

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED** **MARCH 31, 2020**

OR

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

Commission file number: 1-10989

Ventas, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

61-1055020

(State or Other Jurisdiction of Incorporation or Organization)

(I.R.S. Employer Identification No.)

353 N. Clark Street, Suite 3300

Chicago, Illinois

United States

(Address of Principal Executive Offices)

60654 (Zip Code)

Not Applicable (877) 483-6827

(Former Name, Former Address and Former Fiscal Year, if Changed Since
Last Report)

(Registrant's Telephone Number, Including Area Code)

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

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

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

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

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

Trading symbol:

VTR

Class of Common Stock:

Common Stock, \$0.25 par value

Name of exchange on which registered:

New York Stock Exchange

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Outstanding at May 5, 2020:

373,074,865

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

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

VENTAS, INC.
FORM 10-Q

INDEX

	Page
PART I—FINANCIAL INFORMATION	
Item 1. Consolidated Financial Statements (Unaudited)	1
Consolidated Balance Sheets as of March 31, 2020 and December 31, 2019	1
Consolidated Statements of Income for the Three Months Ended March 31, 2020 and 2019	2
Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2020 and 2019	3
Consolidated Statements of Equity for the Three Months Ended March 31, 2020 and 2019	4
Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2020 and 2019	5
Notes to Consolidated Financial Statements	7
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	28
Item 3. Quantitative and Qualitative Disclosures About Market Risk	48
Item 4. Controls and Procedures	50
PART II—OTHER INFORMATION	
Item 1. Legal Proceedings	51
Item 1A. Risk Factors	51
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	53
Item 5. Other Information	53
Item 6. Exhibits	54

PART I—FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

VENTAS, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	As of March 31, 2020	As of December 31, 2019
(In thousands, except per share amounts)		
Assets		
Real estate investments:		
Land and improvements	\$ 2,244,526	\$ 2,283,929
Buildings and improvements	23,821,353	24,380,440
Construction in progress	505,188	461,354
Acquired lease intangibles	1,241,646	1,306,152
Operating lease assets	391,908	385,225
	<u>28,204,621</u>	<u>28,817,100</u>
Accumulated depreciation and amortization	(7,237,345)	(7,088,013)
Net real estate property	20,967,276	21,729,087
Secured loans receivable and investments, net	623,717	704,612
Investments in unconsolidated real estate entities	165,745	45,022
Net real estate investments	<u>21,756,738</u>	<u>22,478,721</u>
Cash and cash equivalents	2,848,115	106,363
Escrow deposits and restricted cash	38,144	39,739
Goodwill	1,050,137	1,051,161
Assets held for sale	75,039	91,433
Deferred income tax assets, net	47,495	47,495
Other assets	802,160	877,296
Total assets	<u>\$ 26,617,828</u>	<u>\$ 24,692,208</u>
Liabilities and equity		
Liabilities:		
Senior notes payable and other debt	\$ 14,172,279	\$ 12,158,773
Accrued interest	87,245	111,115
Operating lease liabilities	250,357	251,196
Accounts payable and other liabilities	1,141,309	1,145,700
Liabilities related to assets held for sale	5,007	5,463
Deferred income tax liabilities	47,533	200,831
Total liabilities	<u>15,703,730</u>	<u>13,873,078</u>
Redeemable OP unitholder and noncontrolling interests	197,701	273,678
Commitments and contingencies		
Equity:		
Ventas stockholders' equity:		
Preferred stock, \$1.00 par value; 10,000 shares authorized, unissued	—	—
Common stock, \$0.25 par value; 600,000 shares authorized, 373,094 and 372,811 shares issued at March 31, 2020 and December 31, 2019, respectively	93,256	93,185
Capital in excess of par value	14,135,657	14,056,453
Accumulated other comprehensive loss	(103,408)	(34,564)
Retained earnings (deficit)	(3,491,696)	(3,669,050)
Treasury stock, 22 and 2 shares at March 31, 2020 and December 31, 2019, respectively	(867)	(132)
Total Ventas stockholders' equity	<u>10,632,942</u>	<u>10,445,892</u>
Noncontrolling interests	83,455	99,560
Total equity	<u>10,716,397</u>	<u>10,545,452</u>
Total liabilities and equity	<u>\$ 26,617,828</u>	<u>\$ 24,692,208</u>

