have committed to fund the construction of new leased and mortgaged facilities, capital improvements and other commitments. We expect the funding of these commitments to be completed over the next several years. Our remaining commitments at December 31, 2024, are outlined in the table below (in thousands):

Lessor construction and capital commitments under lease agreements	$	221,839
Non-real estate loan commitments		65,709
Real estate loan commitments		50,446
Total remaining commitments [(1)]	$	337,994

(1) Includes finance costs.

During the third quarter of 2024, we amended the existing master lease with Brookdale Senior Living Inc. ("Brookdale") to extend the maturity date from December 2027 to December 2037. As part of the amendment, we agreed to provide up to $80.0 million in funding for capital expenditures on the facilities subject to the master lease (included in the table above). The annual rent under the lease will not be adjusted for fundings of capital expenditures in the aggregate amount of up to $30.0 million of the $80.0 million commitment. With respect to the remaining $50.0 million of the $80.0 million commitment, the annual rent under the lease will increase by the amount of each capital expenditure multiplied by 9.5%.

NOTE 21 – SUPPLEMENTAL DISCLOSURE TO CONSOLIDATED STATEMENTS OF CASH FLOWS

The following are supplemental disclosures to the consolidated statements of cash flows for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
		(in thousands)	
Reconciliation of cash and cash equivalents and restricted cash:			
Cash and cash equivalents	$ 518,340	$ 442,810	$ 297,103
Restricted cash	30,395	1,920	3,541
Cash, cash equivalents and restricted cash at end of year	$ 548,735	$ 444,730	$ 300,644
Supplemental information:			
Interest paid during the year, net of amounts capitalized	$ 230,993	$ 234,453	$ 220,748
Taxes paid during the year	$ 8,414	$ 3,615	$ 5,793
Non-cash investing activities			
Non-cash acquisition of real estate (see Note 3)	$ (344,008)	$ —	$ (9,818)
Non-cash proceeds from sale of business	$ —	$ —	$ 7,532
Non-cash investment in non-real estate loans receivables (See Note 3)	$ (1,632)	$ —	$ —
Non-cash investment in other investments	$ —	$ —	$ (7,532)
Non-cash financing activities			
Assumption of debt (see Note 3 and Note 14)	$ 263,989	$ —	$ —
Non-cash contribution from noncontrolling member in consolidated joint venture	$ —	$ —	$ 2,903
Change in fair value of hedges	$ 13,737	$ (21,649)	$ 88,460
Remeasurement of debt denominated in a foreign currency	$ (6,638)	$ 1,150	$ (4,077)

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued

NOTE 22 - EARNINGS PER SHARE

The following tables set forth the computation of basic and diluted earnings per share:

	Year Ended December 31,		
	2024	2023	2022
	(in thousands, except per share amounts)		
Numerator:			
Net income available to common stockholders – basic	$ 406,326	$ 242,180	$ 426,927
Add: net income attributable to OP Units	12,060	7,077	11,914
Net income available to common stockholders – diluted	$ 418,386	$ 249,257	$ 438,841
Denominator:			
Denominator for basic earnings per share	258,118	240,493	236,256
Effect of dilutive securities:			
Common stock equivalents	4,664	2,923	1,198
Noncontrolling interest – Omega OP Units	7,668	7,035	6,836
Denominator for diluted earnings per share	270,450	250,451	244,290
Earnings per share – basic:			
Net income available to common stockholders	$ 1.57	$ 1.01	$ 1.81
Earnings per share – diluted:			
Net income available to common stockholders	$ 1.55	$ 1.00	$ 1.80

NOTE 23 – SEGMENTS

We conduct our operations and report financial results as one business segment. The presentation of financial results as one reportable segment is consistent with the way we operate our business and is consistent with the manner in which our CODM, our Chief Executive Officer, evaluates performance and makes resource and operating decisions for the business.

The reportable segment derives revenues from operators primarily through providing financing and capital to the long-term healthcare industry. Our core portfolio consists of long-term “triple net” leases and real estate loans with our operators. In addition to our core investments, we make loans to operators and/or their principals. From time to time, we also acquire equity interests in joint ventures or entities that support the long-term healthcare industry and our operators. Omega derives revenue primarily in the U.S. and manages the business activities on a consolidated basis. The accounting policies of the business segment are the same as those described in the summary of significant accounting policies.

The CODM evaluates performance and makes resource and operating decisions for the business based on net income that is reported on the Consolidated Statements of Operations. The measure of segment assets is reported on the Consolidated Balance Sheets as total assets. The CODM uses net income to evaluate whether to make new investments, borrow or pay-off debt and/or issue or repurchase equity. The Company's CODM periodically reviews interest expense and treats it as a significant segment expense. Interest expense is the largest recurring cash expense of the Company because debt is one of our primary sources of funds for new investments. Dependent on market conditions, our CODM seeks to mitigate the effects of fluctuations in interest rates by matching the terms of new investments with long-term fixed rate borrowings to the extent possible. Additionally, the CODM also utilizes hedging instruments as discussed in Note 15 – Derivatives and Hedging, to help manage interest rate risk and limit significant fluctuations in interest expense for variable rate borrowings. Interest expense related to the Company's reportable segment is as follows:

	Year Ended December 31,		
	2024	2023	2022
		(in thousands)	
Interest expense	$ 211,319	$ 221,832	$ 220,296
Interest – amortization of deferred financing costs [1]	10,397	13,697	12,948
Interest expense – net	$ 221,716	$ 235,529	$ 233,244

(1) Includes amortization of deferred financing costs, discounts and premiums.

NOTE 24 – SUBSEQUENT EVENTS

Leadership Transition

In January 2025, the Company and Daniel J. Booth, Chief Operating Officer, mutually agreed that Mr. Booth's employment agreement with the Company would terminate effective January 2, 2025. The Company entered into a Transition Agreement and Release (the "Transition Agreement") as of January 1, 2025 with Mr. Booth in connection with his departure and transitioning of his responsibilities. The Transition Agreement provides that Mr. Booth will be entitled to receive the payments and benefits due in connection with a termination of employment by the Company without cause pursuant to his Employment Agreement, as amended, dated effective January 1, 2024, provided that vesting of his previously granted equity incentives shall be prorated through January 1, 2026, and he shall be entitled to certain continued benefits under his supplemental life insurance policy. In addition, in connection with the Transition Agreement, Mr. Booth will be eligible to receive a transition payment of $2.0 million to be made in equal installments not less frequently than twice per month over the 24 month period commencing as of January 2, 2025. In addition, pursuant to a Consulting Agreement entered into between the Company and Mr. Booth as of January 3, 2025, Mr. Booth has agreed to perform such consulting and advisory services from January 3, 2025 through January 1, 2026 as the Company may require in connection with transitioning Mr. Booth's responsibilities.

We account for our stock-based awards in accordance with provisions of ASC 718, Compensation – Stock Compensation which includes guidance for accounting for a modification of existing stock-based compensation awards. In connection with the transition discussed above and the modification of certain of Mr. Booth's equity awards, the Company will incur non-cash stock-based compensation expense of $6.6 million in the first quarter of 2025.

2025 New Investments

In January 2025, we funded a $15.4 million mortgage loan to one operator. The loan bears interest at 11.0% and matures in June 2030.

In January 2025, we acquired two facilities in Texas for consideration of $10.6 million and leased them to one new operator. The facilities have an initial annual cash yield of 9.9% with annual escalators of 2.0%.

OMEGA HEALTHCARE INVESTORS, INC.

SCHEDULE III – REAL ESTATE AND ACCUMULATED DEPRECIATION
(in thousands)
December 31, 2024

Description [1]	Encumbrances	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition			Gross Amount at Which Carried at Close of Period [2] [4]			[3] Accumulated Depreciation	Date of Construction	[6] Date Acquired	Life on Which Depreciation in Latest Income Statements is Computed
		Land	Buildings and Improvements	Improvements	Carrying Cost	[5] Other	[7] Land	Buildings and Improvements	Total				
Alabama (SNF)		$ 1,817	$ 33,356	$ 14,328	$ —	$ —	$ 1,817	$ 47,684	$ 49,501	$ (42,820)	1960 - 1982	1992 - 1997	31 years - 33 years
Arizona (ALF, ILF, SNF)		11,502	117,878	4,287	—	—	11,502	122,165	133,667	(38,377)	1949 - 1999	2005 - 2021	25 years - 40 years
Arkansas (ALF, SNF)		2,810	48,765	4,911	—	(36)	2,810	53,640	56,450	(33,668)	1967 - 1988	1992 - 2014	25 years - 31 years
California (ALF, SF, SNF)		81,970	464,633	14,384	—	(478)	81,970	478,539	560,509	(178,143)	1938 - 2013	1997 - 2021	5 years - 35 years
Colorado (ILF, SNF)		11,283	88,830	8,188	—	(10)	11,272	97,019	108,291	(56,612)	1925 - 1975	1998 - 2016	20 years - 39 years
Connecticut (ALF)		25,063	252,417	11,253	1,320	—	25,063	264,990	290,053	(84,581)	1968 - 2019	2010 - 2017	30 years - 33 years
Florida (ALF, ILF, SNF)		59,622	432,694	22,447	7	(20,832)	58,632	435,306	493,938	(217,371)	1942 - 2018	1993 - 2021	2 years - 39 years
Georgia (ALF, SNF)		3,740	47,689	1,626	—	—	3,740	49,315	53,055	(19,564)	1967 - 1997	1998 - 2016	30 years - 40 years
Idaho (SNF)		5,735	47,530	1,920	—	(542)	5,193	49,450	54,643	(25,253)	1920 - 2008	1997 - 2014	25 years - 39 years
Illinois (ALF)		1,830	13,967	1,597	—	—	1,830	15,564	17,394	(3,049)	1999	2021	25 years
Indiana (ALF, ILF, SF, SNF)		47,657	566,170	16,864	—	(7,453)	47,563	575,675	623,238	(239,855)	1942 - 2015	1992 - 2020	20 years - 40 years
Iowa (ALF, SNF)		2,343	59,310	352	—	(7,330)	2,332	52,343	54,675	(22,342)	1961 - 1998	2010 - 2014	23 years - 33 years
Kansas (SNF)		4,092	38,693	14,219	—	—	4,092	52,912	57,004	(31,352)	1957 - 1977	2005 - 2011	25 years
Kentucky (ALF, SNF)		15,556	130,819	7,517	—	—	15,556	138,336	153,892	(64,103)	1964 - 2002	1999 - 2016	20 years - 33 years
Louisiana (ALF, SNF)		6,692	121,675	4,877	448	(1,495)	6,692	125,505	132,197	(35,891)	1951 - 2020	1997 - 2024	22 years - 39 years
Maryland (SNF)		17,526	131,741	14,723	—	—	17,526	146,464	163,990	(47,590)	1921 - 2016	2008 - 2023	25 years - 30 years
Massachusetts (ALF, SNF)		23,621	143,172	24,378	—	(693)	23,621	166,857	190,478	(76,938)	1964 - 2017	1997 - 2014	20 years - 33 years
Michigan (SNF)		1,915	45,585	—	—	(15,925)	1,635	29,940	31,575	(879)	1950 - 1973	2011 - 2024	25 years
Minnesota (ALF, ILF, SNF)		10,502	52,585	5,972	—	—	10,502	58,557	69,059	(26,338)	1966 - 1983	2014	33 years
Mississippi (SNF)		8,803	191,448	827	—	—	8,803	192,275	201,078	(58,878)	1965 - 2008	2009 - 2019	20 years - 30 years
Missouri (SNF)		608	11,694	—	—	(7,211)	247	4,844	5,091	(3,812)	1965 - 1989	1999	33 years
Montana (SNF)		1,319	11,698	432	—	—	1,319	12,130	13,449	(4,604)	1963 - 1971	2005	33 years
Nebraska (SNF)		750	14,892	108	—	(1,050)	750	13,950	14,700	(6,197)	1966 - 1969	2012 - 2015	20 years - 33 years
Nevada (SNF, SF)		8,811	92,797	8,350	—	—	8,811	101,147	109,958	(42,022)	1972 - 2012	2009 - 2017	25 years - 33 years
New Hampshire (ALF, SNF)		1,782	19,837	1,463	—	—	1,782	21,300	23,082	(12,990)	1963 - 1999	1998 - 2006	33 years - 39 years
New Jersey (ALF)		12,953	58,199	1,954	1,559	—	12,953	61,712	74,665	(10,008)	1999 - 2021	2019 - 2021	25 years
New Mexico (SNF)		6,008	45,285	1,318	—	—	6,008	46,603	52,611	(17,174)	1960 - 1985	2005	33 years
New York (ALF)		118,606	176,921	3,658	40,543	(5,900)	118,606	215,222	333,828	(42,050)	2020	2015	25 years
North Carolina (ALF, SNF)		29,063	369,884	12,040	336	(902)	28,876	381,545	410,421	(132,982)	1963 - 2019	1994 - 2024	25 years - 36 years
Ohio (ALF, SNF, SF)		28,026	332,613	20,265	345	(28,680)	27,776	324,793	352,569	(108,846)	1929 - 2021	1994 - 2020	25 years - 39 years
Oklahoma (SNF)		1,280	11,190	573	—	—	1,280	11,763	13,043	(8,678)	1965 - 1993	2010	20 years
Oregon (ALF, ILF, SNF)		8,740	128,799	11,483	—	—	8,740	140,282	149,022	(32,532)	1959 - 2007	2005 - 2024	25 years - 33 years
Pennsylvania (ALF, ILF, SNF)		26,876	360,250	19,421	—	(18,321)	26,871	361,355	388,226	(140,943)	1873 - 2012	2004 - 2022	20 years - 39 years
Rhode Island (SNF)		3,299	23,487	3,805	—	—	3,299	27,292	30,591	(17,345)	1965 - 1981	2006	39 years
South Carolina (SNF)		8,480	76,912	2,860	—	—	8,480	79,772	88,252	(33,454)	1959 - 2007	2014 - 2016	20 years - 33 years
Tennessee (ALF, SNF, SF)		12,976	268,846	9,092	—	—	12,976	277,938	290,914	(128,878)	1968 - 2018	1992 - 2021	20 years - 31 years
Texas (ALF, ILF, MOB, SNF, SF)		75,922	798,209	44,579	197	7,106	78,495	847,518	926,013	(304,280)	1949 - 2019	1997 - 2024	20 years - 40 years
United Kingdom (ALF)		267,973	1,028,908	19,471	—	(71,967)	255,544	988,841	1,244,385	(133,272)	1650 - 2012	2015 - 2024	25 years - 30 years
Vermont (SNF)		318	6,005	602	—	—	318	6,607	6,925	(3,756)	1971	2004	39 years
Virginia (ALF, SNF)		35,653	381,065	11,997	26	(579)	35,479	392,683	428,162	(118,058)	1964 - 2017	2010 - 2023	25 years - 40 years
Washington (ALF, SNF)		14,565	184,114	6,770	—	(23,664)	12,912	168,873	181,785	(50,094)	1951 - 2004	1999 - 2021	25 years - 33 years
Washington DC (ALF)		68,017	—	124,527	15,496	—	68,017	140,023	208,040	—	N/A	2021	N/A
West Virginia (SNF)		3,475	202,085	7,062	—	—	3,475	209,147	212,622	(61,540)	1850 - 2016	1994 - 2024	25 years - 39 years
Wisconsin (SNF)		399	4,581	2,153	—	—	399	6,734	7,133	(3,897)	1974	2005	33 years
Total		$ 1,079,978	$ 7,637,228	$ 488,653	$ 60,277	$ (205,962)	$ 1,065,564	$ 7,994,610	$ 9,060,174	$ (2,721,016)			

(1) The real estate included in this schedule is being used in either the operation of skilled nursing facilities ("SNF"), assisted living facilities ("ALF"), independent living facilities ("ILF"), specialty facilities ("SF") (consisting of specialty hospitals, long-term acute care hospitals, independent rehabilitation facilities, behavioral health substance facilities, behavioral health psychology facilities and traumatic brain injury facilities) or medical office buildings ("MOB"), located in the states or country indicated.

OMEGA HEALTHCARE INVESTORS, INC.

SCHEDULE III – REAL ESTATE AND ACCUMULATED DEPRECIATION — continued
(in thousands)
December 31, 2024

(2)

	Year Ended December 31,		
	2024	2023	2022
Balance at beginning of period	$8,372,419	$8,860,264	$9,028,745
Acquisitions [(a)]	740,661	262,453	225,336
Impairment	(23,728)	(89,985)	(38,451)
Improvements	114,610	87,760	60,931
Disposals/other	(143,788)	(748,073)	(416,297)
Balance at close of period	$9,060,174	$8,372,419	$8,860,264

(a) Includes approximately $344.0 million and $8.2 million of non-cash consideration exchanged and/or valuation adjustments during the year ended December 31, 2024 and 2022 respectively.

(3)

	Year Ended December 31,		
	2024	2023	2022
Balance at beginning of period	$2,469,893	$2,322,773	$2,181,528
Provisions for depreciation	302,088	317,536	331,963
Dispositions/other	(50,965)	(170,416)	(190,718)
Balance at close of period	$2,721,016	$2,469,893	$2,322,773

(4) The reported amount of our real estate at December 31, 2024 is greater than the tax basis of the real estate by approximately $504.6 million (unaudited).
(5) Reflects bed sales, impairments (including the write-off of accumulated depreciation), land easements and impacts from foreign currency exchange rates.
(6) To the extent that we acquired an entity previously owning the underlying facility, the acquisition date reflects the date that the entity acquired the facility.
(7) Includes $68.9 million of construction in progress related to land, all other amounts related to construction in progress are reflected in buildings and improvements.

OMEGA HEALTHCARE INVESTORS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE IV – MORTGAGE LOANS ON REAL ESTATE
(in thousands)
December 31, 2024

Grouping	Description [1]	Interest Rate	Fixed/ Variable	Final Maturity Date	Periodic Payment Terms	Prior Liens	Face Amount of Mortgages	Carrying Amount of Mortgages [3] [4] [6]	Carrying Amount of Loans Subject to Delinquent Principal or Interest
	First Mortgages								
1	Michigan (36 SNFs and 1 ALF)	11.44 %	F[2]	2030	Interest plus approximately $108.2 of principal payable monthly with $417,336 due at maturity	None	$ 606,325	$ 451,516	$ —
2	Ohio (8 SNFs)	10.50 %	F[2]	2037	Interest payable monthly until maturity	None	72,420	72,420	—
3	Ohio (2 SNFs)	12.00 %	F	2027	Interest payable monthly until maturity	None	7,300	7,300	—
4	Illinois (2 ALFs, 1 SNF and 1 ILF)	10.00 %	F	2028	Interest payable monthly until maturity	None	60,000	53,750	—
5	Pennsylvania (4 ALFs)	10.00 %	F	2027	Interest payable monthly until maturity	None	38,626	36,404	—
6	Michigan (1 ALF)	10.00 %	F	2027	Interest payable monthly until maturity	None	8,000	8,000	—
7	Florida (1 ALF)	10.00 %	F	2027	Interest payable monthly until maturity	None	8,332	8,332	—
8	Tennessee (1 ALF)	8.00 %	F	2025	Interest payable monthly until maturity	None	8,680	8,680	—
9	Oregon (1 ALF)	9.00 %	F	2026	Interest payable monthly until maturity	None	5,000	5,000	—
10	Massachusetts (1 specialty facility)	9.00 %	F	2023	Past due	None	9,000	—	— [5]
11	Tennessee (1 SNF)	8.35 %	F	2015	Past due	None	6,377	1,472	1,472 [5]
12	Connecticut (1 SNF)	10.00 %	F	2027	Interest payable monthly until maturity	None	5,058	5,058	
13	Ohio (1 SNF)	10.00 %	F[2]	2024[7]	Interest payable monthly until maturity	None	21,325	21,325	—
14	Georgia (2 ALFs)	10.00 %	F	2029	Interest payable monthly until maturity	None	9,551	9,551	—
15	Georgia (2 SNFs, 1 ALF), Florida (1 SNF)	10.00 %	F	2027	Interest payable monthly until maturity	None	29,700	29,700	—
16	United Kingdom (1 ALF)	11.00 %	F	2025	Interest payable monthly until maturity	None	10,081	10,081	—
17	United Kingdom (15 ALFs)	11.00 %	F	2025	Interest payable monthly until maturity	None	39,069	39,069	—
18	United Kingdom (11 ALFs)	11.00 %	F	2025	Interest payable monthly until maturity	None	61,742	61,742	—
19	Florida (1 ALF)	10.00 %	F	2027	Interest payable monthly until maturity	None	11,891	11,890	—
	Capital Expenditure Mortgages								
20	Ohio	10.00 %	F[2]	2037	Interest plus approximately $16.2 of principal payable monthly with $979 due at maturity	None	7,200	5,231	—
21	Michigan	10.25 %	F[2]	2030	Interest payable monthly until maturity	None	560	263	—
22	Michigan	10.00 %	F[2]	2030	No interest due on the first $300, then interest payable monthly until maturity	None	500	227	—
23	Michigan	11.62 %	F[2]	2030	Interest plus approximately $6.4 of principal payable monthly with $51,644 due at maturity	None	54,223	52,200	—
	Construction Mortgages								
24	United Kingdom (1 ALF)	10.00 %	F	2025	Interest payable monthly until maturity	None	18,446	18,446	—
25	United Kingdom (1 ALF)	10.00 %	F	2025	Interest payable monthly until maturity	None	53,220	53,220	—
	Allowance for credit loss on mortgage loans[8]							(28,112)	—
							$ 1,152,626	$ 942,765	$ 1,472

(1) Loans included in this schedule represent first mortgages, capital expenditure mortgages and construction mortgages on facilities used in the delivery of long-term healthcare of which such facilities are located in the states indicated.
(2) Interest on the loans escalates at a fixed rate.
(3) The aggregate cost for federal income tax purposes is approximately $982.3 million (unaudited).

OMEGA HEALTHCARE INVESTORS, INC.

SCHEDULE IV – MORTGAGE LOANS ON REAL ESTATE — continued
(in thousands)
December 31, 2024

(4)

	Year Ended December 31,		
	2024	2023	2022
Balance at beginning of period	$ 698,776	$ 648,130	$ 835,086
Additions during period - new mortgage loans or additional fundings [a]	292,722	102,332	12,977
Deductions during period - collection of principal/other [b]	(63,876)	(79,418)	(190,141)
Allowance for credit loss on mortgage loans	15,143	27,732	(9,792)
Balance at close of period	$ 942,765	$ 698,776	$ 648,130

(a) The 2024, 2023 and 2022 amounts include $1.5 million, $2.3 million and $1.2 million, respectively, of non-cash interest paid-in-kind. The 2024 amount also includes $7.3 million of non-cash placement of mortgage capital.
(b) The 2023 and 2022 amounts include $3.9 million and $6.0 million, respectively, of interest payments that were directly applied against the principal balance outstanding using the cost recovery method. The 2023 amounts also include $37.0 million of non-cash principal reductions.

(5) Mortgage written down to the fair value of the underlying collateral.
(6) Mortgages included in the schedule which were extended during 2024 aggregated approximately $112.0 million.
(7) Subsequent to year end, this mortgage note was amended to extend the maturity date to December 31, 2025.
(8) The allowance for credit loss on mortgage loans represents the allowance calculated utilizing a PD and LGD methodology. For mortgages that the risk of loss was evaluated on an individual basis, the allowance is included as a reduction to the carrying amount of the mortgage.

INDEX TO EXHIBITS TO 2024 FORM 10-K

EXHIBIT NUMBER	DESCRIPTION
3.1	Articles of Amendment and Restatement of Omega Healthcare Investors, Inc., as amended. (Incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-3ASR, filed September 3, 2015).
3.2	Articles Supplementary of Omega Healthcare Investors, Inc. filed with the State Department of Assessments and Taxation of Maryland on November 5, 2019 (Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q, filed November 8, 2019).
3.3	Amended and Restated Bylaws of Omega Healthcare Investors, Inc. as of October 21, 2022 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed October 21, 2022).
3.4	Certificate of Limited Partnership of OHI Healthcare Properties Limited Partnership (Incorporated by reference to Exhibit 3.121 to the Company's Form S-4, filed April 16, 2015).
3.5	Third Amended and Restated Agreement of Limited Partnership of OHI Healthcare Properties Limited Partnership as of February 11, 2025.*
4.0	See Exhibits 3.1 to 3.5.
4.1	Indenture, dated as of September 11, 2014, by and among the Company, the subsidiary guarantors named therein, and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed September 11, 2014).
4.1A	First Supplemental Indenture, dated as of November 25, 2014, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association, and that certain Second Supplemental Indenture, dated as of January 23, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5A to the Company's Annual Report on Form 10-K, filed February 27, 2015).
4.1B	Third Supplemental Indenture, dated effective as of March 2, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2B to the Company's Registration Statement on Form S-4, filed April 16, 2015).
4.1C	Fourth Supplemental Indenture, dated as of April 1, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2B to the Company's Registration Statement on Form S-4, filed April 16, 2015).
4.1D	Fifth Supplemental Indenture, dated as of August 4, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q, filed November 6, 2015).
4.1E	Sixth Supplemental Indenture, dated as of November 9, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3E to the Company's Annual Report on Form 10-K, filed February 29, 2016).
4.1F	Seventh Supplemental Indenture, dated as of March 29, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q, filed May 6, 2016).
4.1G	Eighth Supplemental Indenture, dated as of May 13, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q, filed August 5, 2016).
4.1H	Ninth Supplemental Indenture, dated as of August 9, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q, filed November 8, 2016).
4.1I	Tenth Supplemental Indenture, dated as of November 10, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3I to the Company's Annual Report on Form 10-K, filed February 24, 2017).
4.1J	Eleventh Supplemental Indenture, dated as of March 17, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q, filed May 5, 2017).
4.1K	Twelfth Supplemental Indenture, dated as of May 11, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).

4.1L	Thirteenth Supplemental Indenture, dated as of May 25, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2A to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.2	Indenture, dated as of March 18, 2015, by and among the Company, the subsidiary guarantors named therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed March 24, 2015).
4.2A	First Supplemental Indenture, dated as of April 1, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5A to the Company's Quarterly Report on Form 10-Q, filed May 8, 2015).
4.2B	Second Supplemental Indenture, dated as of August 4, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2A to the Company's Registration Statement on Form S-4, filed October 6, 2015).
4.2C	Third Supplemental Indenture, dated as of November 9, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2B to the Amendment to the Company's Registration Statement on Form S-4/A, filed November 12, 2015).
4.2D	Fourth Supplemental Indenture, dated as of March 29, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q, filed May 6, 2016).
4.2E	Fifth Supplemental Indenture, dated as of May 13, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q, filed August 5, 2016).
4.2F	Sixth Supplemental Indenture, dated as of August 9, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q, filed November 8, 2016).
4.2G	Seventh Supplemental Indenture, dated as of November 10, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4G to the Company's Annual Report on Form 10-K, filed February 24, 2017).
4.2H	Eighth Supplemental Indenture, dated as of March 17, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q, filed May 5, 2017).
4.2I	Ninth Supplemental Indenture, dated as of May 11, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.2J	Tenth Supplemental Indenture, dated as of May 25, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.3A to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.3	Indenture, dated as of September 23, 2015, by and among the Company, each of the subsidiary guarantors listed therein, and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed September 29, 2015).
4.3A	First Supplemental Indenture, dated as of November 9, 2015, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1A to the Company's Registration Statement on Form S-4, filed November 12, 2015).
4.3B	Second Supplemental Indenture, dated as of March 29, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5 to the Company's Quarterly Report on Form 10-Q, filed May 6, 2016).
4.3C	Third Supplemental Indenture, dated as of May 13, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5 to the Company's Quarterly Report on Form 10-Q, filed August 5, 2016).
4.3D	Fourth Supplemental Indenture, dated as of August 9, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5 to the Company's Quarterly Report on Form 10-Q, filed November 8, 2016).
4.3E	Fifth Supplemental Indenture, dated as of November 10, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5E to the Company's Annual Report on Form 10-K, filed February 24, 2017).

4.3F	Sixth Supplemental Indenture, dated as of March 17, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5 to the Company's Quarterly Report on Form 10-Q, filed May 5, 2017).
4.3G	Seventh Supplemental Indenture, dated as of May 11, 2017 among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.3H	Eighth Supplemental Indenture, dated as of May 25, 2017 among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.4A to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.4	Indenture, dated as of July 12, 2016, by and among the Company, each of the subsidiary guarantors listed therein, and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed July 12, 2016).
4.4A	First Supplemental Indenture, dated as of August 9, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.6A to the Company's Quarterly Report on Form 10-Q, filed November 8, 2016).
4.4B	Second Supplemental Indenture, dated as of November 10, 2016, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.6B to the Company's Annual Report on Form 10-K, filed February 24, 2017).
4.4C	Third Supplemental Indenture, dated as of March 17, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.6 to the Company's Quarterly Report on Form 10-Q, filed May 5, 2017).
4.4D	Fourth Supplemental Indenture, dated as of May 11, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5 to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.4E	Fifth Supplemental Indenture, dated as of May 25, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.5A to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.5	Indenture, dated as of April 4, 2017, by and among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed April 4, 2017).
4.5A	First Supplemental Indenture, dated as of May 11, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.6A to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.5B	Second Supplemental Indenture, dated as of May 25, 2017, among the Company, each of the subsidiary guarantors listed therein and U.S. Bank National Association (Incorporated by reference to Exhibit 4.6B to the Company's Quarterly Report on Form 10-Q, filed August 9, 2017).
4.6	Indenture, dated as of September 20, 2019, among the Company, OHI Healthcare Properties Limited Partnership and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed September 20, 2019).
4.7	Indenture, dated as of October 9, 2020, among the Company, OHI Healthcare Properties Limited Partnership and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed October 9, 2020).
4.7A	First Supplemental Indenture, dated as of October 30, 2020, among the Company, OHI Healthcare Properties Limited Partnership and U.S. Bank National Association (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q, filed November 3, 2020).
4.8	Indenture, dated as of March 10, 2021, among the Company, OHI Healthcare Properties Limited Partnership and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed March 10, 2021).
4.9	Description of Securities registered under Section 12 of the Securities Exchange Act of 1934 (Incorporated by reference to Exhibit 4.10 to the Company's Annual Report on Form 10-K, filed February 14, 2023).
10.1	Form of Directors and Officers Indemnification Agreement (Incorporated by reference to Exhibit 10.1 to the Company's Annual Report on Form 10-K, filed February 23, 2018).
10.2	Amended and Restated Deferred Stock Plan, dated October 16, 2012, and forms of related agreements (Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed November 7, 2012).

10.3	Credit Agreement, dated as of April 30, 2021, among the Company, certain subsidiaries of the Company identified therein as guarantors, the lenders named therein and Bank of America, N.A., as administrative agent for such lenders (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed May 4, 2021).
10.3A	Conforming Changes Amendment to Credit Agreement, dated as of June 7, 2023, between the Company and Bank of America, N.A., as administrative agent (Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed August 3, 2023).
10.4	Credit Agreement, dated as of April 30, 2021, among OHI Healthcare Properties Limited Partnership, the lenders named therein and Bank of America, N.A., as administrative agent for such lenders (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed May 4, 2021).
10.4A	Conforming Changes Amendment to Credit Agreement, dated as of June 7, 2023, between OHI Healthcare Properties Limited Partnership and Bank of America, N.A., as administrative agent (Incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed August 3, 2023).
10.5	At-the Market Equity Offering Sales Agreement, dated September 6, 2024, among the Company, the Sales Agents, the Forward Sellers and the Forward Purchasers (Incorporated by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K, filed September 6, 2024).
10.6	Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 11, 2018). +
10.6A	Amendment to Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan, effective June 5, 2023 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 5, 2023). +
10.6B	Form of Time-Based Restricted Stock Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (commencing 2022) (Incorporated by reference to Exhibit 10.6M to the Company's Annual Report on Form 10-K, filed February 17, 2022). +
10.6C	Form of Time-Based Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (2022 through 2024) (Incorporated by reference to Exhibit 10.6N to the Company's Annual Report on Form 10-K, filed February 17, 2022). +
10.6D	Form of Time-Based Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (commencing 2025). +*
10.6E	Form of TSR-Based Performance Restricted Stock Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (2022 through 2024) (Incorporated by reference to Exhibit 10.6O to the Company's Annual Report on Form 10-K, filed February 17, 2022). +
10.6F	Form of TSR-Based Performance Restricted Stock Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (commencing 2025). +*
10.6G	Form of TSR-Based Performance Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (2022 through 2024) (Incorporated by reference to Exhibit 10.6P to the Company's Annual Report on Form 10-K, filed February 17, 2022). +
10.6H	Form of TSR-Based Performance Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (commencing 2025). +*
10.6I	Form of Relative TSR-Based Performance Restricted Stock Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (2022 through 2024) (Incorporated by reference to Exhibit 10.6Q to the Company's Annual Report on Form 10-K, filed February 17, 2022). +
10.6J	Form of Relative TSR-Based Performance Restricted Stock Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (commencing 2025). +*
10.6K	Form of Relative TSR-Based Performance Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (2022 through 2024) (Incorporated by reference to Exhibit 10.6R to the Company's Annual Report on Form 10-K, filed February 17, 2022). +
10.6L	Form of Relative TSR-Based Performance Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan (commencing 2025).+*
10.6M	Form of Director Time-Based Profits Interest Units Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.+*
10.6N	Form of Director Restricted Stock Award Agreement pursuant to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.+*
10.7	Form of Officer Deferred Performance Restricted Stock Unit Agreement (Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q, filed August 5, 2013). +
10.8	Form of Employment Agreement for Company's executive officers. +*

10.9	Omega Healthcare Investors, Inc. Deferred Cash Compensation Plan with form of Deferral Agreement pursuant to the Omega Healthcare Investors, Inc. Deferred Cash Compensation Plan (June 30, 2018) (Incorporated by reference to Exhibit 10.2 to Omega Healthcare Investor Inc.'s Form 10-Q filed August 8, 2018). +
10.10	Credit Agreement, dated as of August 8, 2023, among Omega Healthcare Investors, Inc., certain subsidiaries of Omega Healthcare Investors, Inc. identified therein as guarantors, the lenders named therein and Bank of America, N.A., as administrative agent for such lenders (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed August 11, 2023).
10.11	Transition Agreement and Release, dated as of January 1, 2025, between Omega Healthcare Investors, Inc., Omega Asset Management LLC and Daniel Booth (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed January 6, 2025). +
10.12	Consulting Agreement, dated as of January 3, 2025, between Omega Healthcare Investors, Inc., Omega Asset Management LLC and Daniel Booth (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed January 6, 2025). +
19.1	Omega Healthcare Investors, Inc. Insider Trading Policy.*
21.1	Subsidiaries of the Registrant.*
22.1	Subsidiary guarantors of guaranteed securities.*
23.1	Consent of Independent Registered Public Accounting Firm for Omega Healthcare Investors, Inc.*
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of Omega Healthcare Investors, Inc.*
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of Omega Healthcare Investors, Inc.*
32.1	Section 1350 Certification of the Chief Executive Officer of Omega Healthcare Investors, Inc.*
32.2	Section 1350 Certification of the Chief Financial Officer of Omega Healthcare Investors, Inc.*
97.1	Omega Healthcare Investors, Inc. Incentive Compensation Recovery Policy (Incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K, filed February 12, 2024). +
101	The following financial statements from the Company's Annual Report on Form 10-K for the year ended December 31, 2024, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).

* Exhibits that are filed or furnished herewith.

+ Management contract or compensatory plan, contract or arrangement.

SIGNATURES

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

OMEGA HEALTHCARE INVESTORS, INC.
Registrant

Date: February 13, 2025

By: /s/ C. Taylor Pickett
C. Taylor Pickett
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Omega Healthcare Investors, Inc., for itself and in the capacities on the date indicated.

Signatures	Title	Date
/s/ C. Taylor Pickett C. Taylor Pickett	Chief Executive Officer (Principal Executive Officer)	February 13, 2025
/s/ Robert O. Stephenson Robert O. Stephenson	Chief Financial Officer (Principal Financial Officer)	February 13, 2025
/s/ Neal A. Ballew Neal A. Ballew	Chief Accounting Officer (Principal Accounting Officer)	February 13, 2025
/s/ Craig R. Callen Craig R. Callen	Chair of the Board	February 13, 2025
/s/ Kapila K. Anand Kapila K. Anand	Director	February 13, 2025
/s/ Dr. Lisa C. Egbuonu-Davis Dr. Lisa C. Egbuonu-Davis	Director	February 13, 2025
/s/ Barbara B. Hill Barbara B. Hill	Director	February 13, 2025
/s/ Kevin J. Jacobs Kevin J. Jacobs	Director	February 13, 2025
/s/ C. Taylor Pickett C. Taylor Pickett	Director	February 13, 2025
/s/ Stephen D. Plavin Stephen D. Plavin	Director	February 13, 2025
/s/ Burke W. Whitman Burke W. Whitman	Director	February 13, 2025

Exhibit 3.5

Execution Version

THIRD AMENDED AND RESTATED AGREEMENT
OF LIMITED PARTNERSHIP

OF

OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP

Dated as of February 11, 2025

THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION, UNLESS IN THE OPINION OF COUNSEL SATISFACTORY TO THE PARTNERSHIP THE PROPOSED SALE, TRANSFER OR OTHER DISPOSITION MAY BE EFFECTED WITHOUT REGISTRATION UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES OR "BLUE SKY" LAWS.

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THIRD AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP

This THIRD AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP (this "**Agreement**") dated as of February 11, 2025, is entered into by and among Omega Healthcare Investors, Inc., a Maryland corporation (the "**Omega REIT**"), as a General Partner and a Limited Partner, and the Persons whose names are set forth on the Partner Registry as Partners (each as hereinafter defined), together with any other Persons who become Partners in the Partnership as provided herein. Capitalized terms used herein are defined in Article 1 unless otherwise provided.

Recitals

WHEREAS, the Partnership was organized as a limited partnership under the name OHI Healthcare Properties Limited Partnership, L.P. pursuant to and in accordance with the Act by the filing of a Certificate of Limited Partnership of the Partnership (as amended or restated from time to time in accordance with the terms hereof and of the Act, the "**Certificate**") with the Office of the Secretary of State of the State of Delaware on October 24, 2014;

WHEREAS, on October 24, 2014, Omega REIT, as the initial sole General Partner, and OHI Healthcare Properties Holdco, Inc., a Delaware corporation ("**Omega Holdco**"), as the initial sole Limited Partner, entered into an Agreement of Limited Partnership of OHI Healthcare Properties Limited Partnership, L.P. (the "**Original Agreement**");

WHEREAS, on November 19, 2014, the Partnership changed its name to OHI Healthcare Properties Limited Partnership pursuant to and in accordance with the Act by the filing of an amendment to the Certificate with the Office of the Secretary of State of the State of Delaware;

WHEREAS, in connection with the addition of, among other things, the LTIP Units, the Partners amended and restated the Original Agreement in its entirety by entering into that certain First Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of March 30, 2015 (the "**First A&R Agreement**");

WHEREAS, in connection with the closing of the merger (the "**Merger**") between Omega REIT and Aviv REIT, Inc. ("**Aviv REIT**"), the Partners amended and restated the First A&R Agreement by entering into that certain Second Amended and Restated Agreement of Limited Partnership of the Partnership (the "**Existing Agreement**"), dated as of April 1, 2015;

WHEREAS, pursuant to Section 14.1(a)(iv) of the Existing Agreement, the General Partner may amend the Existing Agreement without the approval of any Limited Partner to reflect a change that in the sole and absolute discretion of the General Partner does not adversely affect the Limited Partners in any material respect;

WHEREAS, to provide for the terms of Option Units and to make other updates to the Existing Agreement primarily relating to the ownership of Subsidiary REITs and changes in applicable law, the parties desire to amend and restate the Existing Agreement in its entirety by entering into this Agreement; and

WHEREAS, except as otherwise expressly provided herein, the parties hereto intend that the affairs of the Partnership shall be managed by the General Partner.

Agreement

NOW, **THEREFORE**, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE 1
DEFINED TERMS

Section 1.1 Definitions.

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

"**Act**" means the Delaware Revised Uniform Limited Partnership Act, as it may be amended from time to time, and any successor to such statute.

"**Additional Funds**" has the meaning set forth in Section 4.5(a).

"**Additional General Partner**" means a Person admitted to the Partnership as an additional General Partner pursuant to Section 12.1 and who is shown as such on the books and records of the Partnership.

"**Additional Limited Partner**" means a Person admitted to the Partnership as an additional Limited Partner pursuant to Section 12.2 and who is shown as such on the books and records of the Partnership.

"**Adjusted Capital Account Deficit**" means, with respect to any Partner, the deficit balance, if any, in such Partner's Capital Account as of the end of the relevant Partnership Year, after giving effect to the following adjustments: (i) decrease such deficit by any amounts which such Partner is obligated to restore pursuant to this Agreement or is deemed to be obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Regulations Sections 1.704-2(i)(5) and 1.704-2(g)(1); and (ii) increase such deficit by the items described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6). The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Adjustment Events**" has the meaning set forth in Section 15.3.

"**Adjustment Factor**" means, as of the Effective Date, 1.0; *provided, however*, that in the event that:

(i) Omega REIT (a) declares or pays a dividend on its outstanding REIT Shares in REIT Shares or makes a distribution to all holders of its outstanding REIT Shares in REIT Shares, (b) splits or subdivides its outstanding REIT Shares or (c) effects a reverse stock split or otherwise combines or reclassifies its outstanding REIT Shares into a smaller number of REIT Shares, the Adjustment Factor shall be adjusted by multiplying the Adjustment Factor previously in effect by a fraction (1) the numerator of which shall be the number of REIT Shares issued and outstanding on the record date for such dividend, distribution, split, subdivision, reverse split, combination or reclassification (assuming for such purposes that such dividend, distribution, split, subdivision, reverse split, combination or reclassification has occurred as of such time) and (2) the denominator of which shall be the actual number of REIT Shares (determined without the above assumption) issued and outstanding on the record date for such dividend, distribution, split, subdivision, reverse split, combination or reclassification; *provided, however*, that the Adjustment Factor shall not be adjusted if, concurrently with any of the actions taken with respect to the Omega REIT Shares as described above in this paragraph (i) a number of Units of the Partnership are issued to all Partners pursuant to Section 4.4(b)(i) such that, after such issuance of Units, the ratio of Partnership Units owned by Omega REIT, taking into account both Units in the Partnership that are owned by Omega REIT directly, and indirectly through wholly-owned Affiliates of Omega REIT, to the number of REIT Shares outstanding after the actions taken in this paragraph (i) is equal to such ratio that existed before such actions;

(ii) Omega REIT distributes any rights, options or warrants to all holders of its REIT Shares to subscribe for or to purchase or to otherwise acquire REIT Shares (or other securities or rights convertible into, exchangeable for or exercisable for REIT Shares) at a price per share less than the Value of a REIT Share on the record date for such distribution (each a "**Distributed Right**"), the Adjustment Factor shall be adjusted by multiplying the Adjustment Factor previously in effect by a fraction (a) the numerator of which

shall be the number of REIT Shares issued and outstanding on the record date plus the maximum number of REIT Shares purchasable under such Distributed Rights and (b) the denominator of which shall be the number of REIT Shares issued and outstanding on the record date plus a fraction (1) the numerator of which is the maximum number of REIT Shares purchasable under such Distributed Rights multiplied by the minimum purchase price per REIT Share under such Distributed Rights and (2) the denominator of which is the Value of a REIT Share as of the record date; *provided*, *however*, that, if any such Distributed Rights expire or become no longer exercisable, then the Adjustment Factor shall be adjusted, effective retroactively to the date of distribution of the Distributed Rights, to reflect a reduced maximum number of REIT Shares or any change in the minimum purchase price for the purposes of the above fraction; or

(iii) Omega REIT shall, by dividend or otherwise, distribute to all holders of its REIT Shares evidences of its indebtedness or assets (including securities, but excluding any dividend or distribution referred to in paragraph (i) or (ii) above), which evidences of indebtedness or assets relate to assets not received by Omega REIT or its Subsidiaries pursuant to a pro rata distribution by the Partnership, the Adjustment Factor shall be adjusted to equal the amount determined by multiplying the Adjustment Factor in effect immediately prior to the close of business on the record date by a fraction (1) the numerator of which shall be such Value of a REIT Share on the record date and (2) the denominator of which shall be the Value of a REIT Share on the record date less the then fair market value (as determined by the General Partner, whose determination shall be conclusive) of the portion of the evidences of indebtedness or assets so distributed applicable to one REIT Share.

Any adjustments to the Adjustment Factor shall become effective immediately after the effective date of the event necessitating the adjustment, retroactive to the record date, if any, for such event.

"**Affiliate**" means, with respect to any Person, (a) each other Person that, directly or indirectly, owns or controls, whether beneficially or as a trustee, guardian or other fiduciary, fifty percent (50%) or more of the stock or ownership interest of such Person and (b) each other Person that controls, is controlled by or is under common control with such Person. For the purpose of this definition, "control" of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of such Person's management or policies, whether through the ownership of voting securities, by contract or otherwise.

"**Agreement**" has the meaning set forth in the introductory paragraph.

"**Assignee**" means a Person to whom one or more Units have been Transferred in a manner permitted under this Agreement, but who has not become a Substituted Limited Partner.

"**Assumed New Debt Obligations and Liabilities**" has the meaning set forth in Section 4.5(d).

"**Available Cash**" means Gross Receipts, reduced by the payment, or accrual for payment, of all business operating expenses and capital costs relating to the business of the Partnership and its assets, including any and all principal payments, capital expenditures, management and other fees, interest, and other charges or provisions, including escrow deposits made pursuant to the terms of the Debt of the Partnership or its Subsidiaries, reserves for current and future working capital requirements, acquisitions of additional properties, contingencies, reserves, anticipated obligations and other charges or provisions as determined by the General Partner in its sole and absolute discretion.

"**Aviv Contribution Agreement**" means that certain Aviv Contribution and Assumption Agreement, dated as of April 1, 2015, by and between Aviv LP and the Partnership.

"**Aviv LP**" means Aviv Healthcare Properties Limited Partnership, a Delaware limited partnership.

"**Aviv LP Exchange**" means the distribution of Limited Partnership Interests to Former Aviv LPs in exchange for limited partnership units in Aviv LP that took place on effective June 30, 2015 pursuant to those certain Unit Exchange Agreements by and between the Partnership and each Former Aviv LP.

"**Aviv REIT**" has the meaning set forth in the Recitals.

"**Business Day**" means a day of the year on which banks are not required or authorized to close in New York, New York.

"**Bylaws**" means the Amended and Restated Bylaws of Omega REIT, as amended or supplemented from time to time.

"**Capital Account**" means, with respect to any Partner, the Capital Account maintained for such Partner in accordance with the following provisions:

(a) To each Partner's Capital Account there shall be added (i) the amount of money and the Gross Asset Value of any property (other than money) contributed to the Partnership by such Partner, (ii) such Partner's allocable share of Net Income and any items in the nature of income or gain which are specially allocated pursuant to Article 6 and (iii) the amount of any Partnership liabilities assumed by such Partner or which are secured by any property distributed to such Partner.

(b) From each Partner's Capital Account there shall be subtracted (i) the amount of cash and the Gross Asset Value of any Partnership property distributed to such Partner pursuant to any provision of this Agreement, (ii) such Partner's allocable share of Net Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Article 6 and (iii) the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(c) In the event any interest in the Partnership is Transferred in accordance with Article 11, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the Transferred interest.

(d) In determining the amount of any liability for purposes of subsections (a) and (b) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2, and shall be interpreted and applied in a manner consistent with such Regulations. For the avoidance of doubt, in the case of any Partner holding LP Units and LTIP Units and/or Option Units, a separate computation will be made of the Partner's Economic Capital Account Balance with respect to the Partner's LTIP Units and/or Option Units as sub-accounts of the Partner's Capital Account.

"**Capital Account Limitation**" has the meaning set forth in Section 15.9(b).

"**Capital Contribution**" means, with respect to any Partner, the amount of money and the Gross Asset Value of any property (other than money) contributed or deemed contributed by such Partner to the Partnership, after reduction for any liabilities to which such property is subject or which the Partnership assumes with respect to such property.

"**Cash Amount**" means, with respect to a Tendering Partner, an amount of cash equal to the product of (A) the Value of a REIT Share and (B) such Tendering Partner's REIT Shares Amount determined as of the date of receipt by the General Partner of such Tendering Partner's Notice of Redemption or, if such date is not a Business Day, the immediately preceding Business Day (or such other amount provided in a separate agreement between the Partnership and Tendering Partner).

"**Certificate**" has the meaning set forth in the Recitals.

"**Charter**" means the Articles of Amendment and Restatement of Omega REIT, as amended or supplemented from time to time.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute thereto, as interpreted by the applicable Regulations thereunder. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of future law.

"**Common Unit Economic Balance**" means the quotient of (a) the aggregate Capital Account balance attributable to the Common Units plus the amount of Partner Minimum Gain or Partnership Minimum Gain, in either case, to the extent attributable to the ownership of Common Units and computed on a hypothetical basis after taking into account all allocations through the date on which any allocation is made under Section 6.2(a), divided by (b) the number of Common Units outstanding.

"**Common Units**" means, collectively, the GP Units and the LP Units.

"**Consent**" means the consent to, approval of or vote in favor of a proposed action by a Partner given in accordance with Article 14.

"**Constituent Person**" has the meaning set forth in Section 15.9(f).

"**Conversion Date**" has the meaning set forth in Section 15.9(b).

"**Conversion Notice**" has the meaning set forth in Section 15.9(b).

"**Conversion Right**" has the meaning set forth in Section 15.9(a).

"**Debt**" of any Person means, without duplication: (i) the principal, accreted value, accrued and unpaid interest, accrued and unpaid prepayment and redemption premiums or penalties (if any), unpaid fees or expenses and other monetary obligations in respect of (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable; (ii) all obligations of such Person issued or assumed as the deferred purchase price of property, all earned but unpaid earn-out payments (to the extent the applicable payment obligations remain outstanding), all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable and other accrued current liabilities arising in the ordinary course of business of such Person consistent with past practice (other than the current liability portion of any indebtedness for borrowed money)); (iii) all obligations of such Person under leases required to be capitalized in accordance with GAAP; (iv) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction; (v) all indemnification obligations incurred under any property transition or other similar agreement; (vi) all obligations of such Person under any interest rate, collar or swap, or other contract, any currency swap, or agreement relating to a forward, swap, or other hedging transaction of any type, whether or not for bona fide hedging purposes, (valued at the termination value thereof); (vii) the liquidation value, accrued and unpaid dividends, prepayment or redemption premiums and penalties (if any), unpaid fees or expenses and other monetary obligations in respect of any redeemable preferred equity interests of such Person; (viii) all obligations of the type referred to in clauses (i) through (vii) of any Persons for the payment of which such Person is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise, including guarantees of such obligations; and (ix) all obligations of the type referred to in clauses (i) through (viii) of other Persons secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) any lien on any property or asset of such Person (whether or not such obligation is assumed by such Person).

"**Debt Transaction Costs**" has the meaning set forth in Section 4.5(d).

"**Depreciation**" means, for each Partnership Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for U.S. federal income tax purposes with respect to an asset for such Partnership Year or other period, except that (a) with respect to any asset the Gross Asset Value of which differs from its adjusted tax basis for U.S. federal income tax purposes at the beginning of such Partnership Year and which difference is being eliminated by use of the "remedial method" as defined by Regulations Section 1.704-3(d), Depreciation for such Partnership Year shall be the amount of book basis recovered for such Partnership Year under the rules prescribed by Regulations Section 1.704-3(d)(2), and (b) with respect to any other asset the Gross Asset

Value of which differs from its adjusted tax basis for U.S. federal income tax purpose at the beginning of such Partnership Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the U.S. federal income tax depreciation, amortization, or other cost recovery deduction for such Partnership Year bears to such beginning adjusted tax basis; *provided*, *however*, that, in the case of clause (b) above, if the U.S. federal income tax depreciation, amortization or other cost recovery deduction for such Partnership Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

"**Distributed Right**" has meaning set forth in the definition of "Adjustment Factor."

"**Earned LTIP Units**" has the meaning set forth in Section 15.2(a).

"**Earned Unvested LTIP Units**" has the meaning set forth in Section 15.2(a).

"**Economic Capital Account Balance**" means, with respect to a Holder of LTIP Units or Option Units, its (a) Capital Account balance plus (b) the amount of its share of any Partner Minimum Gain or Partnership Minimum Gain, in either case to the extent attributable to its ownership of LTIP Units or Option Units.

"**Effective Date**" means February 11, 2025.

"**Equity Incentive Plan**" means any equity incentive plan heretofore or hereafter adopted by the Partnership, Omega REIT or Subsidiaries of the General Partner(s), including the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan, Omega Healthcare Investors, Inc. 2013 Stock Incentive Plan, the Aviv REIT, Inc. 2013 Long Term Incentive Plan and the Aviv REIT, Inc. 2010 Management Incentive Plan.

"**Equity Share Ownership Limit**" means the applicable restriction or restrictions on ownership of capital stock of Omega REIT imposed under the Charter.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**Excepted Holder**" has the meaning set forth in the Charter.

"**Excepted Holder Limit**" has the meaning set forth in the Charter.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Existing Agreement**" has the meaning set forth in the Recitals.

"**Fair Market Value**" means, when applied to any property or other consideration, the fair market value of such property or other consideration, as reasonably determined by the General Partner.

"**Forced Conversion**" has the meaning set forth in Section 15.9(c).

"**Forced Conversion Notice**" has the meaning set forth in Section 15.9(c).

"**Former Aviv LPs**" has the meaning set forth in Section 6.2(c).

"**GAAP**" means generally accepted accounting principles in the United States.

"**General Partner**" means a Person identified as General Partner on the Partner Registry, or any successor general partner of the Partnership or Additional General Partner, in its capacity as a general partner of the Partnership.

"**General Partner Interest**" means the Partnership Interest held by a General Partner, which Partnership Interest is an interest as a general partner under the Act. A General Partner Interest shall be expressed as a number of GP Units and shall have the rights and privileges attributed to a General Partner as specified in this Agreement.

"**GP Unit**" means a Unit of Interest, other than an LTIP Unit, an LP Unit, or an Option Unit, which, when expressed as a number, represents a fractional share of a General Partner's rights as measured against the Units of Interest of all Partners issued pursuant to Article 4.

"**Gross Asset Value**" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed or deemed contributed by a Partner to the Partnership shall be the Fair Market Value of such asset.

(b) The General Partner may make an election to adjust the Gross Asset Values of all Partnership property to reflect their respective Fair Market Values, as of the times listed below:

(i) immediately prior to the acquisition of additional Units in the Partnership by a new or existing Partner in exchange for more than a de minimis Capital Contribution, if the General Partner determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(ii) immediately prior to the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership property as consideration for an interest in the Partnership if the General Partner determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partner in the Partnership;

(iii) immediately prior to the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b) (2)(ii)(g);

(iv) immediately prior to the grant of Units in the Partnership (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Partnership by an existing Partner acting in a partner capacity, or by a new Partner acting in a partner capacity or in anticipation of becoming a Partner of the Partnership (including the grant of an LTIP Unit or Option Unit), if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership; and

(v) at such other times as the General Partner determines are necessary or advisable, including in order to comply with Regulations Sections 1.704-1(b) and 1.704-2.

(c) The Gross Asset Value of any Partnership property distributed to a Partner shall be adjusted to equal the Fair Market Value of such asset on the date of distribution.

(d) The Gross Asset Values of Partnership property shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such property pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); *provided* that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that the General Partner determines to make an adjustment pursuant to subparagraph (b) as necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

(e) If the Gross Asset Value of any Partnership property has been determined or adjusted pursuant to subparagraph (a), (b) or (d), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such property for purposes of computing Net Income and Net Losses.

(f) If any unvested LTIP Units or Option Units are forfeited, as described in Section 15.2(b) or Section 16.2(b), upon such forfeiture, the Gross Asset Value of the Partnership's assets shall be reduced by the amount of any reduction of such Partner's Capital Account attributable to the forfeiture of such LTIP Units or Option Units.

"**Gross Receipts**" means all cash received by the Partnership from any source, including rents and interest and repayment of loans made by the Partnership and Capital Contributions, but excluding tenant security deposits and proceeds from any sale, disposition or financing of assets.

"**Holder**" means either (a) a Partner or (b) an Assignee, owning a Unit, that is treated as a partner of the Partnership for federal income tax purposes.

"**Imputed Underpayment Amount**" means an "imputed underpayment" within the meaning of Code Section 6225 (or any similar provision under state, local or federal law) paid (or payable) by the Partnership, including any interest or penalties.

"**Incapacity**" or "**Incapacitated**" means: (i) as to any individual who is a Partner, death, total physical disability or entry by a court of competent jurisdiction adjudicating him or her incompetent to manage his or her Person or his or her estate (unless and until such time as such adjudication of incompetence is reversed or revoked); (ii) as to any corporation or limited liability company which is a Partner, the filing of a certificate of dissolution, or its equivalent, for the corporation or limited liability company, as the case may be, or the revocation of its charter; (iii) as to any partnership which is a Partner, the dissolution and commencement of winding up of the partnership; (iv) as to any estate which is a Partner, the distribution by the fiduciary of the estate's entire interest in the Partnership; and (v) as to any trustee of a trust which is a Partner, the termination of the trust (but not the substitution of a new trustee).

"**Indemnification Obligation**" means any indemnification obligation owed by the Partnership to the General Partners or their Affiliates pursuant to Section 7.6, which shall be paid (i) in cash or (ii) by the issuance of LP Units having an aggregate value equal to the amount of such Indemnification Obligation, in each case, in accordance with the terms of this Agreement.

"**Indemnitee**" means (i) any Person made a party to an action, suit or proceeding or claiming any loss, damage, liability, expense or other amount by reason of his, her or its status as (A) a General Partner, a former General Partner or any Person engaged or formerly engaged to provide management services to the Partnership or its Affiliates or (B) a director, officer, employee, agent, trustee or Affiliate of the Partnership, a General Partner, a former General Partner or any Person engaged or formerly engaged to provide management services to the Partnership or its Affiliates, (ii) any Person who is or was serving at the request of a General Partner or a former General Partner or any Affiliate thereof as a director, officer, employee, agent or trustee of another Person and (iii) such other Persons (including Affiliates of the Partnership or any General Partner) as the General Partner may designate from time to time, in its sole and absolute discretion.

"**IRS**" means the United States Internal Revenue Service or any successor agency.

"**Limited Partner**" means any Person holding LP Units, LTIP Units or Option Units as set forth in the Partner Registry, or any Substituted Limited Partner or Additional Limited Partner, in such Person's capacity as a Limited Partner in the Partnership. For the avoidance of doubt, a General Partner may also be a Limited Partner and will have the rights and powers, and will be subject to the restrictions and liabilities, of a Limited Partner to the extent of its LP Units.

"**Limited Partner Interest**" means a Partnership Interest of a Limited Partner in the Partnership representing a fractional part of the Partnership Interests of all Limited Partners and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. A Limited Partner Interest shall be expressed as a number of LP Units, LTIP Units, or Option Units.

"**Liquidating Event**" has the meaning set forth in Section 13.1.

"**Liquidating Gains**" means any net gain realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership (including upon the occurrence of any Liquidating Event or Terminating Capital Transaction), including but not limited to net gain realized in connection with an adjustment to the Gross Asset Value of Partnership assets under the definition of Gross Asset Value in Section 1.1 of this Agreement.

"**Liquidator**" has the meaning set forth in Section 13.2(a).

"**Loan Documents**" means the loan agreements, indentures and other ancillary documents evidencing, securing, guaranteeing, or otherwise associated with the Debt of a General Partner or the Partnership, or any of their respective Subsidiaries, from time to time.

"**LP Unit**" means a Unit of Interest, other than an LTIP Unit, an Option Unit, or a GP Unit, which, when expressed as a number, represents a fractional share of a Limited Partner's rights as measured against the Units of Interest of all Partners issued pursuant to Article 4.

"**LTIP Unit Distribution Participation Date**" has the meaning set forth in Section 15.4(a).

"**LTIP Units**" means the Units designated as such having the rights, powers, privileges, restrictions, qualifications and limitations set forth herein and in the Equity Incentive Plan or any Vesting Agreement relating thereto. LTIP Units can be issued in one or more classes, or one or more series of any class bearing such relationship to one another as to allocations, distributions, and other rights as the General Partner shall determine in its sole and absolute discretion subject to Delaware law.

"**Majority in Interest of the Outside Limited Partners**" means Limited Partners (excluding for this purpose any Limited Partner Interests held by (i) a General Partner or its Subsidiaries, (ii) any Person of which a General Partner or its Subsidiaries directly or indirectly owns or controls more than fifty percent (50%) of the voting interests and (iii) any Person directly or indirectly owning or controlling more than fifty percent (50%) of the outstanding interests of a General Partner) holding more than fifty percent (50%) of the outstanding Units held by all Limited Partners who are not excluded for the purposes hereof.

"**Market Price**" has the meaning set forth in the definition of "Value."

"**Merger**" has the meaning set forth in the Recitals.

"**Merger Agreement**" means that certain Agreement and Plan of Merger, effective as of October 30, 2014, by and among the Partnership, Omega REIT, Omega Holdco, Aviv LP, and Aviv REIT.

"**Net Income**" or "**Net Loss**" means, for each Partnership Year, an amount equal to the Partnership's taxable income or loss for such Partnership Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of "Net Income" or "Net Loss" shall be added to such taxable income or loss;

(b) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of "Net Income" or "Net Loss," shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Partnership property is adjusted pursuant to subparagraph (b) or subparagraph (c) of the definition of "Gross Asset Value," the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Income or Net Loss;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(e) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Partnership Year;

(f) To the extent an adjustment to the adjusted tax basis of any Partnership property pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Partnership Interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income or Net Loss; and

(g) Notwithstanding any other provision of this definition of "Net Income" or "Net Loss," any items of income, gain, loss or deduction which are specially allocated pursuant to Article 6 shall not be taken into account in computing Net Income or Net Loss. The amounts of the items of Partnership income, gain, loss or deduction available to be specially allocated pursuant to Article 6 shall be determined by applying rules analogous to those set forth in this definition of "Net Income" or "Net Loss."

"**New Debt Obligation**" has the meaning set forth in Section 4.5(d).

"**Nonrecourse Deductions**" has the meaning set forth in Regulations Section 1.704-2(b)(1), and the amount of Nonrecourse Deductions for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704-2(c).

"**Nonrecourse Liability**" has the meaning set forth in Regulations Section 1.752-1(a)(2).

"**Notice of Redemption**" means the Notice of Redemption substantially in the form of Exhibit B attached hereto.

"**Officer**" has the meaning set forth in Section 7.1(c).

"**Omega Contribution**" means the contribution by Omega REIT to the Partnership pursuant to the Omega Contribution Agreement.

"**Omega Contribution Agreement**" means that certain Omega Contribution and Assumption Agreement, dated as of March 30, 2015, by and between Omega REIT and the Partnership.

"**Omega Holdco**" has the meaning set forth in the Recitals.

"**Omega REIT**" has the meaning set forth in the introductory paragraph.

"**Option Unit Conversion Date**" has the meaning set forth in Section 16.9(b).

"**Option Unit Conversion Factor**" has the meaning set forth in Section 16.9(b)(i).

"**Option Unit Conversion Notice**" has the meaning set forth in Section 16.9(b).

"**Option Unit Conversion Right**" has the meaning set forth in Section 16.9(a).

"**Option Unit Forced Conversion**" has the meaning set forth in Section 16.9(c).

"**Option Unit Participation Threshold**" has the meaning set forth in Section 16.9(b)(ii).

"**Option Unit**" means the Units designated as such having the rights, preferences and other privileges set forth herein and in the Equity Incentive Plan or any Vesting Agreement relating thereto. Option Units can be issued in one or more classes, or one or more series of any class bearing such relationship to one another as to allocations,

distributions, and other rights as the General Partner shall determine in its sole and absolute discretion subject to Delaware law.

"**Original Agreement**" has the meaning set forth in the Recitals.

"**Participating Facility**" means any facility, the ownership interest of which is directly or indirectly owned or leased in full or in part by the Partnership.

"**Partner**" means a General Partner or a Limited Partner, and "**Partners**" means the General Partners and the Limited Partners, collectively.

"**Partner Minimum Gain**" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Regulations Section 1.704-2 (i)(3).

"**Partner Nonrecourse Debt**" has the meaning set forth in Regulations Section 1.704-2(b)(4).

"**Partner Nonrecourse Deductions**" has the meaning set forth in Regulations Section 1.704-2(i)(2), and the amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704-2(i)(2).

"**Partner Registry**" means the registry maintained by the Partnership in the books and records of the Partnership, which contains substantially the same information as would be necessary to complete the form of the Partner Registry attached hereto as Exhibit A.

"**Partnership**" means OHI Healthcare Properties Limited Partnership, a Delaware limited partnership, and any successor thereto.

"**Partnership Assets**" means any and all such interests (direct or indirect) in personal property and real property, including but not limited to equity interests in other entities, interests in joint ventures, fee interests, interests in ground leases, interests in mortgages, Debt instruments, and contractual rights and obligations, that the Partnership may hold from time to time.

"**Partnership Interest**" means a Partner's ownership interest in the Partnership including any and all benefits to which the holder of such Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Partner to comply with the terms and provisions of this Agreement. A Partnership Interest shall be expressed as a number of Units.

"**Partnership Minimum Gain**" has the meaning given such term in Regulations Section 1.704-2(b)(2), and the amount of Partnership Minimum Gain, as well as any net increase or decrease in Partnership Minimum Gain, for any Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704-2(d).

"**Partnership Record Date**" means a record date established by the General Partner for the distribution of Available Cash pursuant to Section 5.1, which record date shall generally be the same as the record date established by Omega REIT for a distribution to its stockholders of some or all of its portion of such distribution received directly or indirectly from the Partnership.

"**Partnership Year**" has the meaning set forth in Section 9.2.

"**Percentage Interest**" means, as to a Partner, the percentage determined by dividing the Units owned by such Partner by the total number of Units then outstanding as specified in the Partner Registry and taking into account the last sentence of this definition for all LTIP Units then outstanding. If the Partnership issues additional classes or series of Partnership Interests other than as contemplated herein, the interest in the Partnership among the classes or series of Partnership Interests shall be determined as set forth in an amendment to this Agreement setting forth the rights and privileges of such additional classes or series of Partnership Interests, if any, as contemplated by Section

4.4. For purposes of computing the Percentage Interest of a Holder of Units in connection with any determination required to be made under this Agreement, the total number of LTIP Units then outstanding shall be included in such computations or such fractional portion of each LTIP Unit as may be specified in this Agreement or any operative document or Vesting Agreement governing the provisions of the Equity Incentive Plan pursuant to which an award of LTIP Units is made.

"**Person**" means an individual or a corporation, limited liability company, partnership, trust, unincorporated organization, association or other entity.

"**Principal General Partner**" means the General Partner designated as such on the Partner Registry.

"**Proposed Section 83 Safe Harbor Regulations**" has the meaning set forth in Section 15.11.

"**PTP Safe Harbors**" has the meaning set forth in Section 11.6(e).

"**Publicly Traded**" means listed or admitted to trading on the New York Stock Exchange, the NASDAQ Stock Market or another national securities exchange, or any successor to the foregoing.

"**Qualified REIT Subsidiary**" means a qualified REIT Subsidiary of Omega REIT or any Subsidiary REIT within the meaning of Code Section 856(i)(2).

"**Qualified Transferee**" means an "Accredited Investor" as defined in Rule 501 promulgated under the Securities Act.

"**Qualifying Party**" means (a) a Limited Partner set forth on the Partner Registry, (b) an Additional Limited Partner or (c) a Substituted Limited Partner succeeding to all or part of the Limited Partner Interest of (i) a Limited Partner set forth on the Partner Registry or (ii) an Additional Limited Partner.

"**Redemption**" has the meaning set forth in Section 8.6(a).

"**Regulations**" means the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"**Regulatory Allocations**" has the meaning set forth in Section 6.2(b)(vii).

"**REIT**" means a real estate investment trust qualifying under Code Section 856.

"**REIT Payment**" has the meaning set forth in Section 17.11.

"**REIT Requirements**" has the meaning set forth in Section 5.1(c).

"**REIT Share**" means a share of Omega REIT's common stock, par value $0.10 per share.

"**REIT Shares Amount**" means a number of REIT Shares equal to the product of (a) the number of Tendered Units and (b) the Adjustment Factor in effect on the Specified Redemption Date with respect to such Tendered Units; *provided*, *however*, that in the event that Omega REIT issues to all holders of REIT Shares as of a certain record date rights, options, warrants or convertible or exchangeable securities entitling Omega REIT's stockholders to subscribe for or purchase REIT Shares, or any other securities or property (collectively, the "**Rights**"), with the record date for such Rights issuance falling within the period starting on the date of the Notice of Redemption and ending on the day immediately preceding the Specified Redemption Date, which Rights will not be distributed before the relevant Specified Redemption Date, then the REIT Shares Amount shall also include such Rights that a holder of that number of REIT Shares would be entitled to receive, expressed, where relevant hereunder, in a number of REIT Shares determined by the General Partner in good faith.

"**Rights**" has the meaning set forth in the definition of "REIT Shares Amount."

"**Section 83 Safe Harbor**" has the meaning set forth in Section 15.11.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

"**Service Provider**" has the meaning set forth in Section 4.6.

"**Specified Redemption Date**" means the tenth (10th) Business Day following receipt by the General Partner of a Notice of Redemption; *provided* that if the REIT Shares are not Publicly Traded, the Specified Redemption Date means the thirtieth (30th) Business Day following receipt by the General Partner of a Notice of Redemption.

"**Subsidiary**" means, with respect to any Person, (a) any corporation of which an aggregate of more than fifty percent (50%) of the outstanding stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned legally or beneficially by such Person and/or one or more Subsidiaries of such Person and (b) any partnership, limited liability company or other entity in which such Person and/or one or more Subsidiaries of such Person shall have, directly or indirectly, an interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%).

"**Subsidiary REIT**" means any direct or indirect subsidiary of the Partnership that is intended to qualify as a real estate investment trust under Code Section 856.

"**Substituted Limited Partner**" means a Person who is admitted to the Partnership as a Limited Partner pursuant to Section 11.4.

"**Survivor**" has the meaning set forth in Section 11.2(b)(iii).

