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

Decision on acceptance of undertakings in lieu of reference

ME/7137/25

The Competition and Markets Authority’s decision to accept undertakings in lieu of reference under section 73(2) of the Enterprise Act 2002 given on 10 September 2026. Full text of the decision published on 15 September 2026.

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

Contents

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 14 May 2026, Welltower and Apex offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act. The CMA gave notice to Welltower and Apex on 21 May 2026, pursuant to section 73A(2)(b) of the Act, that it considered that there were 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 was considering Welltower and Apex's offer (the **UILs Provisional Acceptance Decision**).

5. The text of the SLC Decision and the UILs Provisional Acceptance Decision are available on the CMA webpages.[1]

2. THE UNDERTAKINGS OFFERED

6. 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**).

7. As set out in the SLC Decision, the CMA 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.

8. 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**). The SLC Areas are listed in Annex 1 of this decision.

9. As set out in the UILs Provisional Acceptance Decision, 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

[1] See Welltower / multiple care homes merger inquiries - GOV.UK.

operated under a RIDEA structure, listed in Annex 1 of this decision, Tables 1 and 2 (the **Freehold and Leasehold Divestments**);[2] and

(b) To address TOH2: Welltower will change of operators at certain care homes listed in Annex 1 of this decision, Tables 3 and 4 (the **Reallocated Homes**) (the **Operator Reallocations**).

Each care home under the Freehold and Leasehold Divestments and the Operator Reallocations is considered a **Divestment Business**, and together, the **Divestment Businesses**.

10. 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**).

11. The Freehold and Leasehold Divestments, the Operator Reallocations and the Apex Undertaking are together referred to as the **UILs**.

12. 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 UILs (the **Upfront Buyer Condition**). Welltower has proposed:

(a) CGEN Care Group Limited (**CGEN**) as the upfront buyer of Albany Lodge Nursing Home, Kentford Manor, Fieldway Care Home, Orchard Care Centre and Drummohr Nursing Home. CGEN is active in the supply of residential care and/or nursing care services for the elderly in the UK via Stow Healthcare.

(b) Healthcare Ireland Group[3] (**Healthcare Ireland**) as the upfront buyer of Annfield House, Charters Court Nursing and Residential Home and Forthbank Nursing Home under the Freehold and Leasehold Divestments. In addition, under the Operator Reallocations, Healthcare Ireland will take over the operation of Tranent Care Home, Cairnie Lodge, Fosse Way View and Mossdale Residence.

(c) Care UK as the upfront buyer of Highmarket House.

(d) Orders of St John Care Trust as the upfront buyer of Kings Court.

[2] 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.

[3] The acquiring entity for Healthcare Ireland is intended to be HCI Care Services UK Limited.

13. Together, the upfront buyers listed above are the **Upfront Buyers,** and each an **Upfront Buyer**.

14. On 2 September 2026, 3 September 2026, 4 September 2026, 7 September 2026, and 8 September 2026, Welltower and the Upfront Buyers entered into agreements to divest the Divestment Businesses. These agreements are conditional on acceptance by the CMA of the UILs, including approval of Upfront Buyers as the buyer of the Divestment Businesses.

3. CONSULTATION

15. On 30 July 2026, pursuant to paragraph 2(1) of Schedule 10 to the Act, the CMA published the UILs, inviting interested parties to give their views on the UILs. The relevant text from the consultation is set out at Annex 1 of this decision.[4] For the reasons set out in the consultation, the CMA's preliminary view was that the UILs would resolve the SLCs identified in the SLC decision in a clear-cut manner, ie without giving rise to material doubts about the overall effectiveness of the UILs or concerns about their implementation.[5]

16. The CMA received submissions from four third parties during the consultation period. These responses concerned:

(a) The independence of Care UK given (i) Care UK's existing relationship with Welltower as an operator of Welltower-owned care homes, and (ii) perceived ownership links between certain Care UK entities and Welltower.

(b) The independence of Healthcare Ireland from Welltower given (i) Healthcare Ireland's existing relationship with Welltower as an operator of Welltower-owned care homes, and (ii) Welltower's prior backing of Healthcare Ireland's expansion plans, and its existing financial relationship with Healthcare Ireland.

(c) The implications of an acquisition by Healthcare Ireland in the context of the CMA's ongoing investigation into the completed acquisition by Healthcare Ireland of Hutchinson Homes Limited in Northern Ireland.

(d) The extent to which an acquisition by Healthcare Ireland would involve a clean transfer of staff and operations at the relevant Divestment Businesses, given that the acquiring entity for Healthcare Ireland is a recently incorporated entity.

(e) CGEN's capability and capacity to deliver care services within the UK given it has only recently entered the UK market via its acquisition of Stow

[4] The full consultation text was published on [Welltower / multiple care homes merger inquiries - GOV.UK](#).
[5] [Merger remedies, (**CMA87**), December 2018](#), Chapter 3, in particular paragraphs 3.27, 3.28 and 3.30.

Healthcare and the operational risks of it acquiring a geographically dispersed portfolio.[6]

(f) Care Quality Commission (**CQC**) (or equivalent) approval of the Upfront Buyers prior to final acceptance of the UILs.

17. The CMA has carefully considered these third-party submissions, which raise relevant considerations, however they do not cause the CMA to change its preliminary view that the UILs would be acceptable for the following reasons.

(a) In relation to the concerns raised regarding Care UK:

(i) The entity acquiring Highmarket House (ie Care UK Care Services Limited) is part of the Care UK group[7] that does not itself have any ownership or governance links with Welltower.[8]

(ii) The Care UK group operates Welltower-owned care homes in the UK under the terms of an umbrella master services agreement in return for a management fee (including Highmarket House at present) and this existing partnership is expected to continue. The Care UK group also owns and operates care homes independently of Welltower, and on this basis, Care UK-owned homes have been treated as fully independent competitors to Welltower-owned homes in the SLC Decision under TOH1. Following completion of the UILs, Welltower will cease to have any legal interest in or other right to direct or influence the operation of Highmarket House as it will be run independently by Care UK.

(b) In relation to the concerns raised regarding Healthcare Ireland:

(i) Healthcare Ireland currently operates several Welltower-owned care homes in Northern Ireland through triple net lease structures, and will also take over the operation of multiple HC-One care homes in Great Britain that are now owned by Welltower.[9] The CMA does not have concerns with these arrangements for the same reasons set out in relation to Care UK above at paragraph 17(a)(ii).

(ii) Certain entities within the Healthcare Ireland group are currently party to debt financing arrangements with Aspen Tower Investments Limited

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[6] One third-party submission referred to the Orchard Care Centre located on the Isle of Wight as part of its submission on CGEN acquiring a geographically dispersed portfolio. However, the Orchard Care Centre Divestment Business is located in Scotland (postcode FK10 2RQ).
[7] https://www.careuk.com/.
[8] In October 2024, Welltower acquired the real estate interests in UK care homes previously owned by the Care UK group, which resulted in some legal entities within the historic Care UK structure (for example, Care UK Community Partnerships Limited, Care UK Holdings Limited, Care UK Midco Limited) being acquired by Welltower. These entities therefore no longer have ownership links with the Care UK group.
[9] For completeness, Healthcare Ireland will also take over the [✂] through its acquisition of [✂] from Apex, conditional on the CMA's final acceptance of the UILs.

(an entity controlled by Welltower) in respect of certain care homes in Northern Ireland. However, these financing arrangements are due to lapse shortly, [✂] and these properties will continue being operated by Healthcare Ireland through triple net lease structures. Welltower submitted to the CMA that it has no current plans to enter into future commercial, financing, or ownership arrangements with Healthcare Ireland, with the exception of a future arrangement involving [✂]. The CMA does not have concerns with these arrangements for the same reasons set out above at paragraph 17(a)(ii).

(iii) Regarding the concerns raised in relation to the CMA's ongoing investigation into Healthcare Ireland's acquisition of the Hutchinson care homes portfolio located in Northern Ireland, the CMA notes that competition in the care home market occurs at a local level, and none of the Divestment Businesses are located in Northern Ireland. As such, the UILs will not have any implications on the conditions of competition under review in the CMA's ongoing investigation.[10]

(iv) The sale of the Divestment Businesses to the Upfront Buyers will result in a clean transfer of staff and operations at the relevant Divestment Businesses, with all key assets at the Divestment Businesses transferring across to the Upfront Buyers, and all employees that spend the majority of their time at the Divestment Businesses also transferring across to the Upfront Buyers.

(c) In relation to the concerns raised regarding CGEN:

(i) CGEN has significant capital reserves available for the purpose of its acquisition of the relevant Divestment Businesses. Stow Healthcare is currently operating on a profitable basis while also having a strong record regarding its care home ratings with the CQC, and the CMA considers that CGEN will be able to leverage its experience and capabilities with Stow Healthcare as part of its operations of the relevant Divestment Businesses.

(ii) The CMA also considers the operational risks from CGEN acquiring a geographically dispersed portfolio to be limited, on the basis that (i) Kentford Manor is located near Stow Healthcare's current care homes, and (ii) Albany Lodge Nursing Home and Fieldway Care Home are both located relatively near each other in London, while Orchard Care Centre and Drummohr Nursing Home are also located relatively near each other in Scotland. Additionally, the CMA considers each Divestment Business to be a viable and standalone business, which will limit any

[10] Healthcare Ireland / Hutchinson Homes merger inquiry.

integration and operational risks associated with an acquisition by the Upfront Buyers.

(d) Lastly, in relation to the concerns regarding CQC (or equivalent) approval:

(i) It is not possible in this case for the CMA to accept UILs after the Upfront Buyers obtaining CQC approval and/or Care Inspectorate (**CIS**) approval, given the timelines for regulatory approval do not align with the CMA's statutory deadline to accept UILs. However, the CMA has incorporated a number of provisions within the UILs to address the risk that CQC and/or CIS approval is not granted (see paragraphs 2.1 to 2.4). In particular, (i) completion can only occur once CQC or CIS approval (as relevant) has been granted, and (ii) if such approval is not granted, the CMA may require the sale of the relevant care home(s) to another purchaser that would be CQC and/or CIS approved.

(ii) The CMA has also considered the ability of the Upfront Buyers to obtain regulatory approval. While a risk exists that regulatory approval may not be granted, the CMA considers based on the evidence available that each Upfront Buyer can reasonably be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority.

18. Following the consultation, the CMA has made minor changes to the wording of paragraph 3.1(c) of the UILs to emphasise that the CMA must be satisfied that the Upfront Buyers have the ability to provide high-quality care and to receive regulatory approval, in deciding whether they are able to operate as effective competitors in the relevant markets. The same changes have been made to the wording of the warranties in the agreements between Welltower and the Upfront Buyers, as described in preamble (f) of the UILs.[11] The CMA does not consider that these modifications to the UILs are material in any respect.

19. The CMA has not otherwise become aware of any information that might cause a change in its preliminary view on the UILs and that the Upfront Buyers would be suitable purchasers of the Divestment Businesses.

20. The CMA therefore considers that the UILs offered by Welltower and Apex are clear-cut and appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision and that the Upfront Buyers are suitable purchasers of the Divestment Businesses.

[11] The Orders of St John Care Trust agreement does not include such a warranty, since the CMA consented to Orders of St John Care Trust taking over Kings Court as operator in its derogation of 27 March 2026. The Orders of St John Care Trust obtained CQC approval for its operation of Kings Court prior to the CMA's acceptance of these UILs.

4. ENFORCEMENT

21. 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)*.

DECISION

22. For the reasons set out above, the CMA considers that the UILs provided by Welltower and Apex are as comprehensive a solution as is reasonable and practicable and remedy, mitigate or prevent the SLCs identified in the SLC Decision and any adverse effects resulting from it. The CMA has therefore decided to accept the UILs offered by Welltower and Apex pursuant to section 73 of the Act. The Mergers will therefore not be referred for a phase 2 investigation.

23. The UILs, which have been signed by Welltower and Apex and will be published on the CMA webpages, will come into effect from the date of this decision.

Sorcha O'Carroll
Senior Director, Mergers
Competition and Markets Authority
10 September 2026

ANNEX 1

NOTICE UNDER PARAGRAPH 2(1) OF SCHEDULE 10 TO THE ENTERPRISE ACT 2002 (THE ACT) – CONSULTATION ON PROPOSED UNDERTAKINGS IN LIEU OF REFERENCE PURSUANT TO SECTION 73 OF THE ACT

ME/7137/25

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[12] have been created, and (ii) the creation of each of those situations has resulted, or may be expected to result, in a substantial lessening of competition (**SLC**) within a market or markets in the

[12] Pursuant to section 25(4) of the Act the four-month period mentioned in section 24 of the Act is extended while the CMA is seeking undertakings in lieu of reference.

United Kingdom (the **SLC Decision**). Unless otherwise stated, all defined terms are as defined in the SLC Decision and the text of the SLC Decision is available on the CMA webpages.[13]

4. On 14 May 2026, Welltower and Apex offered undertakings in lieu of reference to the CMA for the purposes of section 73(2) of the Act.

5. On 21 May 2026, the CMA gave notice to Welltower and Apex, pursuant to section 73A(2)(b) of the Act, 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 Welltower and Apex's offer (the **UIL Provisional Acceptance Decision**).

2. THE UNDERTAKINGS OFFERED

6. 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**).

7. As set out in the SLC Decision, the CMA 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.

[13] See Welltower / multiple care homes merger inquiries - GOV.UK.

8. 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**). The SLC Areas are listed in Annex 1.

9. As set out in the UIL Provisional Acceptance Decision, to address the SLCs identified by the CMA, 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 1, Tables 1 and 2 (the **Freehold and Leasehold Divestments**);[14] and

   (b) To address TOH2: Welltower will change operators at certain care homes listed in Annex 1, Tables 3 and 4 (the **Reallocated Homes**) (the **Operator Reallocations**).

   Each care home under the Freehold and Leasehold Divestments and the Operator Reallocations is considered a **Divestment Business**, and together, the **Divestment Businesses**.

10. 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**).

11. The Freehold and Leasehold Divestments, the Operator Reallocations and the Apex Undertaking are together referred to as the **Proposed Undertakings**, the text of which is available on the CMA webpages.[15]

12. Under both the Freehold and Leasehold Divestments and the Operator Reallocations, 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 (**the Upfront Buyer Condition**). In particular, Welltower has proposed:

   (a) CGEN Care Group Limited (**CGEN**) as the upfront buyer of Albany Lodge Nursing Home, Kentford Manor, Fieldway Care Home, Orchard Care Centre and Drummohr Nursing Home. CGEN is active in the supply of residential care and/or nursing care services for the elderly in the UK via Stow Healthcare.

[14] Welltower has identified alternative freehold assets should any landlord consent issues arise in practice with regard to the leasehold interests indicated in Annex 1, Tables 1 and 2.
[15] See [Welltower / multiple care homes merger inquiries - GOV.UK](#).

(b) Healthcare Ireland Group[16] (**Healthcare Ireland**) as the upfront buyer of Annfield House, Charters Court Nursing and Residential Home and Forthbank Nursing Home under the Freehold and Leasehold Divestments. In addition, under the Operator Reallocations, Healthcare Ireland will take over the operation of Tranent Care Home, Cairnie Lodge, Fosse Way View and Mossdale Residence.

(c) Care UK as the upfront buyer of Highmarket House.

(d) Orders of St John Care Trust as the upfront buyer of Kings Court.

13. Each of these agreements will be conditional on acceptance by the CMA of the Proposed Undertakings, including approval of the upfront buyers listed above (each a **Proposed Purchaser,** and together the **Proposed Purchasers**) as the buyers of the relevant Divestment Businesses.

3. CMA ASSESSMENT

14. The CMA currently considers that, subject to responses to the consultation required by Schedule 10 of the Act, the Proposed Undertakings will resolve the SLCs identified in the SLC Decision in a clear-cut manner, ie the CMA currently does not have material doubts about the overall effectiveness of the Proposed Undertakings or concerns about their implementation.[17] This is because (i) the Freehold and Leasehold 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.[18]

15. The CMA also considers that the Proposed Undertakings would be capable of ready implementation within the Phase 1 timetable (as extended), 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

[16] The acquiring entity for Healthcare Ireland is intended to be HCI Care Services UK Limited.
[17] Merger remedies guidance (**CMA87**), December 2025, paragraph 4.4.
[18] CMA87, paragraphs 3.8 and 6.16.

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).

(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.

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).

16. The risks associated with the Freehold and Leasehold Divestments and the Operator Reallocations are mitigated by the inclusion of the Upfront Buyer Condition.[19] The Upfront Buyer Condition means that the CMA would only accept the Proposed Undertakings after Welltower has entered into an agreement with a nominated buyer that the CMA considers to be suitable. The CMA considers that an Upfront Buyer Condition is necessary as it ensures that the CMA will only accept the Proposed Undertakings where the viability and attractiveness to purchasers of the Divestment Businesses has been demonstrated through the divestiture process. The evidence available to the CMA indicates that the Proposed Purchasers have sufficient resources and expertise to provide the necessary management support to enable the Divestment Businesses to operate as a competitor to Welltower and Apex (as relevant).

Suitability of the Proposed Purchasers of the Divestment Businesses

17. In approving a purchaser, the CMA's starting position is that it must be confident without undertaking a detailed investigation that the proposed purchaser will restore pre-merger levels of competition:

(a) The acquisition by the proposed purchaser must remedy, mitigate or prevent the SLC concerned and any adverse effect resulting from it, achieving as comprehensive a solution as is reasonable and practicable.

(b) The proposed purchaser should be independent from and have no significant connection to the merger parties that may compromise the purchaser's incentives to compete with the merged entity (eg an equity interest, common significant shareholders, shared directors, reciprocal trading relationships or

[19] CMA87, paragraphs 6.62-6.67.

continuing financial assistance). It may also be appropriate to consider links between the purchaser and other market players.

(c) The purchaser must have sufficient capability, including access to appropriate financial resources, expertise (including managerial, operational and technical capability) and assets to enable the divested business to be an effective competitor in the market. This access should be sufficient to enable the divestiture package to continue to develop as an effective competitor.

(d) The CMA will wish to satisfy itself that the purchaser has an appropriate business plan and objectives for competing in the relevant market(s), and that the purchaser has the incentive and intention to maintain and operate the divested business as part of a viable and active business in competition with the merged entity and other competitors in the relevant market.

(e) Divestiture to the purchaser should not create a realistic prospect of further competition or regulatory concerns.[20]

18. Subject to the responses to this consultation, and having regard in particular to the criteria set out in paragraph 17 above, the CMA currently considers each Proposed Purchaser to be a suitable purchaser of the Divestment Business(es) for the following reasons:

(a) The CMA currently considers that the acquisition by each of the Proposed Purchasers of the relevant Divestment Business(es) would, in each case, remedy mitigate or prevent the SLC(s) concerned and any adverse effect resulting from them, achieving as comprehensive solution as is reasonable and practicable. This is because each of the acquisitions would allow the relevant Divestment Business(es) to continue competing against Welltower and/or Apex in the same way they did before the Mergers;

(b) The evidence available to the CMA indicates that each of the Proposed Purchasers and other related entities are independent of Welltower and the relevant Targets, and do not appear to have any significant connection to Welltower and the relevant Targets that may compromise its incentives to compete with Welltower and the relevant Targets if it were to acquire the relevant Divestment Business(es);

(c) The evidence available to the CMA indicates that each of the Proposed Purchasers have the necessary financial resources, expertise, incentive and intention to maintain and operate the divested business as an effective competitor in the marketplace. In particular, each Proposed Purchaser has past experience in operating care homes in the UK, and the evidence

[20] CMA87,paragraph 6.35.

available to the CMA indicates that the Proposed Purchasers have the necessary understanding of the operational dynamics of the relevant Divestment Business(es), and the commitment to operating the relevant Divestment Business(es) as a viable competitor.

(d) Notwithstanding that the Care Quality Commission and Care Inspectorate approval would only be sought following any acceptance of the Proposed Undertakings, and there is a risk that such approval may not be granted, each Proposed Purchaser is reasonably expected to obtain all necessary approvals, licences and consents from any regulatory or other authority; and

(e) The evidence available to the CMA indicates that the acquisition of the Divestment Businesses by the Proposed Purchasers should not, in each case, create a realistic prospect of further competition concerns.

4. PROPOSED DECISION AND NEXT STEPS

19. For the reasons set out above, the CMA currently considers that the Proposed Undertakings and the purchase of the Divestment Business by each Proposed Purchasers are, in the circumstances of this case, appropriate to remedy, mitigate or prevent the competition concerns identified in the SLC Decision and form as comprehensive a solution to these concerns as is reasonable and practicable.

20. The CMA therefore gives notice that it proposes to accept the Proposed Undertakings in lieu of a reference of the Mergers for a phase 2 investigation. The text of the proposed undertaking is available on the CMA web pages.[21]

21. Before reaching a decision as to whether to accept the Proposed Undertakings in relation to any or all of the Mergers, the CMA invites interested parties to make their views known to it. The CMA will have regard to any representations made in response to this consultation and may make modifications to the Proposed Undertakings as a result. If the CMA considers that any representation necessitates any material change to any of the Proposed Undertakings, the CMA will give notice of the proposed modifications and publish a further consultation.[22]

22. Representations should be made in writing to the CMA, preferably by email, and be addressed to:

Kapileshen Kiritharan

Email: Kapileshen.Kiritharan@cma.gov.uk (cc' welltower.various@cma.gov.uk)

[21] See Welltower / multiple care homes merger inquiries - GOV.UK.
[22] Under paragraph 2(4) of Schedule 10 to the Act.

Deadline for comments: Friday 14 August 2026

SLC AREAS

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

<table>
<tr><th>Relevant Merger Situation</th><th>Centroid Site Name</th><th>Proposed Undertaking Site Name (Freehold and Leasehold Divestments)[23]</th></tr>
<tr><td>Aria; HC-One</td><td>Orchard Care Centre</td><td rowspan="7">Orchard Care Centre (Leasehold)
Forthbank Nursing Home (Leasehold)
Annfield House (Leasehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Fairview Nursing Home</td></tr>
<tr><td>Aria; HC-One</td><td>Hillview Court</td></tr>
<tr><td>Aria; HC-One</td><td>Beechwood Park</td></tr>
<tr><td>Aria; HC-One</td><td>Annfield House</td></tr>
<tr><td>Aria; HC-One</td><td>Forthbank Nursing Home</td></tr>
<tr><td>Aria; HC-One</td><td>Marchglen Care Centre</td></tr>
<tr><td>HC-One</td><td>Tranent Care Home</td><td rowspan="2">Drummohr Nursing Home (Leasehold)</td></tr>
<tr><td>HC-One</td><td>Drummohr Nursing Home</td></tr>
<tr><td>Aria; HC-One</td><td>Cedar View Care Centre</td><td rowspan="3">Fieldway Care Home (Freehold)
Albany Lodge (Freehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Albany Lodge Nursing Home</td></tr>
<tr><td>Aria; HC-One</td><td>Haling Park Care Home</td></tr>
<tr><td>Aria; HC-One</td><td>Deer Park View Care Centre</td><td rowspan="2">Laurel Dene (Leasehold)
Whitefarm Lodge (Leasehold)
Greville House (Leasehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Laurel Dene</td></tr>
<tr><td>Barchester</td><td>Highmarket House</td><td>Highmarket House (Leasehold)</td></tr>
<tr><td>Barchester</td><td>Kentford Manor</td><td>Kentford Manor (Freehold)</td></tr>
<tr><td>Aria</td><td>Galsworthy House Nursing Home</td><td>Laurel Dene (Leasehold)
Greville House (Leasehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Brook House Nursing Home</td><td>Laurel Dene (Leasehold)
Fieldway Care Home (Freehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Belmont House Nursing Home</td><td>Fieldway Care Home (Freehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Hamilton Nursing Home</td><td>Laurel Dene (Leasehold)</td></tr>
</table>

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

<table>
<tr><th>Relevant Merger Situation</th><th>Centroid Site Name</th><th>Proposed Undertaking Site Name (Freehold and Leasehold Divestments)</th></tr>
<tr><td>Aria; HC-One</td><td>Orchard Care Centre</td><td rowspan="4">Orchard Care Centre (Leasehold)
Forthbank Nursing Home (Leasehold)
Annfield House (Leasehold)</td></tr>
<tr><td>Aria; HC-One</td><td>Hillview Court</td></tr>
<tr><td>Aria; HC-One</td><td>Beechwood Park</td></tr>
<tr><td>Aria; HC-One</td><td>Forthbank Nursing Home</td></tr>
<tr><td>Danforth</td><td>Mildenhall Lodge</td><td>Kentford Manor (Freehold)</td></tr>
<tr><td>Barchester; HC-One</td><td>Charters Court Nursing and Residential Home</td><td>Charters Court Nursing and Residential Home (Leasehold)</td></tr>
<tr><td>Barchester; HC-One</td><td>Kings Court</td><td>Kings Court (Leasehold)</td></tr>
</table>

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

[23] In relation to the Greville House, Laurel Dene and Whitefarm Lodge case homes (the **Richmond homes**), prior to the SLC Decision Care UK submitted that the relevant contracts will expire on 1 July 2026, at which point Welltower's interest in the properties will terminate, and that Richmond Council has appointed Agincare to manage the Richmond homes (SLC Decision, footnote 266). On 6 and 8 July 2026, Care UK provided documentary evidence to the CMA confirming that Welltower and Care UK no longer hold a legal interest in the Richmond homes. Accordingly, in relation to the Richmond homes the relevant provisions in the Proposed Undertakings are confined to ensuring their continued separation from Welltower.

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 Mossdale Residence
HC-One	Mossdale 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 Kings Court to Orders of St John Care Trust[24]
Barchester	Newton House	Divest operating business of Kings Court to Orders of St John Care Trust; appoint new operator for Fosse Way View Care Home

[24] 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 transferring the lease for this site to [✂] and selling the business of the operation of Kings Court to Orders of St John Care Trust (Derogation 27 March 2026 (HC-One)).

ANNEX 2

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.

2. 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.