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands, except per share amounts)	
Revenues		
Rental income:		
Triple-net leased	\$ 194,862	\$ 200,068
Office	208,395	201,428
	<u>403,257</u>	<u>401,496</u>
Resident fees and services	576,770	521,447
Office building and other services revenue	3,128	2,518
Income from loans and investments	24,046	17,126
Interest and other income	4,853	287
Total revenues	<u>1,012,054</u>	<u>942,874</u>
Expenses		
Interest	116,696	110,619
Depreciation and amortization	248,837	235,920
Property-level operating expenses:		
Senior living	410,131	360,986
Office	64,506	62,085
Triple-net leased	6,331	7,433
	<u>480,968</u>	<u>430,504</u>
Office building services costs	727	633
General, administrative and professional fees	42,535	40,760
Loss on extinguishment of debt, net	—	405
Merger-related expenses and deal costs	8,218	2,180
Other	3,708	23
Total expenses	<u>901,689</u>	<u>821,044</u>
Income before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests	110,365	121,830
Loss from unconsolidated entities	(10,876)	(946)
Gain on real estate dispositions	226,225	5,447
Income tax benefit	149,016	1,257
Income from continuing operations	<u>474,730</u>	<u>127,588</u>
Net income	474,730	127,588
Net income attributable to noncontrolling interests	1,613	1,803
Net income attributable to common stockholders	<u>\$ 473,117</u>	<u>\$ 125,785</u>
Earnings per common share		
Basic:		
Income from continuing operations	\$ 1.27	\$ 0.36
Net income attributable to common stockholders	1.27	0.35
Diluted:		
Income from continuing operations	\$ 1.26	\$ 0.35
Net income attributable to common stockholders	1.26	0.35

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Net income	\$ 474,730	\$ 127,588
Other comprehensive (loss) income:		
Foreign currency translation	(8,540)	3,827
Unrealized (loss) gain on available for sale securities	(51,699)	9,291
Derivative instruments	(18,587)	(5,438)
Total other comprehensive (loss) income	(78,826)	7,680
Comprehensive income	395,904	135,268
Comprehensive (loss) income attributable to noncontrolling interests	(8,369)	1,803
Comprehensive income attributable to common stockholders	\$ 404,273	\$ 133,465

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF EQUITY
For the Three Months Ended March 31, 2020 and 2019
(Unaudited)