"**Tax Items**" has the meaning set forth in Section 6.3(a).

"**Tendered Units**" has the meaning set forth in Section 8.6(a).

"**Tendering Partner**" has the meaning set forth in Section 8.6(a).

"**Terminating Capital Transaction**" means any sale or other disposition of all or substantially all of the assets of the Partnership or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the assets of the Partnership.

"**Transaction**" has the meaning set forth in Section 11.2(b).

"**Transfer**" or "**Transferred**" means, as a noun, any voluntary or involuntary transfer, exchange, sale, pledge, hypothecation, gift (outright or in trust) or other disposition or encumbrance and, as a verb, voluntarily or involuntarily to transfer, exchange, sell, pledge, hypothecate, gift (outright or in trust) or otherwise dispose of or encumber; *provided*, *however*, that when the term is used in Article 11, "Transfer" does not include any Redemption of Units by the Partnership or a General Partner, or acquisition of Tendered Units by a General Partner, pursuant to Section 8.6.

"**Unearned LTIP Units**" has the meaning set forth in Section 15.2.

"**Unit**" means a fractional share of a Partnership Interest of a Partner, also referred to as "**Unit of Interest**." The Partnership shall have four types of "**Units**" or "**Units of Interest**"— "GP," "LP," "LTIP," and "Option" — issued pursuant to Article 4; *provided*, *however*, that the General Partner Interests, the Limited Partner Interests, LTIP Units, and Option Units shall have the differences in rights and privileges as specified in this Agreement or, in the case of an LTIP Unit or Option Unit, as specified in an Equity Incentive Plan or any Vesting Agreement relating thereto.

"**Unvested LTIP Units**" has the meaning set forth in Section 15.2(a).

"**Unvested Option Units**" has the meaning set forth in Section 16.2(a).

"**Value**" means, on any date of determination with respect to a REIT Share, the average of the daily Market Prices for ten (10) consecutive trading days immediately preceding the date of determination except that, as provided in Section 4.6(b), the Market Price for the trading day immediately preceding the date of exercise of a stock option under any Equity Incentive Plan shall be substituted for such average of daily market prices for purposes of Section 4.6; *provided*, *however*, that for purposes of Section 8.6, the "date of determination" shall be the date of receipt by the General Partner of a Notice of Redemption or, if such date is not a Business Day, the immediately preceding Business Day. The term "**Market Price**" on any date shall mean: (i) if the REIT Shares are listed or admitted to trading on the New York Stock Exchange or another stock exchange, the last sale price for a REIT Share, regular way, on such date or, in case no such sale takes place on such date, the average of the closing bid and asked prices for a REIT Share, regular way, on such date, in each case as reported by the New York Stock Exchange or such other stock exchange on which the REIT Shares are listed or admitted to trading; (ii) if the REIT Shares are not listed or admitted to trading on the New York Stock Exchange or another stock exchange, the last reported sale price on such date or, if no sale takes place on such date, the average of the closing bid and asked prices for a REIT Share on such date or, if no such last reported sale price or closing bid and asked prices are available, the average of the reported high bid and low asked prices on such date, in each case as reported by a reliable quotation source selected by the General Partner; or (iii) in the event that no trading price is available for REIT Shares, the fair market value of a REIT Share, as determined in good faith by the Board of Directors of Omega REIT.

"**Vested LTIP Units**" has the meaning set forth in Section 15.2(a).

"**Vested Option Units**" has the meaning set forth in Section 16.2(a).

"**Vesting Agreement**" has the meaning set forth in Section 15.2(a).

ARTICLE 2
ORGANIZATIONAL MATTERS

Section 2.1 Organization. The Partnership is a limited partnership formed pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement. Except as expressly provided herein, the rights and obligations of the Partners and the administration and termination of the Partnership shall be governed by the Act. The Partnership Interests of each Partner shall be personal property for all purposes.

Section 2.2 Name. The name of the Partnership is "OHI Healthcare Properties Limited Partnership." The Partnership's business may be conducted under any other name or names deemed advisable by the General Partner, including in the name of a General Partner or any Affiliate thereof. The words "Limited Partnership," "L.P.," "Ltd." or similar words or letters shall be included in the Partnership's name where necessary for the purposes of complying with the laws of any jurisdiction that so requires. The General Partner in its sole and absolute discretion may change the name of the Partnership at any time and from time to time and shall notify the Limited Partners of such change in the next regular communication to the Limited Partners.

Section 2.3 Registered Office and Agent; Principal Office. The address of the registered office of the Partnership in the State of Delaware is located at Corporation Service Company, 2711 Centerville Road, Wilmington, Delaware 19808, and the registered agent for service of process on the Partnership in the State of Delaware at such registered office is Corporation Service Company. The principal office of the Partnership is located at 303 International Circle, Suite 200, Hunt Valley, Maryland 21030 or such other place as the General Partner may from

time to time designate by notice to the Limited Partners. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the General Partner deems advisable.

Section 2.4 Power of Attorney.

(a) Each Limited Partner and each Assignee constitutes and appoints the General Partner and any Liquidator (and any successor to any thereof by merger, transfer, assignment, election or otherwise) and each of the authorized officers and attorneys-in-fact of each of the foregoing, and each of those acting singly, in each case, with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead to:

(i) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices: (A) all certificates, documents and other instruments (including this Agreement and the Certificate and all amendments or restatements thereof) that the General Partner or any Liquidator, as applicable, deems appropriate or necessary to form, qualify or continue the existence or qualification of the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware and in all other jurisdictions in which the Partnership may conduct business or own property; (B) all instruments that the General Partner or any Liquidator, as applicable, deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement made in accordance with the terms of this Agreement; (C) all conveyances and other instruments or documents that the General Partner or any Liquidator, as applicable, deems appropriate or necessary to reflect the dissolution and liquidation of the Partnership pursuant to the terms of this Agreement, including a certificate of cancellation; (D) all instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or other events described in, Article 11, Article 12 or Article 13 or the Capital Contribution of any Partner; and (E) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges of Units, including any class of Units issued pursuant to Article 4; and

(ii) execute, swear to, acknowledge and file all ballots, consents, approvals, waivers, certificates and other instruments appropriate or necessary, in the sole and absolute discretion of the General Partner or any Liquidator, as applicable, to make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action which is made or given by the Partners hereunder or is consistent with the terms of this Agreement or appropriate or necessary, in the sole and absolute discretion of the General Partner or any Liquidator, as applicable, to effectuate the terms or intent of this Agreement.

Nothing contained in this Section 2.4 shall be construed as authorizing a General Partner or any Liquidator, as applicable, to amend this Agreement except in accordance with Article 14 or as may be otherwise expressly provided for in this Agreement.

(b) The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, in recognition of the fact that each of the Partners will be relying upon the power of the General Partner and any Liquidator, as applicable, to act as contemplated by this Agreement in any filing or other action by it on behalf of the Partnership, and it shall survive and not be affected by the subsequent Incapacity or bankruptcy of any Limited Partner or Assignee or the Transfer of all or any portion of such Limited Partner's or Assignee's Units or Partnership Interests and shall extend to such Limited Partner's or Assignee's heirs, successors, assigns and personal representatives. Each such Limited Partner or Assignee hereby agrees to be bound by any representation made by the General Partner or any Liquidator, as applicable, acting in good faith pursuant to such power of attorney; and each such Limited Partner or Assignee hereby waives any and all defenses which may be available to it to contest, negate or disaffirm the action of the General Partner or any Liquidator, as applicable, taken in good faith under such power of attorney. Each Limited Partner or Assignee shall execute and deliver to the General Partner or any Liquidator, as applicable, within fifteen (15) days after receipt of the General Partner's or Liquidator's, as applicable, request therefor, such further designation, powers of attorney and other instruments as the General Partner or the Liquidator, as the case may be, deems necessary to effectuate this Agreement and the purposes of the Partnership.

Section 2.5 Term. The term of the Partnership commenced on the filing of the Certificate with the Secretary of State of the State of Delaware and the Partnership shall continue in existence until the termination of the Partnership in accordance with the provisions of Article 13.

ARTICLE 3
PURPOSE

Section 3.1 Purpose and Business. The purpose and nature of the business to be conducted by the Partnership shall be: (a) to hold general partner interests, limited partner interests, limited liability company interests or other equity interests in, and to serve as general partner or manager of, or such other positions that control the operations of, any Subsidiary and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership as a general partner, manager or other position of control of each such Subsidiary pursuant to the partnership, operating or other agreement pursuant to which such Subsidiary is owned and operated or otherwise; (b) to conduct any business that may be lawfully conducted by a limited partnership organized pursuant to the Act; (c) to enter into any other partnership, joint venture or other similar arrangement to engage in any of the foregoing or to own interests, directly or indirectly, in any entity engaged, directly or indirectly, in any of the foregoing; and (d) to do anything necessary or incidental to the foregoing; *provided*, *however*, such business and arrangements and interests shall be limited to and conducted in such a manner, in the General Partner's sole and absolute discretion, so as to permit Omega REIT at all times to be classified as a REIT, unless Omega REIT, in accordance with its Charter and Bylaws, in its sole and absolute discretion has chosen to cease to qualify as a REIT or has chosen not to attempt to qualify as a REIT for any reason or reasons whether or not related to the business conducted by the Partnership. Without limiting the generality of the foregoing, the Partners acknowledge that the status of Omega REIT as a REIT inures to the benefit of all Partners and not solely to Omega REIT or its Affiliates.

Section 3.2 Powers.

(a) The Partnership is empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described herein and for the protection and benefit of the Partnership, including full power and authority, directly or through its ownership interest in other entities, to enter into, perform and carry out contracts of any kind, borrow money and issue evidences of Debt, whether or not secured by mortgage, deed of trust, pledge or other lien, acquire and develop real property and personal property and lease, sell, transfer and dispose of real property and personal property.

(b) Notwithstanding any other provision in this Agreement, the General Partner may cause the Partnership to take, or to refrain from taking, any action that, in the judgment of the General Partner, in its sole and absolute discretion, (i) could adversely affect the ability of Omega REIT or any Subsidiary REIT to continue to qualify as a REIT, (ii) could subject Omega REIT or any Subsidiary REIT to any additional taxes under Code Sections 856 or 857, or Code Section 4981 or any other related or successor provisions of the Code or (iii) could violate any law or regulation of any governmental body or agency having jurisdiction over Omega REIT, its securities or the Partnership.

Section 3.3 Partnership Only for Purposes Specified. The Partnership shall be a partnership only for tax purposes and the purposes specified in Section 3.1, and this Agreement shall not be deemed to create a partnership among the Partners with respect to any activities whatsoever other than the activities within such purposes. Except as otherwise expressly provided in this Agreement, no Limited Partner, in its capacity as such, shall have any authority to act for, bind, commit or assume any obligation or responsibility on behalf of the Partnership, its properties or any other Partner. No Partner, in its capacity as a Partner under this Agreement, shall be responsible or liable for any Debt or obligation of another Partner, nor shall the Partnership be responsible or liable for any Debts or obligation of any Partner, incurred either before or after the execution and delivery of this Agreement by such Partner, except as to those responsibilities, liabilities, Debt or obligations incurred or assumed pursuant to and as limited by the terms of this Agreement and the Act.

Section 3.4 Representations and Warranties by the Parties.

(a) Each Partner (including each Additional Limited Partner or Substituted Limited Partner as a condition to becoming an Additional Limited Partner or a Substituted Limited Partner, respectively) that is an individual represents and warrants to the Partnership and to each other Partner that (i) such Partner has the legal

capacity to enter into this Agreement and perform such Partner's obligations hereunder, (ii) the consummation of the transactions contemplated by this Agreement will not result in a breach or violation of, or a default under, any agreement by which such Partner or any of such Partner's property is bound, or any statute, regulation, order or other law to which such Partner is subject, (iii) subject to the last sentence of this Section 3.4(a) such Partner is neither a "foreign person" within the meaning of Code Section 1445(f) nor a "foreign partner" within the meaning of Code Section 1446(e), (iv) this Agreement is binding upon, and enforceable against, such Partner in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity)), (v) if such Partner is a Substituted Limited Partner or an Additional Limited Partner but is not an Excepted Holder, such Partner does not own, directly or indirectly, (A) 9.8% or more of the total combined voting power of all classes of stock entitled to vote, or 9.8% or more of the total value of all classes of stock, of any corporation that is a tenant of (1) Omega REIT, any Subsidiary REIT, or any Qualified REIT Subsidiary, (2) the Partnership or (3) any partnership, venture or limited liability company of which Omega REIT, any Subsidiary REIT, any Qualified REIT Subsidiary or the Partnership is a member or (B) an interest of 9.8% or more in the assets or net profits of any tenant of (1) Omega REIT, any Subsidiary REIT, or any Qualified REIT Subsidiary, (2) the Partnership or (3) any partnership, venture or limited liability company of which Omega REIT, any Subsidiary REIT, any Qualified REIT Subsidiary or the Partnership is a member and (vi) if such Partner is a Substituted Limited Partner or an Additional Limited Partner and is an Excepted Holder, such Partner does not own, directly or indirectly, REIT Shares in excess of his or her Excepted Holder Limit. Notwithstanding anything contained herein to the contrary, in the event that the representation contained in the foregoing clause (iii) would be inaccurate if given by a Partner, such Partner (x) shall not be required to make and shall not be deemed to have made such representation if it delivers to the General Partner in connection with or prior to its execution of this Agreement written notice that it may not truthfully make such representation, (y) hereby agrees that it is subject to, and hereby authorizes the General Partner to withhold, all withholdings to which such a "foreign person" or "foreign partner," as applicable, is subject under the Code and (z) hereby agrees to cooperate fully with the General Partner with respect to such withholdings, including by effecting the timely completion and delivery to the General Partner of all governmental forms required in connection therewith.

(b) Each Partner (including each Additional Limited Partner or Substituted Limited Partner as a condition to becoming an Additional Limited Partner or a Substituted Limited Partner, respectively) that is not an individual represents and warrants to the Partnership and to each other Partner that (i) such Partner is duly organized under the laws of its state of formation, and has the requisite power to execute and deliver this Agreement and perform its obligations hereunder, (ii) all transactions contemplated by this Agreement to be performed by it have been duly authorized by all necessary corporate, limited liability company or partnership action, as the case may be, including that of its general partner(s), members, committee(s), trustee(s), beneficiaries, directors and/or stockholder(s), as the case may be, as required, (iii) the consummation of such transactions will not result in a breach or violation of, or a default under, its partnership agreement, operating agreement, trust agreement, charter or by-laws or other organizational documents, as the case may be, any agreement by which such Partner or any of such Partner's property or any of its partners, beneficiaries, trustees or stockholders, as the case may be, is or are bound, or any statute, regulation, order or other law to which such Partner or any of its partners, trustees, beneficiaries or stockholders, as the case may be, is or are subject, (iv) subject to the last sentence of this Section 3.4(a), such Partner is neither a "foreign person" within the meaning of Code Section 1445(f) nor a "foreign partner" within the meaning of Code Section 1446(e), (v) this Agreement is binding upon, and enforceable against, such Partner in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity)), (vi) if such Partner is a Substituted Limited Partner or an Additional Limited Partner but is not an Excepted Holder, neither such Partner nor any of its beneficial owners owns, directly or indirectly, (A) 9.8% or more of the total combined voting power of all classes of stock entitled to vote, or 9.8% or more of the total value of all classes of stock, of any corporation that is a tenant of (1) Omega REIT, any Subsidiary REIT, or any Qualified REIT Subsidiary, (2) the Partnership or (3) any partnership, venture or limited liability company of which Omega REIT, any Subsidiary REIT, any Qualified REIT Subsidiary or the Partnership is a member or (B) an interest of 9.8% or more in the assets or net profits of any tenant of (1) Omega REIT, any Subsidiary REIT, or any Qualified REIT Subsidiary, (2) the Partnership or (3) any partnership, venture, or limited liability company of which Omega REIT, any Subsidiary REIT, any Qualified REIT Subsidiary or the Partnership is a member, and (vii) if such Partner is a Substituted Limited Partner or an Additional Limited Partner and is an Excepted Holder, neither such Partner nor any

of its beneficial owners owns, directly or indirectly, REIT Shares in excess of its Excepted Holder Limit. Notwithstanding anything contained herein to the contrary, in the event that the representation contained in the foregoing clause (iv) would be inaccurate if given by a Partner, such Partner (x) shall not be required to make and shall not be deemed to have made such representation if it delivers to the General Partner in connection with or prior to its execution of this Agreement written notice that it may not truthfully make such representation, (y) hereby agrees that it is subject to, and hereby authorizes the General Partner to withhold, all withholdings to which such a "foreign person" or "foreign partner," as applicable, is subject under the Code and (z) hereby agrees to cooperate fully with the General Partner with respect to such withholdings, including by effecting the timely completion and delivery to the General Partner of all governmental forms required in connection therewith.

(c) Each Partner (including each Additional Limited Partner or Substituted Limited Partner as a condition to becoming an Additional Limited Partner or Substituted Limited Partner, respectively) represents and warrants that it has acquired its interest in the Partnership for its own account for investment purposes only and not for the purpose of, or with a view toward, the resale or distribution of all or any part thereof, nor with a view toward selling or otherwise distributing such interest or any part thereof at any particular time or under any predetermined circumstances in violation of securities law. Each Partner further represents and warrants that it is a sophisticated investor, able and accustomed to handling sophisticated financial matters for itself, particularly real estate investments, and that it has a sufficiently high net worth that it does not anticipate a need for the funds it has invested in the Partnership in what it understands to be a highly speculative and illiquid investment.

(d) The representations and warranties contained in Section 3.4(a), Section 3.4(b), and Section 3.4(c) shall survive the execution and delivery of this Agreement by each Partner (and, in the case of an Additional Limited Partner or a Substituted Limited Partner, the admission of such Additional Limited Partner or Substituted Limited Partner as a Limited Partner in the Partnership) and the dissolution and winding up of the Partnership.

ARTICLE 4
CAPITAL CONTRIBUTIONS

Section 4.1 Capital Contributions of the Partners. Each Partner has made (or shall be deemed to have made) a Capital Contribution to the Partnership and in exchange has been issued Units in the respective amounts set forth for such Partner on the Partner Registry. The General Partner shall update the Partner Registry from time to time to the extent necessary to reflect accurately sales, exchanges, conversions or other Transfers, redemptions, Capital Contributions, the issuance of additional Units or similar events having an effect on a Partner's ownership of Units. Except as required by law or as otherwise provided in Section 4.4 or Section 4.5, no Partner shall be required to make any additional Capital Contributions or loans to the Partnership.

Section 4.2 General Partner Interest. The Partnership shall have at least one (1), but may have more than one (1), General Partner. The Partnership shall have only one (1) General Partner designated as Principal General Partner. Except as otherwise specifically stated herein or as the context may otherwise require, the Principal General Partner, in its sole and absolute discretion and without the consent of the Limited Partners or other General Partner(s), if any, shall have all of the powers and obligations granted to or imposed on the General Partner hereunder. The action or inaction, as the case may be, of the Principal General Partner with respect to any of the powers or obligations granted to or imposed on the General Partner hereunder shall be deemed an exercise of the powers and performance of the obligations generally delegated to the General Partner hereunder. For purposes of clarity and not in limitation of the foregoing, all references in this Agreement to the "General Partner" shall be references to the Principal General Partner except as the context may otherwise require.

Section 4.3 Units. From and after the Effective Date, the Partnership shall have four classes of Units: "GP Units," "LP Units," "LTIP Units," and "Option Units." Notwithstanding any provision of this Agreement to the contrary, no class, series, or group of Partners or Partnership Interests shall exist except as expressly provided in this Agreement or expressly provided by action duly taken in accordance with this Agreement, and no such class, series, or group of Partners or Partnership Interests shall be entitled to vote, consent, or give approval with respect to any

matter as a class, series, or group except as expressly provided in this Agreement or expressly provided by action duly taken in accordance with this Agreement.

Section 4.4 Issuances of Additional Partnership Interests.

(a) General. The General Partner is hereby authorized to cause the Partnership to issue additional Partnership Interests, in the form of Units, for any Partnership purpose, at any time or from time to time, to the Partners (including a General Partner) or to other Persons, and to admit such other Persons as Additional General Partners and/or Additional Limited Partners, for such consideration and on such terms and conditions as shall be established by the General Partner in its sole and absolute discretion, all without the approval of any Limited Partners. Without limiting the foregoing, the General Partner is expressly authorized to cause the Partnership to issue Units (i) upon the conversion, redemption or exchange of any Debt or other securities issued by the Partnership, (ii) for less than Fair Market Value, so long as the General Partner concludes in good faith that such issuance is in the best interests of the Omega REIT and the Partnership, and (iii) in connection with any merger of any other Person with or into the Partnership or any Subsidiary of the Partnership if the applicable merger agreement provides that Persons are to receive Units in exchange for their interests in the Person merging with or into the Partnership or any Subsidiary of the Partnership. Any additional Partnership Interests shall be issued as Units. Upon the issuance of any additional Units, the General Partner shall update the Partner Registry as appropriate to reflect such issuance.

(b) Issuances to the General Partners. No additional Units shall be issued to a General Partner unless: (i) the additional Units are issued to all Partners in proportion to their respective Percentage Interests; (ii) (A) the additional Units are Units issued in connection with an issuance of REIT Shares and (B) a General Partner contributes or otherwise causes to be transferred to the Partnership the cash proceeds or other consideration, if any, received in connection with the issuance of such REIT Shares; (iii) the additional Units are issued upon the conversion, redemption or exchange of Debt or other securities issued by the Partnership; or (iv) the additional Units are issued to and in connection with the admission of a new Additional General Partner where there has been a transfer of property having a Fair Market Value equal to the Value of the additional Units transferred to the new Additional General Partner. In the event that the Partnership issues additional Units pursuant to this Section 4.4(b), the General Partner shall make such revisions to this Agreement as it determines are necessary to reflect the issuance of such additional Units.

Section 4.5 Additional Equity Funding, Capital Contributions.

(a) General. The General Partner may, at any time and from time to time, determine that the Partnership requires additional funds ("**Additional Funds**") for the acquisition of additional Partnership Assets, for the redemption of Units or for such other Partnership purposes as the General Partner may determine in its sole and absolute discretion. Additional Funds may be raised by the Partnership, at the election of the General Partner, in any manner provided in, and in accordance with, the terms of this Section 4.5. No Person shall have any preemptive, preferential or similar right or rights to subscribe for or acquire any Partnership Interests.

(b) Additional Capital Contributions. The Partnership may raise all or any portion of such Additional Funds by accepting additional Capital Contributions from the Partners (or any Partner, including a General Partner) or from third parties on terms and conditions as shall be determined by the General Partner. In connection with any such additional Capital Contributions (of cash or property), the General Partner is hereby authorized and directed to cause the Partnership to issue additional Units and to amend the Percentage Interests attributable to each Partner. In the event that the Partnership accepts additional Capital Contributions pursuant to this Section 4.5(b), the General Partner shall make such additional revisions to this Agreement as are consistent with and necessary to reflect such additional Capital Contributions and issuance of Units, in each case without the consent of any Limited Partner. The General Partner shall update the Partner Registry as appropriate to reflect such Capital Contributions and issuance.

(c) Issuance of Securities by Omega REIT. In the event that Omega REIT issues any additional REIT Shares or other shares of capital stock in a transaction that does not otherwise result in a change in the Adjustment Factor, Omega REIT shall contribute such cash or other consideration received in connection with the issuance of such REIT Shares (or other shares of capital stock of Omega REIT) to the Partnership (or indirectly to any Partnership Subsidiary) in exchange for additional LP Units; *provided*, *however*, that notwithstanding the foregoing, Omega REIT may issue REIT Shares or other shares of capital stock without any such corresponding contribution or issuance of

additional LP Units (i) pursuant to Section 8.6(b), (ii) pursuant to a dividend or distribution (including any stock split) of REIT Shares or other shares of capital stock to all of the holders of REIT Shares or other shares of capital stock or (iii) pursuant to share grants or awards made pursuant to any Equity Incentive Plan. In the event of any issuance by Omega REIT of additional REIT Shares or other shares of capital stock, and a direct or indirect contribution to the Partnership or any Partnership Subsidiary of the cash proceeds or other consideration received from such issuance, the Partnership shall pay Omega REIT's expenses associated with such issuance, including any underwriting discounts or commissions (it being understood that if the proceeds actually received by Omega REIT are less than the gross proceeds of such issuance as a result of any underwriter's discount or other expenses paid or incurred by Omega REIT in connection with such issuance, then Omega REIT shall be deemed to have made a Capital Contribution to the Partnership, in the amount of the gross proceeds of such issuance and the Partnership shall be deemed simultaneously to have reimbursed Omega REIT for the amount of such underwriter's discount or other expenses). Without limiting the foregoing, Omega REIT is expressly authorized to issue additional REIT Shares or other shares of capital stock, as the case may be, for less than Fair Market Value, and the General Partner is expressly authorized to cause the Partnership to issue to Omega REIT or its designee corresponding Units, so long as (a) the General Partner concludes in good faith that such issuance is in the interests of Omega REIT and the Partnership and (b) Omega REIT transfers, directly or indirectly, all net proceeds from any such issuance (after deducting any out-of-pocket expenses incurred in connection therewith) directly or indirectly to the Partnership. Notwithstanding the foregoing, this Section 4.5 shall not apply to any issuance of additional REIT Shares (or other shares of capital stock of Omega REIT) that is subject to Section 4.6.

(d) Issuance of Debt Obligations by Omega REIT. In the event that Omega REIT issues any new debt obligation (the "**New Debt Obligation**"), Omega REIT shall contribute the cash or other consideration received in connection with the issuance of the New Debt Obligation to the Partnership (or indirectly to any Partnership Subsidiary), net of any such proceeds used by Omega REIT directly to pay costs and expenses incurred in connection with the issuance of such New Debt Obligation (included but not limited to underwriting, discounts, commissions or fees, and professional fees and expenses) (collectively, "**Debt Transaction Costs**") or to repay, redeem, defease or otherwise refinance other Indebtedness of Omega REIT. In exchange for such contribution by Omega REIT, the Partnership shall be deemed to have assumed and agreed to pay, perform or otherwise fulfill all of Omega REIT's liabilities and obligations with respect to such New Debt Obligation (the "**Assumed New Debt Obligations and Liabilities**") and to reimburse all Omega REIT's expenses associated with the issuance of the New Debt Obligation, including any Debt Transaction Costs not paid directly by Omega REIT. Notwithstanding the foregoing provisions of this paragraph, although the Partnership shall be deemed to have assumed primary responsibility for the Assumed New Debt Obligations and Liabilities, Omega REIT shall remain and continue as obligor and to be fully liable, whether in its capacity as issuer, borrower, guarantor, lessee or otherwise, with respect to all such Assumed New Debt Obligations and Liabilities, and nothing herein shall be deemed to release Omega REIT from any such Assumed New Debt Obligations and Liabilities, or require Omega REIT to assign or transfer to the Partnership (or require the Partnership to acquire or succeed to) Omega REIT's interest as issuer, borrower, guarantor, lessee or other named obligor of any of the Assumed New Debt Obligations and Liabilities.

Section 4.6 Equity Incentive Plan.

(a) Incentive Grants to Employees and Independent Directors. If at any time or from time to time, in connection with an Equity Incentive Plan, (1) a stock option granted to an employee, contractor or director of the Partnership, Omega REIT or any other Subsidiary of a General Partner (a "**Service Provider**") pursuant to such an Equity Incentive Plan is validly exercised and REIT Shares are issued to the Service Provider, (2) restricted stock is issued to a Service Provider for which an election under Code Section 83(b) is made by such Service Provider, (3) restricted stock was issued to a Service Provider for which an election under Code Section 83(b) was not made by such Service Provider and the ownership rights in such stock have vested, (4) restricted stock units granted to a Service Provider vest and REIT Shares are issued in settlement thereof, or (5) deferred stock units issued to a Service Provider become payable and REIT Shares are issued in settlement thereof:

(i) To the extent applicable, the applicable General Partner or Subsidiary of a General Partner, as soon as practicable after such issuance, shall make or cause to be made a Capital Contribution to the Partnership in an amount equal to the aggregate exercise price paid in connection with such issuance by such exercising party in connection with the exercise of such stock option.

(ii) Notwithstanding the amount of the Capital Contribution actually made pursuant to Section 4.6(a)(i), the applicable General Partner shall be deemed to have contributed to the Partnership, as a Capital Contribution, an amount equal to the Value of a REIT Share as of: (A) the date of exercise of an option; (B) the date on which the election under Code Section 83(b) is made with respect to such restricted stock; (C) the date on which the vesting event occurs with respect to restricted stock as to which no Section 83(b) election was made; or (D) the date of issuance of REIT Shares in connection with the settlement of restricted stock units or deferred stock units; as the case may be, multiplied by the number of REIT Shares then being issued in connection therewith, in exchange for a number of GP Units equal to the number of REIT Shares being issued in connection therewith.

(b) Special Valuation Rule. In determining the Value of a REIT Share for purposes of this Section 4.6, the following dates as determined under the Equity Incentive Plan shall be the relevant dates for making such determination of Value of a REIT Share: (i) in the case of an option, only the trading date immediately preceding the exercise date of the relevant stock option; (ii) in the case where an election under Code Section 83(b) is made with respect to the REIT Shares, the date that the election is effective; (iii) in the case of a Restricted Stock award for which no election under Code Section 83(b) was made upon issuance of such REIT Shares, the date on which such REIT Shares vest, and (iv) in the case of an issuance of REIT Shares in settlement of restricted stock units or deferred stock units, the date on which such REIT Shares are issued.

(c) Future Equity Incentive Plans. Nothing in this Agreement shall be construed or applied to preclude or restrain a General Partner from adopting, modifying or terminating any Equity Incentive Plan for the benefit of employees, contractors, directors or other business associates of a General Partner, the Partnership or any of their Affiliates. The Limited Partners acknowledge and agree that, in the event that any such plan is adopted, modified or terminated by a General Partner, the Partnership or any of their Affiliates, amendments to this Section 4.6 may become necessary or desirable and the General Partner is hereby authorized to make such amendments as it deems, in its sole and absolute discretion, necessary or appropriate in connection therewith without any consent or approval of the Limited Partners.

(d) Tax Treatment. For federal tax purposes, the issuance of REIT Shares, whether as a result of exercise of an option, concurrent with the making of an election in accordance with Code Section 83(b) with respect to restricted stock, the vesting of previously issued restricted stock for which no Section 83(b) election was made, or the issuance of REIT Shares in connection with the settlement of restricted stock units or deferred stock units, as described in this Section 4.6 shall be treated in accordance with Regulations Section 1.1032-3(b), and the following transactions shall be deemed to have occurred: first, the Capital Contribution described in Section 4.6(a)(ii) shall be deemed to occur; second, the Partnership shall be deemed to purchase from Omega REIT, the REIT Shares being issued using the cash deemed contributed to the Partnership; and third, the Partnership shall be deemed to issue the REIT Shares to the exercising party.

Section 4.7 Other Contribution Provisions. In the event that any Partner is admitted to the Partnership and is given a Capital Account in exchange for services rendered to the Partnership, unless otherwise determined by the General Partner in its sole and absolute discretion, such transaction shall be treated by the Partnership and the affected Partner as if the Partnership had compensated such Partner in cash and such Partner had contributed the cash to the capital of the Partnership. In addition, with the consent of the General Partner, one or more Limited Partners may enter into contribution agreements with the Partnership which have the effect of providing a guarantee of certain obligations of the Partnership.

ARTICLE 5
DISTRIBUTIONS

Section 5.1 Distributions of Available Cash.

(a) Subject to the provisions of the applicable Loan Documents and, subject to any adjustments or modifications required to be made to amounts otherwise required to be distributed in accordance with Section 15.4(a), which adjustments or modifications are set forth in this Agreement, or in any Vesting Agreement with respect to LTIP Units or Option Units, the General Partner shall cause the Partnership to distribute, at least quarterly, all Available Cash generated by the Partnership during such quarter to the Holders of Units on the Partnership Record Date

established with respect to such quarter, *pro rata* in proportion to the respective Percentage Interests of such Holders on such Partnership Record Date. Distributions payable with respect to any Units (other than LTIP Units or Option Units) that were not outstanding during the entire quarterly period in respect of which any distribution is made shall be prorated based on the portion of the period that such Units were outstanding.

(b) Notwithstanding Section 5.1(a), the General Partner may make distributions of Available Cash to Holders of LTIP Units to the extent permitted or required in accordance with Section 15.4(b) or Section 15.4(c), including any modification to Section 15.4(b) or Section 15.4(c) or as may be set forth in any Vesting Agreement, which distributions shall not be considered a distribution of Available Cash under Section 5.1(a) to which Holders of Common Units are otherwise entitled to participate.

(c) Subject to the provisions of the applicable Loan Documents, the General Partner in its sole and absolute discretion, may distribute to the Holders Available Cash on a more frequent basis and provide for an appropriate Partnership Record Date. Notwithstanding anything herein to the contrary, the General Partner shall make such reasonable efforts, as determined in its sole and absolute discretion and consistent with Omega REIT's qualification as a REIT, to cause the Partnership to distribute sufficient amounts in cash to enable Omega REIT to pay stockholder dividends in cash that will (i) satisfy the requirements for its qualification as a REIT under the Code and Regulations (the "**REIT Requirements**") and (ii) except to the extent otherwise determined by the General Partner, in its sole and absolute discretion, avoid any federal income or excise tax liability for Omega REIT. Any distributions made pursuant to the authority provided in this Section 5.1(c) shall otherwise be considered to be a distribution made pursuant, and shall otherwise be required to comply with the requirements of, Section 5.1(a).

Section 5.2 Distributions In-Kind. No right is given to any Partner to demand and receive property other than cash as provided in this Agreement. The General Partner may determine, in its sole and absolute discretion, to make a distribution in-kind of Partnership Assets to the Holders of Units, and such assets shall be distributed in such a fashion as to ensure that the Fair Market Value is distributed and allocated in accordance with Article 5, Article 6 and Article 10.

Section 5.3 Distributions Upon Liquidation. Notwithstanding any of the other provisions of this Article 5, distributions in the year that the Partnership is liquidated pursuant to Article 13 shall be distributed to the Partners in accordance with Section 13.2.

Section 5.4 Distributions to Reflect Issuance of Additional Units. In the event that the Partnership issues additional Units pursuant to the provisions of Article 4, subject to Section 14.1(b), the General Partner is hereby authorized to make such revisions to this Article 5 as it determines are necessary or desirable to reflect the issuance of such additional Units.

ARTICLE 6
ALLOCATIONS

Section 6.1 Timing and Amount of Allocations of Net Income and Net Loss. Subject to the allocation rules of Section 6.2, Net Income or Net Loss for any Partnership year shall be allocated among Partners in proportion to their respective Percentage Interests.

Section 6.2 Additional Allocation Provisions. Notwithstanding the foregoing provisions of this Article 6:

(a) Special Allocations.

(i) LTIP Units Special Allocations. After giving effect to the special allocations set forth in Section 6.2(b), and notwithstanding the provisions of Section 6.1, any Liquidating Gains shall first be allocated to holders of LTIP Units until the Economic Capital Account Balances of such holders, to the extent attributable to their ownership of LTIP Units, is equal in the aggregate to (i) the Common Unit Economic Balance, multiplied by (ii) the number of LTIP Units held by each holder of LTIP Units. Any such allocations shall be made among the holders of LTIP Units in proportion to the amounts required to be allocated to each

under this Section 6.2(a)(i). The parties agree that the intent of this Section 6.2(a)(i) and the allocations contemplated by the preceding sentence is to increase the Capital Account balances of the holders of LTIP Units with respect to their LTIP Units to an amount economically equivalent to the Capital Account balance of the Partners with respect to their Common Units based on the Common Unit Economic Balance as of the dates such Liquidating Gains are realized. In the event that Liquidating Gains are allocated under this Section 6.2(a)(i), Net Income and Net Loss allocable under Section 6.1 shall be recomputed without regard to the Liquidating Gains so allocated.

(ii) Special Allocations to LTIP Units in the Event of an Other Distribution under Section 15.4(b), a Liquidating Distribution under Section 15.4(c) or Upon Liquidation. After giving effect to the special allocations set forth in Section 6.2(b), and notwithstanding the provisions of Section 6.2(a)(i), (i) Net Income, other than Liquidating Gains, shall first be allocated to any Holder of LTIP Units to the extent any distributions made to a Holder of LTIP Units in accordance with the provisions of Section 15.4(b) would cause a negative balance in the Capital Account of such Holder with respect to such LTIP Units, and (ii) Net Income, including Liquidating Gains, shall then be allocated to the extent any distributions made to a Holder of LTIP Units in accordance with the provisions of Section 15.4(c) or in Liquidation would cause a negative balance in the Capital Account of such Holder with respect to such LTIP Units. In the event that Net Income is allocated under this Section 6.2(a)(ii), Net Income and Net Loss allocable under Section 6.2(a)(i) shall be recomputed without regard to the Net Income or Net Loss, including any Liquidating Gains, allocated under this Section 6.2(a)(ii).

(iii) Option Units Special Allocations. After application of Section 6.2(a)(i), the principles of Section 6.2(a)(i) shall apply in respect of allocation of Liquidating Gains to Unvested Option Units as if they had been converted into LTIP Units, until the Economic Capital Account Balance per Option Unit is, as nearly as possible, equal to the product of (x) the number of LTIP Units into which such Option Unit is convertible (as if such Option Unit were vested and converted based on the Value of a REIT Share on the date of such allocation), and (y) the Common Unit Economic Balance. The parties agree that the intent of this Section 6.2(a)(iii) is to increase the Capital Account balances of the holders of Option Units with respect to their Option Units to an amount economically equivalent to the Capital Account balance of the number of LTIP Units (and correspondingly, LP Units) into which such Option Units are convertible (as if the Option Units were vested and converted based on the Value of a REIT Share on the date of such allocation). In the event that Liquidating Gains are allocated under this Section 6.2(a)(iii), Net Income and Net Loss allocable under Section 6.1 shall be recomputed without regard to the Liquidating Gains so allocated.

(iv) Special Allocations to Option Units Upon Conversion or Liquidation. For the avoidance of doubt, when Option Units are converted to Vested LTIP Units, Section 6.2(a)(ii) shall apply to the extent that Section 16.4 applies.

(v) Forfeiture Allocations. Upon a forfeiture of any Unvested LTIP Units or Unvested Option Units by any Partner, gross items of income, gain, loss or deduction shall be allocated to such Partner if and to the extent required by final Regulations promulgated after the Effective Date to ensure that allocations made with respect to all Unvested LTIP Units and Unvested Option Units are recognized under Code Section 704(b).

(vi) PTET Allocations. For the avoidance of doubt, the expense of any pass-through entity or similar tax imposed by an applicable state governmental authority and determined in whole or in part by reference to specific Partner attributes or status and that the General Partner determines to be attributable to fewer than all Partners or to different Partners in different proportions shall be allocated to the Partner or Partners to whom attributable in the amounts so attributable, in the General Partner's sole and absolute discretion.

(b) Regulatory Allocations.

(i) Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding any other provision of this Article 6, if there is a net decrease in Partnership Minimum Gain during any Partnership Year, each Partner shall be specially allocated items of Partnership income and

gain for such Partnership Year (and, if necessary, subsequent Partnership Years) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain, as determined under Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 6.2(b)(i) is intended to qualify as a "minimum gain chargeback" within the meaning of Regulations Section 1.704-2(f) which shall be controlling in the event of a conflict between such Regulations and this Section 6.2(b)(i).

(ii) Partner Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(i)(4), and notwithstanding any other provision of this Article 6 (except Section 6.2(b)(i)), if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership Year, each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i) (5), shall be specially allocated items of Partnership income and gain for such Partnership Year (and, if necessary, subsequent Partnership Years) in an amount equal to such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 6.2(b)(ii) is intended to qualify as a "chargeback of partner nonrecourse debt minimum gain" within the meaning of Regulations Section 1.704-2(i) which shall be controlling in the event of a conflict between such Regulations and this Section 6.2(b)(ii).

(iii) Nonrecourse Deductions and Partner Nonrecourse Deductions. Any Nonrecourse Deductions for any Partnership Year shall be specially allocated to the Partners in accordance with their respective Percentage Interests. Any Partner Nonrecourse Deductions for any Partnership Year shall be specially allocated to the Partner(s) who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable, in accordance with Regulations Sections 1.704-2(b)(4) and 1.704-2(i).

(iv) Qualified Income Offset. If any Partner unexpectedly receives an adjustment, allocation or distribution described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be allocated, in accordance with Regulations Section 1.704-1(b)(2)(ii)(d), to the Partner in an amount and manner sufficient to eliminate, to the extent required by such Regulations, the Adjusted Capital Account Deficit of the Partner as quickly as possible; *provided* that an allocation pursuant to this Section 6.2(b)(iv) shall be made if and only to the extent that such Partner would have an Adjusted Capital Account Deficit after all other allocations provided in this Article 6 have been tentatively made as if this Section 6.2(b)(iv) were not in this Agreement. It is intended that this Section 6.2(b)(iv) qualify and be construed as a "qualified income offset" within the meaning of Regulations 1.704-1(b)(2)(ii)(d), which shall be controlling in the event of a conflict between such Regulations and this Section 6.2(b)(iv).

(v) Limitation on Allocation of Net Loss. To the extent any allocation of Net Loss would cause or increase an Adjusted Capital Account Deficit only with respect to any Limited Partner, such allocation of Net Loss shall be reallocated among the other Limited Partners in accordance with their respective Capital Contributions, subject to the limitations of this Section 6.2(b)(v). To the extent any allocation of Net Loss would cause or increase an Adjusted Capital Account Deficit as to a General Partner (solely or in addition to any Limited Partner), such allocation of Net Loss shall be reallocated only to a General Partner in accordance with its Capital Contribution, subject to the limitations of this Section 6.2(b)(v).

(vi) Section 754 Adjustment. To the extent an adjustment to the adjusted tax basis of any Partnership Asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Regulations Section 1.704-1(b)(2) (iv)(m) (4), to be taken into account in determining Capital Accounts as the result of a distribution to a Partner in complete liquidation of its interest in the Partnership, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Partners in accordance with their interests in the

Partnership in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Partners to whom such distribution was made in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

(vii) Curative Allocation. The allocations set forth in Section 6.2(b)(i), Section 6.2(b)(ii), Section 6.2(b)(iii), Section 6.2(b)(iv) and Section 6.2(b)(v) (the "**Regulatory Allocations**") are intended to comply with certain regulatory requirements, including the requirements of Regulations Sections 1.704-1(b) and 1.704-2. Notwithstanding the provisions of Section 6.1, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Partners so that, to the extent possible, the net amount of such allocations of other items and the Regulatory Allocations to each Partner shall be equal to the net amount that would have been allocated to each such Partner if the Regulatory Allocations had not occurred.

(c) The Partnership agrees to use its reasonable best efforts to maintain Debt in the aggregate principal amount of not less than One Hundred Million U.S. Dollars ($100,000,000.00), which Debt is not guaranteed by any Person except direct or indirect Subsidiaries of the Partnership, for so long as the limited partners of Aviv LP who become Limited Partners as a result of receiving the LP Units from Aviv LP in connection with the Aviv LP Exchange and which LP Units were issued to Aviv LP as of April 1, 2015 in connection with the Aviv Contribution Agreement (such Limited Partners, the "**Former Aviv LPs**"), continue to own not less than 10% of the LP Units issued to Aviv LP in the aggregate on April 1, 2015.

(d) Provided that there has not been a change in the Code or applicable Regulations subsequent to the Effective Date prescribing different rules or methods for the allocation of partnership indebtedness, the Partnership Debt described in Section 6.2(c) shall be allocated first to Limited Partners that are Former Aviv LPs to the maximum extent possible (including by using the optional method under Treasury Regulation Section 1.752-3(a)(3) to allocate liabilities to a partner to which "built-in-gain" is allocable with respect to section 704(c) property or property for which reverse section 704(c) allocations are applicable) to prevent such Limited Partners from recognizing gain for income tax purposes caused by a reduction in the tax basis of such holders' Aviv LP partnership units or LP Units occurring on the date of the Merger as a result of the transactions contemplated in the Merger Agreement.

(e) For purposes of determining a Partner's proportional share of the "excess nonrecourse liabilities" of the Partnership within the meaning of Regulations Section 1.752-3(a)(3), after giving effect to the special allocations set forth in Section 6.2(d), "excess nonrecourse liabilities" shall be allocated (i) first (a) to the Limited Partners (other than Omega REIT) to the maximum extent possible (including by using the optional method under Regulations Section 1.752-3(a)(3) to allocate liabilities to a partner to which "built-in gain" is allocable with respect to section 704(c) property or property for which reverse section 704(c) allocations are applicable) to prevent such Limited Partners from recognizing gain for income tax purposes caused by a reduction in the tax basis of such holder's Units (provided that the amount allocated to a Limited Partner other than Omega REIT may exceed but shall be no less than such Partner's allocable share (taking into account Omega REIT's ownership) of built-in gain under Code Section 704(c) including "reverse 704(c)" allocations to the extent such built-in gain exceeds the amount of gain described in Regulations Section 1.752-3(a)(2)) and (b) then to Omega REIT as permitted under Regulations Section 1.752-3 and (ii) thereafter any additional "excess nonrecourse liabilities" shall be allocated based on each Partner's interest in Partnership profits taking into account all facts and circumstances, including such Partner's Percentage Interest.

Section 6.3 Tax Allocations.

(a) In General. Except as otherwise provided in this Section 6.3, for income tax purposes each item of income, gain, loss and deduction (collectively, "**Tax Items**") shall be allocated among the Partners in the same manner as its correlative item of "book" income, gain, loss or deduction is allocated pursuant to Section 6.1.

(b) Allocations Respecting Section 704(c) Revaluations. Notwithstanding Section 6.3(a), Tax Items with respect to any Partnership property that is contributed to the Partnership by a Partner shall be shared among the Partners for income tax purposes pursuant to Regulations promulgated under Code Section 704(c), so as to take into account the variation, if any, between the basis of the property to the Partnership and its initial Gross Asset Value. The Partnership shall account for such variation under any method approved under Code Section 704(c) and the applicable regulations as chosen by the General Partner; *provided that* the General Partner will continue to use the remedial method for the forward layer pursuant to Regulations Section 1.704-3(d) with respect to those properties

acquired by the Partnership pursuant to the Aviv Contribution Agreement. In the event the Gross Asset Value of any Partnership property is adjusted pursuant to subparagraph (b) of the definition of Gross Asset Value (provided in Article 1), subsequent allocations of Tax Items with respect to such property shall take account of the variation, if any, between the adjusted basis of such property and its Gross Asset Value in the same manner as under Code Section 704(c) and the applicable regulations.

Section 6.4 Transfer of Interest. In the event of a Transfer of all or part of a Partnership Interest (in accordance with the provisions of this Agreement) or the admission of an Additional Partner (in accordance with the provisions of this Agreement) the Partnership's taxable year shall close with respect to the transferor Partner, and such Partner's distributive share of all items of profits, losses and any other items of income, gain, loss or deduction shall be determined using the interim closing of the books method under Code Section 706 and Regulations Section 1.706-1(c)(2)(i) or another permissible method selected by the General Partner. Except as otherwise provided in this Section 6.4, in all other cases in which it is necessary to determine the profits, losses, or any other items allocable to any period, profits, losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the General Partner using any permissible method under Code Section 706 and the Regulations thereunder. All distributions of Available Cash with respect to which the Partnership Record Date for such distribution is before the date of such transfer, assignment or Redemption shall be made to the transferor Partner, and all distributions of Available Cash thereafter, in the case of a transfer or assignment other than a redemption shall be made to the transferee Partner.

ARTICLE 7
MANAGEMENT AND OPERATIONS OF THE PARTNERSHIP; RIGHTS AND OBLIGATIONS OF THE GENERAL PARTNERS

Section 7.1 Powers of the General Partner.

(a) The General Partner shall conduct, direct and exercise full control over all activities of the Partnership. Except as otherwise expressly provided in this Agreement, all management powers over the business and affairs of the Partnership are exclusively vested in the General Partner (including those powers described in Section 3.2), and no Limited Partner, in its capacity as such, shall have any right of control or management over the business and affairs of the Partnership. In addition to the powers now or hereafter granted to a general partner of a limited partnership under applicable law or which are granted to the General Partner under any other provision of this Agreement, the General Partner, subject to Section 14.1, shall have full power and authority to do all things deemed necessary or desirable by it to conduct the business and affairs of the Partnership, to exercise all powers set forth in Section 3.2 and to effectuate the purposes set forth in Section 3.1, including the power to incur Debt, the power to enter into agreements and commitments of all kinds, the power to manage, acquire, exchange and dispose of Partnership Assets, and all ancillary powers necessary or convenient as to the foregoing. It is the intention of the Partners, subject to the express provisions of this Agreement, that the General Partner's powers be as broad as the Act may now or hereafter envision, and that any powers that may be conferred only by contract are deemed to be explicitly conferred hereby. Without limiting the generality of the foregoing, the following subsections explicitly set forth certain powers of the General Partner to be exercised on behalf of the Partnership, without any obligation on the part of the General Partner to obtain consent from any Limited Partner:

(i) the incurrence of Debt (including making prepayments on loans and borrowing money or selling assets to permit the Partnership to make distributions to its Partners in such amounts as will permit Omega REIT (so long as Omega REIT desires to maintain or restore its status as a REIT) to avoid the payment of any federal income tax (including, for this purpose, any excise tax pursuant to Code Section 4981) and to make distributions to its stockholders sufficient to permit Omega REIT to maintain or restore REIT status, to pay expenses of a General Partner or any Subsidiaries, the principal assets of which consist of direct or indirect interests in the Partnership, or otherwise to satisfy the REIT Requirements);

(ii) the making of any expenditures, the lending or borrowing of money (including to tenants or operators of properties held by the Partnership), the assumption, guarantee or other contracting of Debt and other liabilities, the issuance of evidence of Debt and the incurrence of any obligations deemed necessary for the conduct of the activities of the Partnership;

(iii) the making of tax, regulatory and other filings or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the Partnership or the Partnership Assets;

(iv) the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation, sale, transfer, lease, conveyance or exchange of any, all or substantially all of the Partnership Assets (including the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by the Partnership) or the merger, consolidation, reorganization, conversion or other combination of the Partnership or any Subsidiary with or into another entity;

(v) the use of the Partnership Assets (including cash on hand) for any purpose and on any terms it sees fit, including the financing of the conduct of the operations of the Partnership, Omega REIT or any Subsidiary, the lending of funds to other Persons (including Subsidiaries) and the repayment of obligations, directly or indirectly, of the Partnership and any Subsidiary, and the making of contributions, directly or indirectly, to any Subsidiary;

(vi) the negotiation, execution and performance of any leases, contracts, agreements, conveyances or other instruments that the General Partner considers useful or necessary to the conduct of the Partnership's operations or the implementation of the General Partner's powers under this Agreement;

(vii) the distribution of Available Cash or other Partnership Assets in accordance with this Agreement;

(viii) the creation, by grant or otherwise, of easements and servitudes;

(ix) the selection and dismissal of outside attorneys, accountants, consultants, contractors and agents of the Partnership, and the determination of their compensation and other terms of employment or hiring;

(x) the procurement and maintenance of insurance for the benefit of the Partnership or the Partners deemed necessary or appropriate;

(xi) the formation of, or acquisition of an interest in, and the contribution of property to any other limited liability company, limited or general partnership, joint venture or other relationship that the General Partner deems desirable (including the acquisition of interests by, and the contributions of property to, directly or indirectly, any Subsidiary of the Partnership from time to time); *provided, however*, that, as long as Omega REIT has determined to continue to qualify as a REIT, the General Partner may not engage in any such formation, acquisition or contribution that would cause Omega REIT to fail to qualify as a REIT;

(xii) the control of any matters affecting the rights and obligations of the Partnership, including the conduct of litigation, incurring of legal expenses and settlement of claims, and litigation and the indemnification of any Person against liabilities and contingencies;

(xiii) the undertaking of any action in connection with any direct or indirect investment, including (A) the acquisition of interests in any Subsidiary of the Partnership or any direct or indirect investment in any governmental obligation or in any other Person (including the contribution or loan of funds by the Partnership to such Persons), and (B) acquiring, selling, investing in, holding, owning, leasing, managing, operating, granting mortgages on and security interests in, and acquiring and making loans secured by, real property and personal property;

(xiv) the determination of the Fair Market Value of any Partnership Assets distributed in kind;

(xv) the amendment of this Agreement (A) to reflect additional Capital Contributions, whether from existing Partners or from third parties, and the issuance of additional Units and to admit Additional Limited Partners in connection therewith, or (B) to incorporate any other matter set forth in Section 4.4 or Section 4.5 or any other action or change affecting the Partnership that the General Partner is allowed to take

or make pursuant to the terms and provisions of this Agreement (including Section 14.1) and that, within the General Partner's sole and absolute discretion, should be set forth as an amendment to this Agreement;

(xvi) the entry into any exchange or transfer incident to any like-kind exchange of Partnership Assets including the sale of one (1) or more undivided interests in any Partnership Asset to any Person to facilitate any like-kind exchange;

(xvii) the advance to a General Partner of any tenant security deposit received by the Partnership which advance shall be subject to such General Partner's obligation to indemnify the Partnership for the amount of any such advance without interest as and when the tenant security deposit may be required to be repaid to the tenant by the Partnership;

(xviii) the taking of any action necessary or appropriate to enable Omega REIT or any Subsidiary REIT to qualify as a REIT or to maintain or restore its REIT status; and

(xix) the execution, acknowledgment and delivery of any and all instruments to effectuate any and all of the foregoing.

(b) Each of the Limited Partners agrees that, except as provided in Section 14.1, the General Partner is authorized to execute, deliver and perform the above-mentioned agreements and transactions on behalf of the Partnership without any further act, approval, consent or vote of the Partners, notwithstanding any other provision of this Agreement, the Act or any other applicable law, rule or regulation. None of the execution, delivery or performance by a General Partner, the Partnership or any Affiliate thereof of any transaction or agreement authorized or permitted by this Agreement shall constitute a breach by a General Partner of any duty that a General Partner may owe to the Partnership or the Limited Partners or any other Person under this Agreement or of any duty stated or implied by law or equity.

(c) In its discretion, the General Partner may appoint one or more officers (each such designated person, an "**Officer**") of the Partnership (who also may be, but need not be, officers of the General Partner), with such titles as designated by the General Partner. The General Partner shall have the right, in respect of any of its powers or obligations hereunder, to act on behalf of the Partnership through any of its Officers and in all such cases under this Section 7.1(c), the same shall constitute (to the extent of the authority so conferred upon such respective Officer) a delegation by the General Partner, for purposes of Section 17-403 of the Act, of the General Partner's rights and powers to manage and control the business and affairs of the Partnership. Any action taken by an Officer pursuant to authority delegated to such Officer shall constitute the act of and serve to bind the Partnership. Any Officer shall act pursuant to such delegated authority until such Officer is removed or replaced by the General Partner, and Persons dealing with the Partnership are entitled to rely conclusively on the power and authority of any Officer set forth in this Agreement and any instrument designating such Officer and the authority delegated to him or her. Notwithstanding anything herein to the contrary, except for fraud, willful misconduct or gross negligence, no duly appointed Officer shall have any personal liability whatsoever, to the Partnership or to any Partner for the debts or liabilities of the Partnership or the Partnership's obligations hereunder.

(d) In exercising its authority under this Agreement, the General Partner may, but shall be under no obligation to, take into account the tax consequences to any Partner (including a General Partner) of any action taken (or not taken) by it. Except as may be provided in a separate written agreement between the Partnership and the Limited Partners, a General Partner and the Partnership shall not have liability to a Limited Partner under any circumstances as a result of an income tax liability incurred by such Limited Partner as a result of an action (or inaction) by the General Partner pursuant to its authority under this Agreement; *provided*, that the General Partner has acted in good faith and pursuant to its authority under this Agreement.

Section 7.2 Certificate of Limited Partnership. To the extent that such action is determined by the General Partner in its sole and absolute discretion to be reasonable and necessary or appropriate, the General Partner shall file amendments to and restatements of the Certificate and do all the things necessary to maintain the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) under the laws of the State of Delaware and to maintain the Partnership's qualification to do business as a foreign limited partnership in each other state, the District of Columbia and each other jurisdiction in which the Partnership is so required to qualify.

The General Partner shall not be required, before or after filing, to deliver or mail a copy of the Certificate or any amendment thereto to any Limited Partner. The General Partner shall use all reasonable efforts to cause to be filed such other certificates or documents as may be reasonable and necessary or appropriate for the formation, continuation, qualification and operation of a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware and any other state, the District of Columbia and each other jurisdiction in which the Partnership is required to qualify to do business as a foreign limited partnership.

Section 7.3 Reimbursement of a General Partner.

(a) Except as provided in this Section 7.3 and elsewhere in this Agreement (including the provisions of Article 5 and Article 6 regarding distributions, payments and allocations to which it may be entitled), a General Partner shall not be compensated for its services as general partner of the Partnership.

(b) A General Partner shall be reimbursed on a monthly basis, or such other basis as the General Partner may determine in its sole and absolute discretion, for all direct and indirect expenses incurred by such General Partner or any of its Subsidiaries (other than Subsidiaries of the Partnership). Such reimbursement shall be in addition to any reimbursement to such General Partner as a result of indemnification pursuant to Section 7.6. All payments and reimbursements hereunder shall be characterized for federal income tax purposes as expenses of the Partnership incurred on its behalf, and not as expenses of such General Partner.

(c) If Omega REIT elects to purchase REIT Shares from its stockholders for the purpose of delivering such REIT Shares to satisfy an obligation under any dividend reinvestment program or employee stock purchase plan adopted by Omega REIT, or any similar obligation or arrangement undertaken by Omega REIT in the future, or for the purpose of retiring such REIT Shares, the purchase price paid by Omega REIT for such REIT Shares and any other expenses incurred by Omega REIT in connection with such purchase shall be considered expenses of the Partnership and shall be advanced or reimbursed to Omega REIT, subject to the condition that: (i) if such REIT Shares subsequently are re-sold by Omega REIT, the proceeds from such sale shall be contributed to the Partnership by Omega REIT (which sales proceeds shall include the amount of dividends reinvested under any dividend reinvestment or similar program; *provided* that a Redemption of Units pursuant to Section 8.6 would not be considered a sale for such purposes); and (ii) if such REIT Shares are not retransferred by Omega REIT within thirty (30) days after the purchase thereof, or Omega REIT otherwise determines not to retransfer such REIT Shares, the General Partner shall cause the Partnership to redeem a number of Units held by Omega REIT equal to the number of such REIT Shares, as adjusted for stock dividends and distributions, stock splits and subdivisions, reverse stock splits and combinations, distributions of rights, warrants or options, and distributions of evidences of indebtedness or assets relating to assets not received by the General Partner pursuant to a *pro rata* distribution by the Partnership (in which case such advancement or reimbursement of expenses shall be treated as having been made as a distribution in redemption of such number of Units held by Omega REIT).

(d) Omega REIT shall, pursuant to Section 4.6, be treated as having made a Capital Contribution in the amount of all expenses that Omega REIT incurs relating to the offering of REIT Shares.

(e) If and to the extent any reimbursements to a General Partner pursuant to Section 7.3 constitute gross income of the General Partner (as opposed to the repayment of advances made by the General Partner on behalf of the Partnership), such amounts shall constitute guaranteed payments in respect of capital within the meaning of Code Section 707(c), shall be treated consistently therewith by the Partnership and all Partners and shall not be treated as distributions for purposes of computing the Partners' Capital Accounts.

Section 7.4 Outside Activities of the General Partner. The Omega REIT shall not, directly or indirectly, enter into or conduct any business, other than in connection with (a) the ownership, acquisition and disposition of Partnership Interests, (b) the management of the business of the Partnership, (c) if the General Partner is a reporting company with a class (or classes) of securities registered under the Exchange Act, the operation of the General Partner as such, (d) financing or refinancing of any type related to the Partnership or its assets or activities, (e) any of the foregoing activities as they relate to a Subsidiary of the Partnership and (f) such activities as are incidental thereto; *provided*, *however,* that the General Partner may, in its sole and absolute discretion, from time to time hold or acquire assets in its own name or otherwise other than through the Partnership so long as the General Partner takes commercially reasonable measures to ensure that the economic benefits and burdens of such Property

are otherwise vested in the Partnership, through assignment, mortgage loan or otherwise or, if it is not commercially reasonable to vest such economic interests in the Partnership, the Partners shall negotiate in good faith to amend this Agreement, including, without limitation, the definition of "Adjustment Factor," to reflect such activities and the direct ownership of assets by the General Partner. Nothing contained herein shall be deemed to prohibit any General Partner from (i) executing guarantees of Debt of the Partnership for which it would otherwise be liable in its capacity as General Partner, (ii) incurring New Debt Obligations as provided in Section 4.5(d) or guaranteeing any New Debt Obligations, (iii) performing its obligations arising out of or in connection with the operation of any Excluded Assets (as defined in the Omega Contribution Agreement or under documentation relating to any Indebtedness of a General Partner), (iv) issuing shares of its common stock or other equity interests, or (v) participating in tax, accounting or other administrative matters relating to Omega REIT and its consolidated Subsidiaries.

Section 7.5 Contracts with Affiliates.

(a) A General Partner or any of its Affiliates may lend to the Partnership or any Subsidiary, directly or indirectly, funds needed or desired by the Partnership or any Subsidiary for such periods of time and on such terms as such General Partner may determine to be necessary or appropriate. The Partnership or any Subsidiary, as the case may be, shall reimburse such General Partner or its Affiliates for any costs incurred in connection with the borrowing of funds obtained by a General Partner or its Affiliates and loaned to the Partnership or the Subsidiary.

(b) The Partnership may lend to any of its Affiliates, or may lend or contribute funds to Persons in which it has a direct or indirect equity investment, and such Persons may borrow funds from the Partnership, on terms and conditions established in the sole and absolute discretion of the General Partner. The foregoing authority shall not create any right or benefit in favor of any Person.

(c) A General Partner may, or may enter into an agreement for any of its Affiliates to, render services to the Partnership on such terms and subject to such conditions consistent with this Agreement and applicable law as the General Partner deems appropriate.

(d) The Partnership may transfer assets to any Affiliate, or to joint ventures, other partnerships, corporations or other business entities in which it is or thereby becomes a participant upon such terms and subject to such conditions consistent with this Agreement and applicable law as the General Partner deems appropriate.

(e) Security deposits required to be paid to tenants that have been retained by any Partner will be reflected as a receivable from such Partner to the Partnership. Any Partner who holds any security deposit from a tenant of a Participating Facility on behalf of such Participating Facility shall return such security deposits to the Partnership promptly upon written notice from the Partnership in the event that the General Partner shall determine that any portion of any security deposit held by any Partner is due and payable to any tenant, and in the amount the General Partner determines to be due and payable to such tenant. Each Partner hereby indemnifies the Partnership severally and not jointly with respect to all deposits retained by such Partner. The General Partner shall have the right to offset any amounts that are due and payable from such Partner against distributions otherwise payable to such Partner or may reduce such Partner's Capital Account by reducing such Partner's Units proportionately.

Section 7.6 Indemnification.

(a) To the fullest extent permitted by law, the Partnership shall indemnify and hold harmless any Indemnitee from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, unless it is established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed with gross negligence, willful misconduct or in bad faith or was the result of active and deliberate dishonesty; or (ii) in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful. Without limitation, the foregoing indemnity shall extend to any liability of any Indemnitee, pursuant to a loan guaranty or otherwise, for any Debt or other obligations of the Partnership or any Subsidiary of the Partnership (including any Debt which the Partnership or any Subsidiary of the Partnership has assumed or taken subject to), and the General Partner is hereby authorized and empowered, on behalf of the Partnership, to enter into one or more indemnity agreements consistent

with the provisions of this Section 7.6 in favor of any Indemnitee having or potentially having liability for any such Debt or other obligations. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent or any entry of an order of probation prior to judgment, shall not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 7.6(a). Any indemnification pursuant to this Section 7.6 shall be made only out of the Partnership Assets.

(b) To the fullest extent permitted by law, expenses (including legal fees and expenses) incurred by an Indemnitee who is a party to any claim, demand, action, suit or proceeding shall be paid or reimbursed by the Partnership in advance of the final disposition of the proceeding upon receipt by the Partnership of a written undertaking by or on behalf of the Indemnitee to repay the amount if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified as authorized by this Section 7.6 without any requirement to post a bond or provide security for such advance.

(c) The indemnification provided by this Section 7.6 shall be in addition to any other rights to which an Indemnitee or any other Person may be entitled under any other agreement entered into by the Partnership, pursuant to any vote of the Partners, as a matter of law or otherwise, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Partnership may purchase and maintain insurance on behalf of the Indemnitees and such other Persons as the General Partner shall determine to be necessary or appropriate, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the Partnership's activities, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) Any liabilities which an Indemnitee incurs as a result of acting on behalf of the Partnership or a General Partner (whether as a fiduciary or otherwise) in connection with the operation, administration or maintenance of an employee benefit plan or any related trust or funding mechanism (whether such liabilities are in the form of excise taxes assessed by the IRS, penalties assessed by the Department of Labor, restitutions to such a plan or trust or other funding mechanism or to a participant or beneficiary of such plan, trust or other funding mechanism, or otherwise) shall be treated as liabilities or judgments or fines under this Section 7.6, unless such liabilities arise as a result of (i) such Indemnitee's willful misconduct or knowing violation of the law, (ii) any transaction in which such Indemnitee received a personal benefit in violation or breach of any provision of this Agreement or applicable law or (iii) in the case of any criminal proceeding, such Indemnitee had reasonable cause to believe that the act or omission was unlawful.

(f) In no event may an Indemnitee subject the Limited Partners to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 7.6 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 7.6 are for the benefit of the Indemnitees, their heirs, successors, assigns and administrators and shall not be deemed to create any rights for the benefit of any other Persons. Any amendment, modification or repeal of this Section 7.6 or any provision hereof shall be prospective only and shall not in any way affect (i) the rights of an Indemnitee to indemnification under this Section 7.6 or (ii) the limitations on the Partnership's liability to any Indemnitee under this Section 7.6, in each case as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

(i) If and to the extent any reimbursements to a General Partner pursuant to this Section 7.6 constitute gross income of such General Partner (as opposed to the repayment of advances made by a General Partner on behalf of the Partnership), such amounts shall constitute a "guaranteed payment" in respect of capital within the meaning of Code Section 707(c), shall be treated consistently therewith by the Partnership and all Partners and shall not be treated as distributions for purposes of computing the Partners' Capital Accounts.

Section 7.7 Liability of Indemnitees.

(a) Notwithstanding anything to the contrary set forth in this Agreement, no Indemnitee shall be liable or accountable in damages or otherwise to the Partnership, any Partners or any Assignees, or their successors or assigns, for losses sustained, liabilities incurred or benefits not derived as a result of errors in judgment or mistakes of fact or law or any act or omission if such Indemnitee acted in good faith as determined by the General Partner.

(b) The Limited Partners expressly acknowledge that the General Partners are acting for the benefit of the Partnership, the Limited Partners and the Omega REIT stockholders, collectively, and that no General Partner is under any obligation to give priority to the separate interests of the Limited Partners or the Omega REIT stockholders (including the tax consequences to the Limited Partners or the Omega REIT stockholders) in deciding whether to cause the Partnership to take (or decline to take) any actions. If there is a conflict between the interests of the Omega REIT stockholders, on the one hand, and the Limited Partners, on the other hand, the General Partner shall endeavor in good faith to resolve the conflict in a manner not adverse to either the Omega REIT stockholders or the Limited Partners. No General Partner shall be liable to the Partnership or to any Partner or Assignee for monetary damages for losses sustained, liabilities incurred or benefits not derived in connection with such decisions; *provided* that such General Partner shall have acted in good faith.

(c) Any amendment, modification or repeal of this Section 7.7 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of an Indemnitee to the Partnership and the Limited Partners under this Section 7.7 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

Section 7.8 Other Matters Concerning the General Partner.

(a) The General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its employees or agents. No General Partner shall be responsible for any misconduct or negligence on the part of any such employee, Officer or agent appointed by the General Partner in good faith.

(b) To the extent that, at law or in equity, a General Partner has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or the Limited Partners, such General Partner shall not be liable to the Partnership or to any other Partner for its good faith reliance on the provisions of this Agreement.

(c) To the fullest extent permitted by law, no director, manager, officer, member or stockholder of Omega REIT shall be liable to the Partnership for money damages except for (i) active and deliberate dishonesty established by a nonappealable final judgment or (ii) actual receipt of an improper benefit or profit in money, property or services.

(d) A General Partner may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other paper or document believed to be genuine and to have been signed or presented by the proper party or parties.

(e) A General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by the General Partner, and any act taken or omitted to be taken in reliance upon the opinion of such Persons as to matters which such General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

(f) The General Partner shall have the right, in respect of any of its powers or obligations hereunder, to act through any of its duly authorized officers and a duly appointed attorney or attorneys-in-fact. Each such attorney shall, to the extent provided by the General Partner in the power of attorney, have full power and authority to do and perform all and every act and duty that is permitted or required to be done by the General Partner hereunder.

(g) Notwithstanding any other provision of this Agreement or the Act, any action of a General Partner on behalf of the Partnership or any decision of a General Partner to refrain from acting on behalf of the Partnership which a General Partner determines in its sole and absolute discretion is necessary or advisable in order (i) to protect the ability of Omega REIT to continue to qualify as a REIT, (ii) for Omega REIT otherwise to satisfy the REIT Requirements or (iii) for Omega REIT to avoid incurring any taxes under Code Sections 856 or 857, or Code Section 4981, is expressly authorized under this Agreement and is deemed approved by all of the Limited Partners.

Section 7.9 Title to Partnership Assets. Title to Partnership Assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partner, individually or collectively with other Partners or Persons, shall have any ownership interest in such Partnership Assets or any portion thereof. Title to any or all of the Partnership Assets may be held in the name of the Partnership, a General Partner or one or more nominees, as the General Partner may determine, including Affiliates of a General Partner. Each General Partner hereby declares and warrants that any Partnership Assets for which legal title is held in the name of such General Partner or any nominee or Affiliate of such General Partner shall be deemed held by such General Partner for the use and benefit of the Partnership in accordance with the provisions of this Agreement. All Partnership Assets shall be recorded as the property of the Partnership on its books and records, irrespective of the name in which legal title to such Partnership Assets is held.

Section 7.10 Reliance by Third Parties. Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the General Partner has full power and authority to encumber, sell or otherwise use in any manner any and all Partnership Assets and to enter into any contracts on behalf of the Partnership, and such Person shall be entitled to deal with the General Partner as if it was the Partnership's sole party in interest, both legally and beneficially. Each Partner, in its capacity as such, hereby waives any and all defenses or other remedies which may be available against any such Person to contest, negate or disaffirm any action of the General Partner in connection with any such dealing. In no event shall any Person dealing with the General Partner or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expediency of any act or action of the General Partner or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the General Partner or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (a) at the time of the execution and delivery of such certificate, document or instrument this Agreement was in full force and effect, (b) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership and (c) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

ARTICLE 8
RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

Section 8.1 Limitation of Liability. The Limited Partners shall have no liability under this Agreement except as expressly provided in this Agreement or under the Act. Without limiting the generality of the foregoing, notwithstanding anything herein to the contrary, except for fraud, willful misconduct or gross negligence, or pursuant to any express indemnities given to the Partnership by any Partner pursuant to any other written instrument, no Partner shall have any personal liability whatsoever, to the Partnership or to the other Partner(s), for the debts or liabilities of the Partnership or the Partnership's obligations hereunder, and the full recourse of the other Partner(s) shall be limited to the interest of that Partner in the Partnership. Without limitation of the foregoing, and except for fraud, willful misconduct or gross negligence, or pursuant to any such express indemnity, no property or assets of any Partner, other than its interest in the Partnership, shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgment (or other judicial process) in favor of any other Partner(s) and arising out of, or in connection with, this Agreement.

Section 8.2 Management of Business. No Limited Partner, in its capacity as such, or Assignee (other than the General Partner, any of its Affiliates or any officer, director, member, employee, partner, agent or trustee of the Partnership, the General Partner or any of their respective Affiliates, in its capacity as such, if such Person shall also be a Limited Partner or Assignee) shall take part in the operation, management or control (within the meaning of the Act) of the Partnership's business, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership. The transaction of the business on behalf of the Partnership by the

General Partner, any Affiliate of the General Partner, any officer, director, member, employee, partner, agent or trustee of the General Partner, the Partnership or their respective Affiliates, in their capacity as such, shall not affect, impair or eliminate the limitations on the liability of the Limited Partners or Assignees under this Agreement.

Section 8.3 Outside Activities of Limited Partners. Subject to any agreements entered into by a Limited Partner or its Affiliates with a General Partner, the Partnership or any Affiliate thereof (including any employment agreement), any Limited Partner and any Assignee, officer, director, employee, agent, trustee, Affiliate, member or shareholder of any Limited Partner shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership, including business interests and activities that are in direct or indirect competition with the Partnership or that are enhanced by the activities of the Partnership. Neither the Partnership nor any Partner shall have any rights by virtue of this Agreement in any business ventures of any Limited Partner or Assignee. Subject to such agreements, none of the Limited Partners nor any other Person shall have any rights by virtue of this Agreement or the partnership relationship established hereby in any business ventures of any other Person (other than a General Partner, to the extent expressly provided herein), and such Person shall have no obligation pursuant to this Agreement, subject to any other agreements entered into by a Limited Partner or its Affiliates with a General Partner, the Partnership or any Affiliate thereof, to offer any interest in any such business ventures to the Partnership, any Limited Partner or any such other Person, even if such opportunity is of a character that, if presented to the Partnership, any Limited Partner or such other Person, could be taken by such Person.

Section 8.4 Return of Capital Contributions. Except pursuant to the rights of Redemption set forth in Section 8.6, no Limited Partner shall be entitled to the withdrawal or return of his, her or its Capital Contribution except to the extent of distributions made pursuant to this Agreement or upon termination of the Partnership as provided herein. No Limited Partner shall (a) have priority over any other Limited Partner either as to the return of Capital Contributions or as to profits, losses, distributions or credits or (b) be entitled to interest on his, her or its Capital Contribution or Capital Account.

Section 8.5 Rights of Limited Partners Relating to the Partnership.

(a) In addition to the other rights provided by this Agreement or by the Act, and except as limited by Section 8.5(b), each Limited Partner shall have the right, for a purpose reasonably related to such Limited Partner's interest as a limited partner in the Partnership, upon reasonable written demand with a statement of the purpose of such demand and at such Limited Partner's own expense:

(i) to obtain a copy of the Partnership's federal, state and local income tax returns for each Partnership Year;

(ii) to obtain a current list of the name and last known business, residence or mailing address of each Partner, and the date on which each became a Partner; and

(iii) to obtain a copy of this Agreement and the Certificate and all amendments hereto or thereto, together with executed copies of all powers of attorney pursuant to which this Agreement, the Certificate and all amendments thereto have been executed.

(b) Notwithstanding any other provision of this Section 8.5, the General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner deems reasonable, any information that (i) the General Partner believes to be in the nature of trade secrets or other information, the disclosure of which the General Partner in good faith believes is not in the best interests of the Partnership or any Subsidiary or (ii) the Partnership, any Subsidiary or the General Partner is required by law or by agreements with third parties to keep confidential.

Section 8.6 Redemption Rights.

(a) Each Limited Partner shall have the right (subject to the terms and conditions set forth herein and in any other agreement entered into between the Partnership and such Limited Partner, as applicable) to require the Partnership to redeem all or a portion of the LP Units held by such Limited Partner (such Units being hereafter referred

to as "**Tendered Units**") in exchange for the Cash Amount (a "**Redemption**") unless the terms of such Units or a separate agreement entered into between the Partnership and the holder of such Units provide that such Units are not entitled to a right of Redemption. The Tendering Partner shall have no right, with respect to any Units so redeemed, to receive any distributions paid on or after the Specified Redemption Date. Any Redemption shall be exercised pursuant to a Notice of Redemption delivered to the General Partner by the Limited Partner who is exercising the right (the "**Tendering Partner**"). The Cash Amount shall be payable to the Tendering Partner on the Specified Redemption Date; *provided*, *however*, that the Partnership shall be entitled to offset against, and deduct from, the Cash Amount that is payable to the Tendering Partner any amounts payable under or owed by the Tendering Partner pursuant to any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates; and provided further, that the Partnership shall be entitled, in the General Partner's sole discretion, with respect to any Units issued after the Effective Date pursuant to an Equity Incentive Plan, to reduce the Cash Amount by an administrative allocation amount of up to 1% of the Cash Amount.

(b) Notwithstanding Section 8.6(a), if a Limited Partner has delivered to the General Partner a Notice of Redemption then the General Partner may, in its sole and absolute discretion (subject to the limitations on ownership and transfer of REIT Shares set forth in the Charter), elect to satisfy the Redemption obligation and acquire some or all of the Tendered Units from the Tendering Partner in exchange for the REIT Shares Amount (as of the Specified Redemption Date) and, if the General Partner so elects, the Tendering Partner shall sell the Tendered Units to the General Partner in exchange for the REIT Shares Amount; *provided, however*, that the Partnership shall be entitled to offset against, and deduct from, the REIT Shares Amount a number of REIT Shares having a Fair Market Value equal to any amounts payable under or owed by the Tendering Partner pursuant to any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates. The Tendering Partner shall have no right to cause the Partnership to redeem such Tendered Units for the Cash Amount. The General Partner shall give such Tendering Partner written notice of its election on or before the close of business on the fifth (5th) Business Day after its receipt of the Notice of Redemption, and the Tendering Partner may elect to withdraw its redemption request at any time prior to the acceptance of the Cash Amount or REIT Shares Amount by such Tendering Partner. In connection with an exercise of Redemption rights pursuant to this Section 8.6(b), the Tendering Partner shall submit the following to the General Partner, in addition to the Notice of Redemption:

(i) such information, certification or affidavit as the General Partner may reasonably require in connection with the application of the Equity Share Ownership Limit and other restrictions and limitations of the Charter to any such acquisition;

(ii) such written representations, investment letters, legal opinions or other instruments necessary, in the General Partner's view, to effect compliance with the Securities Act;

(iii) a written affidavit, dated the same date as the Notice of Redemption, (A) disclosing the actual and constructive ownership, as determined for purposes of Code Sections 856(a)(6) and 856(h), of REIT Shares by such Tendering Partner and any Affiliate of the Tendering Partner whose ownership of REIT Shares would be attributed to the Tendering Partner and (B) representing that, after giving effect to the Redemption or an acquisition of the Tendered Units by the General Partner pursuant to Section 8.6(b), neither the Tendering Partner nor any such Affiliate will own REIT Shares in excess of the Equity Share Ownership Limit or, if applicable, Excepted Holder Limit;

(iv) a written representation that neither the Tendering Party nor any Affiliate of the Tendering Partner whose ownership of REIT Shares would be attributed to the Tendering Partner has any intention to acquire any additional REIT Shares prior to the closing of the Redemption or an acquisition of the Tendered Units by the General Partner pursuant to Section 8.6(b) on the Specified Redemption Date; and

(v) a "certification of non-foreign status" satisfying the requirements of Regulations Section 1.1445-2(b)(2).

(c) The REIT Shares Amount, if applicable, shall be delivered as duly authorized, validly issued, fully paid and nonassessable REIT Shares and, if applicable, free of any pledge, lien, encumbrance or restriction (including any lien, encumbrance or restriction existing under any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates), other than those provided in the Charter or the Bylaws, the

Securities Act and relevant state securities or blue sky laws. Such REIT Shares shall also bear any legend set forth in the Charter, or deemed necessary or appropriate by the General Partner under the Securities Act and relevant state securities or blue sky laws. Notwithstanding any delay in such delivery (but subject to Section 8.6(b)), the Tendering Partner shall be deemed the owner of such REIT Shares for all purposes, including rights to vote or consent, and receive dividends, as of the Specified Redemption Date.

(d) Each Limited Partner covenants and agrees with the General Partner that all Tendered Units shall be delivered to the General Partner free and clear of all liens, claims and encumbrances whatsoever and should any such liens, claims and/or encumbrances exist or arise with respect to such Tendered Units, the General Partner shall be under no obligation to acquire the same. Each Limited Partner further agrees that, if any state or local property transfer tax is payable as a result of the transfer of its Tendered Units to the General Partner (or its designee), such Limited Partner shall assume and pay such transfer tax.

(e) Notwithstanding the provisions of Section 8.6(a), Section 8.6(b) and Section 8.6(c) or any other provision of this Agreement, a Limited Partner shall not be entitled to exercise the right to Redemption pursuant to this Section 8.6 if the delivery of REIT Shares to such Limited Partner on the Specified Redemption Date pursuant to Section 8.6(b) would (i) result in such Limited Partner or any other Person owning, directly or indirectly, REIT Shares in excess of the Equity Share Ownership Limit or any Excepted Holder Limit and calculated in accordance therewith, except as otherwise provided in the Charter, (ii) result in REIT Shares being owned by fewer than one hundred (100) persons (determined without reference to any rules of attribution), (iii) result in Omega REIT being "closely held" within the meaning of Code Section 856(h), (iv) cause a General Partner to own, actually or constructively, ten percent (10%) or more of the ownership interests in a tenant (other than a taxable REIT subsidiary) of a General Partner's, the Partnership's or their respective Subsidiary real property, within the meaning of Code Section 856(d)(2)(B), (v) otherwise cause Omega REIT to fail to qualify as a REIT under the Code, or (vi) cause the acquisition of REIT Shares by such Limited Partner to be "integrated" with any other distribution of REIT Shares or Units for purposes of complying with the registration provisions of the Securities Act. The General Partner, in its sole and absolute discretion and without the consent of any other Partner or Person, may waive the restriction on redemption set forth in this Section 8.6(e).

(f) Notwithstanding anything herein to the contrary (but subject to Section 8.6(e)), with respect to any Redemption or exchange for REIT Shares pursuant to this Section 8.6: (i) all Units acquired by a General Partner shall, at the General Partner's option, be converted into GP Units or remain outstanding as LP Units; (ii) except as provided in Section 8.6(g), without the consent of the General Partner, each Limited Partner may effect a Redemption only one (1) time in each fiscal quarter; (iii) without the consent of the General Partner, each Limited Partner may not effect a Redemption (A) for less than one thousand (1,000) LP Units or (B) if the Limited Partner holds less than one thousand (1,000) LP Units or such Redemption would otherwise cause the Limited Partner to hold less than one thousand (1,000) LP Units, all of the LP Units held by such Limited Partner; (iv) without the consent of the General Partner, no Limited Partner may effect a Redemption during the period after the Partnership Record Date with respect to a distribution and before the record date established by Omega REIT for a distribution to its stockholders of some or all of its portion of such distribution; (v) the consummation of any Redemption or exchange for REIT Shares shall be subject to the expiration or termination of the applicable waiting period, if any, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended; (vi) cause Omega REIT or the Partnership to violate any Loan Document; (vii) each Tendering Partner shall continue to own all Units subject to any Redemption or exchange for REIT Shares, and be treated as a Limited Partner with respect to such Units for all purposes of this Agreement, until such Units are transferred to the General Partner and paid for or exchanged on the Specified Redemption Date, or until a Specified Redemption Date, and until such time the Tendering Partner shall have no rights as a holder of REIT Shares; (viii) without the Consent of the General Partner, no Tendering Partner may effect a Redemption within ninety (90) days following the closing of any underwritten public offering or Rule 144A offering by the REIT or the Partnership generating gross proceeds of $100 million or more.

(g) Nothing herein (including the limitation set forth in Section 8.6(f) (iii)) shall prohibit the General Partner from, in its sole and absolute discretion, acquiring Units that have not been tendered for Redemption pursuant to Section 8.6(a) and exchanging such Units for REIT Shares.

(h) Each Limited Partner hereby covenants and agrees with the General Partner that it shall Transfer any REIT Shares issued in exchange for Tendered Units pursuant to this Section 8.6 only in accordance with Rule 144

or another applicable exemption from the registration requirements under the Securities Act, unless a registration statement is then in effect with respect to the resale of such REIT Shares or unless the General Partner consents to such Transfer in its sole and absolute discretion.

(i) Partnership Right to Call LP Units. Notwithstanding any other provision of this Agreement, with respect to any LP Units issued after the Effective Date (for the avoidance of doubt, excluding any LP Units issued as a result of conversion of LTIP Units issued prior to the Effective Date), at any time a Holder together with such Holder's Affiliates hold in the aggregate less than one thousand (1,000) LP Units (as adjusted, if applicable, by the Adjustment Factor then in effect), the Partnership shall have the right in its sole discretion, but not the obligation to such Holders or Holder, from time to time and at any time to redeem all or any portion of such outstanding LP Units held by such Holders or Holder, in each case by treating any Holder thereof as a Tendering Party who has delivered a Notice of Redemption pursuant to Section 8.6 hereof for the amount of LP Units to be specified by the General Partner, by notice to such Holder that the Partnership has elected to exercise its rights under this Section 8.6(i). Such notice given by the General Partner to a Holder pursuant to this Section 8.6(i) shall be treated as if it were a Notice of Redemption delivered to the General Partner by such Holder. For purposes of this Section 8.6(i), the provisions of Section 8.6(f)(ii) and Section 8.6(f)(iii) hereof shall not apply, but the remainder of Section 8.6 hereof shall apply, mutatis mutandis.

Section 8.7 Adjustment Factor. The Partnership shall notify any Limited Partner that is a Qualifying Party, on request, of the then current Adjustment Factor or any change made to the Adjustment Factor.

ARTICLE 9
BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 9.1 Records and Accounting. The General Partner shall keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business, including all books and records necessary to provide to the Limited Partners any information, lists and copies of documents required to be provided pursuant to Section 8.5 and Section 9.3. Any records maintained by or on behalf of the Partnership in the regular course of its business may be kept on, or be in the form of, electronic information servers or other storage devices, compact discs, photographs, micrographics or any other information storage device; *provided* that the records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership shall be maintained, for financial and tax reporting purposes, on an accrual basis in accordance with GAAP. The liabilities and obligations assumed by the Partnership in connection with the Omega Contribution or pursuant to Section 4.5(d) in connection with the issuance by the Omega REIT of any New Debt Obligations shall be considered to be financial obligations of the Partnership that shall be reflected on the financial books of the Partnership, and for tax reporting purposes, irrespective of the fact that Omega REIT is the legal obligor with respect to such liabilities.

Section 9.2 Fiscal Year. The fiscal year of the Partnership shall be the calendar year (the "**Partnership Year**").

Section 9.3 Reports. The Partnership shall use reasonable efforts to prepare within one hundred twenty (120) days after the close of each Partnership Year financial statements of the Partnership, or of Omega REIT if such statements are prepared on a consolidated basis with the Partnership, for such Partnership Year, presented in accordance with GAAP, which such statements shall be audited by a nationally recognized firm of independent public accountants selected by the General Partner. Upon written request of any Limited Partner, the Partnership shall mail or otherwise make available such audited financial statements to such Limited Partner.

ARTICLE 10
TAX MATTERS

Section 10.1 Preparation of Tax Returns. The General Partner shall arrange for the preparation and timely filing of all returns of Partnership income, gains, deductions, losses and other items required of the Partnership for federal and state income tax purposes and shall use all reasonable efforts to furnish, within one hundred twenty

(120) days of the close of each Partnership Year, the tax information reasonably required by all Partners for federal and state income tax reporting purposes.

Section 10.2 Tax Elections. The General Partner shall determine whether to make or revoke any available election pursuant to the Code or analogous provisions of state or local law, including for the avoidance of doubt, any election with respect to any pass-through entity or similar tax imposed by an applicable state governmental authority. The Partnership shall make an election under Code Section 754.

Section 10.3 Partnership Representative.

(a) Generally. Omega REIT shall be the "partnership representative" pursuant to Code Section 6223(a) for U.S. federal income tax purposes and any corresponding state or local income tax purposes, and Omega REIT shall appoint a designated individual with substantial presence in the United States through which the partnership representative will act.

(b) Powers. The partnership representative is authorized, but not required (and the Partners hereby consent to the partnership representative taking the following actions):

(i) to allocate any Imputed Underpayment Amount to those Partners to whom such amounts are reasonably attributable;

(ii) to make the election under Code Section 6221(b), if available;

(iii) to enter into any settlement with the IRS with respect to any tax audit or judicial review for the adjustment of Partnership items required to be taken into account by a Partner or the Partnership for income tax purposes, and in the settlement agreement the partnership representative may expressly state that such agreement shall bind the Partnership and all Partners;

(iv) to seek judicial review of any adjustment assessed by the IRS or any other tax authority, including the filing of a petition for readjustment with the Tax Court or the filing of a complaint for refund with the United States Claims Court or the District Court of the United States for the district in which the Partnership's principal place of business is located;

(v) to intervene in any action brought by any other Partner for judicial review of a final adjustment;

(vi) to file a request for an administrative adjustment with the IRS or other tax authority at any time and, if any part of such request is not allowed by the IRS or other tax authority, to file an appropriate pleading (petition or complaint) for judicial review with respect to such request;

(vii) to enter into an agreement with the IRS or other tax authority to extend the period for assessing any tax which is attributable to any item required to be taken into account by a Partner for tax purposes, or an item affected by such item;

(viii) to take any other action on behalf of the Partners of the Partnership in connection with any tax audit or judicial review proceeding, to the extent permitted by applicable law or regulations including, without limitation:

(A) to elect to have the alternative method for the underpayment of taxes set forth in Code Section 6226 apply to the Partnership and its current and former Partners; and

(B) for Partnership level assessments under Code Section 6225, to set aside reserves from Available Cash of the Partnership, withholding of distributions of Available Cash to the Partners, and requiring current or former Partners to make cash payments to the Partnership for their share of the Partnership level assessments; and

(ix) to take any other action required or permitted by the Code and Regulations in connection with its role as the partnership representative.

The taking of any action and the incurring of any expense by the partnership representative in connection with any such audit or proceeding referred to in clause (viii) above, except to the extent required by law, is a matter in the sole and absolute discretion of the partnership representative and the provisions relating to indemnification of the General Partner set forth in Section 7.6 shall be fully applicable to the partnership representative and designated individual in their capacity as such.

(c) Agreement to Provide Information. The current and former Partners agree to provide the following information and documentation to the Partnership and the General Partner:

(i) information and documentation to determine and prove eligibility of the Partnership to make the election under Code Section 6221(b);

(ii) information and documentation to reduce the Partnership level assessment consistent with Code Section 6225(c); and

(iii) information and documentation to prove payment of the attributable liability under Code Section 6226.

(d) Reimbursement. All third party costs and expenses incurred by the General Partner in performing its duties under this Section 10.3 (including legal and accounting fees and expenses) shall be borne by the Partnership. Nothing herein shall be construed to restrict the Partnership from engaging an accounting firm and/or law firm to assist the partnership representative in discharging its duties hereunder.

(e) Survival. The obligations of each Partner under this Section 10.3 shall survive such Partner's withdrawal from the Partnership, and each Partner agrees to execute such documentation requested by the Partnership at the time of such Partner's withdrawal from the Partnership to acknowledge and confirm such Partner's continuing obligations under this Section 10.3.

Section 10.4 Withholding. Each Partner hereby authorizes the Partnership to withhold from or pay on behalf of or with respect to such Partner any amount of federal, state, local or foreign taxes that the General Partner determines that the Partnership is required to withhold or pay with respect to any amount distributable or allocable to such Partner pursuant to this Agreement, including any taxes required to be withheld or paid by the Partnership pursuant to Code Sections 1441, 1442, 1445, 1446, or 1471-1474, Section 10.3, or any pass-through entity or similar tax imposed by an applicable state governmental authority. Any amount paid on behalf of or with respect to a Partner shall constitute a loan by the Partnership to such Partner, which loan shall be repaid by such Partner within fifteen (15) days after notice from the General Partner that such payment must be made unless (a) the Partnership withholds such payment from a distribution that would otherwise be made to the Partner or (b) the General Partner determines that such payment may be satisfied out of the available funds of the Partnership which would, but for such payment, be distributed to the Partner. Any amounts withheld pursuant to the foregoing clauses (a) or (b) shall be treated as having been distributed to such Partner. Each Partner hereby unconditionally and irrevocably grants to the Partnership a security interest (ranking senior in priority) in such Partner's Units to secure such Partner's obligation to pay to the Partnership any amounts required to be paid pursuant to this Section 10.4. In the event that a Partner fails to pay any amounts owed to the Partnership pursuant to this Section 10.4 when due, the General Partner may determine to make the payment to the Partnership on behalf of such defaulting Partner, and in such event shall be deemed to have loaned such amount to such defaulting Partner and shall succeed to all rights and remedies of the Partnership as against such defaulting Partner (including the right to receive distributions). Any amounts payable by a Partner hereunder shall bear interest at the base rate on corporate loans at large United States money center commercial banks, as published from time to time in The Wall Street Journal, plus two (2) percentage points (but not higher than the maximum lawful rate) from the date such amount is due (*i.e.*, fifteen (15) days after demand) until such amount is paid in full. Each

Partner shall take such actions as the General Partner shall reasonably request in order to perfect or enforce the security interest created hereunder.

ARTICLE 11
TRANSFERS AND WITHDRAWALS

Section 11.1 Transfer.

(a) No part of a Limited Partner Interest (i) shall be subject to the claims of any creditor, any spouse for alimony or support or to legal process, or (ii) may be voluntarily or involuntarily alienated or encumbered except as may be specifically provided for in this Agreement.

(b) No Limited Partner shall Transfer its Partnership Interest, in whole or in part, except (i) pursuant to a Redemption made in accordance with Section 8.6 or (ii) with the prior written consent of the General Partner (which may be withheld in its sole and absolute discretion). Any Transfer or purported Transfer of a Partnership Interest not made in accordance with this Article 11 shall be null and void *ab initio* unless consented to by the General Partner in its sole and absolute discretion.

(c) Without limiting Section 11.1(b), no Transfer of any Partnership Interest may be made to: (i) a lender to the Partnership or any Person who is related (within the meaning of Section 1.752-4(b) of the Regulations) to any lender to the Partnership whose loan constitutes a Nonrecourse Liability without the consent of the General Partner in its sole and absolute discretion; *provided* that as a condition to such consent, the lender will be required to enter into an arrangement with the Partnership and Omega REIT to redeem or exchange for REIT Shares any Units in which a security interest is held by such lender concurrently with such time as such lender would be deemed to be a partner in the Partnership for purposes of allocating liabilities to such lender under Code Section 752; or (ii) any person who is a "foreign person" within the meaning of Code Section 1445(f) or a "foreign partner" within the meaning of Code Section 1446(e) without the consent of the General Partner in its sole and absolute discretion.

Section 11.2 Transfer of the General Partner's GP Units.

(a) Except as set forth in this Section 11.2 and except for Transfers to another then-existing General Partner, the General Partner shall not withdraw from the Partnership and shall not Transfer all or any portion of its GP Units (whether by sale, disposition, statutory merger or consolidation, liquidation or otherwise) without the Consent of a Majority in Interest of the Outside Limited Partners, which Consent may be given or withheld in the sole and absolute discretion of the Limited Partners; *provided*, *however*, the Consent of a Majority in Interest of the Outside Limited Partners shall not be required for Transfers of GP Units to an Affiliate, another General Partner, if any, or an Affiliate of another General Partner. Upon any Transfer of such a Partnership Interest pursuant to the Consent of a Majority in Interest of the Outside Limited Partners and otherwise in accordance with the provisions of this Section 11.2(a), the transferee shall become a successor General Partner for all purposes herein, and shall be vested with the powers and rights of the transferor General Partner, and shall be liable for all obligations and responsible for all duties of the General Partner, once such transferee has executed such instruments as may be necessary to effectuate such admission and to confirm the agreement of such transferee to be bound by all the terms and provisions of this Agreement with respect to the Partnership Interest so acquired. It is a condition to any Transfer otherwise permitted hereunder that the transferee assumes, by operation of law or express agreement, all of the obligations of the transferor General Partner under this Agreement with respect to such Transferred Partnership Interest, and such Transfer shall relieve the transferor General Partner, in its capacity as such, of its obligations under this Agreement without the Consent of a Majority in Interest of the Outside Limited Partners. In the event that the General Partner withdraws from the Partnership, in violation of this Agreement or otherwise, or otherwise dissolves or terminates, or upon the Incapacity of the General Partner, and such General Partner is the sole General Partner of the Partnership at such time, all of the remaining Partners may elect to continue the Partnership business by selecting a successor General Partner in accordance with the Act.

(b) Section 11.2(a) notwithstanding, the General Partner may, without the consent of the Limited Partners, Transfer its General Partner Interest in connection with any merger, consolidation, share exchange, or sale of all or substantially all of the assets or capital stock of Omega REIT, sale of all or substantially all of the Partnership's assets, self-tender offer for all or substantially all of the outstanding Units, or other business combination or

reorganization involving Omega REIT or the Partnership (each, a "**Transaction**") if, as a result of such Transaction, either:

(i) all Limited Partners will receive, or have the right to elect to receive, for each Unit an amount of cash, securities or other property, or units or other instruments evidencing the right to receive such cash securities, or other property, in each case equal in value to the product of the Adjustment Factor and the greatest amount of cash, securities or other property paid in such transaction to a holder of one (1) REIT Share in consideration of one (1) REIT Share; *provided* that if, in connection with such transaction, a purchase, tender or exchange offer shall have been made to and accepted by the holders of more than 50% of the outstanding REIT Shares, each holder of Units shall be given the option to exchange its Units for the greatest amount of cash, securities or other property that a Limited Partner would have received had it (A) exercised its Redemption right pursuant to Section 8.6(a) and (B) sold, tendered or exchanged pursuant to the offer such REIT Shares received upon exercise of the Redemption right immediately prior to the expiration of the offer; or

(ii) Omega REIT is the surviving entity in such Transaction and either (A) the holders of REIT Shares do not receive cash, securities or other property in the Transaction or (B) all holders of Units (other than a General Partner or any Subsidiary of a General Partner) receive for each Unit an amount of cash, securities or other property having a value (expressed as an amount per REIT Share) that is no less than the product of the Adjustment Factor and the greatest amount of cash, securities or other property (expressed as an amount per REIT Share) received in such transaction by any holder of REIT Shares, or

(iii) following a Transaction involving the merger, consolidation, share exchange, or sale of all or substantially all of the assets or capital stock of Omega REIT, (A) substantially all of the assets of the successor or surviving entity following consummation of such Transaction (the "**Survivor**"), including all of the assets of the Partnership, excluding units of equity interest held by a general partner or similar governing body of the Survivor and Units held by a General Partner, as applicable, are either contributed, directly or indirectly, combined with or otherwise transferred to either the Partnership or another entity that is classified as a partnership for U.S. federal income tax purposes, and for which the Survivor or an Affiliate serve as the general partner or manager, and the Limited Partners (which may include the General Partners in their capacities as Limited Partners) receive additional Units or units of ownership interest in such other entity with an aggregate Fair Market Value of such additional Units or units of ownership interest equal to the Fair Market Value of the assets so contributed, combined or transferred as determined by the Survivor in good faith, and (B) the Survivor expressly agrees to assume all or substantially all of the obligations of the General Partner or any Affiliate hereunder (or, in lieu thereof, the Survivor may issue a General Partner and/or its Affiliates one or more notes, the terms of which as to payments of principal and interest mirror any such obligations of a General Partner or its Affiliates). Upon such contribution, combination, transfer, and assumption, the Survivor shall, without limiting the provisions of Section 14.1(a), have the right and duty to amend this Agreement as required by this Section 11.2(b)(iii). The Survivor shall in good faith arrive at a new method for the calculation of the Adjustment Factor after any such merger or consolidation so as to approximate the existing method for such calculation as closely as reasonably possible. Such calculation shall take into account, among other things, the kind and amount of securities, cash and other property that was receivable upon such merger or consolidation by a holder of REIT Shares or options, warrants or other rights relating thereto, and which a holder of Units could have acquired had such Units been exchanged immediately prior to such merger or consolidation. The above provisions of this Section 11.2(b)(iii) shall similarly apply to successive mergers or consolidations permitted hereunder.

(c) Notwithstanding the other provisions of this Article 11 (other than Section 11.6(d)), the General Partner Interests of the General Partner may be Transferred, at any time or from time to time, and without the Consent of any Limited Partners, to any Person that is, at the time of such Transfer, an Affiliate of the General Partner or any successor thereto, including any Qualified REIT Subsidiary. Any transferee of a General Partner Interest pursuant to this Section 11.2(c) shall automatically become, without further action or Consent of any Limited Partners, a general partner of the Partnership, subject to all the rights, privileges, duties and obligations under this Agreement and the Act relating to a general partner. The provisions of Section 11.2(a) (other than the last sentence thereof), Section 11.2(b) and Section 11.4 shall not apply to any Transfer permitted by this Section 11.2(c).

(d) Notwithstanding any other provision of this Article 11 (other than Section 11.2(c)), the Units held by a General Partner may be Transferred in whole or in part, at any time and from time to time, to any Person that is, at the time of such Transfer, a successor to the General Partner or any Qualified REIT Subsidiary.

Section 11.3 Transfer of Limited Partners' Partnership Interests.

(a) Without limiting the generality of Section 11.1(b), it is expressly understood and agreed that the General Partner will not, and will not be required to, consent, pursuant to Section 11.1(b)(ii), to any Transfer of all or any portion of any Partnership Interest unless such Transfer meets each of the following conditions:

(i) Such Transfer is made only to a single Qualified Transferee who shall, if requested by the General Partner, provide the information and representations set forth in Section 8.6(b); *provided*, *however*, that for such purposes, all Qualified Transferees that are Affiliates, or that comprise investment accounts or funds managed by a single Qualified Transferee and its Affiliates, shall be considered together to be a single Qualified Transferee.

(ii) The transferee in such Transfer assumes by operation of law or express agreement all of the obligations of the transferor Limited Partner under this Agreement with respect to such Transferred Partnership Interest; *provided*, that no such Transfer (unless made pursuant to a statutory merger or consolidation wherein all obligations and liabilities of the transferor Partner are assumed by a successor corporation or other entity by operation of law) shall relieve the transferor Partner of its obligations under this Agreement without the approval of the General Partner, in its sole and absolute discretion. Notwithstanding the foregoing, any transferee of any Transferred Partnership Interest shall be subject to any and all ownership limitations contained in the Charter that may limit or restrict such transferee's ability to exercise its Redemption rights, including the Equity Share Ownership Limit. Any transferee, whether or not admitted as a Substituted Limited Partner, shall take subject to the obligations of the transferor hereunder. Unless admitted as a Substituted Limited Partner, no transferee, whether by a voluntary Transfer, by operation of law or otherwise, shall have any rights hereunder, other than the rights of an Assignee as provided in Section 11.5.

(iii) Such Transfer is effective as of the first day of a fiscal quarter of the Partnership Year.

(b) If a Limited Partner is subject to Incapacity, the executor, administrator, trustee, committee, guardian, conservator or receiver of such Limited Partner's estate shall have all the rights of a Limited Partner, but no more rights than those enjoyed by other Limited Partners, for the purpose of settling or managing the estate, and such power as the Incapacitated Limited Partner possessed to Transfer all or any part of his, her or its interest in the Partnership. The Incapacity of a Limited Partner shall not cause such Limited Partner to cease to be a Limited Partner of the Partnership and, in and of itself, shall not dissolve or terminate the Partnership.

(c) In connection with any proposed Transfer of a Limited Partner Interest, the General Partner shall have the right to receive an opinion of counsel reasonably satisfactory to it to the effect that the proposed Transfer may be effected without registration under the Securities Act and will not otherwise violate any federal or state securities laws or regulations applicable to the Partnership or the Transferred Partnership Interests. If, in the opinion of such counsel, such Transfer would require the filing of a registration statement under the Securities Act or would otherwise violate any federal or state securities laws or regulations applicable to the Partnership or the Transferred Partnership Interests, the General Partner may prohibit the proposed Transfer.

(d) Notwithstanding anything in this Article 11 or Section 8.6 to the contrary, except with the prior written consent of the General Partner, which may be withheld in the General Partner's sole and absolute discretion, a transfer of Units by a Limited Partner to any Person will not be permitted by the Partnership, and the General Partner shall not admit such Person as a Partner, if (i) in the opinion of legal counsel to the Partnership, (A) the Partnership would be classified as an association taxable as a corporation for U.S. federal income tax purposes, or (B) Omega REIT or any Subsidiary REIT would no longer qualify as a REIT or would be subject to additional taxes under Code Section 856 or 857, or Code Section 4981, as a result of such transfer of Units, or (ii) such transfer was effectuated through an "established securities market" or a "secondary market" (or the substantial equivalent thereof) as those terms are defined for purposes of Code Section 7704.

Section 11.4 Substituted Limited Partners.

(a) A transferee of the interest of a Limited Partner pursuant to a Transfer consented to by the General Partner pursuant to Section 11.1(b) may be admitted to the Partnership as a Substituted Limited Partner only with the written consent of the General Partner, which consent may be given or withheld by the General Partner in its sole and absolute discretion. The failure or refusal by the General Partner to permit a transferee of any such interests to become a Substituted Limited Partner shall not give rise to any cause of action against the Partnership or the General Partner. Subject to the foregoing, an Assignee shall not be admitted as a Substituted Limited Partner until and unless it furnishes to the General Partner (i) evidence of acceptance, in form and substance satisfactory to the General Partner, of all the terms, conditions and applicable obligations of this Agreement, (ii) a counterpart signature page to this Agreement executed by such Assignee and (iii) such other documents and instruments as may be required or advisable, in the sole and absolute discretion of the General Partner, to effect such Assignee's admission as a Substituted Limited Partner.

(b) A transferee who has been admitted as a Substituted Limited Partner in accordance with this Article 11 shall have all the rights and powers and be subject to all the restrictions and liabilities of a Limited Partner under this Agreement. The admission of any transferee as a Substituted Limited Partner shall be subject to the transferee executing and delivering to the Partnership an acceptance of all the terms and conditions of this Agreement (including the provisions of Section 2.4) and such other documents or instruments as may be required to effect the admission.

(c) Upon the admission of a Substituted Limited Partner, the General Partner shall update the Partner Registry to reflect the name of the Substituted Limited Partner and the number of Units held by such Substituted Limited Partner and to eliminate or adjust, as necessary, the name and number of Units of the predecessor of such Substituted Limited Partner.

Section 11.5 Assignees. If the General Partner, in its sole and absolute discretion, does not consent to the admission of any transferee of any Partnership Interest as a Substituted Limited Partner in connection with a Transfer permitted by the General Partner pursuant to Section 11.1(b), such transferee shall be considered an Assignee for purposes of this Agreement. An Assignee shall be entitled to all the rights of an assignee of a holder of a Partnership Interest under the Act, including the right to receive distributions from the Partnership and the share of Net Income, Net Losses and other items of income, gain, loss, deduction and credit of the Partnership attributable to the Units assigned to such Assignee and the rights to Transfer the Units only in accordance with the provisions of this Article 11, but shall not be deemed to be a Partner or holder of Units for any other purpose under this Agreement, and shall not be entitled to effect a Consent or vote or effect a Redemption with respect to such Units on any matter presented to the Limited Partners for approval (such right to Consent or vote or effect a Redemption, to the extent provided in this Agreement or under the Act, fully remaining with the transferor Limited Partner). In the event that any such transferee desires to make a further assignment of any such Units, such Assignee shall be subject to all the provisions of this Article 11 to the same extent and in the same manner as any Limited Partner desiring to make an assignment of Units.

Section 11.6 General Provisions.

(a) No Limited Partner may withdraw from the Partnership other than as a result of a permitted Transfer of all of such Limited Partner's Units in accordance with this Article 11, with respect to which the transferee becomes a Substituted Limited Partner, or pursuant to a redemption (or acquisition by Omega REIT) of all of its Units pursuant to a Redemption under Section 8.6.

(b) Any Limited Partner who shall Transfer all of his, her or its Units in a Transfer (i) consented to by the General Partner pursuant to this Article 11 where such transferee was admitted as a Substituted Limited Partner, (ii) pursuant to the exercise of its rights to effect a redemption of all of its Units pursuant to a Redemption under Section 8.6 or (iii) to Omega REIT, whether or not pursuant to Section 8.6(b), shall cease to be a Limited Partner as of the effectiveness of the Transfer.

(c) If any Unit is Transferred in compliance with the provisions of this Article 11, or is redeemed by the Partnership, or acquired by Omega REIT pursuant to Section 8.6, on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items of income, gain, loss, deduction and credit attributable to such Unit for such Partnership Year shall be allocated to the transferor Partner or the

Tendering Partner, as the case may be, and, in the case of a Transfer or assignment other than a Redemption, to the transferee Partner, by taking into account their varying interests during the Partnership Year in accordance with Code Section 706(d), using the "interim closing of the books" method or another permissible method selected by the General Partner. Solely for purposes of making such allocations, each of such items for the calendar month in which a Transfer occurs shall be allocated to the transferee Partner and none of such items for the calendar month in which a Transfer or a Redemption occurs shall be allocated to the transferor Partner or the Tendering Partner, as the case may be, if such Transfer occurs on or before the fifteenth (15th) day of the month, otherwise all such items shall be allocated to the transferor; *provided, however*, that the General Partner may adopt such other conventions relating to allocations in connection with Transfers or Redemptions as it deems necessary or appropriate. All distributions of Available Cash attributable to such Unit with respect to which the Partnership Record Date is before the date of such Transfer, assignment or Redemption shall be made to the transferor Partner or the Tendering Partner, as the case may be, and, in the case of a Transfer other than a Redemption, all distributions of Available Cash thereafter attributable to such Unit shall be made to the transferee Partner.

(d) In addition to any other restrictions on Transfer contained in this Agreement, in no event may any Transfer or assignment of a Partnership Interest by any Partner (including any Redemption, any acquisition of Units by Omega REIT or any other acquisition of Units by the Partnership) be made: (i) to any Person who lacks the legal right, power or capacity to own a Partnership Interest; (ii) in violation of applicable law; (iii) with respect to LP Units only, of any component portion of a Partnership Interest, such as the Capital Account, or rights to distributions, separate and apart from all other components of a Partnership Interest; (iv) if such Transfer could reasonably be expected to cause Omega REIT or any Subsidiary REIT to cease to comply with the REIT Requirements; (v) if such Transfer could reasonably be expected to, on advice of legal counsel to the Partnership or the General Partner, cause a termination of the Partnership for federal or state income tax purposes; (vi) if such Transfer could reasonably be expected to, on advice of legal counsel to the Partnership, cause the Partnership to cease to be classified as a partnership for federal income tax purposes; (vii) if such Transfer, on advice of legal counsel to the Partnership or the General Partner, could reasonably be expected to adversely affect the ability of Omega REIT or any Subsidiary REIT to continue to qualify as a REIT or subject Omega REIT to any additional taxes under Code Section 857 or Code Section 4981; (viii) if such Transfer could reasonably be expected to cause the Partnership to become, with respect to any employee benefit plan subject to Title I of ERISA or any plan subject to Code Section 4975, a "party-in-interest" (as defined in ERISA Section 3(14)) or a "disqualified person" (as defined in Code Section 4975(c)); (ix) to any benefit plan investor within the meaning of Department of Labor Regulations Section 2510.3-101(f); (x) if such Transfer could reasonably be expected to, on advice of legal counsel to the Partnership or the General Partner, cause any portion of the assets of the Partnership to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.3-101; (xi) if such Transfer requires the registration of such Partnership Interest pursuant to any applicable federal or state securities laws; (xii) if such Transfer would be effectuated through an "established securities market" or a "secondary market" (or the substantial equivalent thereof) within the meaning of Code Section 7704) or if such Transfer causes the Partnership to become a "publicly traded partnership," as such term is defined in Code Sections 469(k)(2) or 7704(b); or (xiii) if such Transfer subjects the Partnership to regulation under the Investment Company Act of 1940, as amended, the Investment Advisors Act of 1940, as amended, or ERISA, except in the case of each of clauses (iii) through (xii), with prior written consent of the General Partner, which consent may be granted or withheld in its sole and absolute discretion.

(e) The General Partner shall monitor the Transfers of Partnership Interests (including any acquisition of Common Units by the Partnership or the Omega REIT) to determine (i) if such interests could be treated as being traded on an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Code Section 7704 and the regulations thereunder and (ii) whether such transfers of interests could result in the Partnership being unable to qualify for the "safe harbors" set forth in Regulations Section 1.7704-1 (or such other guidance subsequently published by the IRS setting forth safe harbors under which interests will not be treated as "readily tradable on a secondary market (or the substantial equivalent thereof)" within the meaning of Code Section 7704) (the "**PTP Safe Harbors**"). The General Partner shall have the authority (but shall not be required) to take any steps it determines are necessary or appropriate in its sole and absolute discretion (i) to prevent any trading of interests which could cause the Partnership to become a "publicly traded partnership," within the meaning of Code Section 7704, or any recognition by the Partnership of such transfers, (ii) to ensure that one or more of the PTP Safe Harbors is met and/or (iii) to ensure that the Partnership satisfies the "qualifying income" exemption of Code Section 7704(c) from treatment as a publicly traded partnership taxable as a corporation.

ARTICLE 12
ADMISSION OF PARTNERS

Section 12.1 Admission of Successor General Partner and Additional General Partners. The acquirer of the General Partner's GP Units pursuant to a Transfer permitted by Section 11.2 or issuance pursuant to Section 4.4, which is proposed to be admitted as an additional or a successor General Partner shall be admitted to the Partnership as a General Partner, without the consent of any Limited Partner, effective upon such Transfer or issuance. Upon any such Transfer and the admission of any such transferee as a successor General Partner in accordance with this Section 12.1, the transferor General Partner shall be relieved of all of its obligations under this Agreement and shall cease to be a general partner of the Partnership without any separate Consent of the Limited Partners. Any such successor General Partner, if named to be Principal General Partner in the Partner Registry, shall carry on the business of the Partnership without dissolution. The admission shall be subject to the successor General Partner executing and delivering to the Partnership an acceptance of all of the terms and conditions of this Agreement and such other documents or instruments as may be required to effect the admission. In the case of such admission on any day other than the first (1st) day of a Partnership Year, all items attributable to the Partnership Interests for such Partnership Year shall be allocated between the transferring General Partner and such successor as provided in Section 11.6(c). Upon any such Transfer, the transferee shall become the successor General Partner (and, if appropriate, the Principal General Partner) for all purposes herein, and shall be vested with the powers and rights of the transferor General Partner, and shall be liable for all of the obligations and responsible for all of the duties of the General Partner.

Section 12.2 Admission of Additional Limited Partners.

(a) A Person not already a Partner who receives LP Units or an award of LTIP Units in accordance with this Agreement shall be admitted to the Partnership as an Additional Limited Partner only upon furnishing to the General Partner (i) evidence of acceptance in form satisfactory to the General Partner of all of the terms and conditions of this Agreement, including the power of attorney granted in Section 2.4, and (ii) such other documents or instruments as may be required in the sole and absolute discretion of the General Partner in order to effect such Person's admission as an Additional Limited Partner.

(b) Notwithstanding anything to the contrary in this Section 12.2, no Person shall be admitted as an Additional Limited Partner without the consent of the General Partner in its sole and absolute discretion. The admission of any Person as an Additional Limited Partner shall become effective on the date upon which the name of such Person is recorded on the books and records of the Partnership, which shall occur on the last date upon which each of the following conditions has been satisfied: (i) the Capital Contribution in respect of such Limited Partner is received, (ii) the consent of the General Partner to such admission is obtained and (iii) the documents required by Section 12.2(a) are furnished to the General Partner. If any Additional Limited Partner is admitted to the Partnership on any day other than the first (1st) day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items allocable among Partners and Assignees for such Partnership Year shall be allocated among such Limited Partner and all other Partners and Assignees using any method permitted under Code Section 706 as the General Partner determine. All distributions of Available Cash with respect to which the Partnership Record Date is before the date of such admission shall be made solely to Partners and Assignees other than the Additional Limited Partner (other than in its capacity as an Assignee, if applicable) and, except as otherwise agreed to by the Additional Limited Partner and the General Partner, all distributions of Available Cash thereafter shall be made to all Partners and Assignees including such Additional Limited Partner.

Section 12.3 Amendment of Agreement and Certificate of Limited Partnership. For the admission to the Partnership of any Partner, the General Partner shall take all steps necessary and appropriate under the Act to amend the records of the Partnership and, if necessary, to prepare as soon as practical an amendment of this Agreement and an update to the Partner Registry and, if required by law, shall prepare and file an amendment to the Certificate and may for this purpose exercise the power of attorney granted pursuant to Section 2.4.

ARTICLE 13
DISSOLUTION AND LIQUIDATION

Section 13.1 Dissolution. The Partnership shall not be dissolved by the admission of Substituted Limited Partners or Additional Limited Partners or by the admission of a successor General Partner or Additional

General Partner in accordance with the terms of this Agreement. The Partnership shall dissolve, and its affairs shall be wound up, upon the first to occur of any of the following (each, a "**Liquidating Event**"):

(a) an event of withdrawal (as defined in the Act) of the sole remaining General Partner, unless, within ninety (90) days after the withdrawal, a Majority in Interest of the Outside Limited Partners Consent, in their sole and absolute discretion, to continue the business of the Partnership and to the appointment, effective as of the date of withdrawal, of a substitute general partner, who shall be a Principal General Partner for all purposes;

(b) an election to dissolve the Partnership made by the General Partner in its sole and absolute discretion, with or without the Consent of a Majority in Interest of the Outside Limited Partners;

(c) the entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Act;

(d) the occurrence of any sale or other disposition of all or substantially all of the Partnership Assets or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the Partnership Assets;

(e) the Redemption (or acquisition by the General Partner) of all Units other than Units held by the General Partner; or

(f) the Incapacity of the sole remaining General Partner, unless, within ninety (90) days after the event causing such Incapacity, a Majority in Interest of the Outside Limited Partners Consent to continue the business of the Partnership and to the appointment, effective as of the date of such Incapacity, of a substitute general partner, who shall be a Principal General Partner for all purposes.

Section 13.2 Winding Up.

(a) Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Partners. No Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The sole remaining General Partner or, in the event that there is no remaining General Partner or the sole remaining General Partner has dissolved, become bankrupt within the meaning of the Act or ceased to operate, any Person elected by a Majority in Interest of the Outside Limited Partners (the General Partner or such other Person being referred to herein as the "**Liquidator**") shall be responsible for overseeing the winding up and dissolution of the Partnership and shall take full account of the Partnership's liabilities and property and the Partnership Assets shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom shall be applied and distributed in the following order:

(i) First, to the payment and discharge of all of the Partnership's debts and liabilities to creditors other than the Partners;

(ii) Second, to the payment and discharge of all of the Partnership's debts and liabilities to the General Partner including amounts due as reimbursements under Section 7.3;

(iii) Third, to the payment and discharge of all of the Partnership's debts and liabilities to the Partners, pro rata; and

(iv) The balance, if any, in accordance with Section 5.1(a); *provided*, *however*, distributions to a Holder of LTIP Units shall not exceed such Holder's positive Capital Account Balance with respect to such LTIP Units, respectively.

No General Partner shall receive any additional compensation for any services performed pursuant to this Article 13 other than reimbursement of its expenses as provided in Section 7.3. If any Partner has a deficit balance in its Capital Account, such Partner shall have no obligation to make any contribution to the capital of the Partnership

with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever.

(b) Notwithstanding the provisions of Section 13.2(a) which require liquidation of the Partnership Assets, but subject to the order of priorities set forth therein, if prior to or upon dissolution of the Partnership the Liquidator determines that an immediate sale of part or all of the Partnership Assets would be impractical or would cause undue loss to the Partners, the Liquidator may, in its sole and absolute discretion, defer for a reasonable time the liquidation of any Partnership Assets except those necessary to satisfy liabilities of the Partnership (including to those Partners as creditors) and/or distribute to the Partners, in lieu of cash, as tenants in common and in accordance with the provisions of Section 13.2(a), undivided interests in such Partnership Assets as the Liquidator deems not suitable for liquidation. Any such distributions in kind shall be made only if in the good faith judgment of the Liquidator, such distributions in kind are in the best interest of the Partners, and shall be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operation of such properties at such time. The Liquidator shall determine the fair market value of any property distributed in kind using such reasonable method of valuation as it may adopt.

Section 13.3 Deemed Contribution and Distribution. Notwithstanding any other provision of this Article 13, in the event the Partnership is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Liquidating Event has occurred, the Partnership Assets shall not be liquidated, the Partnership's liabilities shall not be paid or discharged and the Partnership's affairs shall not be wound up. Instead, the Partnership shall be deemed to have contributed the Partnership Assets to a new partnership, in exchange for an interest in the new partnership, which new partnership shall be deemed to have assumed and taken such property subject to all Partnership liabilities. Immediately thereafter, the Partnership shall be deemed to distribute the interests in the new partnership, in liquidation of the Partnership, to the General Partner and the Limited Partners, in proportion to the Partners' respective interests in the Partnership, for the continuation of the business.

Section 13.4 Rights of Limited Partners. Except as otherwise provided in this Agreement, (a) each Limited Partner shall look solely to the Partnership Assets for the return of its Capital Contribution and (b) no Limited Partner shall have the right or power to demand or receive property from the Partnership.

Section 13.5 Notice of Dissolution. In the event a Liquidating Event occurs or an event occurs that would, but for provisions of Section 13.1, result in a dissolution of the Partnership, the General Partner shall, within thirty (30) days thereafter, provide written notice thereof to each of the Partners.

Section 13.6 Cancellation of Certificate of Limited Partnership. Upon the completion of the liquidation of the Partnership's cash, property and other assets as provided in Section 13.2, the Partnership shall be terminated and the Certificate and all qualifications of the Partnership as a foreign limited partnership in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Partnership shall be taken.

Section 13.7 Reasonable Time for Winding-Up. A reasonable time shall be allowed for the orderly winding-up of the business and affairs of the Partnership and the liquidation of its assets pursuant to Section 13.2, in order to minimize any losses otherwise attendant upon such winding-up, and the provisions of this Agreement shall remain in effect between the Partners during the period of liquidation.

Section 13.8 Waiver of Partition. Each Partner hereby waives any right to partition of the Partnership Assets.

ARTICLE 14
AMENDMENT OF PARTNERSHIP AGREEMENT; CONSENTS

Section 14.1 Amendments without Limited Partner Consent.

(a) Without limiting the powers of the General Partner as set forth in Section 7.1, each Limited Partner agrees that the General Partner (pursuant to its powers of attorney from the Limited Partners and Assignees), without

the approval of any Limited Partner or Assignee, may amend any provision of this Agreement, and execute, swear to acknowledge, deliver, file and record whatever documents may be required in connection therewith, to:

(i) reflect a change in the name of the Partnership or the location of the principal place of business of the Partnership;

(ii) reflect the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement and to amend the Partner Registry in connection with such admission, substitution, withdrawal or removal;

(iii) reflect a change that, in the sole and absolute discretion of the General Partner is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership or a partnership in which the limited partners have limited liability under the laws of any state or that is necessary or advisable in the opinion of the General Partner to ensure that the Partnership will not be taxable as a corporation or an association taxable as a corporation for federal income tax purposes;

(iv) reflect a change (A) that in the sole and absolute discretion of the General Partner does not adversely affect the Limited Partners in any material respect (including, but not limited to, Section 11.2(b) to the extent that any amendment to such section, that in the sole and absolute discretion, of the General Partner, is or may be required to facilitate a Transaction) or (B) that is required to effect the intent of the provisions of this Agreement or otherwise contemplated by this Agreement;

(v) add to the obligations of the General Partner or surrender any right or power granted to the General Partner to any other Affiliate of a General Partner for the benefit of the Limited Partners;

(vi) satisfy the provisions of any order, directive, opinion, ruling or regulation of a federal or state agency or contained in federal or state law which is binding upon the Partnership;

(vii) reflect such changes as are determined by the General Partner in its sole and absolute discretion to be necessary or appropriate for Omega REIT or any Subsidiary REIT to maintain or restore its status as a REIT or to satisfy the REIT Requirements;

(viii) to reflect the Transfer of all or any part of a Partnership Interest between the General Partner and any Qualified REIT Subsidiary;

(ix) to modify the manner in which Capital Accounts are computed (but only to the extent set forth in the definition of "Capital Account" or contemplated by the Code or the Regulations);

(x) reflect an amendment that is necessary or advisable in the opinion of the General Partner to prevent the Partnership or Omega REIT or its directors or officers from in any manner being subjected to the provisions of the Investment Company Act of 1940, as amended, or the Investment Advisers Act of 1940, as amended;

(xi) reflect such actions as may be necessary or appropriate to avoid the Partnership Assets being treated for any purpose of ERISA or Code Section 4975 as assets of any "employee benefit plan" as defined in and subject to ERISA or of any "plan" subject to Code Section 4975 (or any corresponding provisions of succeeding law) or to avoid the Partnership's engaging in a prohibited transaction as defined in Section 406 of ERISA or Code Section 4975(c);

(xii) reflect an amendment that in the sole and absolute discretion of the General Partner is necessary or desirable in connection with the issuance of any Units or adoption of any Equity Incentive Plan pursuant to Article 4;

(xiii) reflect an amendment as may be required in the General Partner's sole and absolute discretion to comply with provisions of Loan Documents;

(xiv) reflect any amendment expressly permitted in this Agreement to be made by the General Partner; or

(xv) reflect any other amendment similar to the foregoing.

(b) Notwithstanding the foregoing, this Agreement shall not be amended, and no action may be taken by the General Partner, without the Consent of each Partner adversely affected if such amendment or action would (i) convert a Limited Partner's interest in the Partnership into a General Partner Interest, (ii) modify the limited liability of a Limited Partner, (iii) alter the rights of any Partner to receive distributions pursuant to Article 5 or Section 13.2(a)(iv), or the allocations specified in Article 6 (except as permitted pursuant to Section 4.4, Section 4.5 and Section 6.2(c)) or (iv) amend this Section 14.1(b).

(c) Except as otherwise provided in Section 14.1(a) and Section 14.1(b), amendments to this Agreement shall require the affirmative consent of the General Partner and of Partners (which, for the avoidance of doubt, may include any General Partner) owning in the aggregate a majority of the Common Units.

Section 14.2 Amendments with Limited Partner Consent. Amendments to this Agreement requiring Consent of the Limited Partners may be proposed only by the General Partner. Following such proposal, the General Partner shall submit any proposed amendment to the Limited Partners for approval in accordance with Section 14.3.

Section 14.3 Meetings of and Actions by the Partners.

(a) Meetings of the Partners may be called by the General Partner at its sole and absolute discretion. The call shall state the nature of the business to be transacted. Notice of any such meeting shall be given to all Partners not less than seven (7) days nor more than thirty (30) days prior to the date of such meeting. Partners may vote in person or by proxy at such meeting. Whenever the vote or Consent of Partners is permitted or required under this Agreement, such vote or Consent may be given by proxy or at a meeting of Partners or may be given in accordance with the procedure prescribed in Section 14.3(b).

(b) Any action required or permitted to be taken at a meeting of the Partners may be taken without a meeting if a written consent setting forth the action so taken is signed by the Holders of a majority of the Percentage Interests of the Partners (or such other percentage as is expressly required by this Agreement for the action in question). Such consent may be in one instrument or in several instruments, and shall have the same force and effect as a vote of a majority of the Percentage Interests of the Partners (or such other percentage as is expressly required by this Agreement) at a meeting of the Partners. For purposes of obtaining such consent, the General Partner may require a response within a reasonable specified time, but not less than ten (10) days, and failure to respond in such time period shall constitute a Consent that is consistent with the General Partner's recommendation with respect to the proposal; *provided*, *however*, that an action shall become effective at such time as requisite Consents are received even if prior to such specified time. Such Consent shall be filed with the General Partner.

(c) Each Limited Partner may authorize any Person or Persons to act for him, her or it by proxy on all matters in which a Limited Partner is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Limited Partner or his, her or its attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy (or there is receipt of a proxy authorizing a later date). Every proxy shall be revocable at the pleasure of the Limited Partner executing it, such revocation to be effective upon the Partnership's receipt of written notice of such revocation from the Limited Partner executing such proxy. The use of proxies will be governed in the same manner as in the case of corporations organized under the General Corporation Law of Delaware (including Section 212 thereof).

(d) Each meeting of Partners shall be conducted by the General Partner or such other Person as the General Partner may appoint pursuant to such rules for the conduct of the meeting as the General Partner or such other Person deems appropriate in its sole and absolute discretion.

(e) On matters on which Limited Partners are entitled to vote, each Limited Partner holding Units shall be entitled to cast a number of votes equal to the number of Units held by such Limited Partner.

(f) Except as otherwise expressly provided in this Agreement, the Consent of Holders of Partnership Interests representing a majority of the Partnership Interests of the Limited Partners shall control.

ARTICLE 15
LTIP UNITS

Section 15.1 Designation. Section 4.3 establishes a class of Units in the Partnership designated as the "**LTIP Units**." The number of LTIP Units that may be issued is not limited by this Agreement. The LTIP Units are intended to qualify as "profit interests" under Revenue Procedure 93-27 and Revenue Procedure 2001-43, and this Article shall be interpreted accordingly.

Section 15.2 Vesting.

(a) Generally. LTIP Units may, in the sole and absolute discretion of the General Partner, be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of an award, vesting or other similar agreement (a "**Vesting Agreement**"). The terms of any Vesting Agreement may be modified by the General Partner from time to time in its sole and absolute discretion, subject to any restrictions on amendment imposed by the relevant Vesting Agreement or by the Equity Incentive Plan, if applicable. LTIP Units that were fully vested when issued or that have vested and are no longer subject to forfeiture under the terms of a Vesting Agreement are referred to as "**Vested LTIP Units**" and all other LTIP Units shall be treated as "**Unvested LTIP Units**." LTIP Units that are issued subject to the achievement of specified performance criteria are referred to as "**Unearned LTIP Units**" until such time as the relevant performance criteria have been met at which time such LTIP Units are referred to as "**Earned LTIP Units**." Earned LTIP Units that are subject to vesting and forfeiture provisions pursuant to the terms of a Vesting Agreement are referred to as "**Earned Unvested LTIP Units**."

(b) Forfeiture. Unless otherwise specified in the Vesting Agreement, the Equity Incentive Plan or in any other applicable compensatory arrangement or incentive program pursuant to which LTIP Units are issued, upon the occurrence of any event specified in such Vesting Agreement, Equity Incentive Plan, arrangement or program as resulting in either the right of the Partnership or the General Partner to repurchase LTIP Units at a specified purchase price or some other forfeiture of any LTIP Units, then if the Partnership or the General Partner exercise such right to repurchase or upon the occurrence of the event causing forfeiture in accordance with the applicable Vesting Agreement, Equity Incentive Plan, arrangement or program, then the relevant LTIP Units shall immediately, and without any further action, be treated as cancelled and no longer outstanding for any purpose. Unless otherwise specified in the applicable Vesting Agreement, Equity Incentive Plan, arrangement or program, no consideration or other payment shall be due with respect to any LTIP Units that have been forfeited, other than any distributions declared with respect to a Partnership Record Date and with respect to such LTIP Units prior to the effective date of the forfeiture if so provided by the terms of the applicable Vesting Agreement, Equity Incentive Plan, arrangement or program. Except as otherwise provided in this Agreement (including without limitation Section 6.2(a)(i)) or any agreement relating to the grant of LTIP Units, in connection with any repurchase or forfeiture of such LTIP Units, if such Holder continues to hold LTIP Units after such repurchase or forfeiture, the Capital Account balance of the holder of LTIP Units that is attributable to all of his or her remaining LTIP Units shall be reduced by the amount, if any, needed to reduce such Capital Account balance to an amount that would equal the target balance contemplated by Section 6.2(a)(i), calculated with respect to such holder's remaining LTIP Units.

Section 15.3 Adjustments. The Partnership shall maintain at all times a one-to-one correspondence between LTIP Units and LP Units for conversion, distribution and other purposes, including without limitation complying with the following procedures; *provided*, that the foregoing is not intended to alter the special allocations pursuant to Section 6.2(a)(i), differences between distributions to be made with respect to LTIP Units and LP Units pursuant to Section 13.2 and Section 15.4(c) in the event that the Capital Accounts attributable to the LTIP Units are less than those attributable to LP Units due to insufficient special allocation pursuant to Section 6.2(a)(i) or related provisions. If an Adjustment Event occurs, then the General Partner shall take any action reasonably necessary, including any amendment to this Agreement or the Partner Registry adjusting the number of outstanding LTIP Units or subdividing or combining outstanding LTIP Units, to maintain a one-for-one conversion and economic equivalence

ratio between LP Units and LTIP Units. The following shall be "**Adjustment Events**": (i) the Partnership makes a distribution on all outstanding LP Units in Units, (ii) the Partnership subdivides the outstanding LP Units into a greater number of Units or combines the outstanding LP Units into a smaller number of Units, or (iii) the Partnership issues any Units in exchange for its outstanding LP Units by way of a reclassification or recapitalization of its LP Units. If more than one Adjustment Event occurs, any adjustment to the LTIP Units need be made only once using a single formula that takes into account each and every Adjustment Event as if all Adjustment Events occurred simultaneously. For the avoidance of doubt, the following shall not be Adjustment Events: (x) the issuance of Units in a financing, reorganization, acquisition or other similar business transaction, (y) the issuance of Units pursuant to any Equity Incentive Plan or any employee benefit or compensation plan or distribution reinvestment plan, or (z) the issuance of any GP Units to a General Partner in respect of a Capital Contribution to the Partnership of proceeds from the sale of securities by Omega REIT. If the Partnership takes an action affecting the LP Units other than actions specifically described above as Adjustment Events and in the opinion of the General Partner such action would require action to maintain the one-to-one correspondence described above, the General Partner shall have the right to take such action, to the extent permitted by law, the Equity Incentive Plan and any other compensatory arrangement or incentive program pursuant to which LTIP Units are issued, in such manner and at such time as the General Partner, in its sole and absolute discretion, may determine to be reasonably appropriate under the circumstances. If an amendment is made to this Agreement adjusting the number of outstanding LTIP Units as herein provided, the Partnership shall promptly file in the books and records of the Partnership a certificate of the General Partner setting forth a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error. Promptly after filing of such certificate, the Partnership shall mail a notice to each LTIP Unit Holder setting forth the adjustment to his or her LTIP Units and the effective date of such adjustment.

Section 15.4 Distributions.

(a) Distributions Generally. Distributions on the LTIP Units, if authorized, under the provisions of Section 5.1(a) or Section 5.1(c) shall be payable in such amounts as authorized, subject to adjustment or modification as set forth in the Equity Incentive Plan or any applicable Vesting Agreement and on such dates and in such manner as may be authorized by the General Partner (any such date, an "**LTIP Unit Distribution Participation Date**"); *provided* that, except as otherwise provided in this Agreement, the Equity Incentive Plan, any applicable Vesting Agreement or by the General Partner with respect to any particular class or series of LTIP Units, the LTIP Unit Distribution Participation Date shall be the same as the corresponding Partnership Record Date relating to the corresponding distribution on the LP Units.

(b) Other Distributions. Pursuant to Section 5.1(b), and except as otherwise provided in this Agreement, the Equity Incentive Plan, any applicable Vesting Agreement or by the General Partner with respect to any particular class or series of LTIP Units, the General Partner may from time to time make, and the Holders of LTIP Units shall be entitled to receive, distributions (other than distributions upon the occurrence of a Liquidating Event or proceeds from a Terminating Capital Transaction) of Available Cash in an amount per LTIP Unit equal to the amount of any such distributions that would have been payable to such holders if the LTIP Units had been LP Units (if applicable, assuming such LTIP Units were held for the entire period to which such distributions relate) so as to otherwise comply with of the terms of an Equity Incentive Plan, or the terms set forth in any Vesting Agreement. Such distributions can, but need not be, made proportionately to the of holders of LTIP Units. Any distribution of cash made to any holders of LTIP Units pursuant to this Section 15.4(b) shall not be considered a distribution of Available Cash under Section 5.1(a) or Section 5.1(c) to which holders of Common Units otherwise would be entitled to their proportionate share of such distribution.

(c) Liquidating Distributions. Holders of Vested LTIP Units and Earned Unvested LTIP Units shall also be entitled to receive distributions upon the occurrence of a Liquidating Event or proceeds from a Terminating Capital Transaction in accordance with Section 13.2.

Section 15.5 Allocations. Holders of LTIP Units shall be allocated Net Income and Net Loss as set forth in Article 6; for purposes of clarity, generally pursuant to Section 6.1 with respect to distributions made pursuant to Section 15.4(a) and Section 6.2(a)(ii) with respect to distributions made pursuant to Section 15.4(b) or Section 15.4(c).

Section 15.6 Transfers. Subject to the terms of any Vesting Agreement, a holder of LTIP Units shall be entitled to transfer his or her LTIP Units to the same extent, and subject to the same restrictions as holders of LP Units are entitled to transfer their LP Units pursuant to Article 11.

Section 15.7 Redemption. The right to Redemption provided in Section 8.6 shall not apply with respect to LTIP Units.

Section 15.8 Legend. Any certificate evidencing an LTIP Unit shall bear an appropriate legend indicating that additional terms, conditions and restrictions on transfer, including without limitation any Vesting Agreement, apply to the LTIP Unit.

Section 15.9 Conversion to Partnership LP Unit.

(a) A holder of Unvested LTIP Units shall have the right (the "**Conversion Right**"), at his or her option, at any time to convert all or a portion of his or her Vested LTIP Units into LP Units; *provided*, *however*, that such holder may not exercise the Conversion Right for less than one thousand (1,000) Vested LTIP Units or, if such holder holds less than one thousand (1,000) Vested LTIP Units, all of the Vested LTIP Units held by such holder. Holders of Unvested LTIP Units and Earned Unvested LTIP Units shall not have the right to convert such Units into LP Units until they become Vested LTIP Units; *provided*, *however*, that when a holder of LTIP Units is notified of the expected occurrence of an event that will cause his or her Unvested LTIP Units or Earned Unvested LTIP Units to become Vested LTIP Units, such holder may give the Partnership a Conversion Notice conditioned upon and effective as of the time of vesting and such Conversion Notice, unless subsequently revoked by the holder, shall be accepted by the Partnership subject to such condition. In all cases, the conversion of any LTIP Units into LP Units shall be subject to the conditions and procedures set forth in this Section 15.9.

(b) A holder of LTIP Units may convert his or her Vested LTIP Units into an equal number of fully paid and non-assessable LP Units, giving effect to all adjustments (if any) made pursuant to Section 15.3. Notwithstanding the foregoing, in no event may a holder of LTIP Units convert a number of Vested LTIP Units that exceeds (x) the Economic Capital Account Balance of such holder, to the extent attributable to his or her ownership of LTIP Units, divided by (y) the Common Unit Economic Balance, in each case as determined as of the effective date of conversion (the "**Capital Account Limitation**"). In order to exercise his or her Conversion Right, a holder of LTIP Units shall deliver a notice (a "**Conversion Notice**") to the Partnership (with a copy to the General Partner) in the form attached as Exhibit C not less than three (3) nor more than ten (10) days prior to a date (the "**Conversion Date**") specified in such Conversion Notice; *provided*, *however*, that if the General Partner has not given to the holder of LTIP Units notice of a proposed or upcoming Transaction at least thirty (30) days prior to the effective date of such Transaction, then the holder shall have the right to deliver a Conversion Notice until the earlier of (x) the tenth (10th) day after such notice from the General Partner of a Transaction or (y) the third Business Day immediately preceding the effective date of such Transaction. Each holder of LTIP Units seeking to convert Vested LTIP Units represents and warrants to the Partnership that all Vested LTIP Units to be converted pursuant to this Section 15.9 shall be free and clear of all liens. Notwithstanding anything herein to the contrary, a holder of LTIP Units may deliver a Notice of Redemption pursuant to Section 8.6 relating to such LP Units in advance of the Conversion Date; *provided*, *however*, that the redemption of such LP Units by the Partnership shall in no event take place until on or after the Conversion Date. For clarity, it is noted that the objective of this paragraph is to put a holder of LTIP Units in a position where, if he or she so wishes, the LP Units into which his or her Vested LTIP Units will be converted can be redeemed by the Partnership pursuant to Section 8.6 simultaneously with such conversion, with the further consequence that, if the General Partner elects to assume the Partnership's Redemption obligation with respect to such LP Units under Section 8.6 by delivering to such holder REIT Shares rather than cash, then such holder of LTIP Units can have such REIT Shares issued to him or her simultaneously with the conversion of his or her Vested LTIP Units into LP Units. The General Partner shall cooperate with a holder of LTIP Units to coordinate the timing of the different events described in the foregoing sentence.

(c) The Partnership, at any time at the election of the General Partner, may cause any number of Vested LTIP Units to be converted (a "**Forced Conversion**") into an equal number of LP Units, giving effect to all adjustments (if any) made pursuant to Section 15.3; *provided*, *however*, that the Partnership may not cause a Forced Conversion of any LTIP Units that would not at the time be eligible for conversion at the option of a holder of LTIP Units pursuant to Section 15.9(b). In order to exercise its right of Forced Conversion, the Partnership shall deliver a notice (a "**Forced Conversion Notice**") in the form attached hereto as Exhibit **D** to the applicable Holder of LTIP Units not less than ten (10) nor more than sixty (60) days prior to the Conversion Date specified in such Forced Conversion Notice.

(d) A conversion of Vested LTIP Units for which the holder thereof has given a Conversion Notice or the Partnership has given a Forced Conversion Notice shall occur automatically after the close of business on the applicable Conversion Date without any action on the part of such holder of LTIP Units other than the surrender of any certificate or certificates evidencing such Vested LTIP Units, as of which time such holder of LTIP Units shall be credited on the books and records of the Partnership as of the opening of business on the next day with the number of LP Units into which such LTIP Units were converted. After the conversion of LTIP Units as aforesaid, the Partnership shall deliver to such holder of LTIP Units, upon his or her written request, a certificate issued by the General Partner certifying the number of LP Units and remaining LTIP Units, if any, held by such holder immediately after such conversion. The Assignee of any Limited Partner pursuant to Article 11 may exercise the rights of such Limited Partner pursuant to this Section 15.9 and such Limited Partner shall be bound by the exercise of such rights by the Assignee.

(e) For purposes of making future allocations under Section 6.2(a)(i) and applying the Capital Account Limitation, the portion of the Economic Capital Account Balance of the applicable Holder of LTIP Units that is treated as attributable to his or her LTIP Units shall be reduced, as of the Conversion Date, by the product of the number of LTIP Units converted and the Common Unit Economic Balance.

(f) If the Partnership or Omega REIT shall be a party to any Transaction, other than a Transaction that constitutes an Adjustment Event, then the General Partner shall, immediately prior to the Transaction, exercise its right to cause a Forced Conversion with respect to the maximum number of LTIP Units then eligible for conversion, taking into account any allocations that occur in connection with the Transaction or that would occur in connection with the Transaction if the assets of the Partnership were sold at the Transaction price or, if applicable, at a value determined by the General Partner in good faith using the value attributed to the LP Units in the context of the Transaction (in which case the Conversion Date shall be the effective date of the Transaction). In anticipation of such Forced Conversion and the consummation of the Transaction, the Partnership shall use commercially reasonable efforts to cause each holder of LTIP Units to be afforded the right to receive in connection with such Transaction in consideration for the LP Units into which his or her LTIP Units will be converted the same kind and amount of cash, securities or other property (or any combination thereof) receivable upon the consummation of such Transaction by a holder of the same number of LP Units, assuming such holder is not a Person with which the Partnership consolidated or into which the Partnership merged or which merged into the Partnership or to which such sale or transfer was made, as the case may be (a "**Constituent Person**"), or an affiliate of a Constituent Person. In the event that holders of LP Units have the opportunity to elect the form or type of consideration to be received upon consummation of the Transaction, prior to such Transaction the General Partner shall give prompt written notice to each holder of LTIP Units of such opportunity, and shall use commercially reasonable efforts to afford such holder the right to elect, by written notice to the General Partner, the form or type of consideration to be received upon conversion of each LTIP Unit held by such holder into LP Units in connection with such Transaction. If a holder of LTIP Units fails to make such an election, such holder (and any of its transferees) shall receive upon conversion of each LTIP Unit held by him or her (or by any of his or her transferees) the same kind and amount of consideration that a holder of LP Units would receive if such holder of LP Units failed to make such an election. Subject to the rights of the Partnership and Omega REIT under any Vesting Agreement and the relevant terms of the Equity Incentive Plan, the Partnership shall use commercially reasonable effort to cause the terms of any Transaction to be consistent with the provisions of this Section 15.9(f) and to enter into an agreement with the successor or purchasing entity, as the case may be, for the benefit of any holder of LTIP Units whose LTIP Units will not be converted into LP Units in connection with the Transaction that will (i) contain provisions enabling any holders of LTIP Units that remain outstanding after such Transaction to convert their LTIP Units into securities as comparable as reasonably possible under the circumstances to the LP Units and (ii) preserve as far as reasonably possible under the circumstances the distribution, special allocation, conversion, and other rights set forth in the Agreement for the benefit of the holders of LTIP Units.

Section 15.10 Voting. Holders of LTIP Units shall have the same voting rights as Limited Partners holding LP Units, with the holders of LTIP Units voting together as a single class with the LP Units and having one vote per LTIP Unit, and holders of LTIP Units shall not be entitled to approve, vote on or consent to any other matter.

Section 15.11 Section 83 Safe Harbor. Each Partner authorizes the General Partner to elect to apply the safe harbor (the "**Section 83 Safe Harbor**") set forth in proposed Regulations Section 1.83-3(1) and proposed IRS Revenue Procedure published in Notice 2005-43 (together, the "**Proposed Section 83 Safe Harbor Regulation**") (under which the fair market value of a Partnership Interest that is transferred in connection with the performance of services is treated as being equal to the liquidation value of the interest) if such Proposed Section 83 Safe Harbor Regulation or similar Regulations are promulgated as a final or temporary Regulations. If the General Partner determines that the Partnership should make such election, the General Partner is hereby authorized to amend this Agreement without the consent of any other Partner to provide that (i) the Partnership is authorized and directed to elect the Section 83 Safe Harbor, (ii) the Partnership and each of its Partners (including any Person to whom a Partnership Interest, including an LTIP Unit, is transferred in connection with the performance of services) will comply with all requirements of the Section 83 Safe Harbor with respect to all Partnership Interests transferred in connection with the performance of services while such election remains in effect and (iii) the Partnership and each of its Partners will take all actions necessary, including providing the Partnership with any required information, to permit the Partnership to comply with the requirements set forth or referred to in the applicable Regulations for such election to be effective until such time (if any) as the General Partner determines, in its sole and absolute discretion, that the Partnership should terminate such election. The General Partner is further authorized to amend this Agreement to modify Article 6 to the extent the General Partner determines in its sole and absolute discretion that such modification is necessary or desirable as a result of the issuance of any applicable law, Regulations, notice or ruling relating to the tax treatment of the transfer of a Partnership Interests in connection with the performance of services. Notwithstanding anything to the contrary in this Agreement, each Partner expressly confirms that it will be legally bound by any such amendment.

ARTICLE 16
OPTION UNITS

Section 16.1 Designation. Section 4.3 establishes a class of Units in the Partnership designated as the "Option Units." The number of Option Units that may be issued is not limited by this Agreement. The Option Units are intended to qualify as "profits interests" under Revenue Procedure 93-27 and Revenue Procedure 2001-43, and this Article shall be interpreted accordingly.

Section 16.2 Vesting.

(a) Generally. Option Units may, in the sole discretion of the General Partner, be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of a Vesting Agreement. The terms of any Vesting Agreement may be modified by the General Partner and the Partnership from time to time, each acting in its sole discretion, subject to any restrictions on amendment imposed by the relevant Vesting Agreement or by the Equity Incentive Plan, if applicable. Option Units that have vested and are no longer subject to forfeiture under the terms of an Vesting Agreement are referred to a "**Vested Option Units**" and all other Option Units are referred to as "**Unvested Option Units**."

(b) Forfeiture. Unless otherwise specified in the Vesting Agreement, the Equity Incentive Plan or in any other applicable compensatory arrangement or incentive program pursuant to which Option Units are issued, upon the occurrence of any event specified in such Vesting Agreement, Equity Incentive Plan, arrangement or program as resulting in either the right of the Partnership or the General Partner to repurchase Option Units at a specified purchase price or some other forfeiture of any Option Units, then if the Partnership or the General Partner exercises such right to repurchase or upon the occurrence of the event causing forfeiture in accordance with the applicable Vesting Agreement, Equity Incentive Plan, arrangement or program, then the relevant Option Units shall immediately, and without any further action, be treated as cancelled and no longer outstanding for any purpose. Unless otherwise specified in the applicable Vesting Agreement, Equity Incentive Plan, arrangement or program, no consideration or other payment shall be due with respect to any Option Units that have been forfeited, other than any distributions declared with respect to a Partnership Record Date and with respect to such Option Units prior to the effective date of the forfeiture if so provided by the terms of the applicable Vesting Agreement, Equity Incentive Plan, arrangement or

program. Except as otherwise provided in this Agreement (including without limitation Section 6.2(a)(i) or any agreement relating to the grant of Option Units, in connection with any repurchase or forfeiture of such Option Units, if such Holder continues to hold Option Units after such repurchase or forfeiture, the Capital Account balance of the holder of Option Units that is attributable to all of his or her remaining Option Units shall be reduced by the amount, if any, needed to reduce such Capital Account balance to an amount that would equal the target balance contemplated by Section 6.2(a)(i), calculated with respect to such holder's remaining Option Units.

Section 16.3 Adjustments. If an Adjustment Event occurs, then the Partnership shall make a corresponding adjustment to each Option Unit to adjust by the same increment for which an LP Unit was adjusted, provided that to the extent that the Value of a REIT Share was less than the applicable Option Unit Participation Threshold as of the date of an Adjustment Event, the adjustment for an Option Unit shall only be for the amount by which the increment of the LP Unit adjustment would have exceeded such Option Unit Participation Threshold; provided, that, notwithstanding the foregoing, if an Adjustment Event occurs, the General Partner may make such adjustments to the Option Units as it determines to be appropriate to achieve the intended economics of the Option Units. The Partnership shall send a notice to each holder of Option Units setting forth the adjustment to his or her Option Units and the effective date of such adjustment.

Section 16.4 Distributions. Holders of Option Units shall not be entitled to receive any distributions from the Partnership unless and until such Option Units have become "Vested Option Units" and been converted into Vested LTIP Units. As soon as practicable after conversion of an Option Unit to a Vested LTIP Unit in accordance with Section 16.9, the holder of such Vested LTIP Unit will be entitled to receive in a lump sum a distribution in an amount equal to the amount calculated pursuant to Section 15.4(b), determined from the date of issuance of such Option Unit. Vested Option Units that are converted to Vested LTIP Units shall have the right to receive distributions from the Partnership as provided in Article 15, including under Section 15.4(c).

Section 16.5 Allocations. Option Unit holders shall be entitled to certain special allocations under Section 6.2(a) of the Agreement. For any taxable year or portion of a taxable year occurring after issuance of Option Units and prior to the date such Option Units convert to Vested LTIP Units, Option Units shall not be entitled to allocations of Net Income or Net Loss other than as provided in Section 6.2(a). Once converted to Vested LTIP Units, Article 15 shall apply to such converted Option Units. The General Partner is authorized in its sole discretion to delay or accelerate the participation, if any, of the Option Units in allocations of Net Income and Net Loss under this Agreement, or to adjust the allocations made under this Agreement, to effectuate the purposes of the economic arrangement contemplated by the parties.

Section 16.6 Transfers. Subject to the terms of any Vesting Agreement, a holder of Option Units shall be entitled to transfer his or her Option Units to the same extent, and subject to the same restrictions, as holders of LP Units are entitled to transfer their LP Units pursuant to Article 11.

Section 16.7 Redemption. The right to Redemption provided in Section 8.6 shall not apply with respect to Option Units.

Section 16.8 Legend. Any certificate evidencing an Option Unit shall bear an appropriate legend indicating that additional terms, conditions and restrictions on transfer, including without limitation any Vesting Agreement, apply to the Option Unit.

Section 16.9 Conversion of Option Units.

(a) A holder of Option Units shall have the right (the "**Option Unit Conversion Right**"), at his or her option, at any time to convert all or a portion of his or her Vested Option Units into Vested LTIP Units, in accordance with this Section 16.9; provided, however, that such holder may not exercise the Option Unit Conversion Right for less than the amount that would result in one thousand (1,000) Vested LTIP Units or, if such holder's Option Units would convert into less than one thousand (1,000) Vesting LTIP Units, all of the Vesting Option Units held by such holder. Holders of Unvested Option Units shall not have the right to convert such Units into Vested LTIP Units until they become Vested Option Units; *provided, however*, that when a holder of Option Units is notified of the expected occurrence of an event that will cause his or her Unvested Option Units to become Vested Option Units, such holder may give the Partnership an Option Unit Conversion Notice conditioned upon and effective as of the time of vesting,

and such Option Unit Conversion Notice, unless subsequently revoked by the holder of the Option Units prior to conversion, shall be accepted by the Partnership subject to such condition. In all cases, the conversion of any Option Units into Vested LTIP Units shall be subject to the conditions and procedures set forth in this Section 16.9.

(b) A holder of Vested Option Units may convert such Vested Option Units into a number (or fraction thereof) of fully paid and non-assessable Vested LTIP Units, giving effect to all adjustments (if any) made pursuant to Section 16.3 equal to (x) the Option Unit Conversion Factor (as defined below) multiplied by (y) the number of such Vested Option Units; *provided, however*, that notwithstanding the foregoing, in no event may a holder of Option Units convert into a number of Vested LTIP Units that exceeds (x) the Economic Capital Account Balance of such holder, to the extent attributable to his or her ownership of Option Units, divided by the Common Unit Economic Balance, in each case as determined as of the effective date of conversion. To exercise his or her Option Unit Conversion Right, a holder of Option Units shall deliver a notice (an "**Option Unit Conversion Notice**") in the form attached as Exhibit E to the Partnership not less than three (3) nor more than fifteen (15) days prior to a date (the "**Option Unit Conversion Date**") specified in such Option Unit Conversion Notice. Each holder of Option Units represents and warrants to the Partnership that all Vested Option Units to be converted pursuant to this Section 16.9 shall be free and clear of all liens. Notwithstanding anything herein to the contrary, a holder of Option Units may deliver a Redemption Notice pursuant to Section 8.6 of the Agreement relating to those Vested LTIP Units that will be issued to such holder upon conversion of such Option Units into Vested LTIP Units in advance of the Option Unit Conversion Date; provided, however, that the redemption of such Vested LTIP Units by the Partnership shall in no event take place until the Option Unit Conversion Date. For clarity, it is noted that the objective of this paragraph is to put a holder of Option Units in a position where, if he or she so wishes, the Vested LTIP Units into which his or her Vested Option Units will be converted can be converted into LP Units and then redeemed by the Partnership simultaneously with such conversion, with the further consequence that, if the General Partner elects to assume the Partnership's redemption obligation under Section 8.6 of the Agreement by delivering to such holder REIT Shares rather than cash, then such holder of Option Units can have such REIT Shares issued to him or her simultaneously with the conversion of his or her Vested Option Units into Vesting LTIP Units that are converted into LP Units. The General Partner shall cooperate with a holder of Option Units to coordinate the timing of the different events described in the foregoing sentence.

(i) "**Option Unit Conversion Factor**" shall mean the quotient of (i) the excess of the Value of a REIT Share as of the date of conversion over the Option Unit Participation Threshold (as defined below) for such Vested Option Unit, divided by (ii) the Value of a REIT Share as of the date of conversion.

(ii) "**Option Unit Participation Threshold**" shall mean, for each Option Unit, the amount specified as such in the relevant Option Unit Vesting Agreement or other documentation pursuant to which such Option Unit is granted. The Option Unit Participation Threshold of an Option Unit is intended to be the Value of a REIT Share as of the date of issuance of such Option Unit.

(c) The Partnership, at any time at the election of the General Partner, may cause any number of Vested Option Units held by a holder of Option Units to be converted (an "**Option Unit Forced Conversion**") into a number of Vested LTIP Units equal to the number calculated as provided in Section 16.9(b), and may cause any number of such resulting Vested LTIP Units to be converted into a number of LP Units in accordance with Article 15. An Option Unit Forced Conversion Notice shall be provided in the same manner provided in Section 15.9 of the Agreement for a Forced Conversion Notice.

(d) A conversion of Vested Option Units for which the holder thereof has given an Option Unit Conversion Notice or the Partnership has given an Option Unit Forced Conversion Notice shall occur automatically after the close of business on the applicable Conversion Date without any action on the part of such holder of Option Units other than the surrender of any certificate or certificates evidencing such Vested Option Units, as of which time such holder of Option Units shall be credited on the books and records of the Partnership with the issuance as of the opening of business on the next day of the number of Vested LTIP Units issuable upon such conversion. After the conversion of Option Units as aforesaid, the Partnership shall deliver to such holder of Option Units, upon his or her written request, a certificate issued by the General Partner certifying the number of Vested LTIP Units and remaining Option Units, if any, held by such holder immediately after such conversion.

(e) For purposes of making future allocations under Section 6.2(a)(i) and applying the limitation in Section 16.9(b), the portion of the Economic Capital Account Balance of the applicable Holder of Option Units that is treated as attributable to his or her Option Units shall be reduced, as of the date of conversion, by the amount of such Economic Capital Account Balance attributable to the converted Option Units.

(f) The provisions of Section 15.9(f) shall apply to the Vested Option Units as well as with respect to any resulting Vested LTIP Units.

Section 16.10 Voting. Holders of Option Units shall have the same voting rights as Limited Partners holding LP Units, with the holders of Option Units voting together as a single class with the LP Units and having one vote per Option Unit, and holders of Option Units shall not be entitled to approve, vote on or consent to any other matter.

Section 16.11 Section 83 Safe Harbor. The provisions of Section 15.11 shall apply to the Option Units.

Section 16.12 Change in Law. If there is a change in applicable tax law such that the Option Units become taxable to the holder of such Option Units as ordinary income, the General Partner may cause the Option Units to be restructured and/or substituted for other awards in a way that permits a tax deduction to the Partnership while preserving substantially similar pre-tax economics to the holder of such Option Units.

ARTICLE 17
GENERAL PROVISIONS

Section 17.1 Addresses and Notice.

(a) All notices, demands or other communications required or desired to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally by Federal Express (or other similar overnight courier service), by telecopy transmission (with transmission confirmed) or by registered or certified mail, return receipt requested, postage prepaid, and addressed as set forth below:

If to the Partnership or a General Partner:

Omega Healthcare Investors, Inc.
303 International Circle, Suite 200
Hunt Valley, Maryland 21030
Attn: Chief Executive Officer; Chief Financial Officer
Fax: (410) 427-8820

with a copy to:

Omega Healthcare Investors, Inc.
303 International Circle, Suite 200
Hunt Valley, Maryland 21030
Attn: Chief Legal Officer, General Counsel
Fax: (410) 427-8820

If to any Limited Partner, at the address designated for such Limited Partner in the Partnership's books and records.

(b) Any party may change such party's address or telecopy number for the giving of notice specified above by giving notice as herein provided.

(c) Any notice given by personal delivery, by Federal Express (or other similar overnight courier service), or telecopy transmission shall be deemed given, delivered, received and effective on the date of receipt (or confirmation or answer back for facsimile) of such delivery (or such other transmission at the address or telecopy

number designated pursuant hereto) and any notice given by registered or certified mail shall be deemed given, delivered, received and effective on the third Business Day following the date on which it was deposited in the United States postal system.

Section 17.2 Interpretation. All Article and Section titles and captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Except as specifically provided otherwise, all references herein to Articles, Sections, paragraphs, clauses and other subdivisions refer to the corresponding Articles, Sections, paragraphs, clauses and other subdivisions of this Agreement; and the words "herein," "hereof," "hereby," "hereto," "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph, clause or subdivision hereof. All exhibits which are referred to herein or attached hereto are hereby incorporated by reference. Wherever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," unless preceded by a negative predicate.

Section 17.3 Pronouns and Plurals. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

Section 17.4 Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 17.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 17.6 Creditors. Other than as expressly set forth herein with respect to Indemnitees, none of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Partnership.

Section 17.7 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon any breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

Section 17.8 Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto.

Section 17.9 Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of laws.

Section 17.10 Invalidity of Provisions. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

Section 17.11 Limitation to Preserve REIT Status. Notwithstanding anything else in this Agreement, to the extent that the amount paid, credited, distributed or reimbursed by the Partnership to the General Partner, or its officers, directors, employees or agents, whether as a reimbursement, fee, expense or indemnity (a "**REIT Payment**"), would constitute gross income to the General Partner for purposes of Code Section 856(c)(2) or Code Section 856(c)(3), then the amount of such REIT Payments, as selected by the General Partner in its sole and absolute discretion from among items of potential distribution, reimbursement, fees, expenses and indemnities, shall be reduced for any Partnership Year so that the REIT Payments, as so reduced, for or with respect to Omega REIT, shall not exceed the lesser of:

(a) an amount equal to the excess, if any, of (i) 4.9% of the total of Omega REIT's, if any, total gross income (including the amount of any REIT Payments after application of this Section 17.11 for the Partnership Year

over (ii) the amount of gross income (within the meaning of Code Section 856(c)(2)) derived by Omega REIT from sources other than those described in subsections (A) through (H) of Code Section 856(c)(2) (including the amount of any REIT Payments after application of this Section 17.11; or

(b) an amount equal to the excess, if any, of (i) 24% of the total of Omega REIT's total gross income (including the amount of any REIT Payments after application of this Section 17.11 for the Partnership Year over (ii) the amount of gross income (within the meaning of Code Section 856(c)(3)) derived by Omega REIT from sources other than those described in subsections (A) through (I) of Code Section 856(c)(3) (including the amount of any REIT Payments after application of this Section 17.11); *provided, however*, that REIT Payments in excess of the amounts set forth in paragraphs (a) and (b) above may be made if Omega REIT, as a condition precedent, obtains an opinion of tax counsel that the receipt of such excess amounts shall not adversely affect Omega REIT's ability to qualify as a REIT. To the extent that REIT Payments may not be made in a Partnership Year as a consequence of the limitations set forth in this Section 17.11, such REIT Payments shall carry over and shall be treated as arising in the following Partnership Year. The purpose of the limitations contained in this Section 17.11 is to prevent Omega REIT from failing to qualify as a REIT under the Code by reason of Omega REIT's share of items, including distributions, reimbursements, fees, expenses or indemnities, receivable directly or indirectly from the Partnership, and this Section 17.11 shall be interpreted and applied to effectuate such purpose.

Section 17.12 No Rights as Stockholders of Omega REIT. Nothing contained in this Agreement shall be construed as conferring upon the holders of Units any rights whatsoever as stockholders of Omega REIT, including any right to receive dividends or other distributions made to stockholders of Omega REIT or to vote or to consent or receive notice as stockholders in respect of any meeting of the stockholders of Omega REIT.

Section 17.13 No Third Party Beneficiaries. The provisions of this Agreement are solely for the purpose of defining the interests of the Partners, inter se, and no other Person (*i.e.*, a Person who is not a signatory hereto or a permitted successor to such signatory hereto), other than as expressly set forth herein with respect to Indemnitees, shall have any right, power, title or interest by way of subrogation or otherwise, in and to the rights, powers, title and provisions of this Agreement. No creditor or other third party having dealings with the Partnership (other than as expressly set forth herein with respect to Indemnitees) shall have the right to enforce the right or obligation of any Partner to make Capital Contributions or loans to the Partnership or to pursue any other right or remedy hereunder or at law or in equity. None of the rights or obligations of the Partners herein set forth to make Capital Contributions or loans to the Partnership shall be deemed an asset of the Partnership for any purpose by any creditor or other third party, nor may any such rights or obligations be sold, transferred or assigned by the Partnership or pledged or encumbered by the Partnership to secure any debt or other obligation of the Partnership or any of the Partners.

Section 17.14 Entire Agreement. This Agreement and the Exhibits attached hereto contain the entire understanding and agreement among the Partners with respect to the subject matter hereof and supersedes any other prior written or oral understandings or agreements among them with respect thereto.

[Remainder of page intentionally blank; signature page follows.]

IN WITNESS WHEREOF, the General Partner has executed this Agreement as of the date first written above.

GENERAL PARTNER:

Omega Healthcare Investors, Inc.

By: /s/ Robert O. Stephenson
Robert O. Stephenson
Chief Financial Officer, Treasurer and Assistant Secretary

Exhibit A

Form of Partner Registry

	Status					Units					
Holder	General Partner	Limited Partner	LTIP Unit Holder	Option Unit Holder	Assignee	GP Units	LP Units	LTIP Units	Option Units	Capital Contribution	Interest %
1. [Name of Partner]	X	X									
2. [Name of Partner]	X*										
3. [Name of Partner]		X									
Totals			-	-				-			

*Principal General Partner

Exhibit B

Form of Notice of Redemption

[Date]

Omega Healthcare Investors, Inc.
303 International Circle
Suite 200
Hunt Valley, MD 21030
Attention: Chief Financial Officer

Ladies and Gentlemen:

The undersigned, being a Limited Partner of OHI Healthcare Properties Limited Partnership, a Delaware limited partnership (the "**Partnership**"), hereby tenders for Redemption, as defined in and in accordance with the terms of the Third Amended and Restated Agreement of Limited Partnership of the Partnership, as amended to date (the "**Agreement**"), the number of Units in the Partnership set forth below. Terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Agreement. The undersigned:

a) undertakes to surrender such Units at the closing of the Redemption on the Specified Redemption Date;

b) directs that the certified check representing the Cash Amount, or the REIT Shares Amount, as applicable, deliverable upon the closing of such Redemption be delivered to the address specified below, and if REIT Shares are to be delivered, such REIT Shares be registered or placed in the name(s) and at the address(es) specified below;

c) represents, warrants and certifies that:

i. the undersigned has, and at the closing of the Redemption will have, good, marketable and unencumbered title to such Units, free and clear of all liens, claims and encumbrances whatsoever,

ii. the undersigned has, and at the closing of the Redemption will have, the full right, power and authority to tender and surrender such Units as provided herein, and

iii. the undersigned has obtained the consent or approval of all persons and entities, if any, having the right to consent to or approve such tender and surrender;

d) acknowledges that the undersigned will continue to own such Units until the Redemption transaction closes; and

e) agrees that, if any state or local property tax is payable as a result of the Redemption, the undersigned shall assume and pay such transfer tax.

Name of Limited Partner: _____
(Please Print Name as Registered with Partnership)

Number of Units Tendered for Redemption: _____

Date of this Notice: _____

Signature of Limited Partner: _____

Address of Limited Partner: _____
(Street Address)

_____
(City) (State) (Zip Code)

Issue Check Payable to: _____

Issue REIT Shares in the name of: _____

Exhibit C

Form of Conversion Notice

NOTICE OF ELECTION BY PARTNER TO CONVERT VESTED LTIP UNITS INTO PARTNERSHIP LP UNITS

The undersigned Holder of Vested LTIP Units hereby irrevocably (i) elects to convert the number of Vested LTIP Units in OHI Healthcare Properties Limited Partnership (the "**Partnership**") set forth below into [LP Units] in accordance with the terms of the Third Amended and Restated Agreement of Limited Partnership of the Partnership, as amended to date; and (ii) directs that any cash in lieu of [LP Units] that may be deliverable upon such conversion to be deliverable upon such conversion be delivered to the address specified below. The undersigned hereby represents, warrants, and certifies that the undersigned (a) has title to such Vested LTIP Units, free and clear of the rights or interests of any other person or entity other than the Partnership; (b) has the full right, power, and authority to cause the conversion of such Vested LTIP Units as provided herein; and (c) has obtained the consent or approval of all persons or entities, if any, having the right to consent or approve such conversion.

Name of Holder: _____
(Please Print Name as Registered with Partnership)

Number of Vested LTIP Units to be Converted: _____

Date of this Notice: _____

Signature of Holder: _____

_____
(Street Address)

Address of Holder: _____

(City) (State) (Zip Code)

Issue Check Payable to: _____

Social security number of Holder: _____

Exhibit D

Form of Forced Conversion Notice

NOTICE OF ELECTION BY PARTNERSHIP TO FORCE CONVERSION OF VESTED LTIP UNITS INTO PARTNERSHIP LP UNITS

OHI Healthcare Properties Limited Partnership (the "**Partnership**") hereby irrevocably elects to cause the number of Vested LTIP Units held by the Holder set forth below to be converted into LP Units (as defined in and in accordance with the terms of the Third Amended and Restated Agreement of Limited Partnership of the Partnership, as amended to date).

Name of Holder: _____

(Please Print Name as Registered with Partnership)

Number of Vested LTIP Units to be Converted: _____

Date of this Notice: _____

Exhibit E

Form of Option Unit Conversion Notice

NOTICE OF ELECTION BY PARTNER TO CONVERT
OPTION UNITS INTO LTIP UNITS

The undersigned holder of Option Units hereby irrevocably (i) elects to convert _____ Option Units in OHI Healthcare Properties Limited Partnership (the "Partnership") into Vested LTIP Units in accordance with the terms of the Third Amended and Restated Partnership Agreement of the Partnership, as amended to date. The undersigned hereby represents, warrants, and certifies that the undersigned (a) has title to such Option Units, free and clear of the rights or interests of any other person or entity other than the Partnership; (b) has the full right, power, and authority to cause the conversion of such Option Units as provided herein; and (c) has obtained the consent to or approval of all persons or entities, if any, having the right to consent or approve such conversion.

Name of Holder: _____
(Please Print Name as Registered with Partnership)

Number of Option Units to be Converted: _____

Date of this Notice: _____

Signature of Holder: _____

Address of Holder: _____
(Street Address)

_____
(City) (State) (Zip Code)

Exhibit 10.6D

2025 FORM OF

TIME-BASED PROFITS INTEREST UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

THIS AGREEMENT (this "**Agreement**") is made as of the Grant Date, by and between OHI Healthcare Properties Limited Partnership (the "**Partnership**"), a limited partnership controlled by, and an Affiliate of, Omega Healthcare Investors, Inc. (Omega Healthcare Investors, Inc. is hereafter referred to as the "**Company**") and _____ (the "**Recipient**").

Upon and subject to this Agreement (including the Terms and Conditions and the Exhibits which are attached hereto and incorporated herein as part of this Agreement) and the Limited Partnership Agreement, the Partnership hereby awards as of the Grant Date to the Recipient the number of Profits Interest Units set forth below (the "**Profits Interest Units Grant**" or the "**Award**"). Underlined and capitalized captions in Items A through H below shall have the meanings therein ascribed to them. Other capitalized terms used in this Agreement are defined in Section 16 of the Terms and Conditions. Capitalized terms that are used but not defined in this Agreement shall have the meaning ascribed to them in the Plan.

A. Grant Date: [GRANT DATE].

B. Plan (under which Profits Interest Units Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. Profits Interest Units: _____ Profits Interest Units. "**Profits Interest Units**" has the same meaning as "**LTIP Units**" as defined in the Limited Partnership Agreement, and each Profits Interest Unit represents, on the Grant Date, one (1) "**Unvested Profits Interest Unit**," which is one (1) "**Unvested LTIP Unit**" as defined in and pursuant to the Limited Partnership Agreement, subject to adjustment as provided in the attached Terms and Conditions, and also represents the Partnership's unsecured obligation to issue to the Recipient distributions described in Item E below.

D. Vesting Schedule: The Recipient shall become vested in a number of Profits Interest Units as and when determined pursuant to **Exhibit 1**. The Profits Interest Units which have become vested pursuant to the Vesting Schedule are herein referred to as the "**Vested Profits Interest Units.**"

E. Distributions: The "**LTIP Unit Distributions Participation Date**" attributable to Profits Interest Units as defined in and pursuant to Section 15.4 of the Limited Partnership Agreement shall be [GRANT DATE], and as a result, with respect to distributions and allocations of Net Income and Net Loss that accrue on and after [GRANT DATE], the Recipient shall receive with respect to each Unvested

Profits Interest Unit and each Vested Profits Interest Unit the same distributions and allocations of Net Income and Net Loss pursuant to the Limited Partnership Agreement that are paid to each "LP Unit" as defined therein.

F. Non-Competition Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to enter into competition with the Company or its Affiliates or to work for a business which is in a similar business to that of the Company or of an Affiliate, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not (except on behalf of or with the prior written consent of the Company, which consent may be withheld in Company's sole discretion), within the Area, on the Recipient's own behalf, or in the service of or on behalf of others, and whether as an employee, a consultant or otherwise, provide managerial services or management consulting services substantially similar to those the Recipient provides for the Company or an Affiliate to any Competing Business. As of the Grant Date, the Recipient acknowledges and agrees that the Recipient provides services to the Company throughout the Area.

G. Non-Solicitation Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to solicit clients or employees of the Company or its Affiliates, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not, on the Recipient's own behalf or in the service of or on behalf of others:

(i) solicit any individual or entity which is an actual client of the Company or any of its Affiliates as of the Determination Date with whom the Recipient had direct material contact while the Recipient was an employee of the Company or an Affiliate, for the purpose of offering services substantially similar to those offered by the Company or an Affiliate, or

(ii) solicit for employment with a Competing Business any person who is a management level employee of the Company or an Affiliate with whom the Recipient had contact during the then most recent year of the Recipient's employment with the Company or an Affiliate.

The Recipient shall not be deemed to be in breach of Item G(ii) solely because an employer for whom the Recipient performs services solicits, diverts, or hires a management level employee of the Company or an Affiliate, provided that the Recipient does not engage in the activity proscribed by Item G(ii).

H. Acknowledgement: The Recipient acknowledges and agrees that the Recipient's agreement to and compliance with the provisions of this Agreement, including without limitation Item F and Item G above, are conditions to the effectiveness of the grant of the Award, and further acknowledges and agrees that the Recipient's noncompliance with Item F or Item G above can result in a forfeiture and/or recovery of all or part of the Award to the extent provided in the Vesting Schedule. The Recipient also acknowledges and agrees that the forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement, except to the extent provided otherwise in the last paragraph of the Vesting Schedule. In the event that any provision of this Agreement is determined by a court which has jurisdiction to be unenforceable in part or in whole, the court shall be deemed to have the authority to strike or sever any unenforceable provision, or any part thereof or to revise any provision to the minimum extent necessary to render the provision reasonable and then to enforce the provision to the maximum extent permitted by law.

IN WITNESS WHEREOF, the Partnership and the Recipient have executed and agree to be bound by this Agreement as of the Grant Date set forth above.

OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP

By: _____

Name: _____

Title: _____

THE RECIPIENT

By: _____

Name: _____

TERMS AND CONDITIONS TO THE
TIME-BASED PROFITS INTEREST UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

1. Conditions to Grant of Profits Interest Units. As a condition of receiving the grant of Profits Interest Units hereunder, the Recipient must (a) execute the representations and warranties set forth on **Exhibit 2** attached hereto, and deliver them to the Partnership within thirty (30) days of the Grant Date, (b) file with the IRS within thirty (30) days of the Grant Date, a valid election under Code Section 83(b), in substantially the form of **Exhibit 3** attached hereto, as to all of the Profits Interest Units and (c) execute the Letter Agreement set forth on **Exhibit 4** attached hereto, and deliver it to the Partnership within thirty (30) days of the Grant Date. The Recipient must also deliver to the Partnership, within thirty (30) days after the Grant Date, a copy of the Section 83(b) election. Failure to comply with the requirements of this Section shall result in the forfeiture of all the Profits Interest Units and the cancellation of this Agreement.

2. Issuance of Profits Interest Units. The Partnership shall record in the name of the Recipient the number of Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement") awarded as of the Grant Date. The Partnership and the Recipient acknowledge and agree that the Profits Interest Units are hereby issued to the Recipient for the performance of services to or for the benefit of the Partnership and its Affiliates. If the Recipient is not already a partner of the Partnership pursuant to the Limited Partnership Agreement (defined therein as a "**Partner**"), the Partnership admits the Recipient as an "**LTIP Unit Limited Partner**" (as defined therein) and a Partner on the terms and conditions in this Agreement, the Plan and the Limited Partnership Agreement. Upon execution of this Agreement, the Recipient shall, automatically and without further action on the Recipient's part, be deemed to be a signatory of and bound by the Limited Partnership Agreement. At the request of the Partnership, the Recipient shall execute the Limited Partnership Agreement or a counterpart signature page thereto.

3. Rights as a Unitholder. The Profits Interest Units shall be treated as a "profits interest" within the meaning of Revenue Procedure 93-27, and the Recipient shall be treated as having received the interest on the Grant Date as contemplated under Section 4 of Revenue Procedure 2001-43. As the owner of the Profits Interest Units for income tax purposes, the Recipient shall take into account the Recipient's distributive share of income, gain, loss, deduction and credit associated with the Profits Interest Units as determined in accordance with the terms of the Limited Partnership Agreement and this Agreement.

4. Restrictions on Transfer. The Recipient shall not sell, pledge, assign, transfer or hypothecate, or otherwise dispose of any Profits Interest Units, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to the Profits Interest Units, except as otherwise provided in the Limited Partnership Agreement. Any disposition not made in accordance with this Agreement shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Agreement and the Limited Partnership Agreement.

5. Tax Withholding. If and only if tax withholding applies with respect to the grant, vesting, ownership or disposition of Profits Interest Units, the Company or an Affiliate may

withhold from the Recipient's wages, or require the Recipient to remit to the Partnership, the Company or an Affiliate, any applicable required tax withholding.

6. Change in Capitalization.

(a) The number and kind of units issuable under this Agreement shall be proportionately adjusted for any non-reciprocal transaction between the Partnership and the holders of partnership interests of the Partnership that causes the per unit value of the Profits Interest Units subject to the Award to change, such as a unit dividend, unit split, spinoff or rights offering (each an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, spin-off, sale of substantially all of the Partnership's assets, other change in capital structure of the Partnership, tender offer for Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement), or a Change in Control, that in each case does not constitute an Equity Restructuring, the Committee shall take such action to make such adjustments with respect to the Profits Interest Units as the Committee, in its sole discretion, determines in good faith is necessary or appropriate and as is permitted by the Plan, including, without limitation, adjusting the number and class of units subject to the Award, substituting other securities, property or cash to replace the Award, all as determined in good faith by the Committee to have equivalent value to the Award, removing restrictions on the Award, or terminating the Award in exchange for the cash value determined in good faith by the Committee. Any adjustment pursuant to this Section may provide, in the Committee's discretion, for the elimination without payment of any fractional units that might otherwise be subject to the Award, but except as set forth in this Subsection and the Plan may not otherwise diminish the then value of the Award.

(c) All determinations and adjustments made by the Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Profits Interest Unit Grant shall not affect the right or power of the Partnership to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Partnership, any issue of debt or equity securities having preferences or priorities as to the Profits Interest Units or the rights thereof, the dissolution or liquidation of the Partnership, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

7. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Profits Interest Units shall be issued except, in the reasonable judgment of the Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

8. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

9. Notice. Except as otherwise specified herein, all notices and other communications under this Agreement shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the proposed recipient at the last known address of the Recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

10. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

11. Entire Agreement. This Agreement and the Limited Partnership Agreement, together with the terms and conditions set forth in the Plan, express the entire understanding and agreement of the parties with respect to the subject matter. In the event of a conflict between the terms of the Plan or the Limited Partnership Agreement and this Agreement, the Plan and the Limited Partnership Agreement shall govern.

12. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

13. No Right to Continued Retention. Neither the establishment of the Plan nor the Award shall be construed as giving the Recipient the right to continued service with the Company or an Affiliate.

14. Tax Effects under 409A. It is intended that the Award under this Agreement be exempt from Section 409A of the Internal Revenue Code (the "**Code**") as a current grant of a profits interest as provided in Section 3 hereof.

15. Headings. Except as otherwise provided in this Agreement, headings used herein are for convenience of reference only and shall not be considered in construing this Agreement.

16. Definitions. As used in this Agreement:

"**Affiliate**" means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

"**Applicable Period**" means:

(a) as to the Restrictive Provisions,

(i) the period of time that the Restrictive Provisions are in effect in accordance with the terms of the employment agreement then in effect between the Recipient and the Company or an Affiliate, or

(ii) if there is no such employment agreement or there are no such provisions in the employment agreement, the period of the Recipient's employment with the Company or an Affiliate, and with respect to the Non-Solicitation Provisions, twelve (12) months thereafter, and with respect to the Non-Competition Provisions, six (6) months thereafter; and

(b) as to the Intellectual Property Agreement, the period of time that any breach of such agreement would be actionable by the Company or an Affiliate pursuant to the terms of such agreement.

"**Area**" means the states, areas and countries in which the Company or any of its Affiliates owns, acquires, develops, invests in, leases, finances the ownership of, or finances the operation of any skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Board**" means the Board of Directors of the Company.

"**Business of the Company**" means any business with the primary purpose of leasing assets to healthcare operators, or financing the ownership of or financing the operation of skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Cause**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Cause shall mean the occurrence of any of the following events:

(a) willful refusal by the Recipient to follow a lawful direction of any person to whom the Recipient reports or the Chief Executive Officer of the Company, provided the direction is not materially inconsistent with the duties or responsibilities of the Recipient's position with the Company or an Affiliate, which refusal continues after such person or the Chief Executive Officer of the Company has again given the direction in writing;

(b) willful misconduct or reckless disregard by the Recipient of the Recipient's duties or with respect to the interest or material property of the Company or an Affiliate;

(c) material breach by the Recipient of any of the Restrictive Provisions;

(d) material breach by the Recipient of any provision of the Intellectual Property Agreement;

(e) any act by the Recipient of fraud against, material misappropriation from or significant dishonesty to either the Company or an Affiliate, or any other party, but in the latter case only if in the reasonable opinion of the Chief Executive Officer of the Company, such fraud, material misappropriation, or significant dishonesty could reasonably be expected to have a material adverse impact on the Company or its Affiliates; or

(f) commission by the Recipient of a felony as reasonably determined by the Chief Executive Officer of the Company.

"**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation, of equity securities of the Company that in the aggregate represent thirty percent (30%) or more of the total voting power of the Company's then outstanding equity securities;

(b) the acquisition, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that, together with equity securities already held by such person or persons, in the aggregate represent more than fifty percent (50%) of the total fair market value or total voting power of the Company's then outstanding equity securities;

(c) individuals who as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(d) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation, immediately thereafter, own equity securities of the surviving entity representing less than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(e) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than any corporation or other entity pursuant to a reorganization, merger or consolidation, of assets of the Company that have a total gross fair market value equal to or more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Agreement (i) unless the event also constitutes a "change in the ownership or effective control of the corporation or in the ownership of a substantial portion of the assets of the corporation" within the meaning of Code Section 409A(a)(2)(v), or (ii) by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

"**Competing Business**" means any person, firm, corporation, joint venture, or other business that is engaged in the Business of the Company.

"**Determination Date**" means with respect to determining compliance with a covenant of this Agreement (a) while the Recipient remains employed by the Company or an Affiliate, the date as of which compliance is being determined, and (b) after the Recipient's termination of employment, the date of the Recipient's termination of employment.

"**Good Reason**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Good Reason shall mean the occurrence of an event listed in (a) through (c) below:

(a) the Recipient experiences a material diminution of the Recipient's responsibilities of the Recipient's position, as reasonably modified by any person to whom the Recipient reports or the Chief Executive Officer of the Company from time to time, such that the Recipient would no longer have responsibilities substantially equivalent to those of other employees holding equivalent positions at companies with similar revenues and market capitalization;

(b) the Company or the Affiliate which employs the Recipient reduces the Recipient's annual base salary or annual bonus opportunity at high, target or threshold performance as a percentage of annual base salary; or

(c) the Company or the Affiliate which employs the Recipient requires the Recipient to relocate the Recipient's primary place of employment to a new location that is more than fifty (50) miles from its current location (determined using the most direct driving route), without the Recipient's consent;

provided however, as to each event in Subsection (a) through (c),

(i) the Recipient gives written notice to the Company within ten (10) days following the event or receipt of notice of the event of the Recipient's objection to the event;

(ii) the Company or the Affiliate which employs the Recipient fails to remedy the event within ten (10) days following the Recipient's written notice; and

(iii) the Recipient terminates his employment within thirty (30) days following the Company's and the Affiliate's failure to remedy the event.

"**Intellectual Property Agreement**" means that certain agreement entitled "Intellectual Property Agreement" previously entered into between the Company and the Recipient.

"**Limited Partnership Agreement**" means the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereto.

"**Non-Competition Provisions**" means the provisions under the title "Non-Competition Provisions" heading in Item F above of this Agreement.

"**Non-Solicitation Provisions**" means the provisions under the title "Non-Solicitation Provisions" heading in Item G above of this Agreement.

"**Release**" means a comprehensive release, covenant not to sue, and non-disparagement agreement from the Recipient in favor of the Company, its executives, officers, directors, Affiliates, and all related parties, in the form provided by the Company (which, if the Recipient is a party to an employment agreement with the Company or an Affiliate and the Recipient's right to receive severance pay in connection with a qualifying termination of employment thereunder is contingent on the execution and non-revocation of a release agreement in substantially the form attached to the employment agreement, will be substantially the same form of release agreement attached to the employment agreement); provided, however, the Company may make any changes to the Release as it determines to be necessary only to ensure that the Release is enforceable under applicable law.

"**Restrictive Provisions**" means the Non-Competition Provisions and the Non-Solicitation Provisions.

"**Retirement**" means voluntary resignation by a Recipient after having reached at least age sixty-two (62) and having performed at least ten (10) years of service with the Company, any subsidiary and/or any company that is acquired directly or indirectly by the Company. In addition, a Recipient must give at least six (6) months prior written notice of resignation for such voluntary resignation to qualify as "Retirement." The Recipient may give the required notice before satisfying the age and service requirements for Retirement, provided the Recipient satisfies the age and service requirements as of the effective date of Retirement.

EXHIBIT 1

VESTING SCHEDULE

A. Active Employee. Except as provided in the remainder of this Vesting Schedule, the Profits Interest Units shall become Vested Profits Interest Units in accordance with the following schedule:

Date	Percentage of Profits Interest Units which are Vested Profits Interest Units
December 31, [YEAR]	100%

; provided the Recipient must remain an employee, director or consultant of the Company or an Affiliate through the indicated date set forth above to vest in accordance with the schedule above; provided further, if during the Applicable Period and while the Recipient remains an employee, director or consultant of the Company or an Affiliate, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Profits Interest Units which vested within one (1) year before the breach, or if such Profits Interest Units had been sold in an arm's length transaction or redeemed by the Recipient, the proceeds of such sale or redemption as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise. Any subsequent provision of this Vesting Schedule providing for vesting in the specified circumstances shall not override the compensation recovery provisions of this Item A.

B. Disability, Good Reason or without Cause Termination. Except as provided in Item F below, if , in the year set forth in the following schedule, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's Disability, the Recipient's resignation from the Company and all Affiliates for Good Reason, or the termination of the Recipient's employment by the Company and its Affiliates without Cause (each such event referred to as a "**Qualifying Termination**"), then the percentage of the Profits Interest Units in the following schedule (rounded to the closest whole number of Profits Interest Units) shall become Vested Profits Interest Units as of the earlier of December 31, [YEAR] or the date of a Change in Control (the "**Applicable Post-Termination Vesting Date**"), subject to the Release requirement below:

Year of Qualifying Termination	Percentage of Profits Interest Units which are Vested Profits Interest Units
[YEAR 1]	$33^{1}/_{3}$%
[YEAR 2]	$66^{2}/_{3}$%
[YEAR 3]	100%

; provided however, that as a condition to such vesting, the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination, and provided further, that such vesting shall not occur if before the earlier of the Applicable Post-Termination Vesting Date or the end of the Applicable Period, the Recipient breaches any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Profits Interest Units shall be immediately forfeited as of the date of such breach.

C. Retirement. Except as provided in Item F below, if the Recipient ceases services as an employee of the Company and all Affiliates due to Retirement in the year set forth in the following schedule, then the percentage of the Profits Interest Units in the following schedule (rounded to the closest whole number of Profits Interest Units) shall become Vested Profits Interest Units as of the Applicable Post-Termination Vesting Date, subject to the Release requirement below:

Year of Retirement	Percentage of Profits Interest Units which are Vested Profits Interest Units
[YEAR 1]	0%
[YEAR 2]	100%
[YEAR 3]	100%

; provided however, that as a condition to such vesting, the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the date of Retirement, and provided further, that such vesting shall not occur if before the earlier of the Applicable Post-Termination Vesting Date or the end of the Applicable Period, the Recipient breaches any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Profits Interest Units shall be immediately forfeited as of the date of such breach.

D. Death after Qualifying Termination or Retirement. Except as provided in Item F below, if Item B or C of this Vesting Schedule applies and the Recipient thereafter dies before the date vesting occurs pursuant to Item B or C, then the vesting there provided shall be accelerated to the date of the Recipient's death; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Profits Interest Units shall be immediately forfeited as of the date of such breach.

E. Death while Employed. Except as provided in Item F below, if the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death in the year set forth in the following schedule, then the percentage of

the Profits Interest Units in the following schedule (rounded to the closest whole number of Profits Interest Units) shall become Vested Profits Interest Units as of the date of death:

Year of Death	Percentage of Profits Interest Units which are Vested Profits Interest Units
[YEAR 1]	$33^{1}/_{3}$%
[YEAR 2]	$66^{2}/_{3}$%
[YEAR 3]	100%

; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Restricted Stock Units shall be immediately forfeited as of the date of such breach.

F. Change in Control. Notwithstanding Items B through E of this Vesting Schedule, if a Change in Control occurs on or after the Grant Date and on or before December 31, [YEAR], and (i) within sixty (60) days before the Change in Control or (ii) after the Change in Control, the Recipient incurs a Qualifying Termination, ceases services as an employee of the Company and all Affiliates due to the Recipient's Retirement (subject, in the case of such Qualifying Termination or Retirement, to the requirement that the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination or Retirement), or ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death, then all Profits Interest Units which have not previously become Vested Profits Interest Units pursuant to any of Items B through E shall become Vested Profits Interest Units as of the later of the date of the Change in Control or the date of the Qualifying Termination, Retirement or death, subject to the foregoing Release requirement if applicable.

G. Voluntary Resignation or Cause Termination. Profits Interest Units which have not become Vested Profits Interest Units as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, except as provided in Items B through F of this Vesting Schedule, shall be forfeited. Further, if (i) before a Change in Control, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to (1) the Recipient's voluntary resignation without Good Reason (and not due to Disability or Retirement) or (2) the termination of the Recipient's employment by the Company and its Affiliates for Cause, and ii) during the Applicable Period, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Profits Interest Units that vested within one (1) year before the Recipient's cessation of services, or if such Profits Interest Units had been sold in an arm's length transaction or redeemed by the Recipient, the proceeds of such sale or redemption as determined by the Board. The amount of the recovery shall be determined without regard

to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise.

H. General Forfeiture Provisions. Profits Interest Units which have not become Vested Profits Interest Units as of the earliest of (i) December 31, [YEAR], (ii) except as provided in Items B through F of this Vesting Schedule, as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, or (iii) the date provided in Item F, shall be forfeited, and once a forfeiture occurs no provision of this Vesting Schedule shall be construed to reinstate the forfeiture. The forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by a Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any such breach; provided, however, if the Recipient is not a party to an employment agreement with the Company or an Affiliate as of the date of termination of employment and the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to a Qualifying Termination or Retirement, the Company's sole remedy with respect to a breach by the Recipient during the Applicable Period of the Non-Competition Provisions will be the forfeiture provided in Item B or Item C, as applicable, of this Vesting Schedule; provided further, such limitation to the Company's remedies shall not apply to the Recipient's breach during the Applicable Period of the Non-Solicitation Provisions or the Intellectual Property Agreement.

I. Fractional Units. If any calculation in this Vesting Schedule results in a fractional number of Vested Profits Interest Units, the number of Vested Profits Interest Units shall be rounded to the closest whole number.

EXHIBIT 2

REPRESENTATIONS AND WARRANTIES OF THE RECIPIENT

In connection with the grant of the Profits Interest Units pursuant to the Agreement, the Recipient hereby represents and warrants to the Partnership that:

1. The Recipient is acquiring the Profits Interest Units for the Recipient's own account with the present intention of holding the Profits Interest Units for investment purposes and not with a view to distribute or sell the Profits Interest Units, except in compliance with federal securities laws or applicable securities laws of other jurisdictions;

2. The Recipient acknowledges that the Profits Interest Units have not been registered under the Securities Act of 1933 (the "**1933 Act**") or applicable securities laws of other jurisdictions and that the Profits Interest Units will be issued to the Recipient in reliance on exemptions from the registration requirements provided by Sections 3(b) or 4(2) of the 1933 Act and the rules and regulations promulgated thereunder and applicable securities laws of other jurisdictions and in reliance on the Recipient's representations and agreements contained herein;

3. The Recipient is an employee of the Partnership or an Affiliate;

4. The Recipient acknowledges that the Profits Interest Units are subject to the restrictions contained in the Limited Partnership Agreement, and the Recipient has received and reviewed a copy of the Limited Partnership Agreement;

5. The Recipient has had the opportunity to ask questions of and receive answers from the Partnership and any person acting on its behalf concerning the terms and conditions of the Profits Interest Units awarded hereunder and has had full access to such other information concerning the Partnership and its Affiliates as the Recipient may have requested in making the Recipient's decision to invest in the Profits Interest Units being issued hereunder;

6. The Recipient has such knowledge and experience in financial and business matters that the Recipient is capable of evaluating the merits and risks of the acquisition of the Profits Interest Units hereunder and the Recipient is able to bear the economic risk, if any, of such acquisition;

7. The Recipient has only relied on the advice of, or has consulted with, the Recipient's own legal, financial and tax advisors, and the determination of the Recipient to acquire the Profits Interest Units pursuant to this Agreement has been made by the Recipient independent of any statements or opinions as to the advisability of such acquisition or as to the properties, business, prospects or condition (financial or otherwise) of the Partnership or its Affiliates which may have been made or given by any other person or by any agent or employee of such person and independent of the fact that any other person has decided to become a holder of Profits Interest Units;

8. None of the Partnership or any of its Affiliates has made any representation or agreement to the Recipient with respect to the income tax consequences of the issuance, ownership

or vesting of Profits Interest Units or the transactions contemplated by this Agreement (including without limitation the making of an election under Code Section 83(b)), and the Recipient is in no manner relying on the Partnership or any Affiliate or their representatives for an assessment of tax consequences to the Recipient. The Recipient is advised to consult with the Recipient's own tax advisor with respect to the tax consequences;

9. The Recipient is not acquiring the Profits Interest Units as a result of, or subsequent to, any publicly disseminated advertisement, article, sales literature, publication, broadcast or any public seminar or meeting or any solicitation nor is the Recipient aware of any offers made to other persons by such means;

10. The Recipient understands and agrees that if certificates representing the Profits Interest Units are issued, such certificates may bear such restrictive legends as the Partnership or its legal counsel may deem necessary or advisable under applicable law or pursuant to this Agreement;

11. The Profits Interest Units cannot be offered for sale, sold or transferred by the Recipient other than pursuant to: (i) an effective registration under the 1933 Act or in a transaction otherwise in compliance with the 1933 Act; and (ii) evidence satisfactory to the Partnership of compliance with the applicable securities laws of other jurisdictions. The Partnership shall be entitled to rely upon an opinion of counsel satisfactory to it with respect to compliance with the above laws;

12. The Partnership shall be under no obligation to register the Profits Interest Units or to comply with any exemption available for sale of the Profits Interest Units without registration or filing;

13. The Recipient represents that the Recipient is an "accredited investor" as that term is defined in Rule 501 of Regulation D of the 33 Act; specifically, either [(a) the Recipient is an executive officer of the Partnership or of Omega Healthcare Investors, the general partner of the Partnership, or (b) the Recipient has (i) had an individual income in excess of $200,000 in each of the two most recent years or joint income with the Recipient's spouse or "spousal equivalent" (meaning your cohabitant occupying a relationship generally equivalent to that of a spouse) in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, (ii) the Recipient's net worth or joint net worth with the Recipient's spouse or spousal equivalent exceeds $1,000,000 (and for purposes of calculating net worth under this paragraph, the Recipient's primary residence is not included as an asset; indebtedness that is secured by the primary residence, up to the estimated fair market value of the primary residence is not included as a liability (except that if the amount of such indebtedness outstanding exceeds the amount outstanding within the last 60 days, other than as a result of the acquisition of the primary residence, the amount of such excess is included as a liability)), or (iii) the Recipient holds in good standing one of the following professional licenses: the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), or the Investment Adviser Representative license (Series 65)]; and

14. The Recipient agrees to furnish any additional information requested to assure compliance with applicable securities laws in connection with the issuance or holding of Profits

Interest Units. The Recipient acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with applicable federal and state laws. Notwithstanding anything to the contrary herein, the Plan shall be administered and the grant of Profits Interest Units is made only in such manner as to conform to such laws. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws. By execution below, the Recipient acknowledges that the Recipient has received a copy of the Agreement, the Limited Partnership Agreement and the Plan.

RECIPIENT

Signature	Date	Name

EXHIBIT 3
SECTION 83(b) ELECTION

The undersigned hereby elects to be taxed pursuant to Section 83(b) of the Internal Revenue Code of 1986 (the "Code") with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. **The name, address and taxpayer identification number of the undersigned is:**

_____

_____

_____

Taxpayer I.D. No.:_____

2. Description of property with respect to which the election is being made:

_____ Profits Interest Units of OHI Healthcare Properties Limited Partnership (the "**Profits Interest Units**," defined in the OHI Healthcare Properties Limited Partnership as "LTIP Units").

3. The date on which the property was transferred:

The Profits Interest Units were transferred on [GRANT DATE].

4. The taxable year to which this election relates is calendar year [YEAR].

5. The nature of the restriction(s) to which the property is subject is:

The Profits Interest Units shall vest in increments on specified vesting dates or upon certain vesting events subsequent to the property transfer date, provided that the taxpayer continues to perform services for OHI Healthcare Properties Limited Partnership (the "**Partnership**") or an affiliate. In the event the taxpayer ceases to perform services for the Partnership and its affiliates under certain circumstances prior to the final vesting date, any unvested Profits Interest Units shall be forfeited back to the Partnership.

6. Fair Market Value:

Because the Profits Interest Units constitute a profits interest, the grant of the interest is not taxable under Code Section 83 pursuant to Revenue Procedure 93-27 and Revenue Procedure 2001-43. Therefore, the taxpayer is reporting that the fair market value at the time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made as $0 per Profits Interest Unit.

7. Amount paid for property:

The taxpayer did not pay for the Profits Interest Units.

8. Furnishing statement to the person for whom services are performed:

A copy of this statement has been furnished to the Partnership.

By: _____ Date: _____

EXHIBIT 4

LETTER AGREEMENT

The undersigned, _____, (the "***Limited Partner***"), OHI Healthcare Properties Limited Partnership (the "***Partnership***"), and Omega Healthcare Investors, Inc., as the Partnership's general partner ("***Omega***" or the "***General Partner***") in connection with the grant of a limited partnership interest in the Partnership to the Limited Partner as of [GRANT DATE] pursuant to that certain Time-Based Profits Interest Units Agreement, made as of [GRANT DATE], by and between the Partnership and the Limited Partner, hereby agree as follows effective as of [GRANT DATE] (the "***Effective Date***"). Capitalized terms used herein without definition will have the meaning assigned to them in the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereof (the "***Partnership Agreement***"). All "Section" references herein are references to sections of the Partnership Agreement unless otherwise specified.

Notwithstanding anything to the contrary in the Partnership Agreement, the Limited Partner agrees that with respect to the Limited Partner (and its successors and assigns) and any and all LP Units held as of the date hereof and any LP Units acquired hereafter, the last sentence of Section 8.6(a) is deleted in its entirety and replaced with the following (new language bold and double-underlined):

> The Cash Amount shall be payable to the Tendering Partner on the Specified Redemption Date; provided, however, that the Partnership shall be entitled to offset against, and deduct from, the Cash Amount that is payable to the Tendering Partner any amounts payable under or owed by the Tendering Partner pursuant to any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates**; and provided further, that the Partnership shall be entitled, in the General Partner's sole discretion, to reduce the Cash Amount by an administrative allocation amount of up to 1% of the Cash Amount**.

For the avoidance of doubt, Section 8.6(a) as amended above shall apply to any redemption of LP Units by the Limited Partner (and its successors and assigns) after the date hereof, regardless of when any such LP Units were acquired, granted, or received.

Each party to this letter agreement represents and warrants to each other party that (i) the representing party has duly authorized the execution, delivery, and performance of this letter agreement; (ii) the terms of this letter agreement are binding upon, and enforceable against, the representing party, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and to general principles of equity; and (iii) the execution, delivery and performance of this letter agreement by such representing party does not and will not violate any agreement or arrangement to which it is a party or by which it may be bound, or any order or decree to which such party is subject.

Where there is any inconsistency between the terms of this letter agreement, on the one hand, and the Partnership Agreement, or any other document or agreement relating to the Limited Partner's LP Units, on the other hand, the terms of this letter agreement shall prevail.

This letter agreement will be binding upon, and will inure to the benefit of and be enforceable by, the parties and their respective successors and permitted assigns.

This letter agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one instrument.

Each of the undersigned parties hereto acknowledge and agree that this letter agreement and any subsequent amendment may be executed by electronic signature, which shall have the same legal force and effect as a handwritten signature.

IN WITNESS WHEREOF, the parties hereto have executed this letter agreement effective as of the date first written above.

PARTNERSHIP:

OHI Healthcare Properties Limited Partnership

By: Omega Healthcare Investors, Inc.
Its: General Partner

By: _____
Name: _____
Title: _____

GENERAL PARTNER:

Omega Healthcare Investors, Inc.

By: _____
Name: _____
Title: _____

LIMITED PARTNER:

_____
Name: _____

Exhibit 10.6F

2025 FORM OF

TSR-BASED PERFORMANCE RESTRICTED STOCK UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

THIS AGREEMENT (this "**Agreement**") is made as of the Grant Date, by and between Omega Healthcare Investors, Inc. (the "**Company**") and _____ (the "**Recipient**").

Upon and subject to this Agreement (including the Terms and Conditions and the Exhibit which are attached hereto and incorporated herein as part of this Agreement) the Company hereby awards as of the Grant Date to the Recipient the opportunity to earn and vest in Restricted Stock Units (the "**Restricted Stock Units Grant**" or the "**Award**"). Underlined and capitalized captions in Items A through J below shall have the meanings therein ascribed to them. Other capitalized terms used in this Agreement are defined in Section 16 of the Terms and Conditions. Capitalized terms that are used but not defined in this Agreement shall have the meaning ascribed to them in the Plan.

A. Grant Date: [GRANT DATE].

B. Plan (under which Restricted Stock Units Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. Restricted Stock Units: The Recipient shall have an opportunity to earn and vest in a maximum of _____ Restricted Stock Units, each of which represents the contingent right of the Recipient to earn and vest in up to the same number of shares of the Company's common stock ("**Common Stock**"), subject to adjustment as provided in the Terms and Conditions.

D. Vesting Schedule: The Restricted Stock Units shall be earned and vest according to **Exhibit 1** (the "**Vesting Schedule**"). The Restricted Stock Units which have become vested pursuant to the Vesting Schedule are herein referred to as the "**Vested Stock Units**." Each Vested Stock Unit represents the Company's unsecured obligation to issue one (1) share of Common Stock.

E. Distribution Date of Vested Shares. Shares of Common Stock attributable to Vested Stock Units ("**Vested Shares**") shall be issued and distributed within (10) business days following each vesting event or upon the date of a Change in Control, whichever is earlier, subject in either case to receipt from the Recipient of the required tax withholding and Section 14 of the Terms and Conditions. Notwithstanding the foregoing, (i) distribution shall be deferred to the extent provided in any deferral agreement between the Recipient and the Company as a result of the Recipient's valid deferral election, and (ii) in the case of a Recipient who incurs a separation from service (other than due to death) before one (1) of the Applicable Vesting Dates (or a Change in Control if applicable), distribution

will be delayed until within ninety (90) days following separation from service (subject to Section 14 of the Terms and Conditions) if the last day of such ninety (90) day period is later than the Applicable Vesting Date (or the Change in Control if applicable), provided, that if the Recipient has incurred a Qualifying Termination and additional vesting will occur in one (1) calendar year or the following calendar year dependent upon when the Recipient executes the Release, payment will be delayed until the earliest possible date in such following calendar year.

F. Dividend Equivalents. Each Restricted Stock Unit shall accrue Dividend Equivalents, an amount equal to the dividends paid on one (1) share of Common Stock to a shareholder of record on or after [GRANT DATE] and until the date that the shares of Common Stock attributable to the Vested Stock Units are issued or the Restricted Stock Units are forfeited.

G. Distribution Dates of Dividend Equivalents. Subject to tax withholding up to the maximum statutory rates, accrued Dividend Equivalents attributable to Restricted Stock Units which become Earned Unvested Restricted Units (as defined in Exhibit 1) shall be distributed to the Recipient within twenty (20) business days following the last day of the Performance Period, and thereafter, future Dividend Equivalents on Earned Unvested Restricted Units and Vested Stock Units shall be distributed to Recipient on the same date on the same date that the related dividends are paid to shareholders of record. Notwithstanding the foregoing or any other provision hereof, distribution of Dividend Equivalents shall be deferred to the extent provided in any deferral agreement between the Recipient and the Company as a result of the Recipient's valid deferral election and shall be paid in the form provided in such agreement. Dividend Equivalents on Restricted Stock Units which do not become Earned Unvested Restricted Units are forfeited.

H. Non-Competition Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to enter into competition with the Company or its Affiliates or to work for a business which is in a similar business to that of the Company or of an Affiliate, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not (except on behalf of or with the prior written consent of the Company, which consent may be withheld in Company's sole discretion), within the Area, on the Recipient's own behalf, or in the service of or on behalf of others, and whether as an employee, a consultant or otherwise, provide managerial services or management consulting services substantially similar to those the Recipient provides for the Company or an Affiliate to any Competing Business. As of the Grant Date, the Recipient acknowledges and agrees that the Recipient provides services to the Company throughout the Area.

I. Non-Solicitation Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to solicit clients or employees of the Company or its Affiliates, the Recipient will abide by such provisions.

Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not, on the Recipient's own behalf or in the service of or on behalf of others:

(i) solicit any individual or entity which is an actual client of the Company or any of its Affiliates as of the Determination Date with whom the Recipient had direct material contact while the Recipient was an employee of the Company or an Affiliate, for the purpose of offering services substantially similar to those offered by the Company or an Affiliate, or

(ii) solicit for employment with a Competing Business any person who is a management level employee of the Company or an Affiliate with whom the Recipient had contact during the then most recent year of the Recipient's employment with the Company or an Affiliate.

The Recipient shall not be deemed to be in breach of Item I(ii) solely because an employer for whom the Recipient performs services solicits, diverts, or hires a management level employee of the Company or an Affiliate, provided that the Recipient does not engage in the activity proscribed by Item I(ii).

J. Acknowledgement: The Recipient acknowledges and agrees that the Recipient's agreement to and compliance with the provisions of this Agreement, including without limitation Item H and Item I above, are conditions to the effectiveness of the grant of the Award, and further acknowledges and agrees that the Recipient's noncompliance with Item H or Item I above can result in a forfeiture and/or recovery of all or part of the Award to the extent provided in the Vesting Schedule. The Recipient also acknowledges and agrees that the forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement, except to the extent provided otherwise in the last paragraph of the Vesting Schedule. In the event that any provision of this Agreement is determined by a court which has jurisdiction to be unenforceable in part or in whole, the court shall be deemed to have the authority to strike or sever any unenforceable provision, or any part thereof or to revise any provision to the minimum extent necessary to render the provision reasonable and then to enforce the provision to the maximum extent permitted by law.

IN WITNESS WHEREOF, the Company and the Recipient have executed and agree to be bound by this Agreement as of the Grant Date set forth above.

OMEGA HEALTHCARE INVESTORS, INC.

By: _____

Name: _____

Title: _____

THE RECIPIENT

By: _____

Name: _____

TERMS AND CONDITIONS TO THE
TSR-BASED PERFORMANCE RESTRICTED STOCK UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

1. Vested Stock Units. The Company shall issue in book-entry form in the name of the Recipient, or issue and deliver to the Recipient a share certificate representing, the Vested Shares on the Distribution Date of Vested Shares.

2. Tax Withholding, Dividends Equivalents. Payment of Dividend Equivalents is subject to required tax withholding.

3. Tax Withholding, Shares.

(a) The minimum required amount of the tax withholding obligations imposed on the Company, or at the Company's discretion if tax withholding is required, tax withholding up to the maximum statutory rates, by reason of the issuance of the Vested Shares shall be satisfied by reducing the actual number of Vested Shares by the number of whole shares of Common Stock which, when multiplied by the Fair Market Value of the Common Stock on the Distribution Date of Vested Shares, is sufficient, together with cash in lieu of any fractional share, to satisfy such tax withholding, assuming that (i) the Recipient does not make a valid election to satisfy tax withholding in cash pursuant to Subsection (b), and (ii) the Committee does not determine that tax withholding will be required to be satisfied in another manner.

(b) However, the Recipient may elect in writing by notice to the Company received at least ten (10) days before the earliest Distribution Date of Vested Shares to satisfy such tax withholding obligation in cash by the earliest Distribution Date of Vested Shares, as provided in Subsection (a)(i). If the Recipient fails to timely satisfy payment of the cash amount, then Subsection (a) shall apply.

(c) To the extent that the Recipient is required to satisfy the tax withholding obligation in this Section in cash, the Company shall withhold the cash from any cash payments then owed to the Recipient, or if none, the Recipient shall timely remit the cash amount.

(d) If the Recipient does not timely satisfy payment of the tax withholding obligation, the Recipient will forfeit the Vested Shares.

4. Restrictions on Transfer of Restricted Stock Units. Except for the transfer of any Restricted Stock Units by bequest or inheritance, the Recipient shall not have the right to make or permit to exist any transfer or hypothecation, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to any Restricted Stock Units. Any such disposition not made in accordance with this Agreement shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Agreement.

5. Change in Capitalization.

(a) The number and kind of shares issuable under this Agreement shall be proportionately adjusted for non-reciprocal transactions between the Company and the holders of Common Stock that cause the per share value of the shares of Common Stock subject to this Award to change, such as a stock dividend, stock split, spinoff, or rights offering (each an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, spin-off, sale of substantially all of the Company's assets, other change in capital structure of the Company, tender offer for shares of Common Stock, or a Change in Control, that in each case does not constitute an Equity Restructuring, the Committee shall take such action to make such adjustments with respect to the Restricted Stock Units as the Committee, in its sole discretion, determines in good faith is necessary or appropriate and as is permitted by the Plan, including, without limitation, adjusting the number and class of securities subject to the Award, substituting other securities, property or cash to replace the Award, all as determined in good faith by the Committee to have equivalent value to the Award, removing restrictions on the Award, or terminating the Award in exchange for the cash value determined in good faith by the Committee. Any adjustment pursuant to this Section may provide, in the Committee's discretion, for the elimination without payment of any fractional shares that might otherwise be subject to the Award, but except as set forth in this Subsection and the Plan may not otherwise diminish the then value of the Award.

(c) All determinations and adjustments made by the Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Restricted Stock Units Grant shall not affect the right or power of the Company to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Company, any issue of debt or equity securities having preferences or priorities as to the Common Stock or the rights thereof, the dissolution or liquidation of the Company, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

6. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Vested Shares shall be issued except, in the reasonable judgment of the Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

7. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

8. Notice. Except as otherwise specified herein, all notices and other communications under this Agreement shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the proposed recipient at the last known address of the Recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

9. Clawback. This Agreement, and any payment in the form of cash or shares of Common Stock made pursuant to this Agreement, is expressly subject to any applicable compensation, clawback, recoupment or similar policies as may be adopted by the Company or its Affiliates in effect from time to time, including, without limitation, the Omega Healthcare Investors, Inc. Incentive Compensation Recovery Policy, whether adopted before or after the Grant Date, or any other clawback rules as may be required by applicable law.

10. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

11. Entire Agreement. This Agreement, together with the terms and conditions set forth in the Plan, expresses the entire understanding and agreement of the parties with respect to the subject matter. In the event of a conflict between the terms of the Plan and this Agreement, the Plan shall govern.

12. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

13. No Right to Continued Retention. Neither the establishment of the Plan nor the Award shall be construed as giving the Recipient the right to continued service with the Company or an Affiliate.

14. Tax Effects under 409A. It is intended that the Award under this Agreement will be exempt from or comply with Section 409A of the Internal Revenue Code (the "**Code**"). All provisions of this Agreement shall be construed consistent with that intent. If and to the extent that the Award does not qualify for an exemption from Code Section 409A, whether as a short-term deferral pursuant to Treas. Regs. Section 1.409A-1(b)(4) or otherwise, notwithstanding any other provision of this Agreement, payment shall be made only in accordance with Code Section 409A, such that if payment is being made as a result of the Recipient's termination of employment or other cessation of services, that shall be construed to require a "separation from service" as defined under Code Section 409A and payment will be delayed for any "specified employee" as defined under Code Section 409A to the extent required to comply with Code Section 409A(a)(2)(B)(i). The Company does not guarantee to the Recipient that the Award will not be

subject to tax under Code Section 409A, and if it is, the Recipient shall be solely responsible for such tax.

15. Headings. Except as otherwise provided in this Agreement, headings used herein are for convenience of reference only and shall not be considered in construing this Agreement.

16. Definitions. As used in this Agreement:

"**Affiliate**" means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

"**Applicable Period**" means:

(a) as to the Restrictive Provisions,

(i) the period of time that the Restrictive Provisions are in effect in accordance with the terms of the employment agreement then in effect between the Recipient and the Company or an Affiliate, or

(ii) if there is no such employment agreement or there are no such provisions in the employment agreement, the period of the Recipient's employment with the Company or an Affiliate, and with respect to the Non-Solicitation Provisions, twelve (12) months thereafter, and with respect to the Non-Competition Provisions, six (6) months thereafter; and

(b) as to the Intellectual Property Agreement, the period of time that any breach of such agreement would be actionable by the Company or an Affiliate pursuant to the terms of such agreement.

"**Area**" means the states, areas and countries in which the Company or any of its Affiliates owns, acquires, develops, invests in, leases, finances the ownership of, or finances the operation of any skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Beginning Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, which is $_____._____.

"**Below Threshold TSR**" means the Company has achieved Total Shareholder Return of less than [THRESHOLD] for the Performance Period.

"**Board**" means the Board of Directors of the Company.

"**Business of the Company**" means any business with the primary purpose of leasing assets to healthcare operators, or financing the ownership of or financing the operation of skilled

nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Cause**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Cause shall mean the occurrence of any of the following events:

(a) willful refusal by the Recipient to follow a lawful direction of any person to whom the Recipient reports or the Chief Executive Officer of the Company, provided the direction is not materially inconsistent with the duties or responsibilities of the Recipient's position with the Company or an Affiliate, which refusal continues after such person or the Chief Executive Officer of the Company has again given the direction in writing;

(b) willful misconduct or reckless disregard by the Recipient of the Recipient's duties or with respect to the interest or material property of the Company or an Affiliate;

(c) material breach by the Recipient of any of the Restrictive Provisions;

(d) material breach by the Recipient of any provision of the Intellectual Property Agreement;

(e) any act by the Recipient of fraud against, material misappropriation from or significant dishonesty to either the Company or an Affiliate, or any other party, but in the latter case only if in the reasonable opinion of the Chief Executive Officer of the Company, such fraud, material misappropriation, or significant dishonesty could reasonably be expected to have a material adverse impact on the Company or its Affiliates; or

(f) commission by the Recipient of a felony as reasonably determined by the Chief Executive Officer of the Company.

"**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation, of equity securities of the Company that in the aggregate represent thirty percent (30%) or more of the total voting power of the Company's then outstanding equity securities;

(b) the acquisition, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that, together with equity securities already held

by such person or persons, in the aggregate represent more than fifty percent (50%) of the total fair market value or total voting power of the Company's then outstanding equity securities;

(c) individuals who as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(d) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation, immediately thereafter, own equity securities of the surviving entity representing less than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(e) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than any corporation or other entity pursuant to a reorganization, merger or consolidation, of assets of the Company that have a total gross fair market value equal to or more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Agreement (i) unless the event also constitutes a "change in the ownership or effective control of the corporation or in the ownership of a substantial portion of the assets of the corporation" within the meaning of Code Section 409A(a)(2)(v), or (ii) by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

"**Competing Business**" means any person, firm, corporation, joint venture, or other business that is engaged in the Business of the Company.

"**Determination Date**" means with respect to determining compliance with a covenant of this Agreement (a) while the Recipient remains employed by the Company or an Affiliate, the date as of which compliance is being determined, and (b) after the Recipient's termination of employment, the date of the Recipient's termination of employment.

"**Ending Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, unless a Change in Control occurs on or before December 31, [YEAR], in which case the term

means the value per share determined as of the date of the Change in Control, such value to be determined by the Committee in its reasonable discretion based on the actual or implied price per share paid in the Change in Control transaction.

"**Ending Value of Reinvested Dividends**" means the dollar amount equal to the Ending Stock Price multiplied by the total number of shares hypothetically purchased with the dividends declared to a shareholder of record during the Performance Period, assuming that each dividend is re-invested in Common Stock at the closing price per share on the last business day before the ex-dividend date. For purposes of this calculation, the dividends declared to a shareholder of record during the Performance Period will initially be calculated on one (1) share of Common Stock beginning as of the first dividend declaration date during the Performance Period, and as of each dividend declaration date during the Performance Period thereafter, the dividends will be calculated with respect to the sum of one (1) share of Common Stock plus the cumulative number of shares of Common Stock hypothetically purchased prior to such dividend declaration date. The "Ending Value of Reinvested Dividends" can also be expressed as the following formula:

Ending Value of Reinvested Dividends = (Ending Stock Price x Total Number of Shares Hypothetically Purchased with Reinvested Dividends)

Total Number of Shares Hypothetically Purchased with Reinvested Dividends = (Number of Shares Hypothetically Purchased with First Reinvested Dividend + the sum of the Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend)

Number of Shares Hypothetically Purchased with First Reinvested Dividend = ((dividend declared to a shareholder of record during the Performance Period calculated on one (1) share of Common Stock as of the first dividend declaration date during such period)/closing price per share of Common Stock on the last business day before the ex-dividend date)

Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend = ((each dividend declared to a shareholder of record after the first dividend declaration date during the Performance Period calculated on the sum of the one (1) share of Common Stock beginning as of the first dividend declaration date + the number of shares hypothetically purchased with reinvested dividends before such subsequent dividend declaration date)/closing price per share of Common Stock on the last business day before the related ex-dividend date)

"**Good Reason**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Good Reason shall mean the occurrence of an event listed in (a) through (c) below:

(a) the Recipient experiences a material diminution of the Recipient's responsibilities of the Recipient's position, as reasonably modified by any person to whom the Recipient reports or the Chief Executive Officer of the Company from time to time, such that the Recipient would no longer have responsibilities substantially equivalent to

those of other employees holding equivalent positions at companies with similar revenues and market capitalization;

(b) the Company or the Affiliate which employs the Recipient reduces the Recipient's annual base salary or annual bonus opportunity at high, target or threshold performance as a percentage of annual base salary; or

(c) the Company or the Affiliate which employs the Recipient requires the Recipient to relocate the Recipient's primary place of employment to a new location that is more than fifty (50) miles from its current location (determined using the most direct driving route), without the Recipient's consent;

provided however, as to each event in Subsection (a) through (c),

(i) the Recipient gives written notice to the Company within ten (10) days following the event or receipt of notice of the event of the Recipient's objection to the event;

(ii) the Company or the Affiliate which employs the Recipient fails to remedy the event within ten (10) days following the Recipient's written notice; and

(iii) the Recipient terminates his employment within thirty (30) days following the Company's and the Affiliate's failure to remedy the event.

"**High TSR**" means the Company has achieved Total Shareholder Return of at least [HIGH] for the Performance Period.

"**Intellectual Property Agreement**" means that certain agreement entitled "Intellectual Property Agreement" previously entered into between the Company and the Recipient.

"**Non-Competition Provisions**" means the provisions under the title "Non-Competition Provisions" heading in Item H above of this Agreement.

"**Non-Solicitation Provisions**" means the provisions under the title "Non-Solicitation Provisions" heading in Item I above of this Agreement.

"**Performance Period**" means the period from and including January 1, [YEAR] through the earlier of December 31, [YEAR] or the date of a Change in Control.

"**Release**" means a comprehensive release, covenant not to sue, and non-disparagement agreement from the Recipient in favor of the Company, its executives, officers, directors, Affiliates, and all related parties, in the form provided by the Company (which, if the Recipient is a party to an employment agreement with the Company or an Affiliate and the Recipient's right to receive severance pay in connection with a qualifying termination of employment thereunder is contingent on the execution and non-revocation of a release agreement in substantially the form attached to the employment agreement, will be substantially the same form of release agreement attached to the employment agreement); provided, however, the Company may make any changes

to the Release as it determines to be necessary only to ensure that the Release is enforceable under applicable law.

"**Restrictive Provisions**" means the Non-Competition Provisions and the Non-Solicitation Provisions.

"**Retirement**" means voluntary resignation by a Recipient after having reached at least age sixty-two (62) and having performed at least ten (10) years of service with the Company, any subsidiary and/or any company that is acquired directly or indirectly by the Company. In addition, a Recipient must give at least six (6) months prior written notice of resignation for such voluntary resignation to qualify as "Retirement." The Recipient may give the required notice before satisfying the age and service requirements for Retirement, provided the Recipient satisfies the age and service requirements as of the effective date of Retirement.

"**Target TSR**" means the Company has achieved Total Shareholder Return of [TARGET] for the Performance Period.

"**Threshold TSR**" means that the Company has achieved Total Shareholder Return of [THRESHOLD] for the Performance Period.

"**Total Shareholder Return**" means the compound annual growth rate (also known as "CAGR"), expressed as a percentage, of an investment in one (1) share of Common Stock over the Performance Period, based on the Ending Stock Price plus the Ending Value of Reinvested Dividends, as compared to the Beginning Stock Price, and using the following formula:

(((Ending Stock Price + Ending Value of Reinvested Dividends)/Beginning Stock Price)^(1/3)) – 1

"**Vesting Period**" means the period beginning on the day after the last day of the Performance Period and ending December 31, [YEAR]; provided however, that if a Change in Control occurs during or before such period, the last day of the Vesting Period same be deemed to be the date of the Change in Control.

EXHIBIT 1

VESTING SCHEDULE

A. Active Employee: The number of Restricted Stock Units is set forth under the heading "High TSR" in the TSR Chart below and represents the maximum potential number of units that can be earned. Except as provided in the remainder of this Vesting Schedule, the number of Restricted Stock Units that is earned (the "**Earned Unvested Restricted Units**") is determined as of the last day of the Performance Period based on the level of Total Shareholder Return attained for the Performance Period as shown in TSR Chart set forth below and the Recipient shall vest in twenty-five percent (25%) of the Earned Unvested Restricted Units, which shall then become Vested Stock Units, as of the last day of each calendar quarter during the Vesting Period only if the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period and through the last day of such calendar quarter.

"**TSR Chart**"

Below Threshold TSR	*Threshold TSR	*Target TSR	*High TSR
Zero Earned Unvested Restricted Units			

* If Total Shareholder Return falls between Threshold TSR and Target TSR or between Target TSR and High TSR, the number of Earned Unvested Restricted Units under the TSR Chart shall be determined by linear interpolation.

Notwithstanding the forgoing, if during the Applicable Period and while the Recipient remains an employee, director or consultant of the Company or an Affiliate, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Common Stock issued within one (1) year before the breach that was attributable to Vested Stock Units, or if such Common Stock had been sold in an arm's length transaction by the Recipient, the proceeds of such sale as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise. Any subsequent provision of this Vesting Schedule providing for vesting in the specified circumstances shall not override the compensation recovery provisions of this Item A.

B. Disability, Good Reason or without Cause Termination or Retirement. Except as provided in Item E below, if, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's Disability, the Recipient's resignation from the Company and all Affiliates for Good Reason, or the termination of the Recipient's employment by the Company and its Affiliates without Cause or the Recipient ceases services as an employee of the Company and

all Affiliates due to Retirement (each such event referred to as a "**Qualifying Termination**"):

(i) during the Performance Period, the Recipient shall vest on the same dates as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period (the "**Applicable Vesting Dates**"), subject to the Release requirement below, in the same number of Earned Unvested Restricted Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, but multiplied by a fraction, the numerator of which is the number of days elapsed in the Performance Period through the date of such event and the denominator of which is 1,095 (*i.e.,* 365 x 3*)*, or

(ii) during the Vesting Period, the Recipient shall vest on each Applicable Vesting Date in the same number of Earned Unvested Restricted Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, subject to the Release requirement below.

; provided however, that as a condition to the vesting provided in clauses (i) and (ii) above, the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination, and provided further, the vesting provided in clause (i) or (ii) above shall not occur if before the earlier of the Applicable Vesting Date or the end of the Applicable Period, the Recipient breaches any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Restricted Units that have not previously vested and been paid in Vested Shares shall be immediately forfeited as of the date of such breach.

C. Death after Qualifying Termination. Except as provided in Item E below, if Item B of this Vesting Schedule applies and the Recipient thereafter dies before the date that all vesting occurs that is provided for pursuant to Item B, then the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Restricted Units that have not previously vested and been paid in Vested Shares shall be immediately forfeited as of the date of such breach.

D. Death while Employed. Except as provided in Item E below, if the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death during the Performance Period or the Vesting Period, the Recipient shall vest in the same number of Earned Unvested Restricted Units

as if the Recipient's death were a Qualifying Termination pursuant to Item B of this Vesting Schedule, except that the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Restricted Units that have not previously vested and been paid in Vested Shares shall be immediately forfeited as of the date of such breach.

E. Change in Control. Notwithstanding Items A through D of this Vesting Schedule, if a Change in Control occurs on or after the Grant Date and on or before December 31, [YEAR], and (i) the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period until the date of the Change in Control, or (ii) within sixty (60) days before the Change in Control, the Recipient incurs a Qualifying Termination (subject, in the case of such Qualifying Termination, to the requirement that the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination) or ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death, the Recipient shall be one hundred percent (100%) vested in, as of the date of the Change in Control, subject to the foregoing Release requirement if applicable:

1. if the Change in Control occurs on or before December 31, [YEAR], the number of Earned Unvested Restricted Units determined:

   a. in the TSR Chart if the applicable level of Total Shareholder Return for the full three (3) year Performance Period (determined without regard to the shortening of the period as a result of the Change in Control) is achieved, or

   b. in the TSR Chart multiplied by a fraction, the numerator of which is the number of days elapsed in the Performance Period through the date of the Change in Control and the denominator of which is 1,095 (*i.e.,* 365 x 3*)*, if the applicable level of Total Shareholder Return has been achieved based on annualized performance to the date of the Change in Control but not for the full three (3) year Performance Period (determined without regard to the shortening of the period as a result of the Change in Control), or

   c. by interpolation between the numbers in clause (a) and (b) above if the applicable level of Total Shareholder Return has been exceeded based on performance to the date of the Change in Control but is less than the applicable level for the full three (3) year Performance

Period (determined without regard to the shortening of the period as a result of the Change in Control), or

2. if the Change in Control occurs after December 31, [YEAR], the number of Earned Unvested Restricted Units determined in the TSR Chart that were actually earned for the Performance Period which have not previously become Vested Stock Units.

F. Voluntary Resignation or Cause Termination. Restricted Stock Units which have not become Vested Stock Units as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, except as provided in Items B through E of this Vesting Schedule, shall be forfeited. Further, if (i) before a Change in Control, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to (1) the Recipient's voluntary resignation without Good Reason (and not due to Disability or Retirement) or (2) the termination of the Recipient's employment by the Company and its Affiliates for Cause, and (ii) during the Applicable Period, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Common Stock issued within one (1) year before the Recipient's cessation of services that was attributable to Vested Stock Units, or if such Common Stock had been sold in an arm's length transaction by the Recipient, the proceeds of such sale as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise.

G. General Forfeiture Provisions. Restricted Stock Units which have not become Earned Unvested Restricted Units as of the last day of the Performance Period shall be forfeited. Restricted Stock Units which have not become Vested Stock Units as of the earliest of (i) December 31, [YEAR], (ii) except as provided in Items B through E of this Vesting Schedule, as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, or (iii) the date provided in Item E, shall be forfeited, and once a forfeiture occurs no provision of this Vesting Schedule shall be construed to reinstate the forfeiture. The forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by a Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any such breach; provided, however, if the Recipient is not a party to an employment agreement with the Company or an Affiliate as of the date of termination of employment and the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to a Qualifying Termination, the Company's sole remedy with respect to a breach by the Recipient during the Applicable Period of the Non-Competition Provisions will be the forfeiture provided in Item B of this Vesting Schedule; provided further, such limitation to the Company's remedies shall not apply to the Recipient's breach during the

Applicable Period of the Non-Solicitation Provisions or the Intellectual Property Agreement.

H. Fractional Units. If any calculation in this Vesting Schedule results in a fractional number of Vested Stock Units, the number of Vested Stock Units shall be rounded to the closest whole number.

Exhibit 10.6H

2025 FORM OF

TSR-BASED PERFORMANCE PROFITS INTEREST UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

THIS AGREEMENT (this "**Agreement**") is made as of the Grant Date, by and between OHI Healthcare Properties Limited Partnership (the "**Partnership**"), a limited partnership controlled by, and an Affiliate (as defined below) of, Omega Healthcare Investors, Inc. (Omega Healthcare Investors, Inc. is hereafter referred to as the "**Company**") and _____(the "**Recipient**").

Upon and subject to this Agreement (including the Terms and Conditions and the Exhibits which are attached hereto and incorporated herein as part of this Agreement) and the Limited Partnership Agreement, the Partnership hereby awards as of the Grant Date to the Recipient the number of Profits Interest Units set forth below (the "**Profits Interest Units Grant**" or the "**Award**"). Underlined and capitalized captions in Items A through H below shall have the meanings therein ascribed to them. Other capitalized terms used in this Agreement are defined in Section 17 of the Terms and Conditions. Capitalized terms that are used but not defined in this Agreement shall have the meaning ascribed to them in the Plan.

A. Grant Date: [GRANT DATE].

B. Plan: (under which Profits Interest Units Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. Profits Interest Units: _____Profits Interest Units. "**Profits Interest Units**" has the same meaning as "**LTIP Units**" as defined in the Limited Partnership Agreement, and each Profits Interest Unit represents, on the Grant Date, one (1) "**Unvested Profits Interest Unit**," which is one (1) "**Unvested LTIP Unit**" as defined in and pursuant to the Limited Partnership Agreement, subject to adjustment as provided in the attached Terms and Conditions, and also represents the Partnership's unsecured obligation to issue to the Recipient distributions described in Item E below.

D. Vesting Schedule: The Recipient shall become vested in a number of Profits Interest Units as and when determined pursuant to **Exhibit 1**. The Profits Interest Units which have become vested pursuant to the Vesting Schedule are herein referred to as the "**Vested Profits Interest Units.**"

E. Distributions: The "**LTIP Unit Distributions Participation Date**" attributable to Profits Interest Units as defined in and pursuant to Section 15.4 of the Limited Partnership Agreement shall be [GRANT DATE]; provided, however, that until any of the Profits Interest Units become "**Earned Unvested Profits Interest Units**" the Recipient shall receive a distribution when paid to holders of "**LP**

Units" (as defined in the Limited Partnership Agreement) of an amount per Profits Interest Unit (the "**Interim Distribution per Profits Interest Unit**"), and an allocation of "**Net Income and Net Loss**" (as defined in the Limited Partnership Agreement) per Profits Interest Unit, equal to (i) 10% of the regular periodic distributions per LP Unit paid by the Partnership to LP Unit holders and a corresponding percentage allocation of Net Income and Net Loss attributable to the regular periodic distributions per LP Unit and (ii) 0% of the special distributions and other distributions not made in the ordinary course per LP Unit paid by the Partnership to LP Unit holders and a corresponding 0% allocation of Net Income and Net Loss attributable to the special distributions and other distributions per LP Unit not made in the ordinary course. As to all Profits Interest Units that become Earned Unvested Profits Interest Units, the Recipient shall receive within twenty (20) business days after the date they become Earned Unvested Profits Interest Units, a distribution from the Partnership per Earned Unvested Profits Interest Unit and a corresponding allocation of Net Income and Net Loss per Earned Unvested Profits Interest Unit equal to the excess of (x) the amount of distributions from the Partnership that would have been paid per Profits Interest Unit if the Profits Interest Unit had been an LP Unit on [GRANT DATE] (determined without regard to this Item E) over (y) the Interim Distribution per Profits Interest Unit. In addition, with respect to distributions and allocations of Net Income and Net Loss that accrue following the date that any Profits Interest Units become Earned Unvested Profits Interest Units or Vested Profits Interest Units, the Recipient shall receive with respect to each Earned Unvested Profits Interest Unit and each Vested Profits Interest Unit distributions and allocations of Net Income and Net Loss pursuant to the Limited Partnership Agreement determined without regard to the adjustments in this Item E.

F. Non-Competition Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to enter into competition with the Company or its Affiliates or to work for a business which is in a similar business to that of the Company or of an Affiliate, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not (except on behalf of or with the prior written consent of the Company, which consent may be withheld in Company's sole discretion), within the Area, on the Recipient's own behalf, or in the service of or on behalf of others, and whether as an employee, a consultant or otherwise, provide managerial services or management consulting services substantially similar to those the Recipient provides for the Company or an Affiliate to any Competing Business. As of the Grant Date, the Recipient acknowledges and agrees that the Recipient provides services to the Company throughout the Area.

G. Non-Solicitation Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the

Recipient and the Company or an Affiliate that limit the ability of the Recipient to solicit clients or employees of the Company or its Affiliates, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not, on the Recipient's own behalf or in the service of or on behalf of others:

(i) solicit any individual or entity which is an actual client of the Company or any of its Affiliates as of the Determination Date with whom the Recipient had direct material contact while the Recipient was an employee of the Company or an Affiliate, for the purpose of offering services substantially similar to those offered by the Company or an Affiliate, or

(ii) solicit for employment with a Competing Business any person who is a management level employee of the Company or an Affiliate with whom the Recipient had contact during the then most recent year of the Recipient's employment with the Company or an Affiliate.

The Recipient shall not be deemed to be in breach of Item G(ii) solely because an employer for whom the Recipient performs services solicits, diverts, or hires a management level employee of the Company or an Affiliate, provided that the Recipient does not engage in the activity proscribed by Item G(ii).

H. Acknowledgement: The Recipient acknowledges and agrees that the Recipient's agreement to and compliance with the provisions of this Agreement, including without limitation Item F and Item G above, are conditions to the effectiveness of the grant of the Award, and further acknowledges and agrees that the Recipient's noncompliance with Item F or Item G above can result in a forfeiture and/or recovery of all or part of the Award to the extent provided in the Vesting Schedule. The Recipient also acknowledges and agrees that the forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement, except to the extent provided otherwise in the last paragraph of the Vesting Schedule. In the event that any provision of this Agreement is determined by a court which has jurisdiction to be unenforceable in part or in whole, the court shall be deemed to have the authority to strike or sever any unenforceable provision, or any part thereof or to revise any provision to the minimum extent necessary to render the provision reasonable and then to enforce the provision to the maximum extent permitted by law.

IN WITNESS WHEREOF, the Partnership and the Recipient have executed and agree to be bound by this Agreement as of the Grant Date set forth above.

OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP

By: _____

Name: _____

Title: _____

THE RECIPIENT

By: _____

Name: _____

TERMS AND CONDITIONS TO THE
TSR-BASED PERFORMANCE PROFITS INTEREST UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

1. Conditions to Grant of Profits Interest Units. As a condition of receiving the grant of Profits Interest Units hereunder, the Recipient must (a) execute the representations and warranties set forth on **Exhibit 2** attached hereto, and deliver them to the Partnership within thirty (30) days of the Grant Date, (b) file with the IRS within thirty (30) days of the Grant Date, a valid election under Code Section 83(b), in substantially the form of **Exhibit 3** attached hereto, as to all of the Profits Interest Units and (c) execute the Letter Agreement set forth on **Exhibit 4** attached hereto, and deliver it to the Partnership within thirty (30) days of the Grant Date. The Recipient must also deliver to the Partnership, within thirty (30) days after the Grant Date, a copy of the Section 83(b) election. Failure to comply with the requirements of this Section shall result in the forfeiture of all the Profits Interest Units and the cancellation of this Agreement.

2. Issuance of Profits Interest Units. The Partnership shall record in the name of the Recipient the number of Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement") awarded as of the Grant Date. The Partnership and the Recipient acknowledge and agree that the Profits Interest Units are hereby issued to the Recipient for the performance of services to or for the benefit of the Partnership and its Affiliates. If the Recipient is not already a partner of the Partnership pursuant to the Limited Partnership Agreement (defined therein as a "**Partner**"), the Partnership admits the Recipient as an "**LTIP Unit Limited Partner**" (as defined therein) and a Partner on the terms and conditions in this Agreement, the Plan and the Limited Partnership Agreement. Upon execution of this Agreement, the Recipient shall, automatically and without further action on the Recipient's part, be deemed to be a signatory of and bound by the Limited Partnership Agreement. At the request of the Partnership, the Recipient shall execute the Limited Partnership Agreement or a counterpart signature page thereto.

3. Rights as a Unitholder. The Profits Interest Units shall be treated as a "profits interest" within the meaning of Revenue Procedure 93-27, and the Recipient shall be treated as having received the interest on the Grant Date as contemplated under Section 4 of Revenue Procedure 2001-43. As the owner of the Profits Interest Units for income tax purposes, the Recipient shall take into account the Recipient's distributive share of income, gain, loss, deduction and credit associated with the Profits Interest Units as determined in accordance with the terms of the Limited Partnership Agreement and this Agreement.

4. Restrictions on Transfer. The Recipient shall not sell, pledge, assign, transfer or hypothecate, or otherwise dispose of any Profits Interest Units, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to the Profits Interest Units, except as otherwise provided in the Limited Partnership Agreement. Any disposition not made in accordance with this Agreement shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Agreement and the Limited Partnership Agreement.

5. Tax Withholding. If and only if tax withholding applies with respect to the grant, vesting, ownership or disposition of Profits Interest Units, the Company or an Affiliate may

withhold from the Recipient's wages, or require the Recipient to remit to the Partnership, the Company or an Affiliate, any applicable required tax withholding.

6. Change in Capitalization.

(a) The number and kind of units issuable under this Agreement shall be proportionately adjusted for any non-reciprocal transaction between the Partnership and the holders of partnership interests of the Partnership that causes the per unit value of the Profits Interest Units subject to the Award to change, such as a unit dividend, unit split, spinoff or rights offering (each an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, spin-off, sale of substantially all of the Partnership's assets, other change in capital structure of the Partnership, tender offer for Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement), or a Change in Control, that in each case does not constitute an Equity Restructuring, the Committee shall take such action to make such adjustments with respect to the Profits Interest Units as the Committee, in its sole discretion, determines in good faith is necessary or appropriate and as is permitted by the Plan, including, without limitation, adjusting the number and class of units subject to the Award, substituting other securities, property or cash to replace the Award, all as determined in good faith by the Committee to have equivalent value to the Award, removing restrictions on the Award, or terminating the Award in exchange for the cash value determined in good faith by the Committee. Any adjustment pursuant to this Section may provide, in the Committee's discretion, for the elimination without payment of any fractional units that might otherwise be subject to the Award, but except as set forth in this Subsection and the Plan may not otherwise diminish the then value of the Award.

(c) All determinations and adjustments made by the Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Profits Interest Unit Grant shall not affect the right or power of the Partnership to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Partnership, any issue of debt or equity securities having preferences or priorities as to the Profits Interest Units or the rights thereof, the dissolution or liquidation of the Partnership, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

7. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Profits Interest Units shall be issued except, in the reasonable judgment of the Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

8. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

9. Notice. Except as otherwise specified herein, all notices and other communications under this Agreement shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the proposed recipient at the last known address of the Recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

10. Clawback. This Agreement, and any payment in the form of cash or units made pursuant to this Agreement, is expressly subject to any applicable compensation, clawback, recoupment or similar policies as may be adopted by the Company or its Affiliates in effect from time to time, including, without limitation, the Omega Healthcare Investors, Inc. Incentive Compensation Recovery Policy, whether adopted before or after the Grant Date, or any other clawback rules as may be required by applicable law.

11. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

12. Entire Agreement. This Agreement and the Limited Partnership Agreement, together with the terms and conditions set forth in the Plan, express the entire understanding and agreement of the parties with respect to the subject matter. In the event of a conflict between the terms of the Plan or the Limited Partnership Agreement and this Agreement, the Plan and the Limited Partnership Agreement shall govern.

13. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

14. No Right to Continued Retention. Neither the establishment of the Plan nor the Award shall be construed as giving the Recipient the right to continued service with the Company or an Affiliate.

15. Tax Effects under 409A. It is intended that the Award under this Agreement be exempt from Section 409A of the Internal Revenue Code (the "**Code**") as a current grant of a profits interest as provided in Section 3 hereof.

16. Headings. Except as otherwise provided in this Agreement, headings used herein are for convenience of reference only and shall not be considered in construing this Agreement.

17. Definitions. As used in this Agreement:

"**Affiliate**" means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

"**Applicable Period**" means:

(a) as to the Restrictive Provisions,

(i) the period of time that the Restrictive Provisions are in effect in accordance with the terms of the employment agreement then in effect between the Recipient and the Company or an Affiliate, or

(ii) if there is no such employment agreement or there are no such provisions in the employment agreement, the period of the Recipient's employment with the Company or an Affiliate, and with respect to the Non-Solicitation Provisions, twelve (12) months thereafter, and with respect to the Non-Competition Provisions, six (6) months thereafter; and

(b) as to the Intellectual Property Agreement, the period of time that any breach of such agreement would be actionable by the Company or an Affiliate pursuant to the terms of such agreement.

"**Area**" means the states, areas and countries in which the Company or any of its Affiliates owns, acquires, develops, invests in, leases, finances the ownership of, or finances the operation of any skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Beginning Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, which is $____.____.

"**Below Threshold TSR**" means the Company has achieved Total Shareholder Return of less than [THRESHOLD] for the Performance Period.

"**Board**" means the Board of Directors of the Company.

"**Business of the Company**" means any business with the primary purpose of leasing assets to healthcare operators, or financing the ownership of or financing the operation of skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Cause**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Cause shall mean the occurrence of any of the following events:

(a) willful refusal by the Recipient to follow a lawful direction of any person to whom the Recipient reports or the Chief Executive Officer of the Company, provided the direction is not materially inconsistent with the duties or responsibilities of the Recipient's position with the Company or an Affiliate, which refusal continues after such person or the Chief Executive Officer of the Company has again given the direction in writing;

(b) willful misconduct or reckless disregard by the Recipient of the Recipient's duties or with respect to the interest or material property of the Company or an Affiliate;

(c) material breach by the Recipient of any of the Restrictive Provisions;

(d) material breach by the Recipient of any provision of the Intellectual Property Agreement;

(e) any act by the Recipient of fraud against, material misappropriation from or significant dishonesty to either the Company or an Affiliate, or any other party, but in the latter case only if in the reasonable opinion of the Chief Executive Officer of the Company, such fraud, material misappropriation, or significant dishonesty could reasonably be expected to have a material adverse impact on the Company or its Affiliates; or

(f) commission by the Recipient of a felony as reasonably determined by the Chief Executive Officer of the Company.

"**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation, of equity securities of the Company that in the aggregate represent thirty percent (30%) or more of the total voting power of the Company's then outstanding equity securities;

(b) the acquisition, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that, together with equity securities already held by such person or persons, in the aggregate represent more than fifty percent (50%) of the total fair market value or total voting power of the Company's then outstanding equity securities;

(c) individuals who as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose

election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(d) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation, immediately thereafter, own equity securities of the surviving entity representing less than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(e) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than any corporation or other entity pursuant to a reorganization, merger or consolidation, of assets of the Company that have a total gross fair market value equal to or more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Agreement (i) unless the event also constitutes a "change in the ownership or effective control of the corporation or in the ownership of a substantial portion of the assets of the corporation" within the meaning of Code Section 409A(a)(2)(v), or (ii) by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

"**Competing Business**" means any person, firm, corporation, joint venture, or other business that is engaged in the Business of the Company.

"**Determination Date**" means with respect to determining compliance with a covenant of this Agreement (a) while the Recipient remains employed by the Company or an Affiliate, the date as of which compliance is being determined, and (b) after the Recipient's termination of employment, the date of the Recipient's termination of employment.

"**Ending Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, unless a Change in Control occurs on or before December 31, [YEAR], in which case the term means the value per share determined as of the date of the Change in Control, such value to be determined by the Committee in its reasonable discretion based on the actual or implied price per share paid in the Change in Control transaction.

"**Ending Value of Reinvested Dividends**" means the dollar amount equal to the Ending Stock Price multiplied by the total number of shares hypothetically purchased with the dividends declared to a shareholder of record during the Performance Period, assuming that each dividend is

re-invested in Common Stock at the closing price per share on the last business day before the ex-dividend date. For purposes of this calculation, the dividends declared to a shareholder of record during the Performance Period will initially be calculated on one (1) share of Common Stock beginning as of the first dividend declaration date during the Performance Period, and as of each dividend declaration date during the Performance Period thereafter, the dividends will be calculated with respect to the sum of one (1) share of Common Stock plus the cumulative number of shares of Common Stock hypothetically purchased prior to such dividend declaration date. The "Ending Value of Reinvested Dividends" can also be expressed as the following formula:

Ending Value of Reinvested Dividends = (Ending Stock Price x Total Number of Shares Hypothetically Purchased with Reinvested Dividends)

Total Number of Shares Hypothetically Purchased with Reinvested Dividends = (Number of Shares Hypothetically Purchased with First Reinvested Dividend + the sum of the Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend)

Number of Shares Hypothetically Purchased with First Reinvested Dividend = ((dividend declared to a shareholder of record during the Performance Period calculated on one (1) share of Common Stock as of the first dividend declaration date during such period)/closing price per share of Common Stock on the last business day before the ex-dividend date)

Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend = ((each dividend declared to a shareholder of record after the first dividend declaration date during the Performance Period calculated on the sum of the one (1) share of Common Stock beginning as of the first dividend declaration date + the number of shares hypothetically purchased with reinvested dividends before such subsequent dividend declaration date)/closing price per share of Common Stock on the last business day before the related ex-dividend date)

"**Good Reason**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Good Reason shall mean the occurrence of an event listed in (a) through (c) below:

(a) the Recipient experiences a material diminution of the Recipient's responsibilities of the Recipient's position, as reasonably modified by any person to whom the Recipient reports or the Chief Executive Officer of the Company from time to time, such that the Recipient would no longer have responsibilities substantially equivalent to those of other employees holding equivalent positions at companies with similar revenues and market capitalization;

(b) the Company or the Affiliate which employs the Recipient reduces the Recipient's annual base salary or annual bonus opportunity at high, target or threshold performance as a percentage of annual base salary; or

(c) the Company or the Affiliate which employs the Recipient requires the Recipient to relocate the Recipient's primary place of employment to a new location that is more than fifty (50) miles from its current location (determined using the most direct driving route), without the Recipient's consent;

provided however, as to each event in Subsection (a) through (c),

(i) the Recipient gives written notice to the Company within ten (10) days following the event or receipt of notice of the event of the Recipient's objection to the event;

(ii) the Company or the Affiliate which employs the Recipient fails to remedy the event within ten (10) days following the Recipient's written notice; and

(iii) the Recipient terminates his employment within thirty (30) days following the Company's and the Affiliate's failure to remedy the event.

"**High TSR**" means the Company has achieved Total Shareholder Return of at least [HIGH] for the Performance Period.

"**Intellectual Property Agreement**" means that certain agreement entitled "Intellectual Property Agreement" previously entered into between the Company and the Recipient.

"**Limited Partnership Agreement**" means the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereto.

"**Non-Competition Provisions**" means the provisions under the title "Non-Competition Provisions" heading in Item F above of this Agreement.

"**Non-Solicitation Provisions**" means the provisions under the title "Non-Solicitation Provisions" heading in Item G above of this Agreement.

"**Performance Period**" means the period from and including January 1, [YEAR] through the earlier of December 31, [YEAR] or the date of a Change in Control.

"**Release**" means a comprehensive release, covenant not to sue, and non-disparagement agreement from the Recipient in favor of the Company, its executives, officers, directors, Affiliates, and all related parties, in the form provided by the Company (which, if the Recipient is a party to an employment agreement with the Company or an Affiliate and the Recipient's right to receive severance pay in connection with a qualifying termination of employment thereunder is contingent on the execution and non-revocation of a release agreement in substantially the form attached to the employment agreement, will be substantially the same form of release agreement attached to the employment agreement); provided, however, the Company may make any changes to the Release as it determines to be necessary only to ensure that the Release is enforceable under applicable law.

"**Restrictive Provisions**" means the Non-Competition Provisions and the Non-Solicitation Provisions.

"**Retirement**" means voluntary resignation by a Recipient after having reached at least age sixty-two (62) and having performed at least ten (10) years of service with the Company, any subsidiary and/or any company that is acquired directly or indirectly by the Company. In addition, a Recipient must give at least six (6) months prior written notice of resignation for such voluntary resignation to qualify as "Retirement." The Recipient may give the required notice before satisfying the age and service requirements for Retirement, provided the Recipient satisfies the age and service requirements as of the effective date of Retirement.

"**Target TSR**" means the Company has achieved Total Shareholder Return of [TARGET] for the Performance Period.

"**Threshold TSR**" means that the Company has achieved Total Shareholder Return of [THRESHOLD] for the Performance Period.

"**Total Shareholder Return**" means the compound annual growth rate (also known as "CAGR"), expressed as a percentage, of an investment in one (1) share of Common Stock over the Performance Period, based on the Ending Stock Price plus the Ending Value of Reinvested Dividends, as compared to the Beginning Stock Price, and using the following formula:

(((Ending Stock Price + Ending Value of Reinvested Dividends)/Beginning Stock Price)^(1/3)) – 1

"**Vesting Period**" means the period beginning on the day after the last day of the Performance Period and ending December 31, [YEAR]; provided however, that if a Change in Control occurs during or before such period, the last day of the Vesting Period same be deemed to be the date of the Change in Control.

EXHIBIT 1

VESTING SCHEDULE

A. Active Employee: The number of Profits Interest Units is set forth under the heading "High TSR" in the TSR Chart below and represents the maximum potential number of units that can be earned. Except as provided in the remainder of this Vesting Schedule, the number of Profits Interest Units that is earned (the "**Earned Unvested Profits Interest Units**") is determined as of the last day of the Performance Period based on the level of Total Shareholder Return attained for the Performance Period as shown in TSR Chart set forth below and the Recipient shall vest in twenty-five percent (25%) of the Earned Unvested Profits Interest Units, which shall then become Vested Profits Interest Units, as of the last day of each calendar quarter during the Vesting Period only if the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period and through the last day of such calendar quarter.

"**TSR Chart**"

Below Threshold TSR	*Threshold TSR	*Target TSR	*High TSR
Zero Earned Unvested Profits Interest Units			

* If Total Shareholder Return falls between Threshold TSR and Target TSR or between Target TSR and High TSR, the number of Earned Unvested Profits Interest Units under the TSR Chart shall be determined by linear interpolation.

Notwithstanding the forgoing, if during the Applicable Period and while the Recipient remains an employee, director or consultant of the Company or an Affiliate, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Profits Interest Units which vested within one (1) year before the breach, or if such Profits Interest Units had been sold in an arm's length transaction or redeemed by the Recipient, the proceeds of such sale or redemption as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise. Any subsequent provision of this Vesting Schedule providing for vesting in the specified circumstances shall not override the compensation recovery provisions of this Item A.

B. Disability, Good Reason or without Cause Termination or Retirement. Except as provided in Item E below, if, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's Disability, the Recipient's resignation from the Company and all Affiliates for Good Reason, or the termination of the Recipient's

employment by the Company and its Affiliates without Cause or the Recipient ceases services as an employee of the Company and all Affiliates due to Retirement (each such event referred to as a "**Qualifying Termination**"):

(i) during the Performance Period, the Recipient shall vest on the same dates as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period (the "**Applicable Vesting Dates**"), subject to the Release requirement below, in the same number of Earned Unvested Profits Interest Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, but multiplied by a fraction, the numerator of which is the number of days elapsed in the Performance Period through the date of such event and the denominator of which is 1,095 (*i.e.,* 365 x 3*)*, or

(ii) during the Vesting Period, the Recipient shall vest on each Applicable Vesting Date in the same number of Earned Unvested Profits Interest Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, subject to the Release requirement below.

; provided however, that as a condition to the vesting provided in clauses (i) and (ii) above, the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination, and provided further, the vesting provided in clauses (i) and (ii) above shall not occur if before the earlier of the Applicable Vesting Date or the end of the Applicable Period, the Recipient breaches any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Profits Interest Units that have not previously vested shall be immediately forfeited as of the date of such breach.

C. Death after Qualifying Termination. Except as provided in Item E below, if Item B of this Vesting Schedule applies and the Recipient thereafter dies before the date that all vesting occurs that is provided for pursuant to Item B, then the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Profits Interest Units that have not previously vested shall be immediately forfeited as of the date of such breach.

D. Death while Employed. Except as provided in Item E below, if the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death during the Performance Period or the Vesting Period, the Recipient shall vest in the same number of Earned Unvested Profits Interest Units as if the Recipient's death were a Qualifying Termination pursuant to Item B of this Vesting Schedule, except that the vesting there provided shall be accelerated to the later of the date of the Recipient's

death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Profits Interest Units that have not previously vested shall be immediately forfeited as of the date of such breach.

E. Change in Control. Notwithstanding Items A through D of this Vesting Schedule, if a Change in Control occurs on or after the Grant Date and on or before December 31, [YEAR], and (i) the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period until the date of the Change in Control, or (ii) within sixty (60) days before the Change in Control, the Recipient incurs a Qualifying Termination (subject, in the case of such Qualifying Termination, to the requirement that the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination) or ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death, the Recipient shall be one hundred percent (100%) vested in, as of the date of the Change in Control, subject to the foregoing Release requirement if applicable:

1. if the Change in Control occurs on or before December 31, [YEAR], the number of Earned Unvested Profits Interest Units determined:

    a. in the TSR Chart if the applicable level of Total Shareholder Return for the full three (3) year Performance Period (determined without regard to the shortening of the period as a result of the Change in Control) is achieved, or

    b. in the TSR Chart multiplied by a fraction, the numerator of which is the number of days elapsed in the Performance Period through the date of the Change in Control and the denominator of which is 1,095 (*i.e.,* 365 x 3*)*, if the applicable level of Total Shareholder Return has been achieved based on annualized performance to the date of the Change in Control but not for the full three (3) year Performance Period (determined without regard to the shortening of the period as a result of the Change in Control), or

    c. by interpolation between the numbers in clause (a) and (b) above if the applicable level of Total Shareholder Return has been exceeded based on performance to the date of the Change in Control but is less than the applicable level for the full three (3) year Performance Period (determined without regard to the shortening of the period as a result of the Change in Control), or

2. if the Change in Control occurs after December 31, [YEAR], the number of Earned Unvested Profits Interest Units determined in the TSR Chart that were actually

earned for the Performance Period which have not previously become Vested Profits Interest Units.

F. Voluntary Resignation or Cause Termination. Profits Interest Units which have not become Vested Profits Interest Units as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, except as provided in Items B through E of this Vesting Schedule, shall be forfeited. Further, if (i) before a Change in Control, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to (1) the Recipient's voluntary resignation without Good Reason (and not due to Disability or Retirement) or (2) the termination of the Recipient's employment by the Company and its Affiliates for Cause, and (ii) during the Applicable Period, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Profits Interest Units which vested within one (1) year before the Recipient's cessation of services, or if such Profits Interest Units had been sold in an arm's length transaction or redeemed by the Recipient, the proceeds of such sale or redemption as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise.

G. General Forfeiture Provisions. Profits Interest Units which have not become Earned Unvested Profits Interest Units as of the last day of the Performance Period shall be forfeited. Profits Interest Units which have not become Vested Profits Interest Units as of the earliest of (i) December 31, [YEAR], (ii) except as provided in Items B through E of this Vesting Schedule, as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, or (iii) the date provided in Item F, shall be forfeited, and once a forfeiture occurs no provision of this Vesting Schedule shall be construed to reinstate the forfeiture. The forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by a Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any such breach; provided, however, if the Recipient is not a party to an employment agreement with the Company or an Affiliate as of the date of termination of employment and the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to a Qualifying Termination, the Company's sole remedy with respect to a breach by the Recipient during the Applicable Period of the Non-Competition Provisions will be the forfeiture provided in Item B of this Vesting Schedule; provided further, such limitation to the Company's remedies shall not apply to the Recipient's breach during the Applicable Period of the Non-Solicitation Provisions or the Intellectual Property Agreement.

H. Fractional Units. If any calculation in this Vesting Schedule results in a fractional number of Vested Profits Interest Units, the number of Vested Profits Interest Units shall be rounded to the closest whole number.

EXHIBIT 2

REPRESENTATIONS AND WARRANTIES OF THE RECIPIENT

In connection with the grant of the Profits Interest Units pursuant to the Agreement, the Recipient hereby represents and warrants to the Partnership that:

1. The Recipient is acquiring the Profits Interest Units for the Recipient's own account with the present intention of holding the Profits Interest Units for investment purposes and not with a view to distribute or sell the Profits Interest Units, except in compliance with federal securities laws or applicable securities laws of other jurisdictions;

2. The Recipient acknowledges that the Profits Interest Units have not been registered under the Securities Act of 1933 (the "**1933 Act**") or applicable securities laws of other jurisdictions and that the Profits Interest Units will be issued to the Recipient in reliance on exemptions from the registration requirements provided by Sections 3(b) or 4(2) of the 1933 Act and the rules and regulations promulgated thereunder and applicable securities laws of other jurisdictions and in reliance on the Recipient's representations and agreements contained herein;

3. The Recipient is an employee of the Partnership or an Affiliate;

4. The Recipient acknowledges that the Profits Interest Units are subject to the restrictions contained in the Limited Partnership Agreement, and the Recipient has received and reviewed a copy of the Limited Partnership Agreement;

5. The Recipient has had the opportunity to ask questions of and receive answers from the Partnership and any person acting on its behalf concerning the terms and conditions of the Profits Interest Units awarded hereunder and has had full access to such other information concerning the Partnership and its Affiliates as the Recipient may have requested in making the Recipient's decision to invest in the Profits Interest Units being issued hereunder;

6. The Recipient has such knowledge and experience in financial and business matters that the Recipient is capable of evaluating the merits and risks of the acquisition of the Profits Interest Units hereunder and the Recipient is able to bear the economic risk, if any, of such acquisition;

7. The Recipient has only relied on the advice of, or has consulted with, the Recipient's own legal, financial and tax advisors, and the determination of the Recipient to acquire the Profits Interest Units pursuant to this Agreement has been made by the Recipient independent of any statements or opinions as to the advisability of such acquisition or as to the properties, business, prospects or condition (financial or otherwise) of the Partnership or its Affiliates which may have been made or given by any other person or by any agent or employee of such person and independent of the fact that any other person has decided to become a holder of Profits Interest Units;

8. None of the Partnership or any of its Affiliates has made any representation or agreement to the Recipient with respect to the income tax consequences of the issuance, ownership

or vesting of Profits Interest Units or the transactions contemplated by this Agreement (including without limitation the making of an election under Code Section 83(b)), and the Recipient is in no manner relying on the Partnership or any Affiliate or their representatives for an assessment of tax consequences to the Recipient. The Recipient is advised to consult with the Recipient's own tax advisor with respect to the tax consequences;

9. The Recipient is not acquiring the Profits Interest Units as a result of, or subsequent to, any publicly disseminated advertisement, article, sales literature, publication, broadcast or any public seminar or meeting or any solicitation nor is the Recipient aware of any offers made to other persons by such means;

10. The Recipient understands and agrees that if certificates representing the Profits Interest Units are issued, such certificates may bear such restrictive legends as the Partnership or its legal counsel may deem necessary or advisable under applicable law or pursuant to this Agreement;

11. The Profits Interest Units cannot be offered for sale, sold or transferred by the Recipient other than pursuant to: (i) an effective registration under the 1933 Act or in a transaction otherwise in compliance with the 1933 Act; and (ii) evidence satisfactory to the Partnership of compliance with the applicable securities laws of other jurisdictions. The Partnership shall be entitled to rely upon an opinion of counsel satisfactory to it with respect to compliance with the above laws;

12. The Partnership shall be under no obligation to register the Profits Interest Units or to comply with any exemption available for sale of the Profits Interest Units without registration or filing;

13. The Recipient represents that the Recipient is an "accredited investor" as that term is defined in Rule 501 of Regulation D of the 33 Act; specifically, either [(a) the Recipient is an executive officer of the Partnership or of Omega Healthcare Investors, the general partner of the Partnership, or (b) the Recipient has (i) had an individual income in excess of $200,000 in each of the two most recent years or joint income with the Recipient's spouse or "spousal equivalent" (meaning your cohabitant occupying a relationship generally equivalent to that of a spouse) in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, (ii) the Recipient's net worth or joint net worth with the Recipient's spouse or spousal equivalent exceeds $1,000,000 (and for purposes of calculating net worth under this paragraph, the Recipient's primary residence is not included as an asset; indebtedness that is secured by the primary residence, up to the estimated fair market value of the primary residence is not included as a liability (except that if the amount of such indebtedness outstanding exceeds the amount outstanding within the last 60 days, other than as a result of the acquisition of the primary residence, the amount of such excess is included as a liability)), or (iii) the Recipient holds in good standing one of the following professional licenses: the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), or the Investment Adviser Representative license (Series 65)]; and

14. The Recipient agrees to furnish any additional information requested to assure compliance with applicable securities laws in connection with the issuance or holding of Profits

Interest Units. The Recipient acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with applicable federal and state laws. Notwithstanding anything to the contrary herein, the Plan shall be administered and the grant of Profits Interest Units is made only in such manner as to conform to such laws. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws. By execution below, the Recipient acknowledges that the Recipient has received a copy of the Agreement, the Limited Partnership Agreement and the Plan.

RECIPIENT

Signature	Date	Name

EXHIBIT 3
SECTION 83(b) ELECTION

The undersigned hereby elects to be taxed pursuant to Section 83(b) of the Internal Revenue Code of 1986 (the "Code") with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. **The name, address and taxpayer identification number of the undersigned is:**

_____
_____
_____
Taxpayer I.D. No.: _____

2. **Description of property with respect to which the election is being made:**

_____Profits Interest Units of OHI Healthcare Properties Limited Partnership (the "**Profits Interest Units**," defined in the OHI Healthcare Properties Limited Partnership as "LTIP Units").

3. **The date on which the property was transferred:**

The Profits Interest Units were transferred on [GRANT DATE].

4. **The taxable year to which this election relates is calendar year [YEAR].**

5. **The nature of the restriction(s) to which the property is subject is:**

The Profits Interest Units shall vest in increments on specified vesting dates or upon certain vesting events subsequent to the property transfer date, provided that the taxpayer continues to perform services for OHI Healthcare Properties Limited Partnership (the "**Partnership**") or an affiliate. In the event the taxpayer ceases to perform services for the Partnership and its affiliates under certain circumstances prior to the final vesting date, any unvested Profits Interest Units shall be forfeited back to the Partnership.

6. **Fair Market Value:**

Because the Profits Interest Units constitute a profits interest, the grant of the interest is not taxable under Code Section 83 pursuant to Revenue Procedure 93-27 and Revenue Procedure 2001-43. Therefore, the taxpayer is reporting that the fair market value at the time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made as $0 per Profits Interest Unit.

7. **Amount paid for property:**

The taxpayer did not pay for the Profits Interest Units.

8. **Furnishing statement to the person for whom services are performed:**

A copy of this statement has been furnished to the Partnership.

By: _____ Date:

EXHIBIT 4

LETTER AGREEMENT

The undersigned, _____, (the "***Limited Partner***"), OHI Healthcare Properties Limited Partnership (the "***Partnership***"), and Omega Healthcare Investors, Inc., as the Partnership's general partner ("***Omega***" or the "***General Partner***") in connection with the grant of a limited partnership interest in the Partnership to the Limited Partner as of [GRANT DATE] pursuant to that certain TSR-based Performance Profits Interest Units Agreement, made as of [GRANT DATE], by and between the Partnership and the Limited Partner, hereby agree as follows effective as of [GRANT DATE] (the "***Effective Date***"). Capitalized terms used herein without definition will have the meaning assigned to them in the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereof (the "***Partnership Agreement***"). All "Section" references herein are references to sections of the Partnership Agreement unless otherwise specified.

Notwithstanding anything to the contrary in the Partnership Agreement, the Limited Partner agrees that with respect to the Limited Partner (and its successors and assigns) and any and all LP Units held as of the date hereof and any LP Units acquired hereafter, the last sentence of Section 8.6(a) is deleted in its entirety and replaced with the following (new language bold and double-underlined):

> The Cash Amount shall be payable to the Tendering Partner on the Specified Redemption Date; provided, however, that the Partnership shall be entitled to offset against, and deduct from, the Cash Amount that is payable to the Tendering Partner any amounts payable under or owed by the Tendering Partner pursuant to any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates**; and provided further, that the Partnership shall be entitled, in the General Partner's sole discretion, to reduce the Cash Amount by an administrative allocation amount of up to 1% of the Cash Amount**.

For the avoidance of doubt, Section 8.6(a) as amended above shall apply to any redemption of LP Units by the Limited Partner (and its successors and assigns) after the date hereof, regardless of when any such LP Units were acquired, granted, or received.

Each party to this letter agreement represents and warrants to each other party that (i) the representing party has duly authorized the execution, delivery, and performance of this letter agreement; (ii) the terms of this letter agreement are binding upon, and enforceable against, the representing party, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and to general principles of equity; and (iii) the execution, delivery and performance of this letter agreement by such representing party does not and will not violate any agreement or arrangement to which it is a party or by which it may be bound, or any order or decree to which such party is subject.

Where there is any inconsistency between the terms of this letter agreement, on the one hand, and the Partnership Agreement, or any other document or agreement relating to the Limited Partner's LP Units, on the other hand, the terms of this letter agreement shall prevail.

This letter agreement will be binding upon, and will inure to the benefit of and be enforceable by, the parties and their respective successors and permitted assigns.

This letter agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one instrument.

Each of the undersigned parties hereto acknowledge and agree that this letter agreement and any subsequent amendment may be executed by electronic signature, which shall have the same legal force and effect as a handwritten signature.

IN WITNESS WHEREOF, the parties hereto have executed this letter agreement effective as of the date first written above.

PARTNERSHIP:

OHI Healthcare Properties Limited Partnership

By: Omega Healthcare Investors, Inc.
Its: General Partner

By: _____
Name: _____
Title: _____

GENERAL PARTNER:

Omega Healthcare Investors, Inc.

By: _____
Name: _____
Title: _____

LIMITED PARTNER:

_____
Name: _____

Exhibit 10.6J

2025 FORM OF

RELATIVE TSR-BASED PERFORMANCE RESTRICTED STOCK UNITS AGREEMENT PURSUANT TO THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

THIS AGREEMENT (this "**Agreement**") is made as of the Grant Date, by and between Omega Healthcare Investors, Inc. (the "**Company**") and _____ (the "**Recipient**").

Upon and subject to this Agreement (including the Terms and Conditions and the Exhibit which are attached hereto and incorporated herein as part of this Agreement) the Company hereby awards as of the Grant Date to the Recipient the opportunity to earn and vest in Restricted Stock Units (the "**Restricted Stock Units Grant**" or the "**Award**"). Underlined and capitalized captions in Items A through J below shall have the meanings therein ascribed to them. Other capitalized terms used in this Agreement are defined in Section 16 of the Terms and Conditions. Capitalized terms that are used but not defined in this Agreement shall have the meaning ascribed to them in the Plan.

A. Grant Date: [GRANT DATE].

B. Plan (under which Restricted Stock Units Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. Restricted Stock Units: The Recipient shall have an opportunity to earn and vest in a maximum of _____ Restricted Stock Units, each of which represents the contingent right of the Recipient to earn and vest in up to the same number of shares of the Company's common stock ("**Common Stock**"), subject to adjustment as provided in the Terms and Conditions.

D. Vesting Schedule: The Restricted Stock Units shall be earned and vest according to **Exhibit 1** (the "**Vesting Schedule**"). The Restricted Stock Units which have become vested pursuant to the Vesting Schedule are herein referred to as the "**Vested Stock Units**." Each Vested Stock Unit represents the Company's unsecured obligation to issue one (1) share of Common Stock.

E. Distribution Date of Vested Shares. Shares of Common Stock attributable to Vested Stock Units ("**Vested Shares**") shall be issued and distributed within (10) business days following each vesting event or upon the date of a Change in Control, whichever is earlier, subject in either case to receipt from the Recipient of the required tax withholding and Section 14 of the Terms and Conditions. Notwithstanding the foregoing, (i) distribution shall be deferred to the extent provided in any deferral agreement between the Recipient and the Company as a result of the Recipient's valid deferral election, and (ii) in the case of a Recipient who incurs a separation from service (other than due to death) before one (1) of the Applicable Vesting Dates (or a Change in Control if applicable), distribution

will be delayed until within ninety (90) days following separation from service (subject to Section 14 of the Terms and Conditions) if the last day of such ninety (90) day period is later than the Applicable Vesting Date (or the Change in Control if applicable), provided, that if the Recipient has incurred a Qualifying Termination and additional vesting will occur in one (1) calendar year or the following calendar year dependent upon when the Recipient executes the Release, payment will be delayed until the earliest possible date in such following calendar year.

F. Dividend Equivalents. Each Restricted Stock Unit shall accrue Dividend Equivalents, an amount equal to the dividends paid on one (1) share of Common Stock to a shareholder of record on or after [GRANT DATE] and until the date that the shares of Common Stock attributable to the Vested Stock Units are issued or the Restricted Stock Units are forfeited.

G. Distribution Dates of Dividend Equivalents. Subject to tax withholding up to the maximum statutory rates, accrued Dividend Equivalents attributable to Restricted Stock Units which become Earned Unvested Restricted Units (as defined in **Exhibit 1**) shall be distributed to the Recipient within twenty (20) business days following the last day of the Performance Period, and thereafter, future Dividend Equivalents on Earned Unvested Restricted Units and Vested Stock Units shall be distributed to Recipient on the same date on the same date that the related dividends are paid to shareholders of record. Notwithstanding the foregoing or any other provision hereof, distribution of Dividend Equivalents shall be deferred to the extent provided in any deferral agreement between the Recipient and the Company as a result of the Recipient's valid deferral election and shall be paid in the form provided in such agreement. Dividend Equivalents on Restricted Stock Units which do not become Earned Unvested Restricted Units are forfeited.

H. Non-Competition Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to enter into competition with the Company or its Affiliates or to work for a business which is in a similar business to that of the Company or of an Affiliate, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not (except on behalf of or with the prior written consent of the Company, which consent may be withheld in Company's sole discretion), within the Area, on the Recipient's own behalf, or in the service of or on behalf of others, and whether as an employee, a consultant or otherwise, provide managerial services or management consulting services substantially similar to those the Recipient provides for the Company or an Affiliate to any Competing Business. As of the Grant Date, the Recipient acknowledges and agrees that the Recipient provides services to the Company throughout the Area.

I. Non-Solicitation Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to solicit clients or employees of the Company or its Affiliates, the Recipient will abide by such provisions.

Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not, on the Recipient's own behalf or in the service of or on behalf of others:

(i) solicit any individual or entity which is an actual client of the Company or any of its Affiliates as of the Determination Date with whom the Recipient had direct material contact while the Recipient was an employee of the Company or an Affiliate, for the purpose of offering services substantially similar to those offered by the Company or an Affiliate, or

(ii) solicit for employment with a Competing Business any person who is a management level employee of the Company or an Affiliate with whom the Recipient had contact during the then most recent year of the Recipient's employment with the Company or an Affiliate.

The Recipient shall not be deemed to be in breach of Item I(ii) solely because an employer for whom the Recipient performs services solicits, diverts, or hires a management level employee of the Company or an Affiliate, provided that the Recipient does not engage in the activity proscribed by Item I(ii).

J. Acknowledgement: The Recipient acknowledges and agrees that the Recipient's agreement to and compliance with the provisions of this Agreement, including without limitation Item H and Item I above, are conditions to the effectiveness of the grant of the Award, and further acknowledges and agrees that the Recipient's noncompliance with Item H or Item I above can result in a forfeiture and/or recovery of all or part of the Award to the extent provided in the Vesting Schedule. The Recipient also acknowledges and agrees that the forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement, except to the extent provided otherwise in the last paragraph of the Vesting Schedule. In the event that any provision of this Agreement is determined by a court which has jurisdiction to be unenforceable in part or in whole, the court shall be deemed to have the authority to strike or sever any unenforceable provision, or any part thereof or to revise any provision to the minimum extent necessary to render the provision reasonable and then to enforce the provision to the maximum extent permitted by law.

IN WITNESS WHEREOF, the Company and the Recipient have executed and agree to be bound by this Agreement as of the Grant Date set forth above.

OMEGA HEALTHCARE INVESTORS, INC.

By: _____

Name: _____

Title: _____

THE RECIPIENT

By: _____

Name: _____

TERMS AND CONDITIONS TO THE
RELATIVE TSR-BASED PERFORMANCE RESTRICTED STOCK UNITS AGREEMENT PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

1. Vested Stock Units. The Company shall issue in book-entry form in the name of the Recipient, or issue and deliver to the Recipient a share certificate representing, the Vested Shares on the Distribution Date of Vested Shares.

2. Tax Withholding, Dividends Equivalents. Payment of Dividend Equivalents is subject to required tax withholding.

3. Tax Withholding, Shares.

(a) The minimum required amount of the tax withholding obligations imposed on the Company, or at the Company's discretion if tax withholding is required, tax withholding up to the maximum statutory rates, by reason of the issuance of the Vested Shares shall be satisfied by reducing the actual number of Vested Shares by the number of whole shares of Common Stock which, when multiplied by the Fair Market Value of the Common Stock on the Distribution Date of Vested Shares, is sufficient, together with cash in lieu of any fractional share, to satisfy such tax withholding, assuming that (i) the Recipient does not make a valid election to satisfy tax withholding in cash pursuant to Subsection (b), and (ii) the Committee does not determine that tax withholding will be required to be satisfied in another manner.

(b) However, the Recipient may elect in writing by notice to the Company received at least ten (10) days before the earliest Distribution Date of Vested Shares to satisfy such tax withholding obligation in cash by the earliest Distribution Date of Vested Shares, as provided in Subsection (a)(i). If the Recipient fails to timely satisfy payment of the cash amount, then Subsection (a) shall apply.

(c) To the extent that the Recipient is required to satisfy the tax withholding obligation in this Section in cash, the Company shall withhold the cash from any cash payments then owed to the Recipient, or if none, the Recipient shall timely remit the cash amount.

(d) If the Recipient does not timely satisfy payment of the tax withholding obligation, the Recipient will forfeit the Vested Shares.

4. Restrictions on Transfer of Restricted Stock Units. Except for the transfer of any Restricted Stock Units by bequest or inheritance, the Recipient shall not have the right to make or permit to exist any transfer or hypothecation, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to any Restricted Stock Units. Any such disposition not made in accordance with this Agreement shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Agreement.

5. Change in Capitalization.

(a) The number and kind of shares issuable under this Agreement shall be proportionately adjusted for non-reciprocal transactions between the Company and the holders of Common Stock that cause the per share value of the shares of Common Stock subject to this Award to change, such as a stock dividend, stock split, spinoff, or rights offering (each an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, spin-off, sale of substantially all of the Company's assets, other change in capital structure of the Company, tender offer for shares of Common Stock, or a Change in Control, that in each case does not constitute an Equity Restructuring, the Committee shall take such action to make such adjustments with respect to the Restricted Stock Units as the Committee, in its sole discretion, determines in good faith is necessary or appropriate and as is permitted by the Plan, including, without limitation, adjusting the number and class of securities subject to the Award, substituting other securities, property or cash to replace the Award, all as determined in good faith by the Committee to have equivalent value to the Award, removing restrictions on the Award, or terminating the Award in exchange for the cash value determined in good faith by the Committee. Any adjustment pursuant to this Section may provide, in the Committee's discretion, for the elimination without payment of any fractional shares that might otherwise be subject to the Award, but except as set forth in this Subsection and the Plan may not otherwise diminish the then value of the Award.

(c) All determinations and adjustments made by the Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Restricted Stock Units Grant shall not affect the right or power of the Company to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Company, any issue of debt or equity securities having preferences or priorities as to the Common Stock or the rights thereof, the dissolution or liquidation of the Company, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

6. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Vested Shares shall be issued except, in the reasonable judgment of the Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

7. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

8. Notice. Except as otherwise specified herein, all notices and other communications under this Agreement shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the proposed recipient at the last known address of the Recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

9. Clawback. This Agreement, and any payment in the form of cash or shares of Common Stock made pursuant to this Agreement, is expressly subject to any applicable compensation, clawback, recoupment or similar policies as may be adopted by the Company or its Affiliates in effect from time to time, including, without limitation, the Omega Healthcare Investors, Inc. Incentive Compensation Recovery Policy, whether adopted before or after the Grant Date, or any other clawback rules as may be required by applicable law.

10. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

11. Entire Agreement. This Agreement, together with the terms and conditions set forth in the Plan, expresses the entire understanding and agreement of the parties with respect to the subject matter. In the event of a conflict between the terms of the Plan and this Agreement, the Plan shall govern.

12. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

13. No Right to Continued Retention. Neither the establishment of the Plan nor the Award shall be construed as giving the Recipient the right to continued service with the Company or an Affiliate.

14. Tax Effects under 409A. It is intended that the Award under this Agreement will be exempt from or comply with Section 409A of the Internal Revenue Code (the "**Code**"). All provisions of this Agreement shall be construed consistent with that intent. If and to the extent that the Award does not qualify for an exemption from Code Section 409A, whether as a short-term deferral pursuant to Treas. Regs. Section 1.409A-1(b)(4) or otherwise, notwithstanding any other provision of this Agreement, payment shall be made only in accordance with Code Section 409A, such that if payment is being made as a result of the Recipient's termination of employment or other cessation of services, that shall be construed to require a "separation from service" as defined under Code Section 409A and payment will be delayed for any "specified employee" as defined under Code Section 409A to the extent required to comply with Code Section 409A(a)(2)(B)(i). The Company does not guarantee to the Recipient that the Award will not be

subject to tax under Code Section 409A, and if it is, the Recipient shall be solely responsible for such tax.

15. Headings. Except as otherwise provided in this Agreement, headings used herein are for convenience of reference only and shall not be considered in construing this Agreement.

16. Definitions. As used in this Agreement:

"**Affiliate**" means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

"**Applicable Period**" means:

(a) as to the Restrictive Provisions,

(i) the period of time that the Restrictive Provisions are in effect in accordance with the terms of the employment agreement then in effect between the Recipient and the Company or an Affiliate, or

(ii) if there is no such employment agreement or there are no such provisions in the employment agreement, the period of the Recipient's employment with the Company or an Affiliate, and with respect to the Non-Solicitation Provisions, twelve (12) months thereafter, and with respect to the Non-Competition Provisions, six (6) months thereafter; and

(b) as to the Intellectual Property Agreement, the period of time that any breach of such agreement would be actionable by the Company or an Affiliate pursuant to the terms of such agreement.

"**Area**" means the states, areas and countries in which the Company or any of its Affiliates owns, acquires, develops, invests in, leases, finances the ownership of, or finances the operation of any skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Beginning Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, which is $ ____.____.

"**Below Threshold Relative TSR**" means that Relative Total Shareholder Return is less than -[THRESHOLD] basis points.

"**Board**" means the Board of Directors of the Company.

"**Business of the Company**" means any business with the primary purpose of leasing assets to healthcare operators, or financing the ownership of or financing the operation of skilled

nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Cause**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Cause shall mean the occurrence of any of the following events:

(a) willful refusal by the Recipient to follow a lawful direction of any person to whom the Recipient reports or the Chief Executive Officer of the Company, provided the direction is not materially inconsistent with the duties or responsibilities of the Recipient's position with the Company or an Affiliate, which refusal continues after such person or the Chief Executive Officer of the Company has again given the direction in writing;

(b) willful misconduct or reckless disregard by the Recipient of the Recipient's duties or with respect to the interest or material property of the Company or an Affiliate;

(c) material breach by the Recipient of any of the Restrictive Provisions;

(d) material breach by the Recipient of any provision of the Intellectual Property Agreement;

(e) any act by the Recipient of fraud against, material misappropriation from or significant dishonesty to either the Company or an Affiliate, or any other party, but in the latter case only if in the reasonable opinion of the Chief Executive Officer of the Company, such fraud, material misappropriation, or significant dishonesty could reasonably be expected to have a material adverse impact on the Company or its Affiliates; or

(f) commission by the Recipient of a felony as reasonably determined by the Chief Executive Officer of the Company.

"**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation, of equity securities of the Company that in the aggregate represent thirty percent (30%) or more of the total voting power of the Company's then outstanding equity securities;

(b) the acquisition, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that, together with equity securities already held

by such person or persons, in the aggregate represent more than fifty percent (50%) of the total fair market value or total voting power of the Company's then outstanding equity securities;

(c) individuals who as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(d) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation, immediately thereafter, own equity securities of the surviving entity representing less than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(e) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than any corporation or other entity pursuant to a reorganization, merger or consolidation, of assets of the Company that have a total gross fair market value equal to or more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Agreement (i) unless the event also constitutes a "change in the ownership or effective control of the corporation or in the ownership of a substantial portion of the assets of the corporation" within the meaning of Code Section 409A(a)(2)(v), or (ii) by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

"**Competing Business**" means any person, firm, corporation, joint venture, or other business that is engaged in the Business of the Company.

"**Determination Date**" means with respect to determining compliance with a covenant of this Agreement (a) while the Recipient remains employed by the Company or an Affiliate, the date as of which compliance is being determined, and (b) after the Recipient's termination of employment, the date of the Recipient's termination of employment.

"**Ending Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, unless a Change in Control occurs on or before December 31, [YEAR], in which case the term

means the value per share determined as of the date of the Change in Control, such value to be determined by the Committee in its reasonable discretion based on the actual or implied price per share paid in the Change in Control transaction.

"**Ending Value of Reinvested Dividends**" means the dollar amount equal to the Ending Stock Price multiplied by the total number of shares hypothetically purchased with the dividends declared to a shareholder of record during the Performance Period, assuming that each dividend is re-invested in Common Stock at the closing price per share on the last business day before the ex-dividend date. For purposes of this calculation, the dividends declared to a shareholder of record during the Performance Period will initially be calculated on one (1) share of Common Stock beginning as of the first dividend declaration date during the Performance Period, and as of each dividend declaration date during the Performance Period thereafter, the dividends will be calculated with respect to the sum of one (1) share of Common Stock plus the cumulative number of shares of Common Stock hypothetically purchased prior to such dividend declaration date. The "Ending Value of Reinvested Dividends" can also be expressed as the following formula:

Ending Value of Reinvested Dividends = (Ending Stock Price x Total Number of Shares Hypothetically Purchased with Reinvested Dividends)

Total Number of Shares Hypothetically Purchased with Reinvested Dividends = (Number of Shares Hypothetically Purchased with First Reinvested Dividend + the sum of the Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend)

Number of Shares Hypothetically Purchased with First Reinvested Dividend = ((dividend declared to a shareholder of record during the Performance Period calculated on one (1) share of Common Stock as of the first dividend declaration date during such period)/closing price per share of Common Stock on the last business day before the ex-dividend date)

Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend = ((each dividend declared to a shareholder of record after the first dividend declaration date during the Performance Period calculated on the sum of the one (1) share of Common Stock beginning as of the first dividend declaration date + the number of shares hypothetically purchased with reinvested dividends before such subsequent dividend declaration date)/closing price per share of Common Stock on the last business day before the related ex-dividend date)

"**Good Reason**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Good Reason shall mean the occurrence of an event listed in (a) through (c) below:

(a) the Recipient experiences a material diminution of the Recipient's responsibilities of the Recipient's position, as reasonably modified by any person to whom the Recipient reports or the Chief Executive Officer of the Company from time to time, such that the Recipient would no longer have responsibilities substantially equivalent to

those of other employees holding equivalent positions at companies with similar revenues and market capitalization;

(b) the Company or the Affiliate which employs the Recipient reduces the Recipient's annual base salary or annual bonus opportunity at high, target or threshold performance as a percentage of annual base salary; or

(c) the Company or the Affiliate which employs the Recipient requires the Recipient to relocate the Recipient's primary place of employment to a new location that is more than fifty (50) miles from its current location (determined using the most direct driving route), without the Recipient's consent;

provided however, as to each event in Subsection (a) through (c),

(i) the Recipient gives written notice to the Company within ten (10) days following the event or receipt of notice of the event of the Recipient's objection to the event;

(ii) the Company or the Affiliate which employs the Recipient fails to remedy the event within ten (10) days following the Recipient's written notice; and

(iii) the Recipient terminates his employment within thirty (30) days following the Company's and the Affiliate's failure to remedy the event.

"**High Relative TSR**" means that Relative Total Shareholder Return is +[HIGH] basis points or more.

"**Intellectual Property Agreement**" means that certain agreement entitled "Intellectual Property Agreement" previously entered into between the Company and the Recipient.

"**Non-Competition Provisions**" means the provisions under the title "Non-Competition Provisions" heading in Item H above of this Agreement.

"**Non-Solicitation Provisions**" means the provisions under the title "Non-Solicitation Provisions" heading in Item I above of this Agreement.

"**Performance Period**" means the period from and including [GRANT DATE] through the earlier of December 31, [YEAR] or the date of a Change in Control.

"**Relative Total Shareholder Return**" means Total Shareholder Return expressed as a positive or negative number of basis points relative to the total shareholder return reported for the FTSE NAREIT Equity Health Care Index (the FACTSET identifier of which is FN11XXXX (the "**Index**")) for the Performance Period. For this purpose, the total shareholder return for the Index shall be calculated using methodologies analogous in all material respects to those used for the calculation of Total Shareholder Return, and the average closing price per share for the November and December at the end, and before the beginning, of the Performance Period shall also be used for calculating total shareholder return for the Index.

"**Release**" means a comprehensive release, covenant not to sue, and non-disparagement agreement from the Recipient in favor of the Company, its executives, officers, directors, Affiliates, and all related parties, in the form provided by the Company (which, if the Recipient is a party to an employment agreement with the Company or an Affiliate and the Recipient's right to receive severance pay in connection with a qualifying termination of employment thereunder is contingent on the execution and non-revocation of a release agreement in substantially the form attached to the employment agreement, will be substantially the same form of release agreement attached to the employment agreement); provided, however, the Company may make any changes to the Release as it determines to be necessary only to ensure that the Release is enforceable under applicable law.

"**Restrictive Provisions**" means the Non-Competition Provisions and the Non-Solicitation Provisions.

"**Retirement**" means voluntary resignation by a Recipient after having reached at least age sixty-two (62) and having performed at least ten (10) years of service with the Company, any subsidiary and/or any company that is acquired directly or indirectly by the Company. In addition, a Recipient must give at least six (6) months prior written notice of resignation for such voluntary resignation to qualify as "Retirement." The Recipient may give the required notice before satisfying the age and service requirements for Retirement, provided the Recipient satisfies the age and service requirements as of the effective date of Retirement.

"**Target Relative TSR**" means that Relative Total Shareholder Return is +[THRESHOLD] basis points.

"**Threshold Relative TSR**" means that Relative Total Shareholder Return is -[TARGET] basis points.

"**Total Shareholder Return**" means the compound annual growth rate (also known as "CAGR"), expressed as a percentage, of an investment in one (1) share of Common Stock over the Performance Period, based on the Ending Stock Price plus the Ending Value of Reinvested Dividends, as compared to the Beginning Stock Price, and using the following formula:

(((Ending Stock Price + Ending Value of Reinvested Dividends)/Beginning Stock Price)^(1/3)) – 1

"**Vesting Period**" means the period beginning on the day after the last day of the Performance Period and ending December 31, [YEAR]; provided however, that if a Change in Control occurs during or before such period, the last day of the Vesting Period same be deemed to be the date of the Change in Control.

EXHIBIT 1

VESTING SCHEDULE

A. Active Employee: The number of Restricted Stock Units is set forth under the heading "High Relative TSR" in the Relative TSR Chart below and represents the maximum potential number of units that can be earned. Except as provided in the remainder of this Vesting Schedule, the number of Restricted Stock Units that is earned (the "**Earned Unvested Restricted Units**") is determined as of the last day of the Performance Period based on the level of Relative Total Shareholder Return attained for the Performance Period as shown in Relative TSR Chart set forth below and the Recipient shall vest in twenty-five percent (25%) of the Earned Unvested Restricted Units, which shall then become Vested Stock Units, as of the last day of each calendar quarter during the Vesting Period only if the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period and through the last day of such calendar quarter.

"**Relative TSR Chart**"

Below Threshold Relative TSR	*Threshold Relative TSR	*Target Relative TSR	*High Relative TSR
Zero Earned Unvested Restricted Units			

* If Relative Total Shareholder Return falls between Threshold Relative TSR and Target Relative TSR or between Target Relative TSR and High Relative TSR, the number of Earned Unvested Restricted Units under the Relative TSR Chart shall be determined by linear interpolation.

Notwithstanding the forgoing, if during the Applicable Period and while the Recipient remains an employee, director or consultant of the Company or an Affiliate, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Common Stock issued within one (1) year before the breach that was attributable to Vested Stock Units, or if such Common Stock had been sold in an arm's length transaction by the Recipient, the proceeds of such sale as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise. Any subsequent provision of this Vesting Schedule providing for vesting in the specified circumstances shall not override the compensation recovery provisions of this Item A.

B. Disability, Good Reason or without Cause Termination or Retirement. Except as provided in Item E below, if, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's Disability,

the Recipient's resignation from the Company and all Affiliates for Good Reason, or the termination of the Recipient's employment by the Company and its Affiliates without Cause or the Recipient ceases services as an employee of the Company and all Affiliates due to Retirement (each such event referred to as a "**Qualifying Termination**"):

(i) during the Performance Period, the Recipient shall vest on the same dates as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period (the "**Applicable Vesting Dates**"), subject to the Release requirement below, in the same number of Earned Unvested Restricted Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, but multiplied by a fraction, the numerator of which is the number of days elapsed in the Performance Period through the date of such event and the denominator of which is 1,095 (*i.e.,* 365 x 3*)*, or

(ii) during the Vesting Period, the Recipient shall vest on each Applicable Vesting Date in the same number of Earned Unvested Restricted Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, subject to the Release requirement below.

; provided however, that as a condition to the vesting provided in clauses (i) and (ii) above, the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination, and provided further, the vesting provided in clause (i) or (ii) above shall not occur if before the earlier of the Applicable Vesting Date or the end of the Applicable Period, the Recipient breaches any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Restricted Units that have not previously vested and been paid in Vested Shares shall be immediately forfeited as of the date of such breach.

C. Death after Qualifying Termination. Except as provided in Item E below, if Item B of this Vesting Schedule applies and the Recipient thereafter dies before the date that all vesting occurs that is provided for pursuant to Item B, then the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Restricted Units that have not previously vested and been paid in Vested Shares shall be immediately forfeited as of the date of such breach.

D. Death while Employed. Except as provided in Item E below, if the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death during the Performance Period or the Vesting Period, the Recipient shall vest in the same number of Earned Unvested Restricted Units as if the Recipient's death were a Qualifying Termination pursuant to Item B of this Vesting Schedule, except that the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Restricted Units that have not previously vested and been paid in Vested Shares shall be immediately forfeited as of the date of such breach.

E. Change in Control. Notwithstanding Items A through D of this Vesting Schedule, if a Change in Control occurs on or after the Grant Date and on or before December 31, [YEAR], and (i) the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period until the date of the Change in Control, or (ii) within sixty (60) days before the Change in Control, the Recipient incurs a Qualifying Termination (subject, in the case of such Qualifying Termination, to the requirement that the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination) or ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death, the Recipient shall be one hundred percent (100%) vested in, as of the date of the Change in Control, subject to the foregoing Release requirement if applicable:

1. if the Change in Control occurs on or before December 31, [YEAR], the number of Earned Unvested Restricted Units determined from the Relative TSR Chart based on the level of Relative Total Shareholder Return achieved for the Performance Period through the date of the Change in Control, or

2. if the Change in Control occurs after December 31, [YEAR], the number of Earned Unvested Restricted Units determined in the Relative TSR Chart that were actually earned for the Performance Period which have not previously become Vested Stock Units.

F. Voluntary Resignation or Cause Termination. Restricted Stock Units which have not become Vested Stock Units as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, except as provided in Items B through E of this Vesting Schedule, shall be forfeited. Further, if (i) before a Change in Control, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to (1) the Recipient's voluntary resignation without Good Reason (and not due to Disability or Retirement) or (2) the termination of the Recipient's employment by the

Company and its Affiliates for Cause, and (ii) during the Applicable Period, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Common Stock issued within one (1) year before the Recipient's cessation of services that was attributable to Vested Stock Units, or if such Common Stock had been sold in an arm's length transaction by the Recipient, the proceeds of such sale as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise.

G. General Forfeiture Provisions. Restricted Stock Units which have not become Earned Unvested Restricted Units as of the last day of the Performance Period shall be forfeited. Restricted Stock Units which have not become Vested Stock Units as of the earliest of (i) December 31, [YEAR], (ii) except as provided in Items B through E of this Vesting Schedule, as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, or (iii) the date provided in Item E, shall be forfeited, and once a forfeiture occurs no provision of this Vesting Schedule shall be construed to reinstate the forfeiture. The forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by a Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any such breach; provided, however, if the Recipient is not a party to an employment agreement with the Company or an Affiliate as of the date of termination of employment and the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to a Qualifying Termination, the Company's sole remedy with respect to a breach by the Recipient during the Applicable Period of the Non-Competition Provisions will be the forfeiture provided in Item B of this Vesting Schedule; provided further, such limitation to the Company's remedies shall not apply to the Recipient's breach during the Applicable Period of the Non-Solicitation Provisions or the Intellectual Property Agreement.

H. Fractional Units. If any calculation in this Vesting Schedule results in a fractional number of Vested Stock Units, the number of Vested Stock Units shall be rounded to the closest whole number.

Exhibit 10.6L

2025 FORM OF

RELATIVE TSR-BASED PERFORMANCE PROFITS INTEREST UNITS AGREEMENT PURSUANT TO THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

THIS AGREEMENT (this "**Agreement**") is made as of the Grant Date, by and between OHI Healthcare Properties Limited Partnership (the "**Partnership**"), a limited partnership controlled by, and an Affiliate of, Omega Healthcare Investors, Inc. (Omega Healthcare Investors, Inc. is hereafter referred to as the "**Company**") and _____ (the "**Recipient**").

Upon and subject to this Agreement (including the Terms and Conditions and the Exhibits which are attached hereto and incorporated herein as part of this Agreement) and the Limited Partnership Agreement, the Partnership hereby awards as of the Grant Date to the Recipient the number of Profits Interest Units set forth below (the "**Profits Interest Units Grant**" or the "**Award**"). Underlined and capitalized captions in Items A through G below shall have the meanings therein ascribed to them. Other capitalized terms used in this Agreement are defined in Section 17 of the Terms and Conditions. Capitalized terms that are used but not defined in this Agreement shall have the meaning ascribed to them in the Plan.

A. Grant Date: [GRANT DATE].

B. Plan (under which Profits Interest Units Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. Profits Interest Units: _____ Profits Interest Units. "**Profits Interest Units**" has the same meaning as "**LTIP Units**" as defined in the Limited Partnership Agreement, and each Profits Interest Unit represents, on the Grant Date, one (1) "**Unvested Profits Interest Unit**," which is one (1) "**Unvested LTIP Unit**" as defined in and pursuant to the Limited Partnership Agreement, subject to adjustment as provided in the attached Terms and Conditions, and also represents the Partnership's unsecured obligation to issue to the Recipient distributions described in Item E below.

D. Vesting Schedule: The Recipient shall become vested in a number of Profits Interest Units as and when determined pursuant to **Exhibit 1**. The Profits Interest Units which have become vested pursuant to the Vesting Schedule are herein referred to as the "**Vested Profits Interest Units.**"

E. Distributions: The "**LTIP Unit Distributions Participation Date**" attributable to Profits Interest Units as defined in and pursuant to Section 15.4 of the Limited Partnership Agreement shall be [GRANT DATE]; provided, however, that until any of the Profits Interest Units become "**Earned Unvested Profits Interest Units**" the Recipient shall receive a distribution when paid to holders of "**LP**

Units" (as defined in the Limited Partnership Agreement) of an amount per Profits Interest Unit (the "**Interim Distribution per Profits Interest Unit**"), and an allocation of "**Net Income and Net Loss**" (as defined in the Limited Partnership Agreement) per Profits Interest Unit, equal to (i) 10% of the regular periodic distributions per LP Unit paid by the Partnership to LP Unit holders and a corresponding percentage allocation of Net Income and Net Loss attributable to the regular periodic distributions per LP Unit and (ii) 0% of the special distributions and other distributions not made in the ordinary course per LP Unit paid by the Partnership to LP Unit holders and a corresponding 0% allocation of Net Income and Net Loss attributable to the special distributions and other distributions per LP Unit not made in the ordinary course. As to all Profits Interest Units that become Earned Unvested Profits Interest Units, the Recipient shall receive within twenty (20) business days after the date they become Earned Unvested Profits Interest Units, a distribution from the Partnership per Earned Unvested Profits Interest Unit and a corresponding allocation of Net Income and Net Loss per Earned Unvested Profits Interest Unit equal to the excess of (x) the amount of distributions from the Partnership that would have been paid per Profits Interest Unit if the Profits Interest Unit had been an LP Unit on [GRANT DATE] (determined without regard to this Item E) over (y) the Interim Distribution per Profits Interest Unit. In addition, with respect to distributions and allocations of Net Income and Net Loss that accrue following the date that any Profits Interest Units become Earned Unvested Profits Interest Units or Vested Profits Interest Units, the Recipient shall receive with respect to each Earned Unvested Profits Interest Unit and each Vested Profits Interest Unit distributions and allocations of Net Income and Net Loss pursuant to the Limited Partnership Agreement determined without regard to the adjustments in this Item E.

F. Non-Competition Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the Recipient and the Company or an Affiliate that limit the ability of the Recipient to enter into competition with the Company or its Affiliates or to work for a business which is in a similar business to that of the Company or of an Affiliate, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not (except on behalf of or with the prior written consent of the Company, which consent may be withheld in Company's sole discretion), within the Area, on the Recipient's own behalf, or in the service of or on behalf of others, and whether as an employee, a consultant or otherwise, provide managerial services or management consulting services substantially similar to those the Recipient provides for the Company or an Affiliate to any Competing Business. As of the Grant Date, the Recipient acknowledges and agrees that the Recipient provides services to the Company throughout the Area.

G. Non-Solicitation Provisions: The Recipient acknowledges that if the Recipient is subject to any provisions then in effect in the employment agreement between the

Recipient and the Company or an Affiliate that limit the ability of the Recipient to solicit clients or employees of the Company or its Affiliates, the Recipient will abide by such provisions. Further, the Recipient agrees that if there is no such employment agreement or there are no such provisions in the employment agreement, during the Applicable Period, the Recipient will not, on the Recipient's own behalf or in the service of or on behalf of others:

(i) solicit any individual or entity which is an actual client of the Company or any of its Affiliates as of the Determination Date with whom the Recipient had direct material contact while the Recipient was an employee of the Company or an Affiliate, for the purpose of offering services substantially similar to those offered by the Company or an Affiliate, or

(ii) solicit for employment with a Competing Business any person who is a management level employee of the Company or an Affiliate with whom the Recipient had contact during the then most recent year of the Recipient's employment with the Company or an Affiliate.

The Recipient shall not be deemed to be in breach of Item G(ii) solely because an employer for whom the Recipient performs services solicits, diverts, or hires a management level employee of the Company or an Affiliate, provided that the Recipient does not engage in the activity proscribed by Item G(ii).

H. Acknowledgement: The Recipient acknowledges and agrees that the Recipient's agreement to and compliance with the provisions of this Agreement, including without limitation Item F and Item G above, are conditions to the effectiveness of the grant of the Award, and further acknowledges and agrees that the Recipient's noncompliance with Item F or Item G above can result in a forfeiture and/or recovery of all or part of the Award to the extent provided in the Vesting Schedule. The Recipient also acknowledges and agrees that the forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any breach during the Applicable Period by the Recipient of the Restrictive Provisions or the Intellectual Property Agreement, except to the extent provided otherwise in the last paragraph of the Vesting Schedule. In the event that any provision of this Agreement is determined by a court which has jurisdiction to be unenforceable in part or in whole, the court shall be deemed to have the authority to strike or sever any unenforceable provision, or any part thereof or to revise any provision to the minimum extent necessary to render the provision reasonable and then to enforce the provision to the maximum extent permitted by law.

IN WITNESS WHEREOF, the Partnership and the Recipient have executed and agree to be bound by this Agreement as of the Grant Date set forth above.

OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP

By: _____

Name: _____

Title: _____

THE RECIPIENT

By: _____

Name: _____

TERMS AND CONDITIONS TO THE
RELATIVE TSR-BASED PERFORMANCE PROFITS INTEREST UNITS
AGREEMENT PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

1. Conditions to Grant of Profits Interest Units. As a condition of receiving the grant of Profits Interest Units hereunder, the Recipient must (a) execute the representations and warranties set forth on **Exhibit 2** attached hereto, and deliver them to the Partnership within thirty (30) days of the Grant Date, (b) file with the IRS within thirty (30) days of the Grant Date, a valid election under Code Section 83(b), in substantially the form of **Exhibit 3** attached hereto, as to all of the Profits Interest Units and (c) execute the Letter Agreement set forth on **Exhibit 4** attached hereto, and deliver it to the Partnership within thirty (30) days of the Grant Date. The Recipient must also deliver to the Partnership, within thirty (30) days after the Grant Date, a copy of the Section 83(b) election. Failure to comply with the requirements of this Section shall result in the forfeiture of all the Profits Interest Units and the cancellation of this Agreement.

2. Issuance of Profits Interest Units. The Partnership shall record in the name of the Recipient the number of Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement") awarded as of the Grant Date. The Partnership and the Recipient acknowledge and agree that the Profits Interest Units are hereby issued to the Recipient for the performance of services to or for the benefit of the Partnership and its Affiliates. If the Recipient is not already a partner of the Partnership pursuant to the Limited Partnership Agreement (defined therein as a "**Partner**"), the Partnership admits the Recipient as an "**LTIP Unit Limited Partner**" (as defined therein) and a Partner on the terms and conditions in this Agreement, the Plan and the Limited Partnership Agreement. Upon execution of this Agreement, the Recipient shall, automatically and without further action on the Recipient's part, be deemed to be a signatory of and bound by the Limited Partnership Agreement. At the request of the Partnership, the Recipient shall execute the Limited Partnership Agreement or a counterpart signature page thereto.

3. Rights as a Unitholder. The Profits Interest Units shall be treated as a "profits interest" within the meaning of Revenue Procedure 93-27, and the Recipient shall be treated as having received the interest on the Grant Date as contemplated under Section 4 of Revenue Procedure 2001-43. As the owner of the Profits Interest Units for income tax purposes, the Recipient shall take into account the Recipient's distributive share of income, gain, loss, deduction and credit associated with the Profits Interest Units as determined in accordance with the terms of the Limited Partnership Agreement and this Agreement.

4. Restrictions on Transfer. The Recipient shall not sell, pledge, assign, transfer or hypothecate, or otherwise dispose of any Profits Interest Units, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to the Profits Interest Units, except as otherwise provided in the Limited Partnership Agreement. Any disposition not made in accordance with this Agreement shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Agreement and the Limited Partnership Agreement.

5. Tax Withholding. If and only if tax withholding applies with respect to the grant, vesting, ownership or disposition of Profits Interest Units, the Company or an Affiliate may

withhold from the Recipient's wages, or require the Recipient to remit to the Partnership, the Company or an Affiliate, any applicable required tax withholding.

6. Change in Capitalization.

(a) The number and kind of units issuable under this Agreement shall be proportionately adjusted for any non-reciprocal transaction between the Partnership and the holders of partnership interests of the Partnership that causes the per unit value of the Profits Interest Units subject to the Award to change, such as a unit dividend, unit split, spinoff or rights offering (each an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, spin-off, sale of substantially all of the Partnership's assets, other change in capital structure of the Partnership, tender offer for Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement), or a Change in Control, that in each case does not constitute an Equity Restructuring, the Committee shall take such action to make such adjustments with respect to the Profits Interest Units as the Committee, in its sole discretion, determines in good faith is necessary or appropriate and as is permitted by the Plan, including, without limitation, adjusting the number and class of units subject to the Award, substituting other securities, property or cash to replace the Award, all as determined in good faith by the Committee to have equivalent value to the Award, removing restrictions on the Award, or terminating the Award in exchange for the cash value determined in good faith by the Committee. Any adjustment pursuant to this Section may provide, in the Committee's discretion, for the elimination without payment of any fractional units that might otherwise be subject to the Award, but except as set forth in this Subsection and the Plan may not otherwise diminish the then value of the Award.

(c) All determinations and adjustments made by the Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Profits Interest Unit Grant shall not affect the right or power of the Partnership to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Partnership, any issue of debt or equity securities having preferences or priorities as to the Profits Interest Units or the rights thereof, the dissolution or liquidation of the Partnership, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

7. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Profits Interest Units shall be issued except, in the reasonable judgment of the Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

8. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

9. Notice. Except as otherwise specified herein, all notices and other communications under this Agreement shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the proposed recipient at the last known address of the Recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

10. Clawback. This Agreement, and any payment in the form of cash or units made pursuant to this Agreement, is expressly subject to any applicable compensation, clawback, recoupment or similar policies as may be adopted by the Company or its Affiliates in effect from time to time, including, without limitation, the Omega Healthcare Investors, Inc. Incentive Compensation Recovery Policy, whether adopted before or after the Grant Date, or any other clawback rules as may be required by applicable law.

11. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

12. Entire Agreement. This Agreement and the Limited Partnership Agreement, together with the terms and conditions set forth in the Plan, express the entire understanding and agreement of the parties with respect to the subject matter. In the event of a conflict between the terms of the Plan or the Limited Partnership Agreement and this Agreement, the Plan and the Limited Partnership Agreement shall govern.

13. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

14. No Right to Continued Retention. Neither the establishment of the Plan nor the Award shall be construed as giving the Recipient the right to continued service with the Company or an Affiliate.

15. Tax Effects under 409A. It is intended that the Award under this Agreement be exempt from Section 409A of the Internal Revenue Code (the "**Code**") as a current grant of a profits interest as provided in Section 3 hereof.

16. Headings. Except as otherwise provided in this Agreement, headings used herein are for convenience of reference only and shall not be considered in construing this Agreement.

17. Definitions. As used in this Agreement:

"**Affiliate**" means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

"**Applicable Period**" means:

(a) as to the Restrictive Provisions,

(i) the period of time that the Restrictive Provisions are in effect in accordance with the terms of the employment agreement then in effect between the Recipient and the Company or an Affiliate, or

(ii) if there is no such employment agreement or there are no such provisions in the employment agreement, the period of the Recipient's employment with the Company or an Affiliate, and with respect to the Non-Solicitation Provisions, twelve (12) months thereafter, and with respect to the Non-Competition Provisions, six (6) months thereafter; and

(b) as to the Intellectual Property Agreement, the period of time that any breach of such agreement would be actionable by the Company or an Affiliate pursuant to the terms of such agreement.

"**Area**" means the states, areas and countries in which the Company or any of its Affiliates owns, acquires, develops, invests in, leases, finances the ownership of, or finances the operation of any skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Beginning Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, which is $___.___.

"**Below Threshold Relative TSR**" means that Relative Total Shareholder Return is less than –[THRESHOLD] basis points.

"**Board**" means the Board of Directors of the Company.

"**Business of the Company**" means any business with the primary purpose of leasing assets to healthcare operators, or financing the ownership of or financing the operation of skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

"**Cause**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Cause shall mean the occurrence of any of the following events:

(a) willful refusal by the Recipient to follow a lawful direction of any person to whom the Recipient reports or the Chief Executive Officer of the Company, provided the

direction is not materially inconsistent with the duties or responsibilities of the Recipient's position with the Company or an Affiliate, which refusal continues after such person or the Chief Executive Officer of the Company has again given the direction in writing;

(b) willful misconduct or reckless disregard by the Recipient of the Recipient's duties or with respect to the interest or material property of the Company or an Affiliate;

(c) material breach by the Recipient of any of the Restrictive Provisions;

(d) material breach by the Recipient of any provision of the Intellectual Property Agreement;

(e) any act by the Recipient of fraud against, material misappropriation from or significant dishonesty to either the Company or an Affiliate, or any other party, but in the latter case only if in the reasonable opinion of the Chief Executive Officer of the Company, such fraud, material misappropriation, or significant dishonesty could reasonably be expected to have a material adverse impact on the Company or its Affiliates; or

(f) commission by the Recipient of a felony as reasonably determined by the Chief Executive Officer of the Company.

"**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation, of equity securities of the Company that in the aggregate represent thirty percent (30%) or more of the total voting power of the Company's then outstanding equity securities;

(b) the acquisition, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation or other entity pursuant to a reorganization, merger or consolidation of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that, together with equity securities already held by such person or persons, in the aggregate represent more than fifty percent (50%) of the total fair market value or total voting power of the Company's then outstanding equity securities;

(c) individuals who as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds (2/3) of the directors then comprising the Incumbent Board shall

be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(d) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation, immediately thereafter, own equity securities of the surviving entity representing less than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(e) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than any corporation or other entity pursuant to a reorganization, merger or consolidation, of assets of the Company that have a total gross fair market value equal to or more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Agreement (i) unless the event also constitutes a "change in the ownership or effective control of the corporation or in the ownership of a substantial portion of the assets of the corporation" within the meaning of Code Section 409A(a)(2)(v), or (ii) by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

"**Competing Business**" means any person, firm, corporation, joint venture, or other business that is engaged in the Business of the Company.

"**Determination Date**" means with respect to determining compliance with a covenant of this Agreement (a) while the Recipient remains employed by the Company or an Affiliate, the date as of which compliance is being determined, and (b) after the Recipient's termination of employment, the date of the Recipient's termination of employment.

"**Ending Stock Price**" means the average closing price per share of Common Stock for the months of November and December [YEAR] on the exchange on which Common Stock is traded, unless a Change in Control occurs on or before December 31, [YEAR], in which case the term means the value per share determined as of the date of the Change in Control, such value to be determined by the Committee in its reasonable discretion based on the actual or implied price per share paid in the Change in Control transaction.

"**Ending Value of Reinvested Dividends**" means the dollar amount equal to the Ending Stock Price multiplied by the total number of shares hypothetically purchased with the dividends declared to a shareholder of record during the Performance Period, assuming that each dividend is re-invested in Common Stock at the closing price per share on the last business day before the ex-dividend date. For purposes of this calculation, the dividends declared to a shareholder of record

during the Performance Period will initially be calculated on one (1) share of Common Stock beginning as of the first dividend declaration date during the Performance Period, and as of each dividend declaration date during the Performance Period thereafter, the dividends will be calculated with respect to the sum of one (1) share of Common Stock plus the cumulative number of shares of Common Stock hypothetically purchased prior to such dividend declaration date. The "Ending Value of Reinvested Dividends" can also be expressed as the following formula:

Ending Value of Reinvested Dividends = (Ending Stock Price x Total Number of Shares Hypothetically Purchased with Reinvested Dividends)

Total Number of Shares Hypothetically Purchased with Reinvested Dividends = (Number of Shares Hypothetically Purchased with First Reinvested Dividend + the sum of the Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend)

Number of Shares Hypothetically Purchased with First Reinvested Dividend = ((dividend declared to a shareholder of record during the Performance Period calculated on one (1) share of Common Stock as of the first dividend declaration date during such period)/closing price per share of Common Stock on the last business day before the ex-dividend date)

Number of Shares Hypothetically Purchased with each Subsequent Reinvested Dividend = ((each dividend declared to a shareholder of record after the first dividend declaration date during the Performance Period calculated on the sum of the one (1) share of Common Stock beginning as of the first dividend declaration date + the number of shares hypothetically purchased with reinvested dividends before such subsequent dividend declaration date)/closing price per share of Common Stock on the last business day before the related ex-dividend date)

"**Good Reason**" shall have the meaning set forth in the employment agreement then in effect between the Recipient and the Company or an Affiliate, or, if there is none, then Good Reason shall mean the occurrence of an event listed in (a) through (c) below:

(a) the Recipient experiences a material diminution of the Recipient's responsibilities of the Recipient's position, as reasonably modified by any person to whom the Recipient reports or the Chief Executive Officer of the Company from time to time, such that the Recipient would no longer have responsibilities substantially equivalent to those of other employees holding equivalent positions at companies with similar revenues and market capitalization;

(b) the Company or the Affiliate which employs the Recipient reduces the Recipient's annual base salary or annual bonus opportunity at high, target or threshold performance as a percentage of annual base salary; or

(c) the Company or the Affiliate which employs the Recipient requires the Recipient to relocate the Recipient's primary place of employment to a new location that

is more than fifty (50) miles from its current location (determined using the most direct driving route), without the Recipient's consent;

provided however, as to each event in Subsection (a) through (c),

(i) the Recipient gives written notice to the Company within ten (10) days following the event or receipt of notice of the event of the Recipient's objection to the event;

(ii) the Company or the Affiliate which employs the Recipient fails to remedy the event within ten (10) days following the Recipient's written notice; and

(iii) the Recipient terminates his employment within thirty (30) days following the Company's and the Affiliate's failure to remedy the event.

"**High Relative TSR**" means that Relative Total Shareholder Return is +[HIGH LEVEL] basis points or more.

"**Intellectual Property Agreement**" means that certain agreement entitled "Intellectual Property Agreement" previously entered into between the Company and the Recipient.

"**Limited Partnership Agreement**" means the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereto.

"**Non-Competition Provisions**" means the provisions under the title "Non-Competition Provisions" heading in Item F above of this Agreement.

"**Non-Solicitation Provisions**" means the provisions under the title "Non-Solicitation Provisions" heading in Item G above of this Agreement.

"**Performance Period**" means the period from and including [GRANT DATE] through the earlier of December 31, [YEAR] or the date of a Change in Control.

"**Release**" means a comprehensive release, covenant not to sue, and non-disparagement agreement from the Recipient in favor of the Company, its executives, officers, directors, Affiliates, and all related parties, in the form provided by the Company (which, if the Recipient is a party to an employment agreement with the Company or an Affiliate and the Recipient's right to receive severance pay in connection with a qualifying termination of employment thereunder is contingent on the execution and non-revocation of a release agreement in substantially the form attached to the employment agreement, will be substantially the same form of release agreement attached to the employment agreement); provided, however, the Company may make any changes to the Release as it determines to be necessary only to ensure that the Release is enforceable under applicable law.

"**Relative Total Shareholder Return**" means Total Shareholder Return expressed as a positive or negative number of basis points relative to the total shareholder return reported for the FTSE NAREIT Equity Health Care Index (the FACTSET identifier of which is FN11XXXX (the

"**Index**")) for the Performance Period. For this purpose, the total shareholder return for the Index shall be calculated using methodologies analogous in all material respects to those used for the calculation of Total Shareholder Return, and the average closing price per share for the November and December at the end, and before the beginning, of the Performance Period shall also be used for calculating total shareholder return for the Index.

"**Restrictive Provisions**" means the Non-Competition Provisions and the Non-Solicitation Provisions.

"**Retirement**" means voluntary resignation by a Recipient after having reached at least age sixty-two (62) and having performed at least ten (10) years of service with the Company, any subsidiary and/or any company that is acquired directly or indirectly by the Company. In addition, a Recipient must give at least six (6) months prior written notice of resignation for such voluntary resignation to qualify as "Retirement." The Recipient may give the required notice before satisfying the age and service requirements for Retirement, provided the Recipient satisfies the age and service requirements as of the effective date of Retirement.

"**Target Relative TSR**" means that Relative Total Shareholder Return is +[TARGET] basis points.

"**Threshold Relative TSR**" means that Relative Total Shareholder Return is –[THRESHOLD] basis points.

"**Total Shareholder Return**" means the compound annual growth rate (also known as "CAGR"), expressed as a percentage, of an investment in one (1) share of Common Stock over the Performance Period, based on the Ending Stock Price plus the Ending Value of Reinvested Dividends, as compared to the Beginning Stock Price, and using the following formula:

(((Ending Stock Price + Ending Value of Reinvested Dividends)/Beginning Stock Price)^(1/3)) – 1

"**Vesting Period**" means the period beginning on the day after the last day of the Performance Period and ending December 31, [YEAR]; provided however, that if a Change in Control occurs during or before such period, the last day of the Vesting Period same be deemed to be the date of the Change in Control.

EXHIBIT 1

VESTING SCHEDULE

A. Active Employee: The number of Profits Interest Units is set forth under the heading "High TSR" in the Relative TSR Chart below and represents the maximum potential number of units that can be earned. Except as provided in the remainder of this Vesting Schedule, the number of Profits Interest Units that is earned (the "**Earned Unvested Profits Interest Units**") is determined as of the last day of the Performance Period based on the level of Relative Total Shareholder Return attained for the Performance Period as shown in Relative TSR Chart set forth below and the Recipient shall vest in twenty-five percent (25%) of the Earned Unvested Profits Interest Units, which shall then become Vested Profits Interest Units, as of the last day of each calendar quarter during the Vesting Period only if the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period and through the last day of such calendar quarter.

"**Relative TSR Chart**"

Below Threshold Relative TSR	*Threshold Relative TSR	*Target Relative TSR	*High Relative TSR
Zero Earned Unvested Profits Interest Units			

* If Relative Total Shareholder Return falls between Threshold Relative TSR and Target Relative TSR or between Target Relative TSR and High Relative TSR, the number of Earned Unvested Profits Interest Units under the Relative TSR Chart shall be determined by linear interpolation.

Notwithstanding the forgoing, if during the Applicable Period and while the Recipient remains an employee, director or consultant of the Company or an Affiliate, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Profits Interest Units which vested within one (1) year before the breach, or if such Profits Interest Units had been sold in an arm's length transaction or redeemed by the Recipient, the proceeds of such sale or redemption as determined by the Board. The amount of the recovery shall be determined without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise. Any subsequent provision of this Vesting Schedule providing for vesting in the specified circumstances shall not override the compensation recovery provisions of this Item A.

B. Disability, Good Reason or without Cause Termination or Retirement. Except as provided in Item E below, if, the Recipient ceases services as an employee, director or consultant of

the Company and all Affiliates due to the Recipient's Disability, the Recipient's resignation from the Company and all Affiliates for Good Reason, or the termination of the Recipient's employment by the Company and its Affiliates without Cause or the Recipient ceases services as an employee of the Company and all Affiliates due to Retirement (each such event referred to as a "**Qualifying Termination**"):

(i) during the Performance Period, the Recipient shall vest on the same dates as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period (the "**Applicable Vesting Dates**"), subject to the Release requirement below, in the same number of Earned Unvested Profits Interest Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, but multiplied by a fraction, the numerator of which is the number of days elapsed in the Performance Period through the date of such event and the denominator of which is 1,095 (*i.e.,* 365 x 3*)*, or

(ii) during the Vesting Period, the Recipient shall vest on each Applicable Vesting Date in the same number of Earned Unvested Profits Interest Units as if the Recipient were to remain an employee of the Company or an Affiliate through the last day of the Vesting Period, subject to the Release requirement below.

; provided however, that as a condition to the vesting provided in clauses (i) and (ii) above, the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination, and provided further, the vesting provided in clauses (i) and (ii) above shall not occur if before the earlier of the Applicable Vesting Date or the end of the Applicable Period, the Recipient breaches any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Profits Interest Units that have not previously vested shall be immediately forfeited as of the date of such breach.

C. Death after Qualifying Termination. Except as provided in Item E below, if Item B of this Vesting Schedule applies and the Recipient thereafter dies before the date that all vesting occurs that is provided for pursuant to Item B, then the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Profits Interest Units that have not previously vested shall be immediately forfeited as of the date of such breach.

D. Death while Employed. Except as provided in Item E below, if the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death during the Performance Period or the Vesting Period, the Recipient shall vest in the same number of Earned Unvested Profits Interest Units as if the Recipient's

death were a Qualifying Termination pursuant to Item B of this Vesting Schedule, except that the vesting there provided shall be accelerated to the later of the date of the Recipient's death or the last day of the Performance Period; provided however, that such vesting shall not occur if during the Applicable Period and before the date of death, the Recipient breached any of the Restrictive Provisions or the Intellectual Property Agreement, and in such event, all Earned Unvested Profits Interest Units that have not previously vested shall be immediately forfeited as of the date of such breach.

E. Change in Control. Notwithstanding Items A through D of this Vesting Schedule, if a Change in Control occurs on or after the Grant Date and on or before December 31, [YEAR], and (i) the Recipient remains an employee, director or consultant of the Company or an Affiliate during the entire Performance Period until the date of the Change in Control, or (ii) within sixty (60) days before the Change in Control, the Recipient incurs a Qualifying Termination (subject, in the case of such Qualifying Termination, to the requirement that the Recipient shall be required to execute within the twenty-one (21) day period provided therein (forty-five (45) days in the case of a group termination) and not revoke with the seven (7) day revocation period provided therein, the Release, which the Company shall provide to the Recipient as soon as feasible but not later than thirty (30) days following the Qualifying Termination) or ceases services as an employee, director or consultant of the Company and all Affiliates due to the Recipient's death, the Recipient shall be one hundred percent (100%) vested in, as of the date of the Change in Control, subject to the foregoing Release requirement if applicable:

1. if the Change in Control occurs on or before December 31, [YEAR], the number of Earned Unvested Profits Interest Units determined from the Relative TSR Chart based on the level of Relative Total Shareholder Return achieved for the Performance Period through the date of the Change in Control, or

2. if the Change in Control occurs after December 31, [YEAR], the number of Earned Unvested Profits Interest Units determined in the Relative TSR Chart that were actually earned for the Performance Period which have not previously become Vested Profits Interest Units.

F. Voluntary Resignation or Cause Termination. Profits Interest Units which have not become Vested Profits Interest Units as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, except as provided in Items B through E of this Vesting Schedule, shall be forfeited. Further, if (i) before a Change in Control, the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to (1) the Recipient's voluntary resignation without Good Reason (and not due to Disability or Retirement) or (2) the termination of the Recipient's employment by the Company and its Affiliates for Cause, and (ii) during the Applicable Period, the Recipient breaches the Restrictive Provisions or the Intellectual Property Agreement, the Board is permitted to require the Recipient to return to the Company any Profits Interest Units which vested within one (1) year before the Recipient's cessation of services, or if such Profits Interest Units had been sold in an arm's length transaction or redeemed by the Recipient, the proceeds of such sale or redemption as determined by the Board. The amount of the recovery shall be determined

without regard to any taxes paid by or withheld from the wages of the Recipient unless the Board shall determine otherwise.

G. General Forfeiture Provisions. Profits Interest Units which have not become Earned Unvested Profits Interest Units as of the last day of the Performance Period shall be forfeited. Profits Interest Units which have not become Vested Profits Interest Units as of the earliest of (i) December 31, [YEAR], (ii) except as provided in Items B through E of this Vesting Schedule, as of the Recipient's cessation of services as an employee, director, or consultant of the Company and all Affiliates, or (iii) the date provided in Item F, shall be forfeited, and once a forfeiture occurs no provision of this Vesting Schedule shall be construed to reinstate the forfeiture. The forfeitures and compensation recoveries provided for in this Agreement in connection with any breach during the Applicable Period by a Recipient of the Restrictive Provisions or the Intellectual Property Agreement shall not be the Company's sole remedy, and nothing in this Agreement limits the Company's right to seek damages, injunctive relief or other legal or equitable relief in case of any such breach; provided, however, if the Recipient is not a party to an employment agreement with the Company or an Affiliate as of the date of termination of employment and the Recipient ceases services as an employee, director or consultant of the Company and all Affiliates due to a Qualifying Termination, the Company's sole remedy with respect to a breach by the Recipient during the Applicable Period of the Non-Competition Provisions will be the forfeiture provided in Item B of this Vesting Schedule; provided further, such limitation to the Company's remedies shall not apply to the Recipient's breach during the Applicable Period of the Non-Solicitation Provisions or the Intellectual Property Agreement.

H. Fractional Units. If any calculation in this Vesting Schedule results in a fractional number of Vested Profits Interest Units, the number of Vested Profits Interest Units shall be rounded to the closest whole number.

EXHIBIT 2

REPRESENTATIONS AND WARRANTIES OF THE RECIPIENT

In connection with the grant of the Profits Interest Units pursuant to the Agreement, the Recipient hereby represents and warrants to the Partnership that:

1. The Recipient is acquiring the Profits Interest Units for the Recipient's own account with the present intention of holding the Profits Interest Units for investment purposes and not with a view to distribute or sell the Profits Interest Units, except in compliance with federal securities laws or applicable securities laws of other jurisdictions;

2. The Recipient acknowledges that the Profits Interest Units have not been registered under the Securities Act of 1933 (the "**1933 Act**") or applicable securities laws of other jurisdictions and that the Profits Interest Units will be issued to the Recipient in reliance on exemptions from the registration requirements provided by Sections 3(b) or 4(2) of the 1933 Act and the rules and regulations promulgated thereunder and applicable securities laws of other jurisdictions and in reliance on the Recipient's representations and agreements contained herein;

3. The Recipient is an employee of the Partnership or an Affiliate;

4. The Recipient acknowledges that the Profits Interest Units are subject to the restrictions contained in the Limited Partnership Agreement, and the Recipient has received and reviewed a copy of the Limited Partnership Agreement;

5. The Recipient has had the opportunity to ask questions of and receive answers from the Partnership and any person acting on its behalf concerning the terms and conditions of the Profits Interest Units awarded hereunder and has had full access to such other information concerning the Partnership and its Affiliates as the Recipient may have requested in making the Recipient's decision to invest in the Profits Interest Units being issued hereunder;

6. The Recipient has such knowledge and experience in financial and business matters that the Recipient is capable of evaluating the merits and risks of the acquisition of the Profits Interest Units hereunder and the Recipient is able to bear the economic risk, if any, of such acquisition;

7. The Recipient has only relied on the advice of, or has consulted with, the Recipient's own legal, financial and tax advisors, and the determination of the Recipient to acquire the Profits Interest Units pursuant to this Agreement has been made by the Recipient independent of any statements or opinions as to the advisability of such acquisition or as to the properties, business, prospects or condition (financial or otherwise) of the Partnership or its Affiliates which may have been made or given by any other person or by any agent or employee of such person and independent of the fact that any other person has decided to become a holder of Profits Interest Units;

8. None of the Partnership or any of its Affiliates has made any representation or agreement to the Recipient with respect to the income tax consequences of the issuance, ownership

or vesting of Profits Interest Units or the transactions contemplated by this Agreement (including without limitation the making of an election under Code Section 83(b)), and the Recipient is in no manner relying on the Partnership or any Affiliate or their representatives for an assessment of tax consequences to the Recipient. The Recipient is advised to consult with the Recipient's own tax advisor with respect to the tax consequences;

9. The Recipient is not acquiring the Profits Interest Units as a result of, or subsequent to, any publicly disseminated advertisement, article, sales literature, publication, broadcast or any public seminar or meeting or any solicitation nor is the Recipient aware of any offers made to other persons by such means;

10. The Recipient understands and agrees that if certificates representing the Profits Interest Units are issued, such certificates may bear such restrictive legends as the Partnership or its legal counsel may deem necessary or advisable under applicable law or pursuant to this Agreement;

11. The Profits Interest Units cannot be offered for sale, sold or transferred by the Recipient other than pursuant to: (i) an effective registration under the 1933 Act or in a transaction otherwise in compliance with the 1933 Act; and (ii) evidence satisfactory to the Partnership of compliance with the applicable securities laws of other jurisdictions. The Partnership shall be entitled to rely upon an opinion of counsel satisfactory to it with respect to compliance with the above laws;

12. The Partnership shall be under no obligation to register the Profits Interest Units or to comply with any exemption available for sale of the Profits Interest Units without registration or filing;

13. The Recipient represents that the Recipient is an "accredited investor" as that term is defined in Rule 501 of Regulation D of the 33 Act; specifically, either [(a) the Recipient is an executive officer of the Partnership or of Omega Healthcare Investors, the general partner of the Partnership, or (b) the Recipient has (i) had an individual income in excess of $200,000 in each of the two most recent years or joint income with the Recipient's spouse or "spousal equivalent" (meaning your cohabitant occupying a relationship generally equivalent to that of a spouse) in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, (ii) the Recipient's net worth or joint net worth with the Recipient's spouse or spousal equivalent exceeds $1,000,000 (and for purposes of calculating net worth under this paragraph, the Recipient's primary residence is not included as an asset; indebtedness that is secured by the primary residence, up to the estimated fair market value of the primary residence is not included as a liability (except that if the amount of such indebtedness outstanding exceeds the amount outstanding within the last 60 days, other than as a result of the acquisition of the primary residence, the amount of such excess is included as a liability)), or (iii) the Recipient holds in good standing one of the following professional licenses: the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), or the Investment Adviser Representative license (Series 65)]; and

14. The Recipient agrees to furnish any additional information requested to assure compliance with applicable securities laws in connection with the issuance or holding of Profits

Interest Units. The Recipient acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with applicable federal and state laws. Notwithstanding anything to the contrary herein, the Plan shall be administered and the grant of Profits Interest Units is made only in such manner as to conform to such laws. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws. By execution below, the Recipient acknowledges that the Recipient has received a copy of the Agreement, the Limited Partnership Agreement and the Plan.

RECIPIENT

Signature	Date	Name

EXHIBIT 3
SECTION 83(b) ELECTION

The undersigned hereby elects to be taxed pursuant to Section 83(b) of the Internal Revenue Code of 1986 (the "Code") with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. **The name, address and taxpayer identification number of the undersigned is:**

_____

_____

_____

Taxpayer I.D. No.: _____

2. Description of property with respect to which the election is being made:

_____Profits Interest Units of OHI Healthcare Properties Limited Partnership (the "**Profits Interest Units**," defined in the OHI Healthcare Properties Limited Partnership as "LTIP Units").

3. The date on which the property was transferred:

The Profits Interest Units were transferred on [GRANT DATE].

4. The taxable year to which this election relates is calendar year [YEAR].

5. The nature of the restriction(s) to which the property is subject is:

The Profits Interest Units shall vest in increments on specified vesting dates or upon certain vesting events subsequent to the property transfer date, provided that the taxpayer continues to perform services for OHI Healthcare Properties Limited Partnership (the "**Partnership**") or an affiliate. In the event the taxpayer ceases to perform services for the Partnership and its affiliates under certain circumstances prior to the final vesting date, any unvested Profits Interest Units shall be forfeited back to the Partnership.

6. Fair Market Value:

Because the Profits Interest Units constitute a profits interest, the grant of the interest is not taxable under Code Section 83 pursuant to Revenue Procedure 93-27 and Revenue Procedure 2001-43. Therefore, the taxpayer is reporting that the fair market value at the time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made as $0 per Profits Interest Unit.

7. Amount paid for property:

The taxpayer did not pay for the Profits Interest Units.

8. Furnishing statement to the person for whom services are performed:

A copy of this statement has been furnished to the Partnership.

By: _____ Date: _____

EXHIBIT 4

LETTER AGREEMENT

The undersigned, _____, (the "***Limited Partner***"), OHI Healthcare Properties Limited Partnership (the "***Partnership***"), and Omega Healthcare Investors, Inc., as the Partnership's general partner ("***Omega***" or the "***General Partner***") in connection with the grant of a limited partnership interest in the Partnership to the Limited Partner as of [GRANT DATE] pursuant to that certain Relative TSR-based Performance Profits Interest Units Agreement, made as of [GRANT DATE], by and between the Partnership and the Limited Partner, hereby agree as follows effective as of [GRANT DATE] (the "***Effective Date***"). Capitalized terms used herein without definition will have the meaning assigned to them in the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereof (the "***Partnership Agreement***"). All "Section" references herein are references to sections of the Partnership Agreement unless otherwise specified.

Notwithstanding anything to the contrary in the Partnership Agreement, the Limited Partner agrees that with respect to the Limited Partner (and its successors and assigns) and any and all LP Units held as of the date hereof and any LP Units acquired hereafter, the last sentence of Section 8.6(a) is deleted in its entirety and replaced with the following (new language bold and double-underlined):

> The Cash Amount shall be payable to the Tendering Partner on the Specified Redemption Date; provided, however, that the Partnership shall be entitled to offset against, and deduct from, the Cash Amount that is payable to the Tendering Partner any amounts payable under or owed by the Tendering Partner pursuant to any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates**; and provided further, that the Partnership shall be entitled, in the General Partner's sole discretion, to reduce the Cash Amount by an administrative allocation amount of up to 1% of the Cash Amount**.

For the avoidance of doubt, Section 8.6(a) as amended above shall apply to any redemption of LP Units by the Limited Partner (and its successors and assigns) after the date hereof, regardless of when any such LP Units were acquired, granted, or received.

Each party to this letter agreement represents and warrants to each other party that (i) the representing party has duly authorized the execution, delivery, and performance of this letter agreement; (ii) the terms of this letter agreement are binding upon, and enforceable against, the representing party, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and to general principles of equity; and (iii) the execution, delivery and performance of this letter agreement by such representing party does not and will not violate any agreement or arrangement to which it is a party or by which it may be bound, or any order or decree to which such party is subject.

Where there is any inconsistency between the terms of this letter agreement, on the one hand, and the Partnership Agreement, or any other document or agreement relating to the Limited Partner's LP Units, on the other hand, the terms of this letter agreement shall prevail.

This letter agreement will be binding upon, and will inure to the benefit of and be enforceable by, the parties and their respective successors and permitted assigns.

This letter agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one instrument.

Each of the undersigned parties hereto acknowledge and agree that this letter agreement and any subsequent amendment may be executed by electronic signature, which shall have the same legal force and effect as a handwritten signature.

IN WITNESS WHEREOF, the parties hereto have executed this letter agreement effective as of the date first written above.

PARTNERSHIP:

OHI Healthcare Properties Limited Partnership

By: Omega Healthcare Investors, Inc.
Its: General Partner

By: _____
Name: _____
Title: _____

GENERAL PARTNER:

Omega Healthcare Investors, Inc.

By: _____
Name: _____
Title: _____

LIMITED PARTNER:

_____
Name: _____

Exhibit 10.6M

2025 FORM OF

TIME-BASED PROFITS INTEREST UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

The grant pursuant to this agreement (this "**Agreement**") is made as of the Grant Date, by OHI Healthcare Properties Limited Partnership (the "**Partnership**"), a limited partnership controlled by, and an Affiliate (as defined below) of, Omega Healthcare Investors, Inc. (Omega Healthcare Investors, Inc. is hereafter referred to as the "**Company**"), to _____ (the "**Recipient**").

Upon and subject to this Agreement (which shall include the Terms and Conditions and Exhibits appended to the execution page) and the Limited Partnership Agreement (as defined herein), the Partnership hereby awards as of the Grant Date to the Recipient the number of Profits Interest Units set forth below (the "**Profits Interest Unit Grant**" or the "**Award**"). The underlined and capitalized captions in Items A through E below shall have the meanings therein ascribed to them.

A. Grant Date: [GRANT DATE].

B. Plan: (under which Profits Interest Units Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. Profits Interest Units: _____ Profits Interest Units. "**Profits Interest Units**" has the same meaning as "**LTIP Units**" as defined in the Limited Partnership Agreement, and each Profits Interest Unit represents, on the Grant Date, one "**Unvested Profits Interest Unit**," which is one "**Unvested LTIP Unit**" as defined in and pursuant to the Limited Partnership Agreement, subject to adjustment as provided in the attached Terms and Conditions, and also represents the Partnership's unsecured obligation to issue to the Recipient distributions described in Item E below.

D. Vesting of LTIP Units: The Recipient shall become vested in a number of Profits Interest Units ("**Vested Profits Interest Units**") as and when determined pursuant to **Exhibit 1**.

E. Distributions: The "**LTIP Unit Distributions Participation Date**" attributable to Profits Interest Units as defined in and pursuant to Section 15.4 of the Limited Partnership Agreement shall be [GRANT DATE], and as a result, with respect to distributions and allocations of Net Income and Net Loss that accrue on and after [GRANT DATE], the Recipient shall receive with respect to each Unvested Profits Interest Unit and each Vested Profits Interest Unit the same distributions and allocations of Net Income and Net Loss pursuant to the Limited Partnership Agreement that are paid to each "LP Unit" as defined therein.

IN WITNESS WHEREOF, the Partnership and the Recipient have executed and agree to be bound by this Agreement effective as of the Grant Date set forth above.

OHI HEALTHCARE PROPERTIES LIMITED PARTNERSHIP

By: _____

Title: _____

RECIPIENT

By: _____

TERMS AND CONDITIONS TO THE
TIME-BASED PROFITS INTEREST UNITS AGREEMENT
PURSUANT TO
THE OMEGA HEALTHCARE INVESTORS, INC. 2018 STOCK INCENTIVE PLAN

1. Conditions to Grant of Profits Interest Units. As a condition of receiving the grant of Profits Interest Units hereunder, the Recipient must (a) execute the representations and warranties set forth on **Exhibit 2** attached hereto, and deliver them to the Partnership within ten (10) days of the Grant Date, (b) file with the IRS within thirty (30) days of the Grant Date, a valid election under Code Section 83(b), in substantially the form of **Exhibit 3** attached hereto, as to all of the Profits Interest Units and (c) execute the Letter Agreement set forth on **Exhibit 4** attached hereto, and deliver it to the Partnership within thirty (30) days of the Grant Date. The Recipient must also deliver to the Partnership, within thirty (30) days after the Grant Date, a copy of the 83(b) election. Failure to comply with the requirements of this Section shall result in the forfeiture of all the Profits Interest Units and the cancellation of this Agreement.

2. Issuance of Profits Interest Units. The Partnership shall record in the name of the Recipient the number of Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement") awarded as of the Grant Date. The Partnership and the Recipient acknowledge and agree that the Profits Interest Units are hereby issued to the Recipient for the performance of services to or for the benefit of the Partnership and its Affiliates. If the Recipient is not already a partner of the Partnership pursuant to the Limited Partnership Agreement (defined therein as a "**Partner**"), the Partnership admits the Recipient as an "**LTIP Unit Limited Partner**" (as defined therein) and a Partner on the terms and conditions in this Agreement, the Plan and the Limited Partnership Agreement. Upon execution of this Agreement, the Recipient shall, automatically and without further action on the Recipient's part, be deemed to be a signatory of and bound by the Limited Partnership Agreement. At the request of the Partnership, the Recipient shall execute the Limited Partnership Agreement or a counterpart signature page thereto.

3. Rights as a Unitholder. The Profits Interest Units shall be treated as a "profits interest" within the meaning of Revenue Procedure 93-27, and the Recipient shall be treated as having received the interest on the Grant Date as contemplated under Section 4 of Revenue Procedure 2001-43. As the owner of the Profits Interest Units for income tax purposes, the Recipient shall take into account the Recipient's distributive share of income, gain, loss, deduction and credit associated with the Profits Interest Units as determined in accordance with the terms of the Limited Partnership Agreement and this Agreement.

4. Restrictions on Transfer. The Recipient shall not sell, pledge, assign, transfer or hypothecate, or otherwise dispose of any Profits Interest Units, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to the Profits Interest Units, except as otherwise provided in the Limited Partnership Agreement. Any disposition not made in accordance with this Agreement shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Agreement and the Limited Partnership Agreement.

5. Tax Withholding. If and only if tax withholding applies with respect to the grant, vesting, ownership or disposition of Profits Interest Units, the Company or an Affiliate may

withhold from the Recipient's wages, or require the Recipient to remit to the Partnership, the Company or an Affiliate, any applicable required tax withholding.

6. Change in Capitalization.

(a) The number and kind of units issuable under this Agreement shall be proportionately adjusted for any non-reciprocal transaction between the Partnership and the holders of partnership interests of the Partnership that causes the per unit value of the Profits Interest Units subject to the Award to change, such as a stock dividend, stock split, spinoff, rights offering, or recapitalization through a large, non-recurring cash dividend (each, an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, sale of substantially all of the Partnership's assets, other material change in the capital structure of the Partnership, or a tender offer for Profits Interest Units ("LTIP Units," as defined in the Limited Partnership Agreement), in each case that does not constitute an Equity Restructuring, the Committee shall take such action to make such adjustments with respect to the Profits Interest Units hereunder or the terms of this Agreement as the Committee, in its sole discretion, determines in good faith is necessary or appropriate, including, without limitation, adjusting the number and class of securities subject to the Award, substituting cash, other securities, or other property to replace the Award, or removing of restrictions.

(c) All determinations and adjustments made by the Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Profits Interest Unit Grant shall not affect the right or power of the Partnership to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Partnership, any issue of debt or equity securities having preferences or priorities as to the Profits Interest Units or the rights thereof, the dissolution or liquidation of the Partnership, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

7. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Profits Interest Units shall be issued except, in the reasonable judgment of the Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

8. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

9. Notice. Except as otherwise specified herein, all notices and other communications under this Agreement shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage

prepaid, addressed to the proposed recipient at the last known address of the recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

10. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

11. Entire Agreement. This Agreement and the Limited Partnership Agreement, together with the terms and conditions set forth in the Plan, express the entire understanding and agreement of the parties with respect to the subject matter. In the event of a conflict between the terms of the Plan or the Limited Partnership Agreement and this Agreement, the Plan and the Limited Partnership Agreement shall govern.

12. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

13. No Right to Continued Retention. Neither the establishment of the Plan nor the Award hereunder shall be construed as giving Recipient the right to continued service with the Company or an Affiliate.

14. Tax Effects under 409A. It is intended that the Award under this Agreement be exempt from Section 409A of the Internal Revenue Code (the "**Code**") as a current grant of a profits interest as provided in Section 3 hereof.

15. Headings and Capitalized Terms. Except as otherwise provided in this Agreement, section headings used herein are for convenience of reference only and shall not be considered in construing this Award. Capitalized terms used, but not defined, in this Agreement shall be given the meaning ascribed to them in the Plan.

16. Definitions. As used in these Terms and Conditions and this Agreement:

"**Board**" means the board of directors of the Company.

"**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation pursuant to a reorganization, merger or consolidation, of equity

securities of the Company that in the aggregate represent thirty percent (30%) or more of the total voting power of the Company's then outstanding equity securities;

(b) the acquisition, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation pursuant to a reorganization, merger or consolidation of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that, together with equity securities already held by such person or persons, in the aggregate represent more than fifty percent (50%) of the total fair market value or total voting power of the Company's then outstanding equity securities;

(c) individuals who as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(d) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation, immediately thereafter, own equity securities of the surviving entity representing less than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(e) the acquisition within a twelve (12) month period, directly or indirectly, by any "person" or "persons" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than any corporation pursuant to a reorganization, merger or consolidation, of assets of the Company that have a total gross fair market value equal to or more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately before such acquisition.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Agreement (a) unless the event also constitutes a "change in the ownership or effective control of the corporation or in the ownership of a substantial portion of the assets of the corporation" within the meaning of Code Section 409A(a)(2)(v), or (b) by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

"**Limited Partnership Agreement**" means the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereto.

EXHIBIT 1

VESTING SCHEDULE

The Profits Interest Units shall become Vested Profits Interest Units on the next annual meeting of stockholders of the Company after the Grant Date (the "**Vesting Date**"), provided the Recipient remains at all times a director, employee, or consultant of the Company or an Affiliate from the Grant Date to such Vesting Date. Profits Interest Units which are not vested shall become Vested Profits Interest Units if before the Vesting Date (1) the Recipient ceases to be a director, employee, or consultant of the Company due to death or Disability, (2) a Change in Control occurs while the Recipient remains a director, employee, or consultant of the Company or an Affiliate or (3) an event approved by the Committee as resulting in vesting occurs. Except as provided above, Profits Interest Units which are not Vested Profits Interest Units at the time that the Recipient ceases to be a director, employee, or consultant of the Company or an Affiliate shall be forfeited to the Company.

EXHIBIT 2

Representations and Warranties of the Recipient

In connection with the grant of the Profits Interest Units pursuant to the Agreement, the Recipient hereby represents and warrants to the Partnership that:

1. The Recipient is acquiring the Profits Interest Units for the Recipient's own account with the present intention of holding the Profits Interest Units for investment purposes and not with a view to distribute or sell the Profits Interest Units, except in compliance with federal securities laws or applicable securities laws of other jurisdictions;

2. The Recipient acknowledges that the Profits Interest Units have not been registered under the Securities Act of 1933 (the "**1933 Act**") or applicable securities laws of other jurisdictions and that the Profits Interest Units will be issued to the Recipient in reliance on exemptions from the registration requirements provided by Sections 3(b) or 4(2) of the 1933 Act and the rules and regulations promulgated thereunder and applicable securities laws of other jurisdictions and in reliance on the Recipient's representations and agreements contained herein;

3. The Recipient is a director of an Affiliate of the Partnership;

4. The Recipient acknowledges that the Profits Interest Units are subject to the restrictions contained in the Limited Partnership Agreement, and the Recipient has received and reviewed a copy of the Limited Partnership Agreement;

5. The Recipient has had the opportunity to ask questions of and receive answers from the Partnership and any person acting on its behalf concerning the terms and conditions of the Profits Interest Units awarded hereunder and has had full access to such other information concerning the Partnership and its Affiliates as the Recipient may have requested in making the Recipient's decision to invest in the Profits Interest Units being issued hereunder;

6. The Recipient has such knowledge and experience in financial and business matters that the Recipient is capable of evaluating the merits and risks of the acquisition of the Profits Interest Units hereunder and the Recipient is able to bear the economic risk, if any, of such acquisition;

7. The Recipient has only relied on the advice of, or has consulted with, the Recipient's own legal, financial and tax advisors, and the determination of the Recipient to acquire the Profits Interest Units pursuant to this Agreement has been made by the Recipient independent of any statements or opinions as to the advisability of such acquisition or as to the properties, business, prospects or condition (financial or otherwise) of the Partnership or its Affiliates which may have been made or given by any other person or by any agent or employee of such person and independent of the fact that any other person has decided to become a holder of Profits Interest Units;

8. None of the Partnership or any of its Affiliates has made any representation or agreement to the Recipient with respect to the income tax consequences of the issuance, ownership or vesting of Profits Interest Units or the transactions contemplated by this Agreement (including without limitation the making of an election under Code Section 83(b)), and the Recipient is in no

manner relying on the Partnership or any Affiliate or their representatives for an assessment of tax consequences to the Recipient. The Recipient is advised to consult with the Recipient's own tax advisor with respect to the tax consequences;

9. The Recipient is not acquiring the Profits Interest Units as a result of, or subsequent to, any publicly disseminated advertisement, article, sales literature, publication, broadcast or any public seminar or meeting or any solicitation nor is the Recipient aware of any offers made to other persons by such means;

10. The Recipient understands and agrees that if certificates representing the Profits Interest Units are issued, such certificates may bear such restrictive legends as the Partnership or its legal counsel may deem necessary or advisable under applicable law or pursuant to this Agreement;

11. The Profits Interest Units cannot be offered for sale, sold or transferred by the Recipient other than pursuant to: (i) an effective registration under the 1933 Act or in a transaction otherwise in compliance with the 1933 Act; and (ii) evidence satisfactory to the Partnership of compliance with the applicable securities laws of other jurisdictions. The Partnership shall be entitled to rely upon an opinion of counsel satisfactory to it with respect to compliance with the above laws;

12. The Partnership shall be under no obligation to register the Profits Interest Units or to comply with any exemption available for sale of the Profits Interest Units without registration or filing; and

13. The Recipient agrees to furnish any additional information requested to assure compliance with applicable securities laws in connection with the issuance or holding of Profits Interest Units. The Recipient acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with applicable federal and state laws. Notwithstanding anything to the contrary herein, the Plan shall be administered and the grant of Profits Interest Units is made only in such manner as to conform to such laws. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws. By execution below, the Recipient acknowledges that the Recipient has received a copy of the Agreement, the Limited Partnership Agreement and the Plan.

RECIPIENT

Signature	Date	Name

EXHIBIT 3

SECTION 83(b) ELECTION

The undersigned hereby elects to be taxed pursuant to Section 83(b) of the Internal Revenue Code of 1986 (the "Code") with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. **The name, address and taxpayer identification number of the undersigned is:**

_____

_____

_____

Taxpayer I.D. No.: _____

2. **Description of property with respect to which the election is being made:**

_____Profits Interest Units of OHI Healthcare Properties Limited Partnership (the "**Profits Interest Units**," defined in the OHI Healthcare Properties Limited Partnership as "LTIP Units").

3. **The date on which the property was transferred:**

The Profits Interest Units were transferred on [GRANT DATE].

4. **The taxable year to which this election relates is calendar year [YEAR].**

5. **The nature of the restriction(s) to which the property is subject is:**

The Profits Interest Units shall vest on specified vesting dates or vesting events subsequent to the property transfer date, provided that the taxpayer continues to perform services for OHI Healthcare Properties Limited Partnership (the "**Partnership**") or an affiliate. In the event the taxpayer ceases to perform services for the Partnership and its affiliates prior to the final vesting date, any unvested Profits Interest Units shall be forfeited back to the Partnership.

6. **Fair Market Value:**

Because the Profits Interest Units constitute a profits interest, the grant of the interest is not taxable under Code Section 83 pursuant to Revenue Procedure 93-27 and Revenue Procedure 2001-43. Therefore, the taxpayer is reporting that the fair market value at the time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made as $0 per Profits Interest Unit.

7. **Amount paid for property:**

The taxpayer did not pay for the Profits Interest Units.

8. **Furnishing statement to the person for whom services are performed:**

A copy of this statement has been furnished to the Partnership.

By: _____ Date: _____

EXHIBIT 4

LETTER AGREEMENT

The undersigned, _____, (the "***Limited Partner***"), OHI Healthcare Properties Limited Partnership (the "***Partnership***"), and Omega Healthcare Investors, Inc., as the Partnership's general partner ("***Omega***" or the "***General Partner***") in connection with the grant of a limited partnership interest in the Partnership to the Limited Partner as of [GRANT DATE] pursuant to that certain Time-Based Profits Interest Units Agreement, made as of [GRANT DATE], by and between the Partnership and the Limited Partner, hereby agree as follows effective as of [GRANT DATE] (the "***Effective Date***"). Capitalized terms used herein without definition will have the meaning assigned to them in the Second Amended and Restated Agreement of OHI Healthcare Properties Limited Partnership, dated as of April 1, 2015, as it may be amended or any successor agreement thereof (the "***Partnership Agreement***"). All "Section" references herein are references to sections of the Partnership Agreement unless otherwise specified.

Notwithstanding anything to the contrary in the Partnership Agreement, the Limited Partner agrees that with respect to the Limited Partner (and its successors and assigns) and any and all LP Units held as of the date hereof and any LP Units acquired hereafter, the last sentence of Section 8.6(a) is deleted in its entirety and replaced with the following (new language bold and double-underlined):

> The Cash Amount shall be payable to the Tendering Partner on the Specified Redemption Date; provided, however, that the Partnership shall be entitled to offset against, and deduct from, the Cash Amount that is payable to the Tendering Partner any amounts payable under or owed by the Tendering Partner pursuant to any security deposit indemnity agreement between the Tendering Partner and the Partnership or any of its Affiliates**; and provided further, that the Partnership shall be entitled, in the General Partner's sole discretion, to reduce the Cash Amount by an administrative allocation amount of up to 1% of the Cash Amount**.

For the avoidance of doubt, Section 8.6(a) as amended above shall apply to any redemption of LP Units by the Limited Partner (and its successors and assigns) after the date hereof, regardless of when any such LP Units were acquired, granted, or received.

Each party to this letter agreement represents and warrants to each other party that (i) the representing party has duly authorized the execution, delivery, and performance of this letter agreement; (ii) the terms of this letter agreement are binding upon, and enforceable against, the representing party, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and to general principles of equity; and (iii) the execution, delivery and performance of this letter agreement by such representing party does not and will not violate any agreement or arrangement to which it is a party or by which it may be bound, or any order or decree to which such party is subject.

Where there is any inconsistency between the terms of this letter agreement, on the one hand, and the Partnership Agreement, or any other document or agreement relating to the Limited Partner's LP Units, on the other hand, the terms of this letter agreement shall prevail.

This letter agreement will be binding upon, and will inure to the benefit of and be enforceable by, the parties and their respective successors and permitted assigns.

This letter agreement may be executed in one or more counterparts, each of which will be deemed an original, and all of which together will constitute one instrument.

Each of the undersigned parties hereto acknowledge and agree that this letter agreement and any subsequent amendment may be executed by electronic signature, which shall have the same legal force and effect as a handwritten signature.

IN WITNESS WHEREOF, the parties hereto have executed this letter agreement effective as of the date first written above.

PARTNERSHIP:

OHI Healthcare Properties Limited Partnership

By: Omega Healthcare Investors, Inc.
Its: General Partner

By: _____
Name: _____
Title: _____

GENERAL PARTNER:

Omega Healthcare Investors, Inc.

By: _____
Name: _____
Title: _____

LIMITED PARTNER:

_____
Name: _____

Exhibit 10.6N

2025 FORM OF

DIRECTOR'S
RESTRICTED STOCK AWARD
PURSUANT TO THE OMEGA HEALTHCARE INVESTORS, INC.
2018 STOCK INCENTIVE PLAN

THIS AWARD is made as of the Grant Date, by Omega Healthcare Investors, Inc. (the "**Company**") to _____ (the "**Recipient**").

Upon and subject to the Terms and Conditions attached hereto and incorporated herein by reference as part of this agreement (the "**Award**"), the Company hereby awards as of the Grant Date to the Recipient the Restricted Shares (the "**Restricted Stock Grant**").

The capitalized terms in Items A through D below shall have the meanings following such terms.

A. "**Grant Date**:" [GRANT DATE].

B. "**Plan**:" (under which Restricted Stock Grant is granted): Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan.

C. "**Restricted Shares**:" _____ shares of the Company's common stock ("**Common Stock**"), subject to adjustment as provided in the attached Terms and Conditions.

D. "**Vesting Schedule**:" The Restricted Shares shall vest according to the Vesting Schedule attached hereto as **Exhibit 1**. The Restricted Shares which have become vested pursuant to the Vesting Schedule are herein referred to as the "**Vested Restricted Shares**."

IN WITNESS WHEREOF, the Company has executed this Award as of the Grant Date set forth above.

OMEGA HEALTHCARE INVESTORS, INC.

By: _____

Title: _____

TERMS AND CONDITIONS TO THE
RESTRICTED STOCK AGREEMENT
PURSUANT TO THE OMEGA HEALTHCARE INVESTORS, INC.
2018 STOCK INCENTIVE PLAN

1. Restricted Shares. The Company shall cause the Restricted Shares to be issued in book-entry form in the name of the Recipient with appropriate notations and stop-transfer instructions reflecting the applicable restrictions in this Agreement. When any portion of the Restricted Shares become Vested Restricted Shares, the Company shall cause the notations regarding the restrictions and stop-transfer instructions as to such portion to be removed. In the event that the Recipient forfeits any of the Restricted Shares, those shares shall automatically be transferred to the Company, without any action by the Recipient, and if the number of Vested Restricted Shares includes a fraction of a share, the Company shall cancel the fractional share, and the Company may pay the Recipient the amount determined by the Company to be the estimated fair market value therefor. In the event of a transaction pursuant to Section 6, the Recipient agrees that any shares of Common Stock or other securities or property issued as a result of any of the foregoing shall be subject to all of the provisions of this Award as if initially granted thereunder.

2. Rights of a Shareholder. During the period before the Restricted Shares vest and as long as they are not forfeited, the Recipient shall be entitled to all rights applicable to shares of Common Stock not so restricted, except as otherwise provided in the Award, including the right to receive dividends paid on Common Stock notwithstanding that all or some of the Restricted Shares may not be Vested Restricted Shares.

3. Withholding. This Section shall not apply if the Recipient is not and has not been an employee of the Company or an Affiliate. To the extent required by law, the Company shall have the right to require the Recipient to remit to the Company an amount sufficient to satisfy any federal, state and local withholding tax requirement, if any, upon the earlier of the vesting of the Restricted Shares or the effective date of an election pursuant to Section 83(b) of the Internal Revenue Code with respect to such Restricted Shares. The Recipient must pay the withholding tax (i) in cash; (ii) by certified check; or (iii) by tendering shares of Common Stock which have been owned by the Recipient prior to the date of exercise having a Fair Market Value equal to the withholding obligation.

4. Restrictions on Transfer of Restricted Shares. Except for the transfer of any Restricted Shares by bequest or inheritance, the Recipient shall not have the right to make or permit to exist any transfer or hypothecation, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title or interest in or to any unvested Restricted Shares. Any such disposition not made in accordance with this Award shall be deemed null and void. Any permitted transferee under this Section shall be bound by the terms of this Award.

5. Additional Restrictions on Transfer.

If for any reason the Restricted Share shall be represented in certificated form prior to becoming Vested Restricted Shares, the certificates evidencing the Restricted Shares shall bear a

notation required under applicable securities laws or otherwise determined by the Company to be appropriate, such as:

TRANSFER IS RESTRICTED

THE SECURITIES EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND FORFEITURE PROVISIONS WHICH ALSO APPLY TO THE TRANSFEREE AS SET FORTH IN A RESTRICTED STOCK AGREEMENT DATED [GRANT DATE], A COPY OF WHICH IS AVAILABLE FROM THE COMPANY. THE SECURITIES EVIDENCED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, OR HYPOTHECATED UNLESS (1) THERE IS AN EFFECTIVE REGISTRATION UNDER SUCH ACT COVERING SUCH SECURITIES, (2) THE TRANSFER IS MADE IN COMPLIANCE WITH RULE 144 PROMULGATED UNDER SUCH ACT, OR (3) THE ISSUER RECEIVES AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE COMPANY, STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT.

6. Change in Capitalization.

(a) The number and kind of unvested Restricted Shares shall be proportionately adjusted for nonreciprocal transactions between the Company and the holders of Common Stock that cause the per share value of the Restricted Shares to change, such as a stock dividend, stock split, spinoff, or rights offering (each an "**Equity Restructuring**"). No fractional shares shall be issued in making such adjustment.

(b) In the event of a merger, consolidation, extraordinary dividend, sale of substantially all of the Company's assets or other material change in the capital structure of the Company, or a tender offer for shares of Common Stock, or other reorganization of the Company, in each case that does not result in an Equity Restructuring, the Compensation Committee shall take such action to make such adjustments with respect to the unvested Restricted Shares, in its sole discretion, determines in good faith is necessary or appropriate, including, without limitation, adjusting the number and class of securities subject to the unvested portion of the Award, substituting cash, other securities, or other property to replace the unvested portion of the Award, or removing of restrictions on unvested Restricted Shares.

(c) All determinations and adjustments made by the Compensation Committee pursuant to this Section will be final and binding on the Recipient. Any action taken by the Compensation Committee need not treat all recipients of awards under the Plan equally.

(d) The existence of the Plan and the Restricted Stock Grant shall not affect the right or power of the Company to make or authorize any adjustment,

reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Company, any issue of debt or equity securities having preferences or priorities as to the Common Stock or the rights thereof, the dissolution or liquidation of the Company, any sale or transfer of all or part of its business or assets, or any other corporate act or proceeding.

7. Governing Laws. This Award shall be construed, administered and enforced according to the laws of the State of Maryland; provided, however, no Restricted Shares shall be issued except, in the reasonable judgment of the Compensation Committee, in compliance with exemptions under applicable state securities laws of the state in which Recipient resides, and/or any other applicable securities laws.

8. Successors. This Award shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and permitted assigns of the parties.

9. Notice. Except as otherwise specified herein, all notices and other communications under this Award shall be in writing and shall be deemed to have been given if personally delivered or if sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the proposed recipient at the last known address of the recipient. Any party may designate any other address to which notices shall be sent by giving notice of the address to the other parties in the same manner as provided herein.

10. Severability. In the event that any one or more of the provisions or portion thereof contained in this Award shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Award, and this Award shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

11. Entire Agreement. Subject to the terms and conditions of the Plan, this Award expresses the entire understanding and agreement of the parties with respect to the subject matter.

12. Headings and Capitalized Terms. Paragraph headings used herein are for convenience of reference only and shall not be considered in construing this Award. Capitalized terms used, but not defined, in this Award shall be given the meaning ascribed to them in the Plan.

13. Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Award, the party or parties who are thereby aggrieved shall have the right to specific performance and injunction in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

14. No Right to Continued Retention. Neither the establishment of the Plan nor the award of Restricted Shares hereunder shall be construed as giving Recipient the right to continued service with the Company or an Affiliate.

EXHIBIT 1

VESTING SCHEDULE

The Restricted Shares shall become 100% vested on the next annual meeting of stockholders of the Company after the Grant Date (the "**Vesting Date**"), provided the Recipient remains at all times a director, employee, or consultant of the Company or an Affiliate from the Grant Date to such Vesting Date. Restricted Shares which are not vested shall become fully vested if before the Vesting Date (1) the Recipient ceases to be a director, employee, or consultant of the Company due to death or Disability, (2) a Change in Control occurs while the Recipient remains a director, employee, or consultant of the Company or an Affiliate or (3) an event approved by the Committee as resulting in vesting occurs. Except as provided above, Restricted Shares which are not vested at the time that the Recipient ceases to be a director, employee, or consultant of the Company or an Affiliate shall be forfeited to the Company.

For purposes of the above schedule, "**Change in Control**" means any one of the following events which occurs following the Grant Date:

(a) the acquisition, directly or indirectly, by any "**person**" or "**persons**" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Company or any employee benefit plan of the Company or an Affiliate, or any corporation pursuant to a reorganization, merger or consolidation, of equity securities of the Company, resulting in such person or persons holding equity securities of the Company that in the aggregate represent thirty percent (30%) or more of the combined ordinary voting power of the Company's then outstanding equity securities;

(b) individuals who as of the date hereof, constitute the Board of Directors (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board of Directors;

(c) a reorganization, merger or consolidation, with respect to which persons who were the holders of equity securities of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own equity securities of the surviving entity representing more than fifty percent (50%) of the combined ordinary voting power of the then outstanding voting securities of the surviving entity; or

(d) a sale, or one or more sales occurring in a twelve-month period, of all or substantially all of the assets of the Company to any third party.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred for purposes of this Award by reason of any actions or events in which the Recipient participates in a capacity other than in his capacity as an officer, employee, or director of the Company or an Affiliate.

Exhibit 10.8

FORM OF EMPLOYMENT AGREEMENT

THIS AGREEMENT (the "**Agreement**") is effective as of January 1, 2025 (the "**Effective Date**"), and is among OHI Asset Management LLC (the "**Company**"), Omega Healthcare Investors, Inc. (the "**Parent**"), and _____ (the "**Executive**").

INTRODUCTION

The Company, the Parent and the Executive are parties to an employment agreement effective January 1, 2020, as amended [**Gourmand, Gupta** - (the "**Prior Employment Agreement**") / **Makode, Pickett, Stephenson** – (the "**Employment Agreement**")]. The Executive [**Gourmand, Gupta** - was / **Makode, Pickett, Stephenson** - is] employed pursuant to the [**Gourmand, Gupta** - Prior Employment Agreement / **Makode, Pickett, Stephenson** – Employment Agreement] [**Gourmand** - as the Senior Vice President, Corporate Strategy and Investor Relations, of the Parent and the Company, and will be; **Gupta** - as the Senior Vice President, Acquisitions and Development, of the Parent and the Company, and will be / **Makode, Pickett, Stephenson** - , and continues to be,] employed as of the Effective Date pursuant to the Agreement as [**Gourmand** - President; **Gupta** – Chief Investment Officer; **Makode** – Chief Legal Officer and General Counsel; **Pickett** – Chief Executive Officer; **Stephenson** – Chief Financial Officer] of the Parent and the Company. [**Gourmand, Gupta** - The Company, the Parent and the Executive now desire to enter into this Agreement to replace and supersede the Prior Employment Agreement. / **Makode, Pickett, Stephenson** – The Company, the Parent and the Executive now desire to refer to this Agreement for ease of reference as it captures the terms of the Employment Agreement and each amendment made thereto.]

NOW, THEREFORE, the parties agree as follows:

1. Terms and Conditions of Employment.

(a) Employment. During the Term, the Company will employ the Executive, and the Executive (i) will serve on a full-time basis as the [**Gourmand** - President; **Gupta** – Chief Investment Officer; **Makode** - Chief Legal Officer and General Counsel; **Pickett** – Chief Executive Officer; **Stephenson** – Chief Financial Officer] of both the Parent and the Company, and (ii) will have such responsibilities and authority as may from time to time be assigned to the Executive by the [**Gourmand, Makode** – Chief Executive Officer; **Gupta, Stephenson** - President; **Pickett** – Board of Directors] of the Parent. In this capacity, Executive will provide unique services to the Parent and the Company. The Executive will report to the [**Gourmand, Makode** – Chief Executive Officer; **Gupta, Stephenson** - President; **Pickett** – Board of Directors] of the Parent. The Executive's primary office will be at the Parent's headquarters in such geographic location within the United States as may be determined by the Parent.

(b) Exclusivity. Throughout the Executive's employment hereunder, the Executive shall devote substantially all of the Executive's time, energy and skill during regular business hours to the performance of the duties of the Executive's employment, shall faithfully and industriously perform such duties, and shall diligently follow and implement all management policies and

decisions of the Parent; provided, however, that this provision is not intended to prevent the Executive from managing [her/his] investments, so long as [she/he] gives [her/his] duties to the Parent and the Company first priority and such investment activities do not interfere with [her/his] performance of duties for the Parent and the Company. Notwithstanding the foregoing, other than with regard to the Executive's duties to the Parent and the Company, the Executive will not accept any other employment during the Term, perform any consulting services during the Term, or serve on the board of directors or governing body of any other for-profit business or any nonprofit business with annual revenue of greater than $5 million or that is engaged in the Business of the Company or provision of healthcare services, except with the prior written consent of the [Chief Executive Officer / **Pickett only** – Board of Directors] of the Parent and subject to compliance with this Subsection; provided that the Executive may serve on the board of directors or governing body of the charities disclosed on Exhibit A hereto, subject to compliance with this Subsection. Further, the Executive has disclosed on Exhibit A hereto, all of [her/his] nonpublic company healthcare related investments, and agrees not to make any investments during the Term hereof except as a passive investor. The Executive agrees during the Term not to own, directly or indirectly, equity securities of any public healthcare related company (excluding the Parent) that represent five percent (5%) or more of the value or voting power of the equity securities of such company. Executive agrees that, during the Term, [she/he] shall not own any investment or serve in any capacity with any organization that interferes with or conflicts with the Executive's duties hereunder or creates a potential business or fiduciary conflict of interest that violates the Company's code of conduct or other applicable Company policies.

2. Compensation.

(a) Base Salary. The Company shall pay the Executive base salary of $_____ per annum as of January 1, 2025, which base salary will be subject to review effective as of January 1, 2026, and at least annually thereafter by the Compensation Committee of the Board of Directors of the Parent (the "**Compensation Committee**") for possible increases. The base salary shall be payable in equal installments, no less frequently than twice per month, in accordance with the Company's regular payroll practices.

(b) Bonus.

(i) The Executive shall be eligible to earn from the Company an annual cash bonus with respect to performance for years in and after which the Effective Date falls of [125%, 75 and 50% / **Pickett only** - 200%, 125% and 100%], respectively, of the Executive's annual base salary for high, target and threshold performance, respectively (the "**Bonus**"), which Bonus, if any, shall be payable (A) promptly following the availability to the Company of the required data to calculate the Bonus for the year for which the Bonus is earned (which data may in the Compensation Committee's discretion include audited financial statements), and (B) by no later than March 15 of the year following the year for which the Bonus is earned.

(ii) The Bonus metrics, the relative weighting of the bonus metrics and the specific threshold, target and high levels of each metric for the 2024 Bonus program for the Company's executive officers have been previously established by the Compensation Committee. The same performance metrics and the weighting, but not the specific

required levels at threshold, target and high, will continue to apply for each subsequent year of the Term unless the Compensation Committee changes the metrics or the weighting by no later than the first ninety (90) days of the year in which such change is to occur. If the Compensation Committee changes the metrics or the weighting with respect to a year, it will communicate the new metrics and the weighting, and the required levels for threshold, target and high performance to the Executive promptly after it approves such changes (which approval must occur no later than the first ninety (90) days of the year in which the change is made or the same metrics, weightings and required levels for threshold, target and high performance utilized in the prior year will continue to be effective). After any such change is made, the changed metrics and the weighting, but not the required levels for threshold, target and high performance, will continue to apply to each subsequent year of the Term, unless the Compensation Committee takes further action to change the metrics or weighting in the same manner described above. Regardless of whether or not the Compensation Committee changes the metrics or the weighting for a year, it will establish the required levels for threshold, target and high performance for the year by no later than the first ninety (90) days of the year; provided, however that if the required levels for threshold, target and high performance for any year are based on objective criteria including, without limitation but by way of example, objective criteria contained in the Parent's or the Company's annual budget for the then current year, then such required levels for threshold, target and high performance will be established no later than the later of the first ninety (90) days of the year or the date the Board of Directors of the Parent approves the budget or such other objective criteria upon which such required levels are based. Promptly thereafter, the Compensation Committee will communicate the required levels for threshold, target and high performance for the year to the Executive. All required levels for threshold, target and high performance for any year that are based on objective criteria of the type contained in the Parent's or the Company's budget will be based on the Parent's or the Company's budget for the subject year that has been approved by the Board of Directors of the Parent.

(iii) If the Executive terminates employment during a calendar year due to death or Disability, the Executive will be eligible for (A) a Bonus for any completed calendar year of service if the Executive's death or Disability occurs before such Bonus is paid, and (B) a Bonus for the year in which the Executive's death or Disability occurs, prorated based on the number of days the Executive was employed by the Company during such year bears to 365, with each Bonus in Clause (A) or (B) to be payable at approximately the same date that the applicable bonuses for such year are paid to executive officers of the Company who remain employed. In addition, if the Term is not extended beyond the calendar expiration date provided in Section 3(a), the Executive will be eligible for a Bonus for the year in which such calendar expiration date falls if [she/he] remains employed through such calendar expiration date. Except as provided in this Paragraph (iii), the Executive will be eligible for a Bonus for any calendar year only if the Executive remains employed by the Company on the date the Bonus is paid, unless otherwise provided by (I) the terms of the applicable bonus plan, (II) the Parent's and the Company's Policy regarding Retirement Vesting for Omega's Incentive Awards (the "**Retirement Policy**") or (III) the Compensation Committee.

(c) Long-Term Incentive Compensation. The Executive shall be entitled to participate in any long-term incentive compensation program for executive officers generally that is approved by the Compensation Committee.

(d) Expenses. The Executive shall be entitled to be reimbursed in accordance with Company policy for reasonable and necessary expenses incurred by the Executive in connection with the performance of the Executive's duties of employment hereunder; provided, however, the Executive shall, as a condition of such reimbursement, submit verification of the nature and amount of such expenses in accordance with the reasonable reimbursement policies from time to time adopted by the Company. In the case of taxable reimbursements or in-kind benefits that are subject to Section 409A of the Internal Revenue Code, the policy must provide an objectively determinable nondiscretionary definition of expenses eligible for reimbursement or in-kind benefits to be provided, the expense must be incurred or in-kind benefit must be provided during the period that the Executive is employed by or performing services for the Company, unless a different objectively and specifically prescribed period is specified under the applicable policy, the amount of expenses that are eligible for reimbursement or in-kind benefits provided during the Executive's taxable year may not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year, the reimbursement must be paid to the Executive on or before the last day of the Executive's taxable year following the taxable year in which the expense was incurred, and the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(e) Paid Time Off. The Executive shall be entitled to paid time off in accordance with the terms of Company policy.

(f) Benefits. In addition to the benefits payable to the Executive specifically described herein, the Executive shall be entitled to such benefits as generally may be made available to all other executive officers of the Company from time to time; provided, however, that nothing contained herein shall require the establishment or continuation of any particular plan or program.

(g) Withholding. All payments pursuant to this Agreement shall be reduced for any applicable state, local, or federal tax withholding obligations.

(h) Insurance and Indemnification. The Executive shall be entitled to indemnification, including advancement of expenses (if applicable), in accordance with and to the extent provided by the Parent's bylaws and articles of incorporation and the Company's operating agreement, and any separate indemnification agreement, if any. In addition, the Executive shall be covered under the Company's director and officer liability insurance policy.

3. Term, Termination and Termination Payments.

(a) Term. The term of this Agreement (the "**Term**") shall begin as of the Effective Date and shall continue through December 31, 2027, unless sooner terminated pursuant to Section 3(b) hereof.

(b) Termination. This Agreement and the employment of the Executive by the Company hereunder shall only be terminated:

(i) by expiration of the Term;

(ii) by the Company without Cause;

(iii) by the Executive for Good Reason;

(iv) by the Company or the Executive due to the Disability of the Executive;

(v) by the Company for Cause;

(vi) by the Executive for other than Good Reason or Disability, upon at least sixty (60) days prior written notice to the Company;

(vii) upon the death of the Executive; or

(viii) upon the retirement of Executive pursuant to the Retirement Policy, upon at least six (6) months prior written notice to the Company.

Any termination of employment from the Company shall also be deemed to constitute a cessation of services from the Parent and of any and all officer and director positions with all of the Company's Affiliates. Notice of termination by any party shall be given in writing prior to termination and shall specify the basis for termination and the effective date of termination. Further, notice of termination for Cause by the Company or Good Reason by the Executive shall specify the facts alleged to constitute termination for Cause or Good Reason, as applicable. Except as provided in Section 3(c), the Executive shall not be entitled to any rights, payments or benefits after the effective date of the termination of this Agreement, except for:

(A) base salary pursuant to Section 2(a) accrued up to the effective date of termination;

(B) any unpaid earned and accrued Bonus(es), if any, that are payable pursuant to Section 2(b)(iii);

(C) any rights to, amounts due under or vesting of any unvested and outstanding equity awards or grants made by the Parent or any of its Affiliates to Executive, as specified according to the terms and conditions of such awards or grants or pursuant to any plans or documents otherwise governing such awards or grants, including without limitation the Retirement Policy;

(D) pay for accrued but unused vacation that the Company is legally obligated to pay the Executive, if any, and only if the Company is so obligated;

(E) any rights as provided under the terms of any other employee benefit and compensation agreements or plans applicable to the Executive (including without limitation the Retirement Policy);

(F) expenses required to be reimbursed pursuant to Section 2(d);

(G) any rights Executive has under Section 2(h); and

(H) any rights the Executive may have (if any) to workers compensation benefits.

(c) Termination by the Company without Cause or by the Executive for Good Reason.

(i) If the employment of the Executive is terminated by the Company without Cause or by the Executive for Good Reason, the Executive shall receive from the Company, in addition to the rights and amounts described in Section 3(b):

(A) payment of an amount equal to [**Gourmand, Gupta, Stephenson** – two; **Makode** – one and one-half; **Pickett** - three] times the sum of (i) [her/his] base salary pursuant to Section 2(a) hereof, plus (ii) an amount equal to the Executive's "Average Annual Bonus", which for purposes of this Agreement, shall equal the average annual Bonus (treating for all purposes of this definition any Bonus of $0 for a year as being a deemed payment) paid to the Executive by the Company or the Parent for the three most recently completed calendar years prior to termination of employment; provided, however, that if the Executive's termination of employment occurs before the Bonus, if any, for the most recently completed calendar year is payable, then the averaging will be determined by reference to the three most recently completed calendar years before that calendar year; and

(B) payment of 100% of the applicable monthly COBRA premium under the Company's (or its affiliate's) group health plan for the coverage elected by the Executive, [her/his] spouse and [her/his] eligible dependents, continued for the lesser of (i) eighteen (18) months or (ii) until such COBRA coverage for the Executive (or [her/his] spouse or dependents) terminates, which the Company shall pay directly to its group health plan insurer on the Executive's behalf; provided however if such payment would violate applicable law or result in liability or penalties under applicable law, the Company shall instead pay the Executive a taxable amount equal to the amount of each such monthly premium, with one-half of each monthly premium being added to each of the two installment payments in Section 3(c)(ii) for such month until all such required taxable amounts have been paid.

(ii) The cash amounts to be paid in Section 3(c)(i)(A) shall be paid in substantially equal installments not less frequently than twice per month over the [**Gourmand, Gupta, Stephenson** – twenty-four (24); **Makode** – eighteen (18); **Pickett** – thirty-six (36)] month period commencing as of the date of termination of employment, provided that, the first payment shall be made sixty (60) days following termination of employment and shall include all payments accrued from the date of termination of employment to the date of the first payment; provided, however, if the Executive is a "specified employee" within the meaning of Section 409A of the Internal Revenue Code, as amended (the "**Code**"), at the date of [her/his] termination of employment then, to the extent required to avoid a tax under Code Section 409A, payments which would otherwise have been made during the first six (6) months after termination of employment shall be withheld and paid to the Executive

during the seventh month following the date of [her/his] termination of employment. For purposes of Code Section 409A, each installment payment described in the preceding sentence shall be treated as a separate payment, effective for any termination of employment occurring on or after January 1, 2022 to the extent such provision does not trigger a tax under Code Section 409A.

(iii) Notwithstanding the foregoing, if the total payments to be paid to the Executive hereunder, along with any other payments to the Executive, would result in the Executive being subject to the excise tax imposed by Code Section 4999, the Company shall reduce the aggregate payments to the largest amount which can be paid to the Executive without triggering the excise tax, but only if and to the extent that such reduction would result in the Executive retaining larger aggregate after-tax payments. The determination of the excise tax and the aggregate after-tax payments to be received by the Executive will be made by the Company after consultation with its advisors and in material compliance with applicable law. For this purpose, the parties agree that the payments provided for in Section 3(c)(i) are intended to be reasonable compensation for refraining from performing services after termination of employment (i.e., the Executive's obligations pursuant to Sections 4, 5 and 6) to the maximum extent possible, and if necessary or desirable, the Company will retain a valuator or consultant to determine the amount constituting reasonable compensation. If payments are to be reduced, to the extent permissible under Code Section 4999, payments will be reduced in a manner that maximizes the after-tax economic benefit to the Executive and to the extent consistent with that objective, in the following order of precedence: (A) first, payments will be reduced in order of those with the highest ratio of value for purposes of the calculation of the parachute payment to projected actual taxable compensation to those with the lowest such ratio, (B) second, cash payments will be reduced before non-cash payments, and (C) third, payments to be made latest in time will be reduced first. Any reduction will be made in a manner that is intended to avoid a tax being incurred under Code Section 409A.

(iv) If (A) the Term is not extended beyond the calendar expiration date provided in Section 3(a), or (B) the Term is not extended beyond the calendar expiration date provided in Section 3(a) and the Company or the Executive terminates the Executive's employment upon or following expiration of the Term, such termination shall not be deemed to be a termination of the Executive's employment by the Company without Cause or a resignation by Executive for Good Reason.

(v) Notwithstanding any other provision hereof, as a condition to the payment of the amounts in this Section, the Executive shall be required to execute and not revoke within the revocation period provided therein, the Release. The Company shall provide the Release for the Executive's execution in sufficient time so that if the Executive timely executes and returns the Release, the revocation period will expire before the date the Executive is required to begin to receive payment pursuant to Section 3(c)(ii).

(d) Survival. The covenants in Section 3 hereof shall survive the termination of this Agreement and shall not be extinguished thereby.

4. Ownership and Protection of Proprietary Information.

The Executive acknowledges that he remains subject to the Intellectual Property Agreement which is attached to this Agreement as Exhibit D (the "**Intellectual Property Agreement**") [**Makode only** – ; provided, however, the provisions of the Intellectual Property Agreement shall apply only to the extent not prohibited to apply to the Executive by the rules of professional conduct of any State Bar or other Bar association of which she is a member].

5. Cooperation.

Upon the receipt of reasonable notice from the Company (including outside counsel), the Executive agrees that while employed by the Company and thereafter, the Executive will respond and provide information, as promptly as reasonably practicable, with regard to matters in which the Executive has knowledge as a result of the Executive's employment with the Company or the Executive's positions with the Parent, and will provide reasonable assistance to the Company, its Affiliates and their respective representatives in defense of any claims that may be made against the Company or its Affiliates, and will reasonably assist the Company and its Affiliates in the prosecution of any claims that may be made by the Company or its Affiliates, to the extent that such claims may relate to the period of the Executive's employment with the Company (collectively, the '**Claims**'). Except as otherwise provided herein, the Executive agrees to promptly inform the Company if the Executive becomes aware of any lawsuits involving Claims that may be filed or threatened against the Company or its Affiliates. Except as otherwise provided herein, the Executive also agrees to promptly inform the Company (to the extent that the Executive is legally permitted to do so) if the Executive is asked to assist in any investigation of the Company or its Affiliates (or their actions) or another party attempts to obtain information or documents from the Executive (other than in connection with any litigation or other proceeding in which the Executive is a party-in-opposition) with respect to matters the Executive believes in good faith to relate to any investigation of the Company or its Affiliates, in each case, regardless of whether a lawsuit or other proceeding has then been filed against the Company or its Affiliates with respect to such investigation, and shall not so assist or provide such information or documents unless legally required or requested by the Company to do so, provided, that in no event shall this requirement apply to the extent the Executive is filing a charge with, making truthful statements to, cooperating with investigations by, participating in, or assisting others in proceedings before any federal, state, or local governmental agencies (including, without limitation, the U.S. Equal Employment Opportunity Commission, the National Labor Relations Board, the U.S. Securities and Exchange Commission, and the Department of Justice) regarding a possible violation of law or regulation. During the pendency of any litigation or other proceeding involving Claims, the Executive shall not communicate with anyone (other than the Executive's attorneys and tax and/or financial advisors to the extent that the Executive determines in good faith is necessary in connection with the performance of the Executive's duties hereunder or communication with any federal, state, or local governmental agencies regarding an investigation by or proceeding before such agency or a possible violation of law or regulation) regarding a possible securities law violation) with respect to the facts or subject matter of any pending or potential litigation or regulatory or administrative proceeding involving the Company or its Affiliates without giving prior written notice to the Company or the Company's counsel (to the extent that the Executive is legally permitted to do so). Nothing in this Agreement is intended, or will be construed, to in any way impede the Executive from communicating directly with any federal, state, or local

governmental agencies regarding an investigation by or proceeding before such agency or a possible violation of law or regulation, and in the event of such communication, the Executive is not required to notify or seek approval or authorization from the Company or the Company's counsel of such communication. Notwithstanding any provision in this Agreement to the contrary, under 18 U.S.C. §1833(b), 'An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.' Nothing in this Agreement or any Company policy is intended to conflict with this statutory protection, and no director, officer, or member of management of the Company has the authority to impose any rule to the contrary.

6. Non-Competition and Non-Solicitation Provisions; Non-Disparagement.

(a) The Executive agrees that during the Applicable Period, the Executive will not (except on behalf of or with the prior written consent of the Company, which consent may be withheld in Company's sole discretion), within the Area, on [her/his] own behalf, or in the service of or on behalf of others, and whether as an employee, a consultant or otherwise, provide managerial services or management consulting services substantially similar to those Executive provides for the Company or an Affiliate to any Competing Business. As of the Effective Date, the Executive acknowledges and agrees that the Business of the Company is conducted in the Area and the Executive provides services to the Company throughout the Area.

(b) The Executive agrees that during the Applicable Period, [she/he] will not, on [her/his] own behalf or in the service of or on behalf of others, solicit any individual or entity which is an actual client of the Company or any of its Affiliates as of the Determination Date with whom [she/he] had direct material contact while [she/he] was an executive officer of the Parent or the Company, for the purpose of offering services substantially similar to those offered by the Company or an Affiliate.

(c) The Executive agrees that during the Applicable Period, [she/he] will not, on [her/his] own behalf or in the service of or on behalf of others, solicit for employment with a Competing Business any person who is a management level employee of the Company or an Affiliate with whom Executive had contact during the then most recent year of Executive's employment with the Company or the Parent. The Executive shall not be deemed to be in breach of this covenant solely because an employer for whom [she/he] may perform services may solicit, divert, or hire a management level employee of the Company or an Affiliate provided that Executive does not engage in the activity proscribed by the preceding sentence.

(d) The Executive agrees that during the Applicable Period, except to the extent required by law, [she/he] will not make any statement (written or oral) that could reasonably be perceived as disparaging to the Company or any person or entity that [she/he] reasonably should

know is an Affiliate, or any of their officers, directors, employees, shareholders, agents or services, other than in the good faith performance of the Executive's duties hereunder or in truthful testimony given in response to a lawful subpoena or similar court or governmental order or in any report protected under the whistleblower provisions of any applicable law or regulation.

(e) In the event that this Section 6 is determined by a court which has jurisdiction to be unenforceable in part or in whole, the court shall be deemed to have the authority to strike or sever any unenforceable provision, or any part thereof or to revise any provision to the minimum extent necessary to render the provision reasonable and then to enforce the provision to the maximum extent permitted by law.

(f) The provisions of this Section 6 shall survive termination of this Agreement, except that if the Executive remains employed by the Company through the calendar expiration date provided in Section 3(a) and the Term expires at such calendar expiration date, and as a result no severance is payable pursuant to Section 3, then the provisions of this Section 6 shall also expire at such calendar expiration date.

(g) [**Makode only** - Notwithstanding any other provision of this Agreement, the provisions of this Section 6 shall apply only to the extent not prohibited to apply to the Executive by the rules of professional conduct of any State Bar or other Bar association of which she is a member during the Applicable Period.]

7. Remedies and Enforceability.

The Executive agrees that the covenants, agreements, and representations contained in Sections 4 through 6 are of the essence of this Agreement; that each of such covenants is reasonable and necessary to protect and preserve the interests and properties of the Company and its Affiliates; that irreparable loss and damage will be suffered by the Company and its Affiliates should the Executive breach any of such covenants and agreements; that each of such covenants and agreements is separate, distinct and severable not only from the other of such covenants and agreements but also from the other and remaining provisions of this Agreement; that the unenforceability of any such covenant or agreement shall not affect the validity or enforceability of any other such covenant or agreements or any other provision or provisions of this Agreement; and that, in addition to other remedies available to it, including, without limitation, termination of the Executive's employment for Cause, the Company and the Parent shall be entitled to seek both temporary and permanent injunctions to prevent a breach or contemplated breach by the Executive of any of such covenants or agreements.

8. Clawback.

The Executive acknowledges that any performance-based incentive compensation paid under this Agreement or otherwise is expressly subject to any applicable compensation, clawback, recoupment or similar policies as may be adopted by the Company or its Affiliates in effect from time to time, including, without limitation, the Omega Healthcare Investors, Inc. Incentive Compensation Recovery Policy appended hereto as Exhibit E, whether adopted before or after the date any agreement or award evidencing such incentive compensation was entered into or granted, or any other clawback rules as may be required by applicable law.

9. Notice.

All notices, requests, demands and other communications required hereunder shall be in writing and shall be deemed to have been duly given if delivered or if mailed, by United States certified or registered mail, prepaid to the party to which the same is directed at the following addresses (or at such other addresses as shall be given in writing by the parties to one another):

If to the Company:	Omega Healthcare Investors, Inc. 303 International Circle Suite 200 Hunt Valley MD 21030 Attn: Chair
If to the Executive:	to the last address the Company has on file for the Executive

Notices delivered in person shall be effective on the date of delivery. Notices delivered by mail as aforesaid shall be effective upon the fourth calendar day subsequent to the postmark date thereof.

10. Miscellaneous.

(a) Assignment. The rights and obligations of the Company and the Parent under this Agreement shall inure to the benefit of the Company's and the Parent's successors and assigns. This Agreement may be assigned by the Company or the Parent to any legal successor to the Company's or the Parent's business or to an entity that purchases all or substantially all of the assets of the Company or the Parent, but not otherwise without the prior written consent of the Executive. In the event the Company or the Parent assigns this Agreement as permitted by this Agreement and the Executive remains employed by the assignee, the "Company" as defined herein will refer to the assignee and the Executive will not be deemed to have terminated employment hereunder until the Executive terminates employment with the assignee. The Executive may not assign this Agreement.

(b) Waiver. The waiver of any breach of this Agreement by any party shall not be effective unless in writing, and no such waiver shall constitute the waiver of the same or another breach on a subsequent occasion.

(c) Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Maryland. The parties agree that any appropriate state or federal court located in Baltimore, Maryland shall have jurisdiction of any case or controversy arising under or in connection with this Agreement and shall be a proper forum in which to adjudicate such case or controversy. The parties consent to the jurisdiction of such courts.

(d) Entire Agreement. [**Gourmand, Gupta** - This Agreement embodies the entire agreement of the parties hereto relating to the subject matter hereof and supersedes the Prior Employment Agreement, all oral agreements, and to the extent inconsistent with the terms hereof, all other written agreements. / **Makode, Pickett, Stephenson** – This Agreement embodies the

entire agreement of the parties hereto relating to the subject matter hereof and supersedes all oral agreements and to the extent inconsistent with the terms hereof, all written agreements other than the Employment Agreement.]

(e) Amendment. This Agreement may not be modified, amended, supplemented or terminated except by a written instrument executed by the parties hereto.

(f) Severability. Each of the covenants and agreements hereinabove contained shall be deemed separate, severable and independent covenants, and in the event that any covenant shall be declared invalid by any court of competent jurisdiction, such invalidity shall not in any manner affect or impair the validity or enforceability of any other part or provision of such covenant or of any other covenant contained herein.

(g) Captions and Section Headings. Except as set forth in Section 11, captions and section headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

(h) No Guarantee of Employment. No provision of this Agreement constitutes a guarantee to employ the Executive for any period of time.

(i) Code Section 409A. All payments provided for in this Agreement are intended to be exempt from Code Section 409A to the maximum extent possible, and any payments that are subject to Code Section 409A are intended to be compliant therewith, and this Agreement shall be construed consistent with such intent. While the Company intends that no payment under this Agreement shall be subject to tax under Code Section 409A, the Company provides no guarantee of tax consequences to the Executive and the Executive shall be responsible for the Executive's own taxes.

11. Definitions.

(a) "**Affiliate**" means any person, firm, corporation, partnership, association or entity that, directly or indirectly or through one or more intermediaries, controls, is controlled by or is under common control with the Company.

(b) "**Applicable Period**" means the period commencing as of the date of this Agreement and ending [**Gourmand, Gupta, Stephenson** – twenty-four (24); **Makode** - eighteen (18); **Pickett** – thirty-six (36)] months after the termination of the Executive's employment with the Company or any of its Affiliates.

(c) "**Area**" means the states, areas and countries listed on Exhibit B hereto and all other states in which the Company or any of its Affiliates owns, acquires, develops, invests in, leases, finances the ownership of, or finances the operation of any skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

(d) "**Business of the Company**" means any business with the primary purpose of leasing assets to healthcare operators, or financing the ownership of or financing the operation of skilled nursing facilities, senior housing, long-term care facilities, assisted living facilities, or other residential healthcare-related real estate.

(e) "**Cause**" the occurrence of any of the following events:

(i) willful refusal by the Executive to follow a lawful direction of the [person in the position to which the Executive reports / **Pickett only** – Board of Directors of the Parent], provided the direction is not materially inconsistent with the duties or responsibilities of the Executive's position, which refusal continues after the [person in the position to which the Executive reports / **Pickett only** – Board of Directors of the Parent] has again given the direction in writing;

(ii) willful misconduct or reckless disregard by the Executive of [her/his] duties or with respect to the interest or material property of the Company or an Affiliate;

(iii) [any breach by the Executive of the Intellectual Property Agreement which causes material harm to the Company or an Affiliate / **Makode only** – any breach by the Executive of a provision of the Intellectual Property Agreement that is applicable to the Executive pursuant to Section 4 of this Agreement which causes material harm to the Company or an Affiliate];

(iv) any act by the Executive of fraud against, material misappropriation from or significant dishonesty to either the Company or an Affiliate, or any other party, but in the latter case only if in the reasonable opinion of at least two-thirds of the members of the Board of Directors of the Parent [**Pickett only** – (excluding the Executive)], such fraud, material misappropriation, or significant dishonesty could reasonably be expected to have a material adverse impact on the Company or its Affiliates;

(v) commission by the Executive of a felony as reasonably determined by at least two-thirds of the members of the Board of Directors of the Parent [**Pickett only** – (excluding the Executive)]; or

(vi) a material breach of this Agreement by the Executive, provided that the nature of such breach shall be set forth with reasonable particularity in a written notice to the Executive who shall have ten (10) days following delivery of such notice to cure such alleged breach, provided that such breach is, in the reasonable discretion of the Board of Directors of the Parent, susceptible to a cure.

(f) "**Competing Business**" means the entities listed below and any person, firm, corporation, joint venture, or other business that is engaged in the Business of the Company:

(i) American Healthcare REIT,
(ii) CareTrust REIT, Inc.,
(iii) Communities Healthcare Trust Incorporated,
(iv) Diversified Healthcare Trust,
(v) Global Medical REIT, Inc.,
(vi) Healthpeak Properties, Inc.,
(vii) Healthcare Realty Trust Incorporated,
(viii) LTC Properties, Inc.,
(ix) Medical Properties Trust, Inc.,
(x) National Health Investors, Inc.,

(xi) Sabra Health Care REIT, Inc.,
(xii) Universal Health Realty Income Trust,
(xiii) Ventas, Inc., and
(xiv) Welltower Inc.

(g) "**Determination Date**" means with respect to determining compliance with a covenant of this Agreement (i) while the Executive remains employed pursuant to this Agreement, the date as of which compliance is being determined, and (ii) after the Executive's termination of employment, the date of Executive's termination of employment.

(h) "**Disability**" means the inability of the Executive to perform the material duties of [her/his] position hereunder due to a physical, mental, or emotional impairment, for a ninety (90) consecutive day period or for aggregate of one hundred eighty (180) days during any three hundred sixty-five (365) day period.

(i) "**Good Reason**" means the occurrence of all of the events listed in either (i) or (ii) below:

(i) (A) the Company or the Parent materially breaches this Agreement, including without limitation, (I) materially diminishing the Executive's responsibilities as [**Gourmand** - President; **Gupta** – Chief Investment Officer; **Makode** - Chief Legal Officer and General Counsel; **Pickett** – Chief Executive Officer; **Stephenson** – Chief Financial Officer] of the Parent, as reasonably modified by the [**Gourmand, Makode** – Chief Executive Officer; **Gupta, Stephenson** – President; **Pickett** – Board of Directors] of the Parent from time to time hereafter, such that the Executive would no longer have responsibilities substantially equivalent to those of other chief _____ officers of companies with similar revenues and market capitalization, (II) reducing Executive's annual base salary or (III) reducing Executive's Bonus opportunity as a percentage of annual base salary below any of the percentage levels at high, threshold and target performance that are provided in Section 2(b)(i);

(B) the Executive gives written notice to the Company of the facts and circumstances constituting the breach of the Agreement within ten (10) days following the occurrence of the breach;

(C) the Company fails to remedy the breach within ten (10) days following the Executive's written notice of the breach; and

(D) the Executive terminates [her/his] employment within thirty (30) days following the Company's failure to remedy the breach; or

(ii) (A) the Company requires the Executive to relocate the Executive's primary place of employment to a new location that is more than fifty (50) miles (calculated using the most direct driving route) from its current location, without the Executive's consent;

(B) the Executive gives written notice to the Company within ten (10) days following receipt of notice of relocation of [her/his] objection to the relocation;

(C) the Company fails to rescind the notice of relocation within ten (10) days following the Executive's written notice; and

(D) the Executive terminates [her/his] employment within thirty (30) days following the Company's failure to rescind the notice.

(j) "**Release**" means a comprehensive release, covenant not to sue, and non-disparagement agreement from the Executive in favor of the Company, its executives, officers, directors, Affiliates, and all related parties, in the form attached hereto as Exhibit C; provided, however, the Company may make any changes to the Release as it determines to be necessary only to ensure that the Release is enforceable under applicable law.

(k) "**Term**" has the meaning as set forth in Section 3(a) hereof.

(l) "**Termination of employment**" and similar terms shall refer solely to a "separation from service" within the meaning of Code Section 409A.

[Remainder of this page left blank intentionally. Signatures appear on the next page.]

IN WITNESS WHEREOF, the Company, the Parent and the Executive have each executed and delivered this Agreement as of the date first shown above.

THE COMPANY:

OHI ASSET MANAGEMENT LLC

By: _____

THE PARENT

OMEGA HEALTHCARE INVESTORS, INC.

By: _____

THE EXECUTIVE:

_____

[Type name here]

EXHIBIT A

Investment	**Ownership**
[None / **Pickett only** – U.S. Wound Care and all related affiliates]	[None / **Pickett only** – Less than 50%]

Charities

[None / **Gupta only** - Alzheimer's Association Greater Maryland Chapter; Foundation for International Medical Relief of Children]

EXHIBIT B

STATES, AREAS AND COUNTRIES

Alabama
Arkansas
Arizona
California
Connecticut
District of Columbia
Florida
Georgia
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
Tennessee
Texas
Vermont
Virginia
Washington
West Virginia
Wisconsin
United Kingdom

EXHIBIT C

RELEASE AGREEMENT PURSUANT TO EMPLOYMENT AGREEMENT

This Agreement (this "**Agreement**") is made this ____ day of ____, 20__, among OHI ASSET MANAGEMENT LLC ("**Employer**"), OMEGA HEALTHCARE INVESTORS, INC. ("**Parent**") and _____ ("**Employee**").

Introduction

Employer, Parent and Employee entered into an Employment Agreement dated _____, 202_ (the "**Employment Agreement**").

The Employment Agreement requires that as a condition to Employer's obligation to pay payments and benefits under Section 3(c) of the Employment Agreement (the "**Severance Benefits**"), Employee must provide a release and agree to certain other conditions as provided herein.

NOW, THEREFORE, the parties agree as follows:

1. **[For Employee under age 40: The effective date of this Agreement shall be the date on which Employee signs this Agreement ("the Effective Date"), at which time this Agreement shall be fully effective and enforceable.]**

   [For Employee age 40 and over or group termination of Employees age 40 and over: Employee has been offered [twenty-one (21) days] [forty-five (45) days if group termination] from receipt of this Agreement within which to consider this Agreement. The effective date of this Agreement shall be the date eight (8) days after the date on which Employee signs this Agreement ("the Effective Date"). For a period of seven (7) days following Employee's execution of this Agreement, Employee may revoke this Agreement, and this Agreement shall not become effective or enforceable until such seven (7) day period has expired. Employee must communicate the desire to revoke this Agreement in writing. Employee understands that [she/he] may sign the Agreement at any time before the expiration of the [twenty-one (21) day] [forty-five (45) day] review period. To the degree Employee chooses not to wait [twenty-one (21) days] [forty-five (45) days] to execute this Agreement, it is because Employee freely and unilaterally chooses to execute this Agreement before that time. Employee's signing of the Agreement triggers the commencement of the seven (7) day revocation period.]

2. In exchange for Employee's execution of this Agreement and in full and complete settlement of any claims as specifically provided in this Agreement, the Employer will provide Employee with the Severance Benefits.

3. **[For Employee age 40 or over or group termination of Employees age 40 and over: Employee acknowledges and agrees that this Agreement is in compliance with the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act and that the releases set forth in this Agreement shall be applicable, without limitation, to any claims brought under these Acts.]**

The release given by Employee in this Agreement is given solely in exchange for the consideration set forth in Section 2 of this Agreement and such consideration is in addition to anything of value that Employee was entitled to receive prior to entering into this Agreement.

Employee has been advised to consult an attorney prior to entering into this Agreement **[For Employee age 40 or over or group termination of Employees age 40 and over: and this provision of the Agreement satisfies the requirement of the Older Workers Benefit Protection Act that Employee be so advised in writing]**.

[For under age 40: Employee has been offered an ample opportunity from receipt of this Agreement within which to consider this Agreement.]

By entering into this Agreement, Employee does not waive any rights or claims that may arise after the date this Agreement is executed.

4. **[For group termination of Employees age 40 and over: Employer has _____ [Employer to describe class, unit, or group of individuals covered by termination program, any eligibility factors, and time limits applicable] and such employees comprise the "Decisional Unit." Attached as "Attachment 1" to this Agreement is a list of ages and job titles of persons in the Decisional Unit who were and who were not selected for termination and the offer of consideration for signing the Agreement.]**

5. This Agreement shall in no way be construed as an admission by Employer or Parent that it has acted wrongfully with respect to Employee or any other person or that Employee has any rights whatsoever against Employer or Parent. Employer and Parent specifically disclaim any liability to or wrongful acts against Employee or any other person on the part of themselves, their employees or their agents.

6. As a material inducement to Employer and Parent to enter into this Agreement, Employee hereby irrevocably releases Employer and Parent and each of the owners, stockholders, predecessors, successors, directors, officers, employees, representatives, attorneys, affiliates (and agents, directors, officers, employees, representatives and attorneys of such affiliates) of Employer and Parent and all persons acting by, through, under or in concert with them (collectively, the "**Releasees**"), from any and all charges, claims, liabilities, agreements, damages, causes of action, suits, costs, losses, debts and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, including, but not limited to, rights arising out of alleged violations of any contracts, express or implied, any covenant of good faith and fair dealing, express or implied, or any

tort, or any legal restrictions on Employer's right to terminate employees, or any federal, state or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991 (race, color, religion, sex, and national origin discrimination); (2) the Employee Retirement Income Security Act ("**ERISA**"); (3) 42 U.S.C. § 1981 (discrimination); (4) the Americans with Disabilities Act (disability discrimination); (5) the Equal Pay Act; **[For Employee age 40 or over or group termination of Employees age 40 and over: (6) the Age Discrimination in Employment Act; (7) the Older Workers Benefit Protection Act;]** (6) Executive Order 11246 (race, color, religion, sex, and national origin discrimination); (7) Executive Order 11141 (age discrimination); (8) Section 503 of the Rehabilitation Act of 1973 (disability discrimination); (9) negligence; (10) negligent hiring and/or negligent retention; (11) intentional or negligent infliction of emotional distress or outrage; (12) defamation; (13) interference with employment; (14) wrongful discharge; (15) invasion of privacy; or (16) violation of any other legal or contractual duty arising under the laws of the State of Maryland or the laws of the United States ("**Claim**" or "**Claims**"), which Employee now has, or claims to have, or which Employee at any time heretofore had, or claimed to have, or which Employee at any time hereinafter may have, or claim to have, against each or any of the Releasees, in each case as to acts or omissions by each or any of the Releasees up to the time Employee signs this Agreement.

7. The release in the preceding paragraph of this Agreement does not apply to any rights, payments or benefits after the effective date of the termination of this Agreement, except for (a) base salary pursuant to Section 2(a) of the Employment Agreement accrued up to the effective date of termination, (b) any unpaid earned and accrued bonus(es), if any, that are payable pursuant to Section 2(b)(iii) of the Employment Agreement, (c) any rights to, amounts due under or vesting of any unvested and outstanding equity awards or grants made by Parent or any of its "Affiliates" (as defined in the Employment Agreement) to Employee, as specified according to the terms and conditions of such awards or grants or pursuant to any plans or documents otherwise governing such awards or grants, including without limitation Parent's and Employer's Policy regarding Retirement Vesting for Omega's Incentive Awards (the "**Retirement Policy**"), (d) pay for accrued but unused vacation that Employer is legally obligated to pay Employee, if any, and only if Employer is so obligated, (e) any rights as provided under the terms of any other employee benefit and compensation agreements or plans applicable to Employee (including without limitation the Retirement Policy), (f) expenses required to be reimbursed pursuant to Section 2(d) of the Employment Agreement, (g) any rights Employee has under Section 2(h) of the Employment Agreement, and (h) any rights the Employee may have (if any) to workers compensation benefits.

8. Employee promises that [she/he] will not make statements disparaging to any of the Releasees other than truthful statements to any federal, state, or local governmental agencies regarding an investigation by or proceeding before such agency or a possible violation of law or regulation. The obligations set forth in the two immediately preceding sentences will expire two years after the Effective Date. Employee will also cooperate with Employer and its affiliates if Employer requests Employee's testimony. To the extent practicable and within the control of Employer, Employer will use reasonable efforts to

schedule the timing of Employee's participation in any such witness activities in a reasonable manner to take into account Employee's then current employment, and will pay the reasonable documented out-of-pocket expenses that Employer pre-approves and that Employee incurs for travel required by Employer with respect to those activities.

9. Except as set forth in this Section, Employee agrees not to disclose the existence or terms of this Agreement to anyone. However, Employee may disclose it to a member of [her/his] immediate family or legal or financial advisors if necessary and on the condition that the family member or advisor similarly does not disclose these terms to anyone. Employee understands that [she/he] will be responsible for any disclosure by a family member or advisor as if [she/he] had disclosed it [herself/himself]. This restriction does not prohibit Employee's disclosure of this Agreement or its terms to the extent necessary during a legal action to enforce this Agreement or to the extent Employee is legally compelled to make a disclosure. However, Employee will notify Employer promptly upon becoming aware of that legal necessity and provide it with reasonable details of that legal necessity. Notwithstanding any other provision hereof, Employee may disclose the existence and terms of this Agreement directly to any federal, state, or local governmental agencies to the extent Employee is communicating with such agency regarding an investigation by or proceeding before such agency or a possible violation of law or regulation, and in the event of such communication, Employee is not required to notify or seek approval or authorization from Employer of such communication.

10. Employee has not filed or caused to be filed any lawsuit, complaint or charge with respect to any Claim [she/he] releases in this Agreement. Employee promises never to file or pursue a lawsuit, complaint or charge based on any Claim released by this Agreement, except that Employee may participate in an investigation or proceeding conducted by an agency of the United States Government or of any state. Notwithstanding the foregoing, Employee is not prohibited from filing a charge with the Equal Employment Opportunity Commission but expressly waives [her/his] right to personal recovery as a result of such charge. Employee also has not assigned or transferred any claim [she/he] is releasing, nor has [she/he] purported to do so. **[<u>For group termination of Employees age 40 and over</u>: Employee covenants and agrees not to institute, or participate in any way in anyone else's actions involved in instituting, any action against any of the members of the Decisional Unit with respect to any Claim released herein.]** Notwithstanding any other provision hereof, Employee is not prohibited from initiating or participating in an investigation or proceeding conducted by any federal, state, or local governmental agencies regarding a possible violation of law or regulation or, other than in connection with a charge filed with the Equal Employment Opportunity Commission, recovering a monetary award for initiating or participating in any such investigation or proceeding.

11. Employer, Parent and Employee agree that the terms of this Agreement shall be final and binding and that this Agreement shall be interpreted, enforced and governed under the laws of the State of Maryland. The provisions of this Agreement can be severed, and if any part of this Agreement is found to be unenforceable, the remainder of this Agreement will continue to be valid and effective.

12. This Agreement sets forth the entire agreement among Employer, Parent and Employee and fully supersedes any and all prior agreements or understandings, written and/or oral, between Employer and Employee pertaining to the subject matter of this Agreement.

13. Employee is solely responsible for the payment of any fees incurred as the result of an attorney reviewing this agreement on behalf of Employee. In any litigation concerning the validity or enforceability of this contract or in any litigation to enforce the provisions of this contract, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs, including court costs and expert witness fees and costs.

Employee's signature below indicates Employee's understanding and agreement with all of the terms in this Agreement.

Employee should take this Agreement home and carefully consider all of its provisions before signing it. **[<u>For Employee age 40 or over or group termination of Employees age 40 and over</u>: Employee may take up to [twenty-one (21) days] [forty-five (45) days if group termination] to decide whether Employee wants to accept and sign this Agreement. Also, if Employee signs this Agreement, Employee will then have an additional seven (7) days in which to revoke Employee's acceptance of this Agreement <u>after</u> Employee has signed it. This Agreement will not be effective or enforceable, nor will any consideration be paid, until after the seven (7) day revocation period has expired.]** Again, Employee is free and encouraged to discuss the contents and advisability of signing this Agreement with an attorney of Employee's choosing.

EMPLOYEE SHOULD READ CAREFULLY. THIS AGREEMENT INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS THROUGH THE EFFECTIVE DATE. EMPLOYEE IS STRONGLY ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING THIS DOCUMENT.

[Remainder of this page left blank intentionally. Signatures appear on the next page.]

IN WITNESS WHEREOF, Employee, Employer and Parent have executed this Agreement effective as of the date first written above.

EMPLOYEE

_____

[Type name here]

_____

Signature

_____

Date Signed

OHI ASSET MANAGEMENT LLC

By: _____

Title: _____

OMEGA HEALTHCARE INVESTORS, INC.

By: _____

Title: _____

ATTACHMENT I

[Insert descriptive name of decisional unit from the Agreement]

<u>Employees Comprising the “Decisional Unit”</u>

Job Title:	Age:	Participating:	Not Participating:

EXHIBIT D

INTELLECTUAL PROPERTY AGREEMENT

EXHIBIT E

INCENTIVE COMPENSATION RECOVERY POLICY

Exhibit 19.1

Omega Healthcare Investors, Inc.
Insider Trading Policy
Approved: January 29, 2025

Omega Healthcare Investors, Inc. (the "**Company**") has adopted this Insider Trading Policy (this "**Policy**") to promote compliance by the Company and its directors, officers and employees with the U.S. federal securities laws that prohibit engaging in transactions in Company Securities (as defined below) (or, in certain instances, other public company entities) while in possession of material non-public information concerning the Company (or any other entity to which the information relates) and also prohibit trading, tipping and making recommendations to trade by virtually any person, including all persons associated with the Company, based on material non-public information (as defined in Part III.C below).

I. Statement of Policy

It is the policy of the Company that no director, officer or employee of the Company (or any other person designated by this Policy or by the Company's Preclearance Officer (as defined below) as subject to this Policy) who is aware of or possesses material non-public information relating to the Company may, directly or indirectly, through Family Members (as defined below) or other persons or entities:

- Engage in transactions in Company Securities, except as otherwise specified in this Policy,
- Recommend that others engage in transactions in Company Securities,
- Disclose material non-public information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, without limitation, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company or
- Assist anyone engaged in the above activities.

In addition, it is the policy of the Company that no director, officer or employee of the Company (or any other person designated by this Policy or by the Company's Preclearance Officer (as defined below) as subject to this Policy) who, in the course of working for the Company, learns of material non-public information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company's securities until the information becomes public or is no longer material.

It is also the policy of the Company that the Company will not engage in transactions in Company Securities while aware of material non-public information relating to the Company or Company Securities.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as an individual's need to raise money for an emergency expenditure), or small transactions, are **not** excepted from this Policy. The securities laws do not recognize any mitigating circumstance. In any event, even the appearance of any improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

For purposes of this Policy, we have appointed each of the Company's (i) Chief Financial Officer and (ii) Chief Legal Officer and General Counsel as "**Preclearance Officers**" of the Company; and either may act in the capacity of Preclearance Officer. However, in the event neither of them has responded to a request for pre-clearance under Part IV. B of this Policy by 5:00 pm Eastern Time on the second business

day after such request is submitted by email, then you may seek pre-clearance from the Company's Chief Executive Officer, who may serve as Preclearance Officer with respect to such pre-clearance request and shall promptly advise the Chief Financial Officer and the Chief Legal Officer and General Counsel of the action taken with respect to such request. Additionally, the Chief Legal Officer and General Counsel is responsible for implementing and overseeing compliance with this Policy. Any material violations of the trading restrictions set forth in this Policy will be reported to the Board of Directors of the Company.

II. Applicability of Policy

This Policy applies to all directors, officers, employees (including temporary employees) and consultants of the Company and its subsidiaries (collectively, "**Company Insiders**"), as well as such Company Insiders' spouses, minor children and adult family members residing with them, other family members who are financially dependent on them, and any entities or accounts that any of them control (the term "control" being defined as the ability to direct the investment activities of such entities or accounts) (collectively, "**Family Members**," and together with Company Insiders, each a "**Covered Person**"). You are responsible for the transactions of Family Members and therefore should make them aware of the need to confer with you before they engage in any transaction in Company Securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. The Company may also determine that other persons who have access to material non-public information should be subject to this Policy.

This Policy applies to all transactions in the Company's securities (collectively referred to in this Policy as "**Company Securities**"), including shares of stock and any other securities that the Company may issue from time to time, such as common stock, preferred stock, warrants and convertible notes and debentures, and stock acquired upon the exercise or vesting of the Company's equity incentive awards (*e.g.*, stock options, restricted stock units), as well as to any forms of derivative securities relating to the Company's stock, whether or not issued by the Company.

This Policy also applies to material non-public information relating to the Company's customers or suppliers, as well as to entities with which the Company is engaged, or is proposing to engage, in a corporate transaction such as a merger, acquisition, sale, joint venture or similar strategic transaction (collectively, "**Business Partners**"), particularly when that information is obtained in the course of employment with, or other services performed on behalf of, the Company. All Covered Persons should treat material non-public information that they possess or of which they are aware about the Company's Business Partners with the same care required with respect to information related directly to the Company and are responsible for making sure that any Family Member or other Covered Person subject to this Policy also complies with this Policy.

III. General Policy

A. Definition of Unlawful Insider Trading

Unlawful insider trading occurs when a person is aware of or possesses material non-public information, whether obtained through their employment or under certain other circumstances to purchase, sell or otherwise trade that company's securities or to provide that information to others outside the company who may trade while aware of or in possession of the information. The prohibitions against insider trading apply to trading, tipping and making recommendations to trade by virtually any person, including all persons associated with the Company, if the information involved is "material" and "non-public." These terms are defined below under Part C. Definition of Material Non-Public Information.

B. Trading on Material Non-Public Information

No Covered Person shall engage in any transaction involving a purchase or sale of Company Securities, including any offer to purchase or offer to sell, during any period that such Covered Person is aware of or possesses material non-public information concerning the Company (or a purchase or sale of the securities of a Business Partner when the Covered Person is aware of or possesses material non-public information concerning that Business Partner). This prohibition applies regardless of whether the Covered Person planned to make the transaction before learning of the material non-public information and applies even though the failure to execute the desired transaction may result in an economic loss or the inability to realize an anticipated profit. The prohibition will remain in effect until two trading days following the date of public disclosure of the material non-public information by the Company (or the Business Partner, as the case may be).

C. Definition of Material Non-Public Information

Information should be regarded as "material" if there is a substantial likelihood that a reasonable investor would consider it important when making a decision to buy, hold or sell a security. Any information that could reasonably affect the price of the security is material. Any such information, whether it is positive or negative, favorable or unfavorable, should be considered material. There is no bright-line test for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances.

It is not possible to define all categories of material information. While it may be difficult under this standard to determine whether particular information is material, there are various categories of non-public information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such non-public information include, but are not limited to:

- Actual financial results prior to public release;
- Projections of future revenues, earnings, losses or other earnings guidance;
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- Major changes in accounting methods or policies;
- A pending or proposed acquisition or merger, leveraged buyout, tender offer or significant purchase of assets;
- A pending or proposed sale or other divestiture of a significant portion of assets or a business;
- A Company restructuring or a significant reduction in force;
- Bank borrowing or other financing transactions outside the Company's ordinary course of business;
- Impending bankruptcy or financial liquidity problems of the Company;
- Financial distress or material changes in the ability of a significant operator to pay its obligations to the Company;

- Events regarding Company Securities (such as establishment of repurchase plans, stock splits, significant increases or decreases in dividends, changes to the rights of stockholders, or public or private sales of new equity or debt securities);

- Pending or threatened significant litigation or government agency investigation, or the resolution of such litigation or investigation;

- Changes in the control or senior management of the Company;

- A significant cybersecurity incident; and

- A change in auditors or notification that an auditor's reports may no longer be relied upon.

In evaluating whether any information is material, you should remember that someone else (including the Securities and Exchange Commission (the "**SEC**") or a U.S. Attorney) will be viewing a securities transaction made by you with the benefit of "20/20 hindsight." If in doubt, you should assume that the information is material or consult with a Preclearance Officer.

"Non-public" information is generally considered to be information that has not been previously disclosed or made available to the general public. You should presume that information is non-public unless it has been widely disseminated (*i.e.*, you can point to its official release or disclosure in a press release, an SEC filing, or other widely available source of information such as a pre-announced earnings conference call or investor conference that is available by webcast on the Company's or Business Partner's, as applicable, website). By contrast, information would not be considered to be widely disseminated if it is available only to the Company's employees. Information is not necessarily public merely because it has been discussed in the press, which will sometimes report rumors, or because it has been covered in a speech to an audience, an interview, a website posting or an article in a magazine.

Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb and react to the information. Information will generally be considered fully absorbed after the second trading day after the information is released, at which time it loses its status as "inside" or non-public information.

D. Tipping

No Covered Person shall disclose ("**tip**") material non-public information to any other person (including their Family Members) or entity, nor shall any Covered Person make recommendations or express opinions as to trading in Company Securities, or securities of Business Partners, while aware of or in possession of material non-public information. This prohibition applies regardless of whether the Covered Person receives any monetary benefit from the "**tippee**" (*i.e*., the person to whom the Covered Person discloses the material non-public information).

E. Confidentiality of Non-Public Information

Non-public information relating to the Company is the property of the Company, and the unauthorized use or disclosure of such information is forbidden. Maintaining the confidentiality of non-public or "inside" information is critical to avoiding improper transactions. Accordingly, Company Insiders should be discreet and not discuss non-public or "inside" information in public places where it can be overheard – such as is often the case in elevators, restaurants, taxis or airplanes or especially on cellular/digital telephones. Such information should be divulged only to persons that have a need to know the information in order to carry out their job responsibilities.

To avoid even the appearance of impropriety, you should refrain from providing advice or making recommendations regarding the purchase or sale of Company Securities, or those of our Business Partners about which you aware of or possesses material non-public information.

F. Post-Termination Application

Sections A through E of Part III of this Policy apply even after a Covered Person's termination of employment with the Company. If an individual is aware or in possession of material non-public information when such individual's employment terminates, that individual may not trade in Company Securities until that information has become public or is no longer material.

IV. Specific Restrictions and Procedures for Trading in Company Securities

To help facilitate compliance with this Policy and applicable securities laws, all Covered Persons are prohibited from engaging in transactions involving the purchase or sale of Company Securities (except as permitted by this Policy) (i) during Blackout Periods (as defined below) and (ii) unless such transaction has been precleared by the Preclearance Officer as described below.

A. Blackout Periods

Quarterly "**Blackout Periods**" start at the end of each calendar quarter and end after the second trading day following the release to the public of the Company's earnings for the relevant fiscal quarter or fiscal year. In other words, Covered Persons may only engage in transactions involving the purchase and sale of Company Securities during a "**Trading Window**" commencing after the second trading day following the date of public disclosure of the Company's full financial results for a particular calendar quarter and continuing until the end of the next calendar quarter.

From time to time, the Company may also require the suspension of trading by some or all Covered Persons at other times because of developments known to the Company and not yet disclosed to the public. In such event, such Covered Persons must not engage in any transaction involving the purchase or sale of Company Securities until notified by the Preclearance Officer of the lifting of the suspension and must not disclose to any other person the fact that a suspension of trading has been implemented or exists.

The purpose behind the Company's Trading Window is to help establish a diligent effort to avoid any improper transaction in Company Securities. However, even during the Trading Window, a Covered Person who is aware of or in possession of material non-public information concerning the Company is prohibited from engaging in transactions involving the purchase or sale of Company Securities until after the second trading day following the date on which such material information is publicly disclosed, whether or not the Company has imposed a suspension of trading on that Covered Person. Trading in Company Securities during the Trading Window should not be considered a "safe harbor," and when in doubt, the Company's Preclearance Officer should be consulted.

The Trading Window may also be extended from time to time by the Company's Preclearance Officer, after consultation with the Chief Executive Officer.

B. Pre-Clearance of All Trades and Certain Gifts

All Covered Persons must comply with the Company's "pre-clearance" process. Specifically, each Covered Person should contact the Preclearance Officer for written approval prior to commencing any transaction in Company Securities and, except as permitted under Section V.C, each Covered Person should contact the Preclearance Officer prior to making any bona fide gift of Company Securities. The Preclearance

Officer may find it necessary, from time to time, to require compliance with the pre-clearance process by consultants and independent contractors, in addition to Covered Persons.

Before requesting pre-clearance for any transaction involving the purchase or sale of Company Securities, the requestor must carefully consider whether he or she may be in possession or aware of material non-public information about the Company. Any Covered Person requesting pre-clearance for any transaction involving the purchase or sale of Company Securities must affirmatively represent the absence of such material non-public information and disclose any relevant facts and circumstances to the Preclearance Officer, and, if the Covered Person is a Section 16 filer (*i.e.*, a director or executive officer), also indicate whether such person has effected any non-exempt "opposite-way" transactions within the past six months. Any Covered Person requesting pre-clearance of any bona fide gift must affirmatively represent the absence of such material non-public information and disclose any relevant facts and circumstances to the Preclearance Officer.

If a pre-clearance request is denied, the requestor must refrain from initiating any transaction in Company Securities **and not inform any other person of the denial**. Transactions that are pre-cleared must be effected within three business days of receipt of pre-clearance and, in all cases, prior to the end of the relevant Trading Window, unless an exemption is granted by the Preclearance Officer. If not effected within this period, each transaction must be re-submitted for pre-clearance. The existence of the foregoing procedures does not in any way obligate the Preclearance Officer to approve any trades or gifts requested by a Covered Person. The Preclearance Officer may reject any requests in the Preclearance Officer's sole discretion.

Even if you receive pre-clearance, and it is during an open Trading Window, neither you, nor any company, trust or entity controlled by you, nor your Family Members, may trade in Company Securities if you are in possession or aware of material, non-public information about the Company. The procedures set forth herein are in addition to the general insider trading policy and are not a substitute therefor.

C. Post-Transaction Notification and SEC Filings

All Section 16 filers must report any transaction in Company Securities (i) to the Company's Preclearance Officer within one business day following the date of the transaction and (ii) to the SEC within two business days following the date of the transaction. Upon request, the Preclearance Officer will assist Section 16 filers preparing and filing the required reports, although reporting persons will be solely responsible for the reports.

D. Rule 10b5-1 Trading Plans

Subject to the Preclearance Officer's prior approval and compliance with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), Covered Persons may design, adopt and enter into written trading plans as contemplated by Rule 10b5-1 under the Exchange Act (each, a "**Trading Plan**"). A Trading Plan that meets the requirements of Rule 10b5-1 may permit the Covered Person to trade in Company Securities during a period in which the Covered Person would otherwise be prohibited from trading by this Policy. A Trading Plan may only be adopted during a Trading Window and when the adopting person is not aware of material non-public information. Any amendment to a Trading Plan will be treated as the adoption of a new Trading Plan for purposes of the prior approval requirements of this Policy.

Once a Trading Plan is adopted, the Covered Person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The

Trading Plan must either specify the amount, pricing and timing of transactions or delegate discretion on these matters to an independent third party. The Trading Plan must include a cooling-off period before trading can commence that, for directors or officers, ends on the later of 90 days after the adoption of the Trading Plan or two business days following the disclosure of the Company's financial results in an SEC periodic report for the fiscal quarter in which the Trading Plan was adopted (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption of the Trading Plan), and for persons other than directors or officers, 30 days following the adoption or modification of a Trading Plan. A person may not enter into overlapping Trading Plans (subject to certain exceptions) and may only enter into one single-trade Trading Plan during any 12-month period (subject to certain exceptions). Directors and officers must include a representation in their Trading Plan certifying that: (i) they are not aware of any material non-public information; and (ii) they are adopting the Trading Plan in good faith and not as part of a plan or scheme to evade the prohibitions in Rule 10b-5 under the Exchange Act. All persons entering into a Trading Plan must act in good faith with respect to that Trading Plan.

The ability to modify a Trading Plan once established is limited, and modification or termination of a Trading Plan is risky. The modification or termination of a Trading Plan may call into question the good faith of the person in entering into the Trading Plan (and therefore may jeopardize the availability of the affirmative defense against insider trading allegations for executed trades under the plan). If a Trading Plan is terminated after it has become effective and before its expiration, the Preclearance Officer will generally not approve a replacement Trading Plan before the next open Trading Window following termination of the prior Trading Plan.

Although a Trading Plan may help insiders avoid liability for insider trading, Rule 10b5-1 does not eliminate other relevant securities law requirements and prohibitions. Therefore, transactions in Company Securities pursuant to a Trading Plan in reliance on Rule 10b5-1 must also comply with the reporting and short-swing profit provisions of applicable securities laws.

E. Event-Specific Trading Restriction Periods

From time to time, an event may occur that is material to the Company and is known only by certain directors, officers and/or employees. The Preclearance Officer may in such instance notify such persons that so long as the event remains material and non-public, such persons may not engage in transactions in Company Securities. In addition, the Company's anticipated financial results may be sufficiently material in a particular quarter that, in the judgment of the Preclearance Officer, designated persons should refrain from trading in Company Securities before the Trading Window closes. In that situation, the Preclearance Officer may notify these persons, without disclosing the reason for the restriction, that they should not trade in Company Securities. The existence of an event-specific trading restriction period or an early closure of the Trading Window will not be announced to the Company as a whole, and should not be communicated to any other person. Even if the Preclearance Officer has not designated you as a person who should not trade due to an event-specific restriction, you should not trade while aware or in possession of material non-public information. Exceptions will not be granted during an event-specific trading restriction period.

F. Exceptions

The requirement for pre-clearance, the quarterly trading restrictions and the event-specific trading restrictions do not apply to those transactions to which this Policy does not apply (specified below under Part V. Permitted Transactions). Further, the requirement for pre-clearance, the quarterly trading restrictions and the event-specific trading restrictions do not apply to transactions conducted pursuant to approved Trading Plans.

G. Additional Prohibited Transactions

Regardless of whether a Covered Person is aware of or in possession of material non-public information, Covered Persons are prohibited from:

- purchasing Company Securities in a margin account (*i.e.*, borrowing to purchase Company Securities other than in connection with cashless exercises of stock options under the Company's equity incentive plans), holding Company Securities in a margin account, or pledging Company Securities as collateral;

- engaging in short sales of Company Securities (*i.e.*, selling securities that you do not own);

- engaging in hedging or monetization transactions with respect to Company Securities, including but not limited to buying or selling puts (*i.e.*, options to sell), calls (*i.e.*, options to purchase), collars, exchange funds, forward sale contracts, and any other similar arrangements or other forms of derivative securities with respect to Company Securities; and

- (applicable only to directors and executive officers of the Company) trading in Company Securities on a short-swing basis (*i.e.*, purchases and sales of the Company Securities within six months) unless the transaction would be exempt from "short swing" liability under Section 16 of the Exchange Act.

H. Use of a Knowledgeable Experienced Stockbroker

Each Company Insider is encouraged to use a knowledgeable experienced stockbroker to engage in transactions in Company Securities. Section 16 filers should make sure that the broker assisting them with their transactions is aware of and familiar with their required filings and other obligations under Section 16 of the Exchange Act and Rule 144 under the Securities Act of 1933, as amended.

V. Permitted Transactions

The following routine transactions, within the limits described, are generally not subject to the restrictions on trading in this Policy. The Company reserves the right, though, to prohibit any such transaction as it, in its sole discretion, deems necessary.

A. Stock and Option Awards

This Policy does not apply to the vesting or settlement of restricted stock, restricted stock units, performance-based restricted stock units, LTIP units or deferred stock units, or the withholding or sale of stock back to the Company to satisfy tax withholding requirements upon vesting. This Policy does apply, however, to any open market sale of stock received upon vesting of stock and unit grants.

This Policy does not apply to the exercise of any employee stock options, whereby a Covered Person pays out-of-pocket to exercise and hold the stock, or to the "net exercise" of a tax withholding right pursuant to which a Covered Person elects to have the Company withhold stock subject to an option to satisfy tax-withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

B. Transactions with the Company

Any other purchases of Company Securities from the Company or sales of Company Securities to the Company are not subject to this Policy.

C. Bona Fide Gifts by Certain Covered Persons

Bona fide gifts by Covered Persons (other than Section 16 filers) are not subject to this Policy, unless the Covered Person making the gift has reason to believe that the recipient intends to sell the Company Securities while the Covered Person is aware of material non-public information, or the Covered Person has reason to believe that the recipient intends to sell the Company Securities during a Blackout Period. Section 16 filers should seek pre-clearance for gifts to avoid potential issues with beneficial ownership reporting.

VI. Potential Criminal and Civil Liability and/or Disciplinary Action

A. Liability for Insider Trading

In addition to disgorgement of any profits realized (or payment for any losses avoided), persons who engage in transactions in Company Securities while in possession of material non-public information may be subject to (i) civil penalties of up to three times the profit gained or loss avoided, and (ii) criminal fines and penalties of up to $5,000,000 and up to 20 years in prison.

B. Liability for Tipping

Insiders may also be liable for improper transactions by any person (commonly referred to as "**tippee**") to whom they have disclosed material non-public information regarding the Company or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in Company Securities. The SEC has imposed large penalties even when the disclosing person did not profit financially from the trading. The SEC and the stock exchanges use sophisticated electronic surveillance techniques to uncover insider trading.

C. Disciplinary Actions

The Company's commitment to comply with securities laws is a core principle. Violation of this Policy will result in corrective or disciplinary action, up to and including termination of engagement or service. Such actions may also include, for example, ineligibility for future participation in the Company's equity incentive or bonus plans, compensation reduction or other monetary penalties.

VII. Prevention of Insider Trading by Others

The SEC also has authority under the federal securities laws to bring a civil action against any "controlling person" who knows of, or recklessly disregards, a likely insider trading violation by a person under his or her control and fails to take appropriate steps to prevent the violation from occurring. A successful action against the Company or supervisory party by the SEC under this provision can result in a civil fine equal to the greater of $1 million or three times the profit gained or loss avoided, and a criminal penalty of up to $25 million.

The Company, its directors and officers, and some supervisory personnel, could be deemed "controlling persons" subject to potential liability. Accordingly, it is incumbent on these persons to maintain an awareness of possible insider trading violations by persons under their control and to take measures where appropriate to prevent such violations. In the event anyone becomes aware of the possibility of such a violation, he or she should contact the Company's Preclearance Officer immediately.

VIII. Inquiries and Assistance

Any person who has any questions about this Policy or a specific transaction may obtain guidance from the Company's Preclearance Officer.

The ultimate responsibility for adhering to this Policy and avoiding improper transactions rests with you. In this regard, it is imperative that you use your best judgment.

Exhibit 21.1

Subsidiaries of the Registrant, as of December 31, 2024

	Subsidiary Name	Home State
1.	11900 East Artesia Boulevard, LLC	California
2.	1200 Ely Street Holdings Co. LLC	Michigan
3.	13922 Cerise Avenue, LLC	California
4.	1628 B Street, LLC	California
5.	22 – 26 Southeast Sixth Street, LLC	Delaware
6.	2400 Parkside Drive, LLC	California
7.	2425 Teller Avenue, LLC	Colorado
8.	245 East Wilshire Avenue, LLC	California
9.	3232 Artesia Real Estate, LLC	California
10.	3806 Clayton Road, LLC	California
11.	42235 County Road Holdings Co. LLC	Michigan
12.	446 Sycamore Road, LP (f/k/a 446 Sycamore Road, L.L.C.)	Delaware
13.	523 Hayes Lane, LLC	California
14.	637 East Romie Lane, LLC	California
15.	Abingdon Court Care Limited	United Kingdom
16.	Alamogordo Aviv, L.L.C.	New Mexico
17.	Albany Street Property, L.L.C.	Delaware
18.	Arma Yates, L.L.C.	Delaware
19.	Appletree Court Care Limited	United Kingdom
20.	Avery Street Property, L.L.C.	Delaware
21.	Aviv Financing I, L.L.C.	Delaware
22.	Aviv Financing II, L.L.C.	Delaware
23.	Aviv Financing III, L.L.C.	Delaware
24.	Aviv Financing IV, L.L.C.	Delaware
25.	Aviv Financing V, L.L.C.	Delaware
26.	Aviv Financing VI, L.L.C.	Delaware
27.	Aviv Foothills, L.L.C.	Delaware
28.	Aviv Healthcare Properties Operating Partnership I, L.P.	Delaware
29.	Aviv Liberty, L.L.C.	Delaware
30.	Aviv OP Limited Partner, L.L.C.	Delaware
31.	Bala Cynwyd Real Estate, LP	Pennsylvania
32.	Bayside Street II, LLC	Delaware
33.	Bayside Street, LLC	Maryland
34.	Bethel ALF Property, L.L.C.	Delaware
35.	BHG Aviv, L.L.C.	Delaware
36.	Biglerville Road, L.L.C.	Delaware
37.	Bond Healthcare Holdings Limited	United Kingdom
38.	Bond Healthcare Midco Limited	United Kingdom
39.	Bond Propco Limited	United Kingdom
40.	Bonham Texas, L.L.C.	Delaware
41.	Brentwood Propco, LLC	Delaware
42.	Brewster ALF Property, L.L.C.	Delaware
43.	Burton NH Property, L.L.C.	Delaware
44.	California Aviv Two, L.L.C.	Delaware

	Subsidiary Name	Home State
45.	California Aviv, LP (f/k/a California Aviv, L.L.C.)	Delaware
46.	Camas Associates, L.L.C.	Delaware
47.	Canton Health Care Land, LLC	Ohio
48.	Carnegie Gardens LLC	Delaware
49.	Casa/Sierra California Associates, LP (f/k/a Casa/Sierra California Associates, L.L.C.)	Delaware
50.	Cedar Court (Cranleigh) Care Limited	United Kingdom
51.	Chardon Ohio Property Holdings, L.L.C.	Delaware
52.	Chardon Ohio Property, L.L.C.	Delaware
53.	Chatham Aviv, L.L.C.	Delaware
54.	Chestnut Court Care Limited	United Kingdom
55.	Chippewa Valley, L.L.C.	Illinois
56.	CHR Bartow LLC	Delaware
57.	CHR Boca Raton LLC	Delaware
58.	CHR Bradenton LLC	Delaware
59.	CHR Cape Coral LLC	Delaware
60.	CHR Clearwater Highland LLC	Delaware
61.	CHR Clearwater LLC	Delaware
62.	CHR Fort Myers LLC	Delaware
63.	CHR Fort Walton Beach LLC	Delaware
64.	CHR Gulfport LLC	Delaware
65.	CHR Hudson LLC	Delaware
66.	CHR Lake Wales LLC	Delaware
67.	CHR Lakeland LLC	Delaware
68.	CHR Panama City LLC	Delaware
69.	CHR Pompano Beach Broward LLC	Delaware
70.	CHR Pompano Beach LLC	Delaware
71.	CHR Sanford LLC	Delaware
72.	CHR Sarasota LLC	Delaware
73.	CHR Spring Hill LLC	Delaware
74.	CHR St. Pete Abbey LLC	Delaware
75.	CHR St. Pete Bay LLC	Delaware
76.	CHR St. Pete Egret LLC	Delaware
77.	CHR Tampa Carrollwood LLC	Delaware
78.	CHR Tampa LLC	Delaware
79.	CHR Tarpon Springs LLC	Delaware
80.	CHR Titusville LLC	Delaware
81.	CHR West Palm Beach LLC	Delaware
82.	Cindat Ice Portfolio Holding, LP	Cayman Islands
83.	Cindat Ice Portfolio JV GP Limited	Cayman Islands
84.	Cindat Ice Portfolio Lender, LP	Cayman Islands
85.	Cindat Ice Portfolio Holding Limited	Cayman Islands
86.	Clarkston Care, L.L.C.	Delaware
87.	Clayton Associates, L.L.C.	New Mexico
88.	Colonial Gardens, LLC	Ohio
89.	Colorado Lessor - Conifer, LLC	Maryland

	Subsidiary Name	Home State
90.	Columbus Texas Aviv, L.L.C.	Delaware
91.	Columbus Western Avenue, L.L.C.	Delaware
92.	Colville Washington Property, L.L.C.	Delaware
93.	Commerce Nursing Homes, L.L.C.	Illinois
94.	Commerce Sterling Hart Drive, L.L.C.	Delaware
95.	Conroe Rigby Owen Road, L.L.C.	Delaware
96.	CR Aviv, L.L.C.	Delaware
97.	Crete Plus Five Property, L.L.C.	Delaware
98.	Crooked River Road, L.L.C.	Delaware
99.	CSE Albany LLC	Delaware
100.	CSE Amarillo LLC	Delaware
101.	CSE Arden L.P.	Delaware
102.	CSE Augusta LLC	Delaware
103.	CSE Bedford LLC	Delaware
104.	CSE Blountville LLC	Delaware
105.	CSE Bolivar LLC	Delaware
106.	CSE Cambridge LLC	Delaware
107.	CSE Cambridge Realty LLC	Delaware
108.	CSE Camden LLC	Delaware
109.	CSE Canton LLC	Delaware
110.	CSE Casablanca Holdings II LLC	Delaware
111.	CSE Casablanca Holdings LLC	Delaware
112.	CSE Cedar Rapids LLC	Delaware
113.	CSE Chelmsford LLC	Delaware
114.	CSE Corpus North LLC	Delaware
115.	CSE Denver Iliff LLC	Delaware
116.	CSE Denver LLC	Delaware
117.	CSE Elkton LLC	Delaware
118.	CSE Elkton Realty LLC	Delaware
119.	CSE Fort Wayne LLC	Delaware
120.	CSE Georgetown LLC	Delaware
121.	CSE Hilliard LLC	Delaware
122.	CSE Huntingdon LLC	Delaware
123.	CSE Indianapolis-Greenbriar LLC	Delaware
124.	CSE Jefferson City LLC	Delaware
125.	CSE Jeffersonville-Hillcrest Center LLC	Delaware
126.	CSE Kerrville LLC	Delaware
127.	CSE Knightdale L.P.	Delaware
128.	CSE Lake City LLC	Delaware
129.	CSE Lake Worth LLC	Delaware
130.	CSE Lakewood LLC	Delaware
131.	CSE Lenoir L.P.	Delaware
132.	CSE Lexington Park LLC	Delaware
133.	CSE Lexington Park Realty LLC	Delaware
134.	CSE Ligonier LLC	Delaware
135.	CSE Live Oak LLC	Delaware
136.	CSE Lowell LLC	Delaware

	Subsidiary Name	Home State
137.	CSE Marianna Holdings LLC	Delaware
138.	CSE Memphis LLC	Delaware
139.	CSE North Carolina Holdings I LLC	Delaware
140.	CSE North Carolina Holdings II LLC	Delaware
141.	CSE Orange Park LLC	Delaware
142.	CSE Orlando-Pinar Terrace Manor LLC	Delaware
143.	CSE Orlando-Terra Vista Rehab LLC	Delaware
144.	CSE Pennsylvania Holdings, LP	Delaware
145.	CSE Pilot Point LLC	Delaware
146.	CSE Pine View LLC	Delaware
147.	CSE Ponca City LLC	Delaware
148.	CSE Port St. Lucie LLC	Delaware
149.	CSE Richmond LLC	Delaware
150.	CSE Ripley LLC	Delaware
151.	CSE Shawnee LLC	Delaware
152.	CSE Stillwater LLC	Delaware
153.	CSE Taylorsville LLC	Delaware
154.	CSE Texas City LLC	Delaware
155.	CSE The Village LLC	Delaware
156.	CSE Upland LLC	Delaware
157.	CSE Walnut Cove L.P.	Delaware
158.	CSE West Point LLC	Delaware
159.	CSE Williamsport LLC	Delaware
160.	CSE Winter Haven LLC	Delaware
161.	CSE Woodfin L.P.	Delaware
162.	Cuyahoga Falls Property II, L.L.C.	Delaware
163.	Cuyahoga Falls Property, L.L.C.	Delaware
164.	Dallas Two Property, L.L.C.	Delaware
165.	Danbury ALF Property, L.L.C.	Delaware
166.	Darien ALF Property, L.L.C.	Delaware
167. s	Deansgate Lane Management Company Limited	United Kingdom
168.	Delta Investors I, LLC	Maryland
169.	Delta Investors II, LLC	Maryland
170.	Denison Texas, L.L.C.	Delaware
171.	Desert Lane LLC	Delaware
172.	Dixie White House Nursing Home, LLC	Mississippi
173.	Dixon Health Care Center, LLC	Ohio
174.	East Rollins Street, L.L.C.	Delaware
175.	Edgewood Drive Property, L.L.C.	Delaware
176.	Encanto Senior Care, LLC	Arizona
177.	Everett Holdings 1, LLC	Delaware
178.	Everett Holdings 2, LLC	Delaware
179.	Everett RE Owner LLC	Delaware
180.	Falcon Four Property Holding, L.L.C.	Delaware
181.	Falcon Four Property, L.L.C.	Delaware
182.	Falfurrias Texas, L.L.C.	Delaware

	Subsidiary Name	Home State
183.	FC Encore Albemarle, LLC	North Carolina
184.	FC Encore Andrews, LLC	North Carolina
185.	FC Encore Archdale, LLC	North Carolina
186.	FC Encore Bossier City I, LLC	Louisiana
187.	FC Encore Bossier City II, LLC	Louisiana
188.	FC Encore Bradenton, LLC	Florida
189.	FC Encore Brandon, LLC	Florida
190.	FC Encore Brooksville I, LLC	Florida
191.	FC Encore Brooksville II, LLC	Florida
192.	FC Encore Callaway, LLC	Florida
193.	FC Encore Cape Coral, LLC	Florida
194.	FC Encore Cary, LLC	North Carolina
195.	FC Encore Charlotte, LLC	North Carolina
196.	FC Encore Core Properties, LLC	Delaware
197.	FC Encore Crestview, LLC	Florida
198.	FC Encore Deltona, LLC	Florida
199.	FC Encore Destin, LLC	Florida
200.	FC Encore Dunedin, LLC	Florida
201.	FC Encore Englewood, LLC	Florida
202.	FC Encore Ferriday, LLC	Louisiana
203.	FC Encore Fort Myers, LLC	Florida
204.	FC Encore Franklinton, LLC	Louisiana
205.	FC Encore Green Cove Springs, LLC	Florida
206.	FC Encore Holdco I LLC	Delaware
207.	FC Encore Holdco II LLC	Delaware
208.	FC Encore Hollywood, LLC	Florida
209.	FC Encore Kannapolis, LLC	North Carolina
210.	FC Encore Lake Mary, LLC	Florida
211.	FC Encore Lakeland, LLC	Florida
212.	FC Encore Lecanto, LLC	Florida
213.	FC Encore Master Landlord A, LLC	Delaware
214.	FC Encore McComb, LLC	Mississippi
215.	FC Encore Meridian, LLC	Mississippi
216.	FC Encore Merritt Island, LLC	Florida
217.	FC Encore Naples, LLC	Florida
218.	FC Encore Natchez, LLC	Mississippi
219.	FC Encore Orlando, LLC	Florida
220.	FC Encore Palm Bay, LLC	Florida
221.	FC Encore Palm Coast, LLC	Florida
222.	FC Encore Pensacola, LLC	Florida
223.	FC Encore Perry, LLC	Florida
224.	FC Encore Pompano Beach, LLC	Florida

	Subsidiary Name	Home State
225.	FC Encore Properties A, LLC	Delaware
226.	FC Encore Properties B Holdco, LLC	Delaware
227.	FC Encore Properties B, LLC	Delaware
228.	FC Encore Properties H, LLC	Delaware
229.	FC Encore Properties HK, LLC	Delaware
230.	FC Encore Rutherfordton, LLC	North Carolina
231.	FC Encore S. Daytona, LLC	Florida
232.	FC Encore St. Cloud, LLC	Florida
233.	FC Encore Starkville, LLC	Mississippi
234.	FC Encore Tallahassee I, LLC	Florida
235.	FC Encore Tampa, LLC	Florida
236.	FC Encore Titusville, LLC	Florida
237.	FC Encore Union, LLC	Mississippi
238.	FC Encore Venice, LLC	Florida
239.	FC Encore W. Palm Beach, LLC	Florida
240.	FC Encore Winona, LLC	Mississippi
241.	FC Encore Winter Garden, LLC	Florida
242.	FC Encore Yadkinville, LLC	North Carolina
243.	Financing VI Healthcare Property, LP	Delaware
244.	Florida Lessor - Meadowview, LLC	Maryland
245.	Florida Real Estate Company, LLC	Florida
246.	Fort Stockton Property, L.L.C.	Delaware
247.	Fredericksburg South Adams Street, L.L.C.	Delaware
248.	Freewater Oregon, L.L.C.	Delaware
249.	Fullerton California, LP (f/k/a Fullerton California, L.L.C.)	Delaware
250.	G&L Gardens, L.L.C.	Arizona
251.	Gardnerville Property, L.L.C.	Delaware
252.	Georgia Lessor - Bonterra/Parkview, LLC	Maryland
253.	Giltex Care, L.L.C.	Delaware
254.	Golden Hill Real Estate Company, LLC	California
255.	Gonzales Texas Property, L.L.C.	Delaware
256.	Great Bend Property, L.L.C.	Delaware
257.	Greenbough, LLC	Delaware
258.	Hazleton Holdings 1, LLC	Delaware
259.	Hazleton Holdings 2, LLC	Delaware
260.	Hazleton RE Owner LLC	Delaware
261.	Heritage Monterey Associates, LP (f/k/a Heritage Monterey Associates, L.L.C.)	Delaware
262.	HHM Aviv, L.L.C.	Delaware
263.	Highfield (Saffron Walden) Care Limited	United Kingdom
264.	Hot Springs Atrium Owner, LLC	Delaware
265.	Hot Springs Cottages Owner, LLC	Delaware
266.	Hot Springs Marina Owner, LLC	Delaware
267.	Houston Texas Aviv, L.L.C.	Delaware

	Subsidiary Name	Home State
268.	Hutchinson Kansas, L.L.C.	Delaware
269.	Hutton I Land, LLC	Ohio
270.	Hutton II Land, LLC	Ohio
271.	Hutton III Land, LLC	Ohio
272.	Ice Manchester Propco Limited	United Kingdom
273.	Ice Manchester Subco Limited	United Kingdom
274.	Ice UK Investments (Jersey), Ltd	Jersey
275.	Ice UK Investments Holdings, Ltd	United Kingdom
276.	Ice UK Investments, Ltd	United Kingdom
277.	Ice UK Properties (MMPL), Ltd	United Kingdom
278.	Idaho Associates, L.L.C.	Illinois
279.	Indiana Lessor - Wellington Manor, LLC	Maryland
280.	Iowa Lincoln County Property, L.L.C.	Delaware
281.	Kansas Five Property, L.L.C.	Delaware
282.	Karan Associates Two, L.L.C.	Delaware
283.	Karan Associates, L.L.C.	Delaware
284.	Karissa Court Property, L.L.C.	Delaware
285.	KB Northwest Associates, L.L.C.	Delaware
286.	Kents Hill Care Limited	United Kingdom
287.	Kentucky NH Properties, L.L.C.	Delaware
288.	Kingsville Texas, L.L.C.	Delaware
289.	LAD I Real Estate Company, LLC	Delaware
290.	Lakeway Realty, L.L.C.	Delaware
291.	Leatherman 90-1, LLC	Ohio
292.	Leatherman Partnership 89-1, LLC	Ohio
293.	Leatherman Partnership 89-2, LLC	Ohio
294.	Long Term Care Associates – Texas, Inc.	Texas
295.	Magnolia Drive Property, L.L.C.	Delaware
296.	Manor Associates, L.L.C.	Delaware
297.	MC Real Co Regent Court, LLC	Delaware
298.	MC Real Co The Ridge, LLC	Delaware
299.	McCarthy Street Property, L.L.C.	Delaware
300.	MedEquities OP GP, LLC	Delaware
301.	MedEquities Realty Operating Partnership, LP	Delaware
302.	MER Lakeway Investments, LLC	Texas
303.	Meridian Arms Land, LLC	Ohio
304.	Mifflin Holdings 1, LLC	Delaware
305.	Mifflin Holdings 2, LLC	Delaware
306.	Mifflin RE Owner LLC	Delaware
307.	Mishawaka Property, L.L.C.	Delaware
308.	Missouri Associates, L.L.C.	Delaware
309.	Missouri Regency Associates, L.L.C.	Delaware
310.	Montana Associates, L.L.C.	Illinois
311.	MRT of Amarillo TX-1st Mortgage IRF LLC	Delaware
312.	MRT of Andersonville TN - PRTF LLC	Delaware
313.	MRT of Boise ID - IPH, LLC	Delaware

	Subsidiary Name	Home State
314.	MRT of Brookville IN - SNF LLC	Delaware
315.	MRT of Brownsville TX - MOB LLC	Delaware
316.	MRT of Brownwood TX - SNF, LLC	Delaware
317.	MRT of Dallas TX - Adora Midtown SNF, LLC	Delaware
318.	MRT of El Paso TX - SNF, LLC	Delaware
319.	MRT of Fort Worth TX - SNF, LLC	Delaware
320.	MRT of Graham TX - SNF, LLC	Delaware
321.	MRT of Houston TX - East Freeway ACH, LLC	Delaware
322.	MRT of Kaufman TX - SNF, LLC	Delaware
323.	MRT of Kemp TX - SNF, LLC	Delaware
324.	MRT of Kentfield CA - LTACH, LP (f/k/a MRT of Kentfield CA - LTACH, LLC)	Delaware
325.	MRT of Kerens TX - SNF, LLC	Delaware
326.	MRT of La Mesa CA - SNF, LP (f/k/a MRT of La Mesa CA - SNF, LLC)	Delaware
327.	MRT of Lakeway TX - ACH, LLC	Delaware
328.	MRT of Las Vegas NV - ACH, LLC	Delaware
329.	MRT of Las Vegas NV - LTACH, LLC	Delaware
330.	MRT of Liberty IN - SNF LLC	Delaware
331.	MRT of Longview TX - SNF, LLC	Delaware
332.	MRT of Mt. Pleasant TX, SNF, LLC	Delaware
333.	MRT of National City CA - SNF I, LP (f/k/a MRT of National City CA - SNF I, LLC)	Delaware
334.	MRT of National City CA - SNF II, LP (f/k/a MRT of National City CA - SNF II, LLC)	Delaware
335.	MRT of Nevada- ATF LLC	Delaware
336.	MRT of New Albany IN - IRF, LLC	Delaware
337.	MRT of San Antonio TX - SNF I, LLC	Delaware
338.	MRT of San Antonio TX - SNF II, LLC	Delaware
339.	MRT of San Diego CA - SNF, LP (f/k/a MRT of San Diego CA - SNF, LLC)	Delaware
340.	MRT of Spartanburg SC - SNF, LLC	Delaware
341.	MRT of Springfield MA- 1st Mortgage ACH, LLC	Delaware
342.	MRT of Stockton CA - IRF, LP (f/k/a MRT of Stockton CA - IRF, LLC) (f/k/a MRT of Berne IN – SNF, LLC)	Delaware
343.	MRT of Texas- ATF LLC	Delaware
344.	MRT of Tolland CT- SNF, LLC	Delaware
345.	MRT of Upland CA - SNF/ALF, LLC (f/k/a MRT of Upland CA - SNF/ALF, LLC)	Delaware
346.	MRT of Webster TX - IMF LLC	Delaware
347.	Muscatine Toledo Properties, L.L.C.	Delaware
348.	N.M. Bloomfield Three Plus One Limited Company	New Mexico

	Subsidiary Name	Home State
349.	N.M. Lordsburg Three Plus One Limited Company	New Mexico
350.	N.M. Silver City Three Plus One Limited Company	New Mexico
351.	New Hampshire Asset Co., LLC	Ohio
352.	New Hope Property, L.L.C.	Delaware
353.	New Pond Village PropCo LLC	Delaware
354.	Newtown ALF Property, L.L.C.	Delaware
355.	North Las Vegas LLC	Delaware
356.	North Royalton Ohio Property, L.L.C.	Delaware
357.	Norwalk ALF Property, L.L.C.	Delaware
358.	NRS Ventures, L.L.C.	Delaware
359.	Ocean Springs Nursing Home, LLC	Mississippi
360.	October Associates, L.L.C.	Delaware
361.	OHI (Connecticut), LLC	Connecticut
362.	OHI (Indiana), LLC	Indiana
363.	OHI ACG Holdings Ltd (f/k/a Akari Care Group Limited) (f/k/a BC2 Limited)	United Kingdom
364.	OHI Acton Ltd	United Kingdom
365.	OHI Akari Properties Ltd (f/k/a Nilerace Limited)	United Kingdom
366.	OHI Asset - Oregon Trail JV Member, LLC	Delaware
367.	OHI Asset (AR) Ash Flat, LLC	Delaware
368.	OHI Asset (AR) Camden, LLC	Delaware
369.	OHI Asset (AR) Conway, LLC	Delaware
370.	OHI Asset (AR) Des Arc, LLC	Delaware
371.	OHI Asset (AR) Hot Springs, LLC	Delaware
372.	OHI Asset (AR) Malvern, LLC	Delaware
373.	OHI Asset (AR) Pocahontas, LLC	Delaware
374.	OHI Asset (AR) Sheridan, LLC	Delaware
375.	OHI Asset (AZ) Austin House, LLC	Delaware
376.	OHI Asset (AZ) Tucson – 7500 North Calle Sin Envidia, LLC	Delaware
377.	OHI Asset (CA) Murrieta, LLC	Delaware
378.	OHI Asset (CA), LLC	Delaware
379.	OHI Asset (CO) Brighton, LLC	Delaware
380.	OHI Asset (CO) Denver, LLC	Delaware
381.	OHI Asset (CO) Mesa, LLC	Delaware
382.	OHI Asset (CO), LLC	Delaware
383.	OHI Asset (CT) Lender, LLC	Delaware
384.	OHI Asset (CT) Southport, LLC	Delaware
385.	OHI Asset (DC) 2100 Massachusetts Avenue, LLC	Delaware
386.	OHI Asset (DC) Holdco, LLC	Delaware
387.	OHI Asset (FL) Boynton Beach, LLC	Delaware
388.	OHI Asset (FL) DeFuniak Springs, LLC	Delaware
389.	OHI Asset (FL) Eustis, LLC	Delaware
390.	OHI Asset (FL) Fort Myers, LLC	Delaware
391.	OHI Asset (FL) Graceville, LLC	Delaware

	Subsidiary Name	Home State
392.	OHI Asset (FL) Homestead, LLC	Delaware
393.	OHI Asset (FL) Jacksonville – 4101 Southpoint Drive, LLC	Delaware
394.	OHI Asset (FL) Jacksonville, LLC	Delaware
395.	OHI Asset (FL) Lake City, LLC (f/k/a OHI Asset (FL) Pasco, LLC)	Delaware
396.	OHI Asset (FL) Lake Placid, LLC	Delaware
397.	OHI Asset (FL) Lakeland, LLC	Delaware
398.	OHI Asset (FL) Lutz, LLC	Delaware
399.	OHI Asset (FL) Marianna, LLC	Delaware
400.	OHI Asset (FL) Melbourne, LLC	Delaware
401.	OHI Asset (FL) Middleburg, LLC	Delaware
402.	OHI Asset (FL) Orange Park, LLC	Delaware
403.	OHI Asset (FL) Ormond Beach, LLC	Delaware
404.	OHI Asset (FL) Panama City, LLC	Florida
405.	OHI Asset (FL) Pensacola - Hillview, LLC	Delaware
406.	OHI Asset (FL) Pensacola, LLC	Delaware
407.	OHI Asset (FL) Pensacola-Nine Mile, LLC	Delaware
408.	OHI Asset (FL) Safety Harbor, LLC	Delaware
409.	OHI Asset (FL) Sebring, LLC	Delaware
410.	OHI Asset (FL) Seminole, LLC	Delaware
411.	OHI Asset (FL) Tallahassee, LLC	Delaware
412.	OHI Asset (FL), LLC	Delaware
413.	OHI Asset (GA) Cordele, LLC	Delaware
414.	OHI Asset (GA) Macon, LLC	Delaware
415.	OHI Asset (GA) Nashville, LLC	Delaware
416.	OHI Asset (GA) Snellville, LLC	Delaware
417.	OHI Asset (GA) Valdosta, LLC	Delaware
418.	OHI Asset (ID), LLC	Delaware
419.	OHI Asset (IL) Orland Park, LLC	Delaware
420.	OHI Asset (IN) American Village, LLC	Delaware
421.	OHI Asset (IN) Anderson, LLC	Delaware
422.	OHI Asset (IN) Beech Grove, LLC	Delaware
423.	OHI Asset (IN) Carmel, LLC	Delaware
424.	OHI Asset (IN) Clarksville - 101 Potters Ln, LLC	Delaware
425.	OHI Asset (IN) Clarksville, LLC	Delaware
426.	OHI Asset (IN) Clinton, LLC	Delaware
427.	OHI Asset (IN) Connersville, LLC	Delaware
428.	OHI Asset (IN) Corydon, LLC	Delaware
429.	OHI Asset (IN) Dyer, LLC	Delaware
430.	OHI Asset (IN) Eagle Valley, LLC	Delaware
431.	OHI Asset (IN) Elkhart, LLC	Delaware
432.	OHI Asset (IN) Forest Creek, LLC	Delaware
433.	OHI Asset (IN) Fort Wayne, LLC	Delaware
434.	OHI Asset (IN) Franklin, LLC	Delaware
435.	OHI Asset (IN) Greenfield, LLC	Delaware
436.	OHI Asset (IN) Greensburg, LLC	Delaware

	Subsidiary Name	Home State
437.	OHI Asset (IN) Greenwood, LLC	Delaware
438.	OHI Asset (IN) Indianapolis - 4102 Shore Dr, LLC	Delaware
439.	OHI Asset (IN) Indianapolis - 4904 War Admiral, LLC	Delaware
440.	OHI Asset (IN) Indianapolis - 5226 E 82nd St, LLC	Delaware
441.	OHI Asset (IN) Indianapolis – 5404 Georgetown Road, LLC (f/k/a OHI Asset (PA) Everett, LLC)	Delaware
442.	OHI Asset (IN) Indianapolis - 7301 E 16th St, LLC	Delaware
443.	OHI Asset (IN) Indianapolis, LLC	Delaware
444.	OHI Asset (IN) Jasper, LLC	Delaware
445.	OHI Asset (IN) Kokomo - 429 W Lincoln Rd, LLC	Delaware
446.	OHI Asset (IN) Kokomo, LLC	Delaware
447.	OHI Asset (IN) Lafayette, LLC	Delaware
448.	OHI Asset (IN) Madison, LLC	Delaware
449.	OHI Asset (IN) Mishawaka, LLC	Delaware
450.	OHI Asset (IN) Monticello, LLC	Delaware
451.	OHI Asset (IN) New Albany, LLC	Delaware
452.	OHI Asset (IN) Noblesville, LLC	Delaware
453.	OHI Asset (IN) Rosewalk, LLC	Delaware
454.	OHI Asset (IN) Salem, LLC	Delaware
455.	OHI Asset (IN) Sellersburg, LLC	Delaware
456.	OHI Asset (IN) Seymour, LLC	Delaware
457.	OHI Asset (IN) Spring Mill, LLC	Delaware
458.	OHI Asset (IN) Terre Haute - 2222 Margaret Ave, LLC	Delaware
459.	OHI Asset (IN) Terre Haute, LLC	Delaware
460.	OHI Asset (IN) Wabash, LLC	Delaware
461.	OHI Asset (IN) Westfield, LLC	Delaware
462.	OHI Asset (IN) Zionsville, LLC	Delaware
463.	OHI Asset (KY) Beattyville, LLC	Delaware
464.	OHI Asset (KY) Louisville - 1120 Cristland, LLC	Delaware
465.	OHI Asset (KY) Louisville - 2529 Six Mile Lane, LLC	Delaware
466.	OHI Asset (KY) Morgantown, LLC	Delaware
467.	OHI Asset (KY) Owensboro, LLC	Delaware
468.	OHI Asset (LA) Center Point, LLC	Delaware
469.	OHI Asset (LA) Jonesville, LLC	Delaware
470.	OHI Asset (LA) Thibodaux, LLC	Delaware
471.	OHI Asset (LA), LLC	Delaware
472.	OHI Asset (MD) Baltimore - 3855 Greenspring, LLC	Delaware
473.	OHI Asset (MD) Baltimore - Pall Mall, LLC	Delaware
474.	OHI Asset (MD) Baltimore - West Belvedere, LLC	Delaware
475.	OHI Asset (MD) Edgewater, LLC	Delaware
476.	OHI Asset (MD) Ellicott City, LLC	Delaware
477.	OHI Asset (MD) Forestville, LLC	Delaware
478.	OHI Asset (MD) Mount Airy, LLC	Delaware
479.	OHI Asset (MD) Salisbury, LLC	Delaware

	Subsidiary Name	Home State
480.	OHI Asset (Meridian) Lender, LLC (f/k/a OHI Asset (FL) TRS, LLC)	Delaware
481.	OHI Asset (MI) Carson City, LLC	Delaware
482.	OHI Asset (MI) Chene, LLC	Delaware
483.	OHI Asset (MI), LLC	Delaware
484.	OHI Asset (MO) Jackson, LLC	Delaware
485.	OHI Asset (MO), LLC	Delaware
486.	OHI Asset (MS) Byhalia, LLC	Delaware
487.	OHI Asset (MS) Cleveland, LLC	Delaware
488.	OHI Asset (MS) Clinton, LLC	Delaware
489.	OHI Asset (MS) Columbia, LLC	Delaware
490.	OHI Asset (MS) Corinth, LLC	Delaware
491.	OHI Asset (MS) Greenwood, LLC	Delaware
492.	OHI Asset (MS) Grenada, LLC	Delaware
493.	OHI Asset (MS) Holly Springs, LLC	Delaware
494.	OHI Asset (MS) Indianola, LLC	Delaware
495.	OHI Asset (MS) Natchez, LLC	Delaware
496.	OHI Asset (MS) Picayune, LLC	Delaware
497.	OHI Asset (MS) Vicksburg, LLC	Delaware
498.	OHI Asset (MS) Yazoo City, LLC	Delaware
499.	OHI Asset (NC) Abbotts Creek, LP	Delaware
500.	OHI Asset (NC) Alleghany, LP	Delaware
501.	OHI Asset (NC) Barco, LP	Delaware
502.	OHI Asset (NC) Biscoe, LP	Delaware
503.	OHI Asset (NC) Cornelius, LP	Delaware
504.	OHI Asset (NC) Drexel, LP	Delaware
505.	OHI Asset (NC) Fayetteville, LP	Delaware
506.	OHI Asset (NC) Financing VI GP, LLC	Delaware
507.	OHI Asset (NC) Fisher St Salisbury, LP	Delaware
508.	OHI Asset (NC) Gastonia, LP	Delaware
509.	OHI Asset (NC) GP, LLC	Delaware
510.	OHI Asset (NC) Hallsboro, LP	Delaware
511.	OHI Asset (NC) Huntersville ALF, LP	Delaware
512.	OHI Asset (NC) Huntersville SNF, LP	Delaware
513.	OHI Asset (NC) Lexington, LP	Delaware
514.	OHI Asset (NC) Marion, LP	Delaware
515.	OHI Asset (NC) Marshville, LP	Delaware
516.	OHI Asset (NC) Matthews, LP	Delaware
517.	OHI Asset (NC) Mocksville - 1007 Howard Street, LP	Delaware
518.	OHI Asset (NC) Mocksville - 1304 Madison Road, LP	Delaware
519.	OHI Asset (NC) Mount Olive, LP	Delaware
520.	OHI Asset (NC) Nashville, LP	Delaware
521.	OHI Asset (NC) Pembroke, LP	Delaware
522.	OHI Asset (NC) QRS GP, LLC	Delaware
523.	OHI Asset (NC) QRS, Inc.	Delaware
524.	OHI Asset (NC) Raeford, LP	Delaware

	Subsidiary Name	Home State
525.	OHI Asset (NC) Rocky Mount - 1558 S. Winstead, LP	Delaware
526.	OHI Asset (NC) Salisbury, LP	Delaware
527.	OHI Asset (NC) Saluda, LP	Delaware
528.	OHI Asset (NC) Shallotte, LP	Delaware
529.	OHI Asset (NC) Siler City, LP	Delaware
530.	OHI Asset (NC) Triad, LP	Delaware
531.	OHI Asset (NC) Wadesboro, LP	Delaware
532.	OHI Asset (NC) Warsaw, LP	Delaware
533.	OHI Asset (NC) Waynesville, LP	Delaware
534.	OHI Asset (NC) Wilmington, LP	Delaware
535.	OHI Asset (NJ) Hillsborough, LLC	Delaware
536.	OHI Asset (NJ) Plainsboro, LLC	Delaware
537.	OHI Asset (NM) Holdings, LLC	Delaware
538.	OHI Asset (NM) Las Cruces, LLC	Delaware
539.	OHI Asset (NY) 2nd Avenue, LLC	Delaware
540.	OHI Asset (NY) 699 92nd St. Preferred, LLC	Delaware
541.	OHI Asset (NY) 93rd Street, LLC	Delaware
542.	OHI Asset (NY) Pleasantville, LLC	Delaware
543.	OHI Asset (OH) Gahanna, LLC	Delaware
544.	OHI Asset (OH) Huber Heights, LLC	Delaware
545.	OHI Asset (OH) New London, LLC	Delaware
546.	OHI Asset (OH) Springfield, LLC (f/k/a OHI Asset (PA) Mifflin, LLC)	Delaware
547.	OHI Asset (OH) Steubenville, LLC	Delaware
548.	OHI Asset (OH) Toledo, LLC	Delaware
549.	OHI Asset (OH) West Carrollton, LLC	Delaware
550.	OHI Asset (OH) West Columbus, LLC	Delaware
551.	OHI Asset (OH), LLC	Delaware
552.	OHI Asset (OR) Monmouth, LLC	Delaware
553.	OHI Asset (OR) Newberg, LLC	Delaware
554.	OHI Asset (OR) Redmond, LLC	Delaware
555.	OHI Asset (OR) Roseburg, LLC	Delaware
556.	OHI Asset (OR) Scappoose, LLC	Delaware
557.	OHI Asset (OR) Troutdale, LLC	Delaware
558.	OHI Asset (OR) Tualatin, LLC	Delaware
559.	OHI Asset (PA) Frackville, LLC	Delaware
560.	OHI Asset (PA) GP, LLC	Delaware
561.	OHI Asset (PA) Holdings, LLC (f/k/a OHI Asset (PA) Hazleton, LLC)	Delaware
562.	OHI Asset (PA) Selinsgrove – 29 Grayson View Court, LLC	Delaware
563.	OHI Asset (PA) West Mifflin, LP	Delaware
564.	OHI Asset (PA), LP	Maryland
565.	OHI Asset (SC) Greenville Cottages, LLC	Delaware
566.	OHI Asset (SC) Greenville, LLC	Delaware
567.	OHI Asset (SC) Greenville - 1306 Pelham Road, LLC	Delaware

	Subsidiary Name	Home State
568.	OHI Asset (SC) Orangeburg, LLC	Delaware
569.	OHI Asset (TN) Bartlett, LLC	Delaware
570.	OHI Asset (TN) Byrdstown, LLC	Delaware
571.	OHI Asset (TN) Cleveland, LLC	Delaware
572.	OHI Asset (TN) Collierville, LLC	Delaware
573.	OHI Asset (TN) Elizabethton, LLC	Delaware
574.	OHI Asset (TN) Erin, LLC	Delaware
575.	OHI Asset (TN) Greeneville, LLC	Delaware
576.	OHI Asset (TN) Harriman, LLC	Delaware
577.	OHI Asset (TN) Jamestown, LLC	Delaware
578.	OHI Asset (TN) Jefferson City, LLC	Delaware
579.	OHI Asset (TN) Kingsport, LLC	Delaware
580.	OHI Asset (TN) Memphis - 1150 Dovecrest, LLC	Delaware
581.	OHI Asset (TN) Monteagle, LLC	Delaware
582.	OHI Asset (TN) Monterey, LLC	Delaware
583.	OHI Asset (TN) Mountain City, LLC	Delaware
584.	OHI Asset (TN) Pigeon Forge, LLC	Delaware
585.	OHI Asset (TN) Ridgely, LLC	Delaware
586.	OHI Asset (TN) Rockwood, LLC	Delaware
587.	OHI Asset (TN) Rogersville - 109 Highway 70 North, LLC	Delaware
588.	OHI Asset (TN) Rogersville, LLC	Delaware
589.	OHI Asset (TN) South Pittsburg, LLC	Delaware
590.	OHI Asset (TN) Spring City, LLC	Delaware
591.	OHI Asset (TN) Westmoreland, LLC	Delaware
592.	OHI Asset (TX) Amarillo, LLC	Delaware
593.	OHI Asset (TX) Austin, LLC	Delaware
594.	OHI Asset (TX) Bedford, LLC	Delaware
595.	OHI Asset (TX) Bertram, LLC	Delaware
596.	OHI Asset (TX) Bryan, LLC	Delaware
597.	OHI Asset (TX) Burleson, LLC	Delaware
598.	OHI Asset (TX) Carthage, LLC	Delaware
599.	OHI Asset (TX) College Station, LLC	Delaware
600.	OHI Asset (TX) Comfort, LLC	Delaware
601.	OHI Asset (TX) Crane, LLC	Delaware
602.	OHI Asset (TX) Diboll, LLC	Delaware
603.	OHI Asset (TX) Eastland, LLC	Delaware
604.	OHI Asset (TX) Georgetown, LLC	Delaware
605.	OHI Asset (TX) Granbury, LLC	Delaware
606.	OHI Asset (TX) Hillsboro, LLC	Delaware
607.	OHI Asset (TX) Hondo, LLC	Delaware
608.	OHI Asset (TX) Houston, LLC	Delaware
609.	OHI Asset (TX) Italy, LLC	Delaware
610.	OHI Asset (TX) Kerrville, LLC	Delaware
611.	OHI Asset (TX) Lakeway – Mob Unit 3B, LLC	Delaware
612.	OHI Asset (TX) Lamesa, LLC	Delaware
613.	OHI Asset (TX) Midland Main, LLC	Delaware

	Subsidiary Name	Home State
614.	OHI Asset (TX) Midland Sage, LLC	Delaware
615.	OHI Asset (TX) Monahans, LLC	Delaware
616.	OHI Asset (TX) Odessa, LLC	Delaware
617.	OHI Asset (TX) Pflugerville, LLC	Delaware
618.	OHI Asset (TX) Portland, LLC	Delaware
619.	OHI Asset (TX) Poteet, LLC	Delaware
620.	OHI Asset (TX) Premont, LLC	Delaware
621.	OHI Asset (TX) Refugio, LLC	Delaware
622.	OHI Asset (TX) San Saba, LLC	Delaware
623.	OHI Asset (TX) Schertz, LLC	Delaware
624.	OHI Asset (TX) Sherman, LLC	Delaware
625.	OHI Asset (TX) Tomball, LLC	Delaware
626.	OHI Asset (TX) Winnsboro, LLC	Delaware
627.	OHI Asset (VA) 11611 Robious Road - Midlothian, LLC	Delaware
628.	OHI Asset (VA) Ashland, LLC	Delaware
629.	OHI Asset (VA) Charlottesville - 1165 Pepsi Place, LLC	Delaware
630.	OHI Asset (VA) Charlottesville, LLC	Delaware
631.	OHI Asset (VA) Chesapeake, LLC	Delaware
632.	OHI Asset (VA) Clarksville, LLC	Delaware
633.	OHI Asset (VA) Farmville, LLC	Delaware
634.	OHI Asset (VA) Galax, LLC	Delaware
635.	OHI Asset (VA) Greenwood-Portsmouth, LLC	Delaware
636.	OHI Asset (VA) Hampton, LLC	Delaware
637.	OHI Asset (VA) Hillsville, LLC	Delaware
638.	OHI Asset (VA) Madison, LLC	Delaware
639.	OHI Asset (VA) Martinsville ALF, LLC	Delaware
640.	OHI Asset (VA) Martinsville SNF, LLC	Delaware
641.	OHI Asset (VA) Mechanicsville, LLC	Delaware
642.	OHI Asset (VA) Midlothian, LLC	Delaware
643.	OHI Asset (VA) Moneta, LLC	Virginia
644.	OHI Asset (VA) Mt Vernon, LLC	Delaware
645.	OHI Asset (VA) Newton-Norfolk, LLC	Delaware
646.	OHI Asset (VA) Norfolk – 3900 Llewellyn, LLC	Delaware
647.	OHI Asset (VA) Norfolk, LLC	Delaware
648.	OHI Asset (VA) Oak Grove, LLC	Delaware
649.	OHI Asset (VA) Parkway Woodbridge, LLC	Delaware
650.	OHI Asset (VA) Portsmouth, LLC	Delaware
651.	OHI Asset (VA) Richmond - 2420 Pemberton Road, LLC	Delaware
652.	OHI Asset (VA) Richmond - 9101 Bon Air, LLC	Delaware
653.	OHI Asset (VA) Rocky Mount, LLC	Delaware
654.	OHI Asset (VA) South Boston, LLC	Delaware
655.	OHI Asset (VA) Suffolk, LLC	Delaware
656.	OHI Asset (VA) Virginia Beach, LLC (f/k/a OHI Asset (VA) Virginia Beach SNF, LLC)	Delaware
657.	OHI Asset (VA) Windermere, LLC	Delaware

	Subsidiary Name	Home State
658.	OHI Asset (WA) Fort Vancouver, LLC	Delaware
659.	OHI Asset (WA) Poulsbo, LLC	Delaware
660.	OHI Asset (WA) Richland, LLC	Delaware
661.	OHI Asset (WA) Vancouver – 17171 Southeast 22nd Drive, LLC	Delaware
662.	OHI Asset (WA) Vancouver – 7900 NE Vancouver Mall Drive, LLC	Delaware
663.	OHI Asset (WV) Bluefield, LLC	Delaware
664.	OHI Asset (WV) Cameron, LLC	Delaware
665.	OHI Asset (WV) Danville, LLC	Delaware
666.	OHI Asset (WV) Gary, LLC	Delaware
667.	OHI Asset (WV) Ivydale, LLC	Delaware
668.	OHI Asset (WV) Jane Lew, LLC	Delaware
669.	OHI Asset (WV) Wayne, LLC	Delaware
670.	OHI Asset AMFM Lender, LLC	Delaware
671.	OHI Asset CHG ALF, LLC	Delaware
672.	OHI Asset C-L, LLC	Delaware
673.	OHI Asset CSB LLC	Delaware
674.	OHI Asset CSE-E Subsidiary, LLC	Delaware
675.	OHI Asset CSE-E, LLC	Delaware
676.	OHI Asset CSE-U Subsidiary, LLC	Delaware
677.	OHI Asset CSE-U, LLC	Delaware
678.	OHI Asset Funding (DE), LLC	Delaware
679.	OHI Asset HUD CFG, LLC	Delaware
680.	OHI Asset HUD Delta, LLC	Delaware
681.	OHI Asset HUD H-F, LLC	Delaware
682.	OHI Asset HUD SF CA, LLC	Delaware
683.	OHI Asset HUD SF, LLC	Delaware
684.	OHI Asset HUD WO, LLC	Delaware
685.	OHI Asset II (CA), LLC	Delaware
686.	OHI Asset II (FL), LLC	Delaware
687.	OHI Asset III (PA), LP	Maryland
688.	OHI Asset IV (PA) Silver Lake, LP	Maryland
689.	OHI Asset Management, LLC	Delaware
690.	OHI Asset Mortgage Lender, LLC (f/k/a OHI Frackville Holdco Two, LLC)	Delaware
691.	OHI Asset Pharmacy Lender, LLC	Delaware
692.	OHI Asset RO, LLC	Delaware
693.	OHI Asset S-A, LLC	Delaware
694.	OHI Asset S-W, LLC	Delaware
695.	OHI Asset TRS WV Lab & Pharmacy Member, LLC	Delaware
696.	OHI Asset, LLC	Delaware
697.	OHI Auburn Hills - Mortgage Lender, LLC	Delaware
698.	OHI Auburn Hills - Participating Members, LLC	Delaware
699.	OHI Auburn Hills - Preferred Member, LLC	Delaware

	Subsidiary Name	Home State
700.	OHI Beaucette (Guernsey) Ltd. (f/k/a Beaucette Property Holdings Limited)	Guernsey
701.	OHI Belsize Properties Ltd	United Kingdom
702.	OHI Brentwood RE, LLC	Delaware
703.	OHI Cannon Care Homes 4 Ltd	United Kingdom
704.	OHI Cannon Care Homes Ltd	United Kingdom
705.	OHI Care Concern Properties Ltd	United Kingdom
706.	OHI Cayman Limited	Cayman Islands
707.	OHI Chapters (Canton-Buford) - Mortgage Lender, LLC	Delaware
708.	OHI Chapters (Canton-Buford) - Participating Member, LLC	Delaware
709.	OHI Chapters (Canton-Buford) - Preferred Member, LLC	Delaware
710.	OHI Check House Ltd	United Kingdom
711.	OHI Corbiere (Guernsey) Ltd. (f/k/a Corbiere Property Holdings Limited)	Guernsey
712.	OHI Crestwood RE, LLC	Delaware
713.	OHI Deanery Ltd	United Kingdom
714.	OHI DIP Lender, LLC	Delaware
715.	OHI Frackville Holdco One, LLC	Delaware
716.	OHI GCH Holdings Ltd (f/k/a Gold Care Holdings Limited)	United Kingdom
717.	OHI Gold Care Properties Ltd	United Kingdom
718.	OHI Hatfield Ltd	United Kingdom
719.	OHI Healthcare Homes Ltd	United Kingdom
720.	OHI Healthcare Homes Properties Ltd	United Kingdom
721.	OHI Healthcare Properties Limited Partnership	Delaware
722.	OHI HUD Mezz Lender, LLC	Delaware
723.	OHI ISNP, LLC	Delaware
724.	OHI Jersey Holdings Ltd	Jersey
725.	OHI MBS (Ohio 9), LLC	Delaware
726.	OHI Mezz Lender, LLC	Delaware
727.	OHI Naples - Mortgage Lender, LLC	Delaware
728.	OHI Naples - Participating Member, LLC	Delaware
729.	OHI Naples - Preferred Member, LLC	Delaware
730.	OHI Nebraska - Participating Member, LLC	Delaware
731.	OHI Nebraska - Preferred Member, LLC	Delaware
732.	OHI NPV - Participating Member, LLC	Delaware
733.	OHI NPV - Preferred Member, LLC	Delaware
734.	OHI Park Lane Croston Park Ltd (f/k/a Park Lane Healthcare (Croston Park) Limited)	United Kingdom
735.	OHI Park Lane Hall Ltd (f/k/a York Heritage (The Hall Thornton Le Dale) Limited)	United Kingdom
736.	OHI Park Lane Magnolia House Ltd (f/k/a Park Lane Healthcare (Magnolia House) Limited)	United Kingdom
737.	OHI Park Lane Moorgate Ltd (f/k/a PLH Moorgate Holdco Limited)	United Kingdom
738.	OHI Park Lane Properties Ltd	United Kingdom
739.	OHI RCA JV Member, LLC	Delaware

	Subsidiary Name	Home State
740.	OHI Roseberry (Jersey) Ltd (f/k/a Healthcare Property Holdings Limited)	Jersey
741.	OHI Silverleigh Ltd	United Kingdom
742.	OHI Springcare Properties Ltd	United Kingdom
743.	OHI St. Martin's Properties Ltd	United Kingdom
744.	OHI Stamford - Mortgage Lender, LLC	Delaware
745.	OHI Stamford - Preferred A Member, LLC	Delaware
746.	OHI Stamford - Preferred B Member, LLC	Delaware
747.	OHI Tradstir	United Kingdom
748.	OHI Tenchley Manor Ltd (f/k/a Cheerhealth (Selsey) Limited)	United Kingdom
749.	OHI Thornfield Care Ltd	United Kingdom
750.	OHI TX JV, LLC	Delaware
751.	OHI UK Healthcare Properties Ltd	United Kingdom
752.	OHI UK Lender LLC	Delaware
753.	OHI UK REIT Fragmentation 1	Delaware
754.	OHI UK REIT Fragmentation 10	Delaware
755.	OHI UK REIT Fragmentation 11	Delaware
756.	OHI UK REIT Fragmentation 2	Delaware
757.	OHI UK REIT Fragmentation 3	Delaware
758.	OHI UK REIT Fragmentation 4	Delaware
759.	OHI UK REIT Fragmentation 5	Delaware
760.	OHI UK REIT Fragmentation 6	Delaware
761.	OHI UK REIT Fragmentation 7	Delaware
762.	OHI UK REIT Fragmentation 8	Delaware
763.	OHI UK REIT Fragmentation 9	Delaware
764.	OHI UK REIT LLC	Delaware
765.	OHI UK REIT TRS LLC	Delaware
766.	OHI Wellford Properties Ltd	United Kingdom
767.	OHI West Drayton Ltd (f/k/a GCH (West Drayton) Ltd)	United Kingdom
768.	OHI-CH Investment, LLC	Delaware
769.	OHI-Chapters Senior Holdings, LLC	Delaware
770.	OHI-CX Investment, LLC	Delaware
771.	OHI-LG Asset Management, LLC	Delaware
772.	OHI-LG Investment, LLC	Delaware
773.	OHIMA, LLC	Massachusetts
774.	OHI-NT Investment, LLC	Delaware
775.	Ohio Aviv Three, L.L.C.	Delaware
776.	Ohio Indiana Property, L.L.C.	Delaware
777.	Ohio Pennsylvania Property, L.L.C.	Delaware
778.	OHI-SY Investment, LLC	Delaware
779.	OHI-TE Investment, LLC	Delaware
780.	OHI-TL Investment, LLC	Delaware
781.	OHI-ZF Investment, LLC (f/k/a OHI-MV Investment, LLC)	Delaware
782.	Oklahoma Warr Wind, L.L.C.	Delaware

	Subsidiary Name	Home State
783.	Omega TRS I, Inc.	Maryland
784.	OMG-FORM Senior Holdings, LLC	Delaware
785.	Orange ALF Property, L.L.C.	Delaware
786.	Orange Village Care Center, LLC	Ohio
787.	Orange, L.L.C.	Illinois
788.	Oregon Associates, L.L.C.	Delaware
789.	Oso Avenue Property, LP (f/k/a Oso Avenue Property, L.L.C.)	Delaware
790.	Ostrom Avenue Property, L.L.C.	Delaware
791.	Palm Valley Senior Care, LLC	Arizona
792.	Panama City Nursing Center LLC	Delaware
793.	Parkview House Care Limited	United Kingdom
794.	Pavillion North Partners, LLC	Pennsylvania
795.	Pavillion Nursing Center North, LLC	Pennsylvania
796.	Peabody Associates Two, L.L.C.	Delaware
797.	Peabody Associates, L.L.C.	Delaware
798.	Pensacola Real Estate Holdings I, LLC	Florida
799.	Pensacola Real Estate Holdings II, LLC	Florida
800.	Pensacola Real Estate Holdings III, LLC	Florida
801.	Pensacola Real Estate Holdings IV, LLC	Florida
802.	Pensacola Real Estate Holdings V, LLC	Florida
803.	Pine View Propco LLC	Delaware
804.	Plainsboro Assisted Living Urban Renewal, LLC (f/k/a Plainsboro Assisted Living Renewal, LLC)	Connecticut
805.	Pocatello Idaho Property, L.L.C.	Delaware
806.	Pomona Vista LP (f/k/a Pomona Vista L.L.C.)	Delaware
807.	Pottsville Holdings 1, LLC	Delaware
808.	Pottsville Holdings 2, LLC	Delaware
809.	Pottsville RE Owner LLC	Delaware
810.	PV Realty-Clinton, LLC	Maryland
811.	PV Realty-Holly Hill, LLC	Maryland
812.	PV Realty-Kensington, LLC	Maryland
813.	PV Realty-Willow Tree, LLC	Maryland
814.	Raton Property Limited Company	New Mexico
815.	Ravenna Ohio Property, L.L.C.	Delaware
816.	Red Rocks, L.L.C.	Illinois
817.	Richland Washington, L.L.C.	Delaware
818.	Ridgecrest Senior Care, LLC	Arizona
819.	Riverside Nursing Home Associates Two, LP (f/k/a Riverside Nursing Home Associates Two, L.L.C.)	Delaware
820.	Riverside Nursing Home Associates, LP (f/k/a Riverside Nursing Home Associates, L.L.C.)	Delaware
821.	Rockingham Drive Property, L.L.C.	Delaware
822.	Rose Baldwin Park Property LP (f/k/a Rose Baldwin Park Property L.L.C.)	Delaware
823.	S.C. Portfolio Property, L.L.C.	Delaware

	Subsidiary Name	Home State
824.	Santa Ana - Bartlett, LP (f/k/a Santa Ana - Bartlett, L.L.C.)	Delaware
825.	Santa Fe Missouri Associates, L.L.C.	Illinois
826.	Sante MC Real Co, LLC	Delaware
827.	Savoy/Bonham Venture, L.L.C.	Delaware
828.	Sedgwick Properties, L.L.C.	Delaware
829.	Seguin Texas Property, L.L.C.	Delaware
830.	Selinsgrove Holdings 1, LLC	Delaware
831.	Selinsgrove Holdings 2, LLC	Delaware
832.	Selinsgrove RE Owner LLC	Delaware
833.	Sierra Ponds Property, LP (f/k/a Sierra Ponds Property, L.L.C.)	Delaware
834.	Skyler Boyington, LLC	Mississippi
835.	Skyler Florida, LLC	Mississippi
836.	Skyler Maitland LLC	Delaware
837.	Skyler Pensacola, LLC	Florida
838.	Southern California Nevada, LP (f/k/a Southern California Nevada, L.L.C.)	Delaware
839.	St Clare Manor Propco, LLC	Louisiana
840.	St. Joseph Missouri Property, L.L.C.	Delaware
841.	St. Mary's Properties, LLC	Ohio
842.	STBA Properties, L.L.C.	Delaware
843.	Stephenville Texas Property, L.L.C.	Delaware
844.	Sterling Acquisition, LLC	Kentucky
845.	Sun-Mesa Properties, L.L.C.	Illinois
846.	Suwanee, LLC	Delaware
847.	Texas Fifteen Property, L.L.C.	Delaware
848.	Texas Four Property, L.L.C.	Delaware
849.	Texas Lessor - Stonegate GP, LLC	Maryland
850.	Texas Lessor - Stonegate Limited, LLC	Maryland
851.	Texas Lessor - Stonegate, LP	Maryland
852.	Texhoma Avenue Property, LP (f/k/a Texhoma Avenue Property, L.L.C.)	Delaware
853.	Trident Encore-U LLC	Delaware
854.	Tujunga, LP (f/k/a Tujunga, L.L.C.)	Delaware
855.	Tulare County Property, LP (f/k/a Tulare County Property, L.L.C.)	Delaware
856.	Twinsburg Ohio Property, L.L.C.	Delaware
857.	VRB Aviv, LP (f/k/a VRB Aviv, L.L.C.)	Delaware
858.	Washington Idaho Property, L.L.C.	Delaware
859.	Washington Lessor - Silverdale, LLC	Maryland
860.	Washington-Oregon Associates, L.L.C.	Illinois
861.	Watauga Associates, L.L.C.	Illinois
862.	Wellington Leasehold, L.L.C.	Delaware

	Subsidiary Name	Home State
863.	West Pearl Street, LP (f/k/a West Pearl Street, L.L.C.)	Delaware
864.	West Yarmouth Property I, L.L.C.	Delaware
865.	West Yarmouth Property II, L.L.C.	Delaware
866.	Westerville Ohio Office Property, L.L.C.	Delaware
867.	Weston ALF Property, L.L.C.	Delaware
868.	Wheeler Healthcare Associates, L.L.C.	Texas
869.	Whitlock Street Property, L.L.C.	Delaware
870.	Wilcare, LLC	Ohio
871.	Willis Texas Aviv, L.L.C.	Delaware
872.	Yuba Aviv, L.L.C.	Delaware

Exhibit 22.1

Subsidiary guarantors of guaranteed securities

From time to time Omega Healthcare Investors, Inc., a Maryland corporation (the "Company"), may issue debt securities under a registration statement on Form S-3 filed with the Securities and Exchange Commission that are fully and unconditionally guaranteed by OHI Healthcare Properties Limited Partnership, a Delaware limited partnership (the "Partnership"). As of December 31, 2024, the Partnership has fully and unconditionally guaranteed the outstanding senior notes of the Company identified below:

- 4.50% Senior Notes due 2025
- 5.250% Senior Notes due 2026
- 4.50% Senior Notes due 2027
- 4.750% Senior Notes due 2028
- 3.625% Senior Notes due 2029
- 3.375% Senior Notes due 2031
- 3.250% Senior Notes due 2033

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Form S-8 Registration Statements (File Nos. 333-272450, 333-225595, 333-189144 and 333-117656) related to the Omega Healthcare Investors, Inc. 2018 Stock Incentive Plan, as amended (formerly known as the Omega Healthcare Investors, Inc. 2013 Stock Incentive Plan, which was formerly known as the 2004 Stock Incentive Plan);
(2) Form S-3 Registration Statement (File No. 333-277916) related to the registration of preferred stock, common stock, and warrants of Omega Healthcare Investors, Inc.;
(3) Form S-3 Registration Statement (File No. 333-282376) related to the registration of debt securities, common stock and preferred stock of Omega Healthcare Investors, Inc. and guarantees of debt securities of OHI Healthcare Properties Limited Partnership;
(4) Form S-8 Registration Statement (File No. 333-234599) related to the Omega Healthcare Investors, Inc. Employee Stock Purchase Plan.

of our reports dated February 13, 2025, with respect to the consolidated financial statements and schedules of Omega Healthcare Investors, Inc. and the effectiveness of internal control over financial reporting of Omega Healthcare Investors, Inc., included in this Annual Report (Form 10-K) of Omega Healthcare Investors, Inc. for the year ended December 31, 2024.

/s/ Ernst & Young LLP

Baltimore, Maryland
February 13, 2025

Exhibit 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Certification

I, C. Taylor Pickett, certify that:

1. I have reviewed this Annual Report on Form 10-K of Omega Healthcare Investors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ C. TAYLOR PICKETT
C. Taylor Pickett
Chief Executive Officer

Exhibit 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION OF CHIEF FINANCIAL OFFICER

Certification

I, Robert O. Stephenson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Omega Healthcare Investors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2025

/s/ ROBERT O. STEPHENSON
Robert O. Stephenson
Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION
OF THE CHIEF EXECUTIVE OFFICER

I, C. Taylor Pickett, Chief Executive Officer of Omega Healthcare Investors, Inc. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

(1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2025

/s/ C. TAYLOR PICKETT
C. Taylor Pickett
Chief Executive Officer

Exhibit 32.2

SECTION 1350 CERTIFICATION
OF THE CHIEF FINANCIAL OFFICER

I, Robert O. Stephenson, Chief Financial Officer of Omega Healthcare Investors, Inc. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

(1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2025

/s/ ROBERT O. STEPHENSON
Robert O. Stephenson
Chief Financial Officer