

Completed Acquisitions by Welltower Inc. of multiple care homes managed by Barchester Healthcare, HC-One, Aria Care (including Asprey) and Danforth Care

Decision that undertakings might be accepted

ME/7137/25

The Competition and Markets Authority’s decision under section 73A(2) of the Enterprise Act 2002 that undertakings might be accepted, given on 21 May 2026. Full text of the decision published on 27 May 2026.

Please note that [X] indicates figures or text which have been deleted or replaced in ranges at the request of the parties for reasons of commercial confidentiality.

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1. INTRODUCTION

1. On 23 and 24 October 2025, Welltower Inc. (**Welltower**) completed its acquisition of the real estate interests in four targets consisting of the following portfolios of care homes in the UK (each a **Target** and together, the **Targets**):
 - (a) 275 care homes managed by Barchester Healthcare (**Barchester**) (the **Barchester Merger**);
 - (b) 279 care homes managed by HC-One (**HC-One**) (the **HC-One Merger**);
 - (c) 68 care homes managed by Aria Care (**Aria**) and two care homes managed by Asprey Healthcare (**Asprey**) (together, the **Aria Merger**); and
 - (d) 25 care homes managed by Danforth Care (**Danforth**) (the **Danforth Merger**),(together the **Mergers**, each considered as a separate relevant merger situation).
2. Each of these Mergers has also involved (or will further involve) an operator-owned management company (including entities directly or indirectly owned by, or affiliated with, Apex Healthcare Properties LLC (**Apex**) and Care UK Care Services Limited (**Care UK**)) acquiring certain operational parts of the Targets. Through these management companies the appointed or retained operators manage on a day-to-day basis the care homes acquired by Welltower.
3. On 7 May 2026, the Competition and Markets Authority (**CMA**) decided under section 22(1) of the Enterprise Act 2002 (the **Act**) that it is or may be the case that (i) four relevant merger situations have been created; and (ii) the creation of each of those situations has resulted, or may be expected to result, in one or more substantial lessening of competition (**SLC**) within a market or markets in the United Kingdom (the **SLC Decision**). Unless otherwise stated, all defined terms are as defined in the SLC Decision.
4. On the date of the SLC Decision, the CMA gave notice pursuant to section 34ZA(1)(b) of the Act to Welltower, Apex and Care UK of the SLC Decision. However, the CMA did not refer the Merger for a phase 2 investigation pursuant to section 22(3)(b) on the date of the SLC Decision in order to allow Welltower and Apex the opportunity to offer undertakings to the CMA in lieu of such reference for the purposes of section 73(2) of the Act.
5. Pursuant to section 73A(1) of the Act, if a party wishes to offer undertakings for the purposes of section 73(2) of the Act, it must do so within the five working day period specified in section 73A(1)(a) of the Act. Accordingly, on 14 May 2026, Welltower and Apex offered undertakings to the CMA for the purposes of section 73(2) of the Act.

6. The CMA now gives notice, pursuant to section 73A(2)(b) of the Act, to Welltower, Apex and Care UK that it considers that there are reasonable grounds for believing that the undertakings offered, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act and that it is considering the offer.

2. THE UNDERTAKINGS OFFERED

7. Under section 73 of the Act, the CMA may, instead of making a reference, and for the purpose of remedying, mitigating or preventing the SLC concerned or any adverse effect which has or may have resulted from it or may be expected to result from it, accept from such of the merger parties concerned as it considers appropriate undertakings to take such action as it considers appropriate.
8. In its investigation of the Mergers, the CMA considered the following theories of harm:
 - (a) Horizontal unilateral effects arising from a loss of local competition in the supply of residential care services for the elderly and, separately the supply of nursing care services for the elderly (**TOH1**); and
 - (b) Horizontal unilateral effects arising from a loss of local operator competition in the supply of residential care services for the elderly and, separately, the supply of nursing care services for the elderly (**TOH2**).
9. The SLC Decision found that:
 - (a) For TOH1: (i) in the supply of residential care services for the elderly there is a realistic prospect of an SLC in the seven local areas in England and Scotland listed in Table 3 and Table 4 of the SLC Decision, arising from the Mergers; and (ii) in the supply of nursing care services for the elderly there is a realistic prospect of an SLC in the 21 local areas in England and Scotland listed in Table 2 in the SLC Decision, arising from the Barchester, HC-One and Aria Mergers; and
 - (b) For TOH2: (i) in the supply of residential care services for the elderly there is a realistic prospect of an SLC in the two local areas in England listed in Table 6 of the SLC Decision, arising from the HC-One Merger; and (ii) in the supply of nursing care services for the elderly there is a realistic prospect of an SLC in the eight local areas in England and Scotland listed in Table 5 of the SLC Decision, arising from the HC-One Merger.
10. In total, given that nursing registered sites can provide both residential and nursing care for the elderly, the Mergers give rise to a realistic prospect of an SLC in 30 local areas across both TOH1 and TOH2 (the **SLC Areas**).

11. The SLC Areas are listed in Annex 2.
12. Welltower has offered to give the following undertakings in lieu of a reference:
 - (a) To address TOH1: Welltower will divest its freehold or leasehold (as applicable) interests in, and the operations of, certain care homes currently operated under a RIDEA structure, listed in Annex 2, Tables 1 and 2 (the **Freehold and Leasehold Divestments**);¹ and
 - (b) To address TOH2: Welltower will change of operators at certain care homes listed in Annex 2, Tables 3 and 4 (the **Reallocated Homes**) (the **Operator Reallocations**).
13. Apex has also offered to give undertakings in lieu of a reference that it will not re-enter into any operator contracts in relation to the Reallocated Homes (including with any new owner where such homes are part of the Freehold and Leasehold Divestments) (the **Apex Undertaking**).
14. The Freehold and Leasehold Divestments, the Operator Reallocations and the Apex Undertaking are together referred to as the **Proposed Undertakings**.
15. Under the Freehold and Leasehold Divestments, Welltower has also offered (for each divestment) to enter into a purchase agreement with a buyer approved by the CMA before the CMA finally accepts the Proposed Undertakings (**Upfront Buyer Condition**).

3. THE CMA'S PROVISIONAL VIEWS

16. The CMA considers that undertakings in lieu of a reference are appropriate when they are clear-cut and capable of ready implementation. The CMA's starting point when assessing undertakings is to seek an outcome that restores competition to the level that would have prevailed absent the merger. As a general rule, the CMA will seek to resolve competition concerns rather than simply mitigate concerns.² However, it is open to merger parties to persuade the CMA that a proposed remedy that does not directly restore competition to pre-merger levels may nevertheless clearly and comprehensively remove the SLC identified.³
17. The CMA believes that the Proposed Undertakings, or a modified version of them, might be acceptable as a suitable remedy to the SLCs identified by the CMA and appear to amount to a sufficiently clear-cut and effective resolution of the CMA's competition concerns. This is because: (i) the Freehold and Leasehold

¹ Welltower has identified alternative freehold assets which, in the event of any landlord consent issues arising in practice with regard to the leasehold interests indicated in Annex 2, Tables 1 and 2, can form Freehold and Leasehold Divestment care homes as needed.

² [Merger remedies \(CMA87\)](#), December 2025, Chapter 4 (in particular paragraphs 4.3, 4.4 and 4.7).

³ [CMA87](#), Chapter 3 (in particular paragraph 3.5(a) and footnote 13).

Divestments will reduce Welltower's combined share of bed capacity below the 35% decision rule threshold set out in the SLC Decision in the SLC Areas identified under TOH1; (ii) the Operator Reallocations will reduce the relevant operators' combined share of bed capacity below the 35% decision rule threshold set out in the SLC Decision in the SLC Areas identified under TOH2; and (iii) the Apex Undertaking will ensure the Operator Reallocations remain effective following the Freehold and Leasehold Divestments. As such, the Proposed Undertakings, whilst not removing the entire increments caused by the Mergers, may nevertheless be effective in resolving the SLCs and its adverse effects and, in turn, be sufficient to address local competition concerns.⁴

18. The CMA also believes at this stage that the Proposed Undertakings may be capable of ready implementation within the Phase 1 timetable, taking into account the following submissions and evidence from Welltower:
- (a) For each Freehold and Leasehold Divestment home, Welltower will (i) sell the freehold to a third party or obtain landlord/freeholder consent to sell or assign Welltower's leasehold interest (as applicable) and (ii) sell the care home's operating business to the relevant operator (which will take place by way of asset sales and comprise the transfer of all relevant goodwill, fixed assets, moveable assets, contracts, stock, records and employees required to run the care home's operations).⁵
 - (b) Changing the operator of a care home is not atypical in the sector and Welltower has provided evidence of its experience in transferring care home operations from one operator to another.
19. Based on information received in the course of the Phase 1 investigation, the CMA believes that the divestment sites are stand-alone businesses and Welltower has provided evidence that care homes are highly attractive assets for real estate investors and operators (as shown by a number of recent acquisitions of care homes).
20. The risks associated with the Freehold and Leasehold Divestments are mitigated by the inclusion of the Upfront Buyer Condition.⁶ The Upfront Buyer Condition means that the CMA will only accept the Proposed Undertakings after Welltower has entered into an agreement with a nominated buyer (for each Freehold and Leasehold Divestment) that the CMA considers to be suitable. This ensures that the CMA will only accept the Proposed Undertakings where the viability and attractiveness to purchasers of the Freehold and Leasehold Divestments has been demonstrated through the divestiture process. It also means that, before

⁴ [CMA87](#), paragraphs 3.8 and 6.16.

⁵ Welltower Opcos may hold [redacted], however the assets relating to a particular care home can be clearly and easily identified for sale. Welltower submitted evidence of it previously carrying out [redacted].

⁶ [CMA87](#), paragraphs 6.62-6.67.

acceptance, the CMA will consult publicly on the suitability of the nominated buyer (for each divestment), as well as other aspects of the Proposed Undertakings.

21. For these reasons, the CMA currently thinks that there are reasonable grounds for believing that the Proposed Undertakings, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act.
22. The CMA's decision on whether ultimately to accept the Proposed Undertakings or refer the Merger for a phase 2 investigation will be informed by, among other things, third party views on whether the Proposed Undertakings are suitable to address the competition concerns identified by the CMA. In particular, before ultimately accepting the Proposed Undertakings, the CMA must be confident that the nominated buyer (in relation to each of the Freehold and Leasehold Divestments) is effective and credible such that the competitive constraint provided absent the Mergers is replaced to a sufficient extent.
23. Section 94 of the Act places a duty on any person to whom the Final Undertakings accepted by the CMA relate to comply with them. Any person who suffers loss or damage due to a breach of this duty may bring an action. Section 94 of the Act also provides that the CMA can seek to enforce the Final Undertakings accepted by the CMA by civil proceedings for an injunction or for any other appropriate relief or remedy. Under sections 94AA and 94AB of the Act, the CMA can impose financial penalties in respect of a failure to comply with the Final Undertakings accepted by the CMA without reasonable excuse as set out in Annex 1 and the [Administrative penalties: Statement of Policy on the CMA's approach \(CMA4\)](#).

4. CONSULTATION PROCESS

24. Full details of the undertakings offered will be published in due course when the CMA consults on the undertakings offered as required by Schedule 10 of the Act.⁷

⁷ [Mergers guidance on jurisdiction and procedure \(CMA2\)](#), paragraphs 10.39 and 10.40.

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25. The CMA therefore considers that there are reasonable grounds for believing that the Proposed Undertakings offered by Welltower and Apex, or a modified version of them, might be accepted by the CMA under section 73(2) of the Act. The CMA now has until 21 July 2026 pursuant to section 73A(3) of the Act to decide whether to accept the undertakings, with the possibility to extend this timeframe pursuant to section 73A(4) of the Act to 17 September 2026 if it considers that there are special reasons for doing so. If no undertakings are accepted, the CMA will refer the Merger for a phase 2 investigation pursuant to sections 22(1) and 34ZA(2) of the Act.

Sorcha O'Carroll
Senior Director, Mergers
Competition and Markets Authority
21 May 2026

ANNEX 1

ENFORCEMENT OF UNDERTAKINGS GIVEN UNDER SECTION 73 – IMPOSITION OF CIVIL PENALTIES

Imposition of civil penalties

1. Under section 94AA(1), the CMA may impose a penalty on a person—
 - (a) from whom the CMA has accepted an enforcement undertaking, or
 - (b) to whom an enforcement order is addressed,where the CMA considers that the person has, without reasonable excuse, failed to comply with the undertaking or order.
2. In deciding whether and, if so, how to proceed under section 94AA(1) the CMA must have regard to the statement of policy which was most recently published under section 94B at the time of the failure to comply.

Amount of penalty

3. A penalty under section 94AA(1) is to be such amount as the CMA considers appropriate.
4. The amount must be—
 - (a) a fixed amount,
 - (b) an amount calculated by reference to a daily rate, or
 - (c) a combination of a fixed amount and an amount calculated by reference to a daily rate.
5. A penalty imposed under section 94AA(1) on a person who does not own or control an enterprise must not—
 - (a) in the case of a fixed amount, exceed £30,000;
 - (b) in the case of an amount calculated by reference to a daily rate, exceed £15,000 per day;
 - (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.
6. A penalty imposed under section 94AA(1) on any other person must not—

- (a) in the case of a fixed amount, exceed 5% of the total value of the turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
- (b) in the case of an amount calculated by reference to a daily rate, for each day exceed 5% of the total value of the daily turnover (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom it is imposed;
- (c) in the case of a fixed amount and an amount calculated by reference to a daily rate, exceed such fixed amount and such amount per day.

7. In imposing a penalty by reference to a daily rate—

- (a) no account is to be taken of any days before the service on the person concerned of the provisional penalty notice under section 112(A1), and
- (b) unless the CMA determines an earlier date (whether before or after the penalty is imposed), the amount payable ceases to accumulate at the beginning of the day on which the person complies with the enforcement undertaking or enforcement order.

ANNEX 2: SLC AREAS

Table 1: TOH1 SLCs in the supply of nursing care services for the elderly

Relevant Merger Situation	Centroid Site Name	Proposed Undertaking Site Name (Freehold and Leasehold Divestments)
Aria; HC-One	Orchard Care Centre	Orchard Care Centre (Leasehold) Forthbank Nursing Home (Leasehold) Annfield House (Leasehold)
Aria; HC-One	Fairview Nursing Home	
Aria; HC-One	Hillview Court	
Aria; HC-One	Beechwood Park	
Aria; HC-One	Annfield House	
Aria; HC-One	Forthbank Nursing Home	
Aria; HC-One	Marchglen Care Centre	
HC-One	Tranent Care Home	Drummohr Nursing Home (Leasehold)
HC-One	Drummohr Nursing Home	
Aria; HC-One	Cedar View Care Centre	Fieldway Care Home (Freehold) Albany Lodge (Freehold)
Aria; HC-One	Albany Lodge Nursing Home	
Aria; HC-One	Haling Park Care Home	
Aria; HC-One	Deer Park View Care Centre	Laurel Dene (Leasehold) Whitefarm Lodge (Leasehold) Greville House (Leasehold)
Aria; HC-One	Laurel Dene	
Barchester	Highmarket House	Highmarket House (Leasehold)
Barchester	Kentford Manor	Kentford Manor (Freehold)
Aria	Galsworthy House Nursing Home	Laurel Dene (Leasehold) Greville House (Leasehold)
Aria; HC-One	Brook House Nursing Home	Laurel Dene (Leasehold) Fieldway Care Home (Freehold)
Aria; HC-One	Belmont House Nursing Home	Fieldway Care Home (Freehold)
Aria; HC-One	Hamilton Nursing Home	Laurel Dene (Leasehold)
Aria; HC-One	Southborough Nursing Home	

Table 2: TOH1 SLCs in the supply of residential care services for the elderly

Relevant Merger Situation	Centroid Site Name	Proposed Undertaking Site Name (Freehold and Leasehold Divestments)
Aria; HC-One	Orchard Care Centre	Orchard Care Centre (Leasehold) Forthbank Nursing Home (Leasehold) Annfield House (Leasehold)
Aria; HC-One	Hillview Court	
Aria; HC-One	Beechwood Park	
Aria; HC-One	Forthbank Nursing Home	
Danforth	Mildenhall Lodge	Kentford Manor (Freehold)
Barchester; HC-One	Charters Court Nursing and Residential Home	Charters Court Nursing and Residential Home (Leasehold)
Barchester; HC-One	Kings Court	Kings Court (Leasehold)

Table 3: TOH2 SLCs in the supply of nursing care services for the elderly

Pre-Mergers operator	Centroid Site Name	Proposed Undertaking (Operator Reallocations)
HC-One	Drummohr Nursing Home	Appoint new operators for Drummohr Nursing Home and Tranent Care Home
HC-One	Tranent Care Home	
Barchester	Lancaster Grange	Appoint new operator for Fosse Way View Care Home
Barchester	Newton House	
Barchester	Fordmill Care Home	Appoint new operator for Cairnie Lodge
Barchester	Meadowbeck	Appoint new operator for Mosssdale Residence
HC-One	Mosssdale Residence	
Barchester	Stamford Bridge Beaumont	

Table 4: TOH2 SLCs in the supply of residential care services for the elderly

Pre-Mergers operator	Centroid Site Name	Proposed Undertaking (Operator Reallocations)
HC-One	Kings Court	Divest operating business of [X] to [X] ⁸
Barchester	Newton House	Divest operating business of [X] to [X]; appoint new operator for Fosse Way View Care Home

⁸ The CMA notes that on 27 March 2026 it consented to a derogation from paragraph 5(e) of the IEO under section 72(2) of the Act imposed on 3 February 2026 in relation to the completed acquisition by Welltower (through its subsidiary Horizon TopCo Limited) of HC-One Topco Limited to permit Welltower to progress with surrendering the lease for this site to [X] and selling the business of the operation of [X] to [X] ([Derogation 27 March 2026 \(HC-One\)](#)).