	Common Stock Par Value	Capital in Excess of Par Value	Accumulated Other Comprehensive Loss	Retained Earnings (Deficit)	Treasury Stock	Total Ventas Stockholders' Equity	Noncontrolling Interests	Total Equity
(In thousands, except per share amounts)								
Balance at January 1, 2020	\$ 93,185	\$ 14,056,453	\$ (34,564)	\$ (3,669,050)	\$ (132)	\$ 10,445,892	\$ 99,560	\$ 10,545,452
Net income	—	—	—	473,117	—	473,117	1,613	474,730
Other comprehensive loss	—	—	(68,844)	—	—	(68,844)	(9,982)	(78,826)
Net change in noncontrolling interests	—	761	—	—	—	761	(7,736)	(6,975)
Dividends to common stockholders— \$0.7925 per share	—	—	—	(296,482)	—	(296,482)	—	(296,482)
Issuance of common stock for stock plans, restricted stock grants and other	71	10,894	—	719	(735)	10,949	—	10,949
Adjust redeemable OP unitholder interests to current fair value	—	67,811	—	—	—	67,811	—	67,811
Redemption of OP Units	—	(262)	—	—	—	(262)	—	(262)
Balance at March 31, 2020	<u>\$ 93,256</u>	<u>\$ 14,135,657</u>	<u>\$ (103,408)</u>	<u>\$ (3,491,696)</u>	<u>\$ (867)</u>	<u>\$ 10,632,942</u>	<u>\$ 83,455</u>	<u>\$ 10,716,397</u>
Balance at January 1, 2019	\$ 89,125	\$ 13,076,528	\$ (19,582)	\$ (2,930,214)	\$ —	\$ 10,215,857	\$ 55,737	\$ 10,271,594
Net income	—	—	—	125,785	—	125,785	1,803	127,588
Other comprehensive income	—	—	7,680	—	—	7,680	—	7,680
Net change in noncontrolling interests	—	(1,690)	—	—	—	(1,690)	(1,190)	(2,880)
Dividends to common stockholders— \$0.7925 per share	—	—	—	(284,772)	—	(284,772)	—	(284,772)
Issuance of common stock	390	98,048	—	—	—	98,438	—	98,438
Issuance of common stock for stock plans, restricted stock grants and other	64	6,732	—	—	—	6,796	—	6,796
Adjust redeemable OP unitholder interests to current fair value	—	(19,068)	—	—	—	(19,068)	—	(19,068)
Cumulative effect of change in accounting principle	—	—	(163)	800	—	637	—	637
Balance at March 31, 2019	<u>\$ 89,579</u>	<u>\$ 13,160,550</u>	<u>\$ (12,065)</u>	<u>\$ (3,088,401)</u>	<u>\$ —</u>	<u>\$ 10,149,663</u>	<u>\$ 56,350</u>	<u>\$ 10,206,013</u>

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Cash flows from operating activities:		
Net income	\$ 474,730	\$ 127,588
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	248,837	235,920
Amortization of deferred revenue and lease intangibles, net	(2,973)	(2,846)
Other non-cash amortization	3,851	6,131
Stock-based compensation	10,514	8,405
Straight-lining of rental income	(6,788)	(8,489)
Loss on extinguishment of debt, net	—	405
Gain on real estate dispositions	(226,225)	(5,447)
Gain on real estate loan investments	(167)	—
Income tax benefit	(150,273)	(1,715)
Loss from unconsolidated entities	10,876	946
Distributions from unconsolidated entities	1,600	1,200
Other	3,805	2,283
Changes in operating assets and liabilities:		
Increase in other assets	(13,768)	(13,704)
Decrease in accrued interest	(23,032)	(18,047)
(Decrease) increase in accounts payable and other liabilities	(16,535)	3,490
Net cash provided by operating activities	314,452	336,120
Cash flows from investing activities:		
Net investment in real estate property	(79,539)	(13,097)
Investment in loans receivable	(1,051)	(4,257)
Proceeds from real estate disposals	625,439	17,551
Proceeds from loans receivable	99,117	1,275
Development project expenditures	(94,229)	(49,652)
Capital expenditures	(26,789)	(21,955)
Investment in unconsolidated entities	(5,809)	(687)
Insurance proceeds for property damage claims	42	2,998
Net cash provided by (used in) investing activities	517,181	(67,824)
Cash flows from financing activities:		
Net change in borrowings under revolving credit facilities	2,762,153	(700,775)
Net change in borrowings under commercial paper program	(565,524)	194,498
Proceeds from debt	82,759	706,591
Repayment of debt	(62,973)	(262,570)
Payment of deferred financing costs	(1,963)	(6,837)
Issuance of common stock, net	—	98,378
Cash distribution to common stockholders	(296,304)	(282,874)
Cash distribution to redeemable OP unitholders	(2,325)	(2,216)
Cash issued for redemption of OP Units	(570)	—
Contributions from noncontrolling interests	155	1,223
Distributions to noncontrolling interests	(2,543)	(2,623)
Proceeds from stock option exercises	3,389	4,316
Other	(4,954)	(6,874)
Net cash provided by (used in) financing activities	1,911,300	(259,763)
Net increase in cash, cash equivalents and restricted cash	2,742,933	8,533
Effect of foreign currency translation	(2,776)	234
Cash, cash equivalents and restricted cash at beginning of period	146,102	131,464
Cash, cash equivalents and restricted cash at end of period	\$ 2,886,259	\$ 140,231

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Unaudited)

For the Three Months Ended March 31,

2020

2019

(In thousands)

Supplemental schedule of non-cash activities:

Assets acquired and liabilities assumed from acquisitions and other:

Real estate investments	\$	533	\$	—
Other assets		56		—
Other liabilities		398		—
Noncontrolling interests		191		—

See accompanying notes.

VENTAS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1—DESCRIPTION OF BUSINESS

Ventas, Inc. (together with its subsidiaries, unless otherwise indicated or except where the context otherwise requires, “we,” “us” or “our”), an S&P 500 company, is a real estate investment trust (“REIT”) with a highly diversified portfolio of senior housing, research and innovation, and healthcare properties located throughout the United States, Canada and the United Kingdom. As of March 31, 2020, we owned or managed through unconsolidated joint ventures approximately 1,200 properties (including properties classified as held for sale), consisting of senior housing communities, medical office buildings (“MOBs”), research and innovation centers, inpatient rehabilitation facilities (“IRFs”) and long-term acute care facilities (“LTACs”), and health systems. We also had 22 properties under development, including four properties that are owned by unconsolidated real estate entities. Our company was originally founded in 1983 and is headquartered in Chicago, Illinois.

We primarily invest in senior housing, research and innovation, and healthcare properties through acquisitions and lease our properties to unaffiliated tenants or operate them through independent third-party managers.

As of March 31, 2020, we leased a total of 412 properties (excluding properties within our office operations reportable business segment) to various healthcare operating companies under “triple-net” or “absolute-net” leases that obligate the tenants to pay all property-related expenses, including maintenance, utilities, repairs, taxes, insurance and capital expenditures. Our three largest tenants, Brookdale Senior Living Inc. (together with its subsidiaries, “Brookdale Senior Living”), Ardent Health Partners, LLC (together with its subsidiaries, “Ardent”) and Kindred Healthcare, LLC (formerly Kindred Healthcare, Inc., together with its subsidiaries, “Kindred”) leased from us 122 properties (excluding two properties managed by Brookdale Senior Living pursuant to long-term management agreements), 11 properties and 32 properties, respectively, as of March 31, 2020.

As of March 31, 2020, pursuant to long-term management agreements, we engaged independent operators, such as Atria Senior Living, Inc. (“Atria”) and Sunrise Senior Living, LLC (together with its subsidiaries, “Sunrise”), to manage 405 senior housing communities for us.

Through our Lillibridge Healthcare Services, Inc. subsidiary and our ownership interest in PMB Real Estate Services LLC, we also provide MOB management, leasing, marketing, facility development and advisory services to highly rated hospitals and health systems throughout the United States. In addition, from time to time, we make secured and non-mortgage loans and other investments relating to senior housing and healthcare operators or properties.

COVID-19 Update

In December 2019, a novel strain of coronavirus (“COVID-19”) emerged in China. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. The outbreak has now spread to the United States and infections have been reported globally.

Starting in March, the COVID-19 pandemic and measures to prevent its spread began to affect us in a number of ways. In our senior living operating portfolio, March occupancy trended lower in the second half of the month as government policies and implementation of infection control best practices began to materially limit or close communities to new resident move-ins. In addition, starting in mid-March, operating costs began to rise materially, including for services, labor and personal protective equipment and other supplies, as our operators took appropriate actions to protect residents and caregivers. These trends accelerated in April, and are expected to continue through at least May, impacting revenues and net operating income in the second quarter.

Our triple-net senior housing tenants experienced similar trends, which has put them under increased operational and financial pressure. While we collected substantially all triple-net senior housing rent we expected to receive in March and April, we have given and may continue to provide financial support to these tenants in the form of rent deferrals and application of portions of lease deposits to fulfill payment obligations. Without financial support or other government assistance, certain of our triple-net senior housing tenants will likely experience worsening financial conditions through the second quarter, which would pressure their rent coverage ratios and may affect their ability to pay us contractual rent in full on a timely basis.

In our office operations segment and healthcare triple-net leased properties business, we collected substantially all rent due in the first quarter. In April, we collected substantially all rent due from our healthcare triple-net leased tenants. This cohort of tenants has benefitted from significant government financial support to partially offset the direct financial impact of

the COVID-19 pandemic on healthcare providers. In our office operations segment, we received 96% of anticipated rent in April. We expect the majority of remaining unpaid April rent to ultimately be collectible. In our office operations segment, most markets have transitioned to virtual tours and our tenant retention increased in April as many tenants have delayed or canceled move-outs as a result of the COVID-19 pandemic.

In March, we took precautionary steps to increase liquidity and preserve financial flexibility in light of the uncertainty resulting from the COVID-19 pandemic. On March 12, 2020, we provided notice to the lenders under our \$3.0 billion unsecured revolving credit facility to borrow \$2.75 billion under the facility. A total of \$2.9 billion is currently outstanding under the facility. In March 2020, we added to this liquidity by issuing \$500.0 million aggregate principal amount of 4.75% senior notes due 2030. The notes were settled and proceeds were received in April 2020.

We had approximately \$3.2 billion in cash and cash equivalents on hand as of May 6, 2020, with negligible near-term debt maturing and no pending, unfunded or unannounced acquisitions. In order to conserve capital, we have reduced expected capital expenditures for 2020 by \$0.3 billion to a new expected total of \$0.5 billion, mainly through pausing certain ground-up developments that were not yet substantially underway. We are also reviewing our general and administrative expenses to identify additional opportunities to reduce operating costs.

The federal government, as well as state and local governments, have implemented or announced programs to provide financial and other support to businesses affected by the COVID-19 pandemic, some of which benefit or could benefit our company, tenants, operators, borrowers and managers. While these government assistance programs are not expected to fully offset the negative financial impact of the pandemic, and there can be no assurance that these programs will continue or the extent to which they will be expanded, we are monitoring them closely and have been in active dialogue with our tenants, operators, borrowers and managers regarding ways in which these programs could benefit them or us.

We expect the trends highlighted above with respect to the impact of the COVID-19 pandemic to continue and, in some cases, accelerate. The extent of the COVID-19 pandemic's continued effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the outbreak, the pace at which jurisdictions across the country re-open and restrictions begin to lift, the availability of government financial support to our business, tenants and operators and whether a resurgence of the outbreak occurs. Due to these uncertainties, we are not able at this time to estimate the ultimate impact of the COVID-19 pandemic on our business, results of operations, financial condition and cash flows but it could be material.

We have utilized all available information as described above in consistently applying our critical accounting policies that affect our more significant estimates and judgments used in preparation of our Consolidated Financial Statements for the quarter ended March 31, 2020, including impairment of long-lived and intangible assets and revenue recognition.

NOTE 2—ACCOUNTING POLICIES

The accompanying Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information set forth in the Accounting Standards Codification (“ASC”), as published by the Financial Accounting Standards Board (“FASB”), and with the Securities and Exchange Commission (“SEC”) instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of results for the interim period have been included. Operating results for the three months ended March 31, 2020 are not necessarily indicative of the results that may be expected for the year ending December 31, 2020. The accompanying Consolidated Financial Statements and related notes should be read in conjunction with the audited Consolidated Financial Statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on February 24, 2020. Certain prior period amounts have been reclassified to conform to the current period presentation.

Principles of Consolidation

The accompanying Consolidated Financial Statements include our accounts and the accounts of our wholly owned subsidiaries and the joint venture entities over which we exercise control. All intercompany transactions and balances have been eliminated in consolidation, and our net earnings are reduced by the portion of net earnings attributable to noncontrolling interests.

GAAP requires us to identify entities for which control is achieved through means other than voting rights and to determine which business enterprise is the primary beneficiary of variable interest entities (“VIEs”). A VIE is broadly defined

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

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; and (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 consolidate our investment in a VIE when we determine that we are its primary beneficiary. 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.

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

As it relates to investments in joint ventures, GAAP may preclude consolidation by the sole general partner in certain circumstances based on the type of rights held by the limited partner or partners. We assess limited partners' rights and their impact on our consolidation conclusions, and we reassess if there is a change to the terms or in the exercisability of the rights of the limited partners, the sole general partner increases or decreases its ownership of limited partnership ("LP") interests or there is an increase or decrease in the number of outstanding LP interests. We also apply this guidance to managing member interests in limited liability companies ("LLCs").

We consolidate several VIEs that share the following common characteristics:

- the VIE is in the legal form of an LP or LLC;
- the VIE was designed to own and manage its underlying real estate investments;
- we are the general partner or managing member of the VIE;
- we own a majority of the voting interests in the VIE;
- a minority of voting interests in the VIE are owned by external third parties, unrelated to us;
- the minority owners do not have substantive kick-out or participating rights in the VIE; and
- we are the primary beneficiary of the VIE.

We have separately identified certain special purpose entities that were established to allow investments in research and innovation projects by tax credit investors ("TCIs"). We have determined that these special purpose entities are VIEs, we are a holder of variable interests and that we are the primary beneficiary of the VIEs, and therefore we consolidate these special purpose entities. Our primary beneficiary determination is based upon several factors, including but not limited to the rights we have in directing the activities which most significantly impact the VIEs' economic performance as well as certain guarantees which protect the TCIs from losses should a tax credit recapture event occur.

In general, the assets of consolidated VIEs are available only for the settlement of the obligations of the respective entities. Unless otherwise required by the LP or LLC agreement, any mortgage loans of the consolidated VIEs are non-recourse to us. The table below summarizes the total assets and liabilities of our consolidated VIEs as reported on our Consolidated Balance Sheets.

	March 31, 2020		December 31, 2019	
	Total Assets	Total Liabilities	Total Assets	Total Liabilities
	(In thousands)			
NHP/PMB L.P.	\$ 661,649	\$ 240,099	\$ 666,404	\$ 244,934
Other identified VIEs	3,727,402	1,386,629	4,075,821	1,459,830
Tax credit VIEs	887,976	343,825	845,229	333,809

Investments in Unconsolidated Entities

We report investments in unconsolidated entities over whose operating and financial policies we have the ability to exercise significant influence under the equity method of accounting. We adjust our investment in unconsolidated entities for additional contributions made, distributions received as well as our share of the investee's earnings or losses which is included in our Consolidated Statements of Income.

We base the initial carrying value of investments in unconsolidated entities on the fair value of the assets at the time we acquired the joint venture interest. We estimate initial fair values for our equity method investments based on discounted cash flow models that include all estimated cash inflows and outflows over a specified holding period and, where applicable, any estimated debt premiums or discounts. The capitalization rates, discount rates and credit spreads we use in these models are based upon assumptions that we believe to be within a reasonable range of current market rates for the respective investments.

We generally amortize any difference between our cost basis and the basis reflected at the joint venture level, if any, over the lives of the related assets and liabilities and include that amortization in our share of income or loss from unconsolidated entities. For earnings of equity method investments with pro rata distribution allocations, net income or loss is allocated between the partners in the joint venture based on their respective stated ownership percentages. In other instances, net income or loss is allocated between the partners in the joint venture based on the hypothetical liquidation at book value method (the "HLBV method"). Under the HLBV method, net income or loss is allocated between the partners based on the difference between each partner's claim on the net assets of the joint venture at the end and beginning of the period, after taking into account contributions and distributions. Each partner's share of the net assets of the joint venture is calculated as the amount that the partner would receive if the joint venture were to liquidate all of its assets at net book value and distribute the resulting cash to creditors and partners in accordance with their respective priorities. Under the HLBV method, in any given period, we could record more or less income than the joint venture has generated, than actual cash distributions we receive or than the amount we may receive in the event of an actual liquidation.

Redeemable OP Unitholder and Noncontrolling Interests

We own a majority interest in NHP/PMB L.P. ("NHP/PMB"), a limited partnership formed in 2008 to acquire properties from entities affiliated with Pacific Medical Buildings LLC ("PMB"). Given our wholly owned subsidiary is the general partner and the primary beneficiary of NHP/PMB, we consolidate it as a VIE. As of March 31, 2020, third party investors owned 3.3 million Class A limited partnership units in NHP/PMB ("OP Units"), which represented 31% of the total units then outstanding, and we owned 7.3 million Class B limited partnership units in NHP/PMB, representing the remaining 69%. At any time following the first anniversary of the date of their issuance, the OP Units may be redeemed at the election of the holder for cash or, at our option, 0.9051 shares of our common stock per OP Unit, subject to further adjustment in certain circumstances. We are party by assumption to a registration rights agreement with the holders of the OP Units that requires us, subject to the terms and conditions and certain exceptions set forth therein, to file and maintain a registration statement relating to the issuance of shares of our common stock upon redemption of OP Units.

As redemption rights are outside of our control, the redeemable OP Units are classified outside of permanent equity on our Consolidated Balance Sheets. We reflect the redeemable OP Units at the greater of cost or redemption value. As of March 31, 2020 and December 31, 2019, the fair value of the redeemable OP Units was \$100.8 million and \$171.2 million, respectively. We recognize changes in fair value through capital in excess of par value, net of cash distributions paid and purchases by us of any OP Units. Our diluted earnings per share includes the effect of any potential shares outstanding from redemption of the OP Units.

Certain noncontrolling interests of other consolidated joint ventures were also classified as redeemable at March 31, 2020 and December 31, 2019. Accordingly, we record the carrying amount of these noncontrolling interests at the greater of their initial carrying amount (increased or decreased for the noncontrolling interests' share of net income or loss and distributions) or the redemption value, which is primarily based on the fair value of the underlying real estate asset. Our joint venture partners have certain redemption rights with respect to their noncontrolling interests in these joint ventures that are outside of our control, and the redeemable noncontrolling interests are classified outside of permanent equity on our Consolidated Balance Sheets. We recognize changes in the carrying value of redeemable noncontrolling interests through capital in excess of par value.

Accounting for Historic and New Markets Tax Credits

For certain of our research and innovation centers, we are party to contractual arrangements with TCIs that were established to enable the TCIs to receive benefits of historic tax credits ("HTCs") and/or new markets tax credits ("NMTCs"). As of March 31, 2020, we owned 11 properties, including two properties in development, that had syndicated HTCs or NMTCs, or both, to TCIs.

In general, TCIs invest cash into special purpose entities that invest in entities that own the subject property and generate the tax credits. The TCIs receive substantially all of the tax credits and hold only a nominal interest in the economic risk and benefits of the special purpose entities.

HTCs are delivered to the TCIs upon substantial completion of the project. NMTCs are allowed for up to 39% of a qualified investment and are delivered to the TCIs after the investment has been funded and spent on a qualified business. HTCs are subject to 20% recapture per year beginning one year after the completion of the historic rehabilitation of the subject property. NMTCs are subject to 100% recapture until the end of the seventh year following the qualifying investment. We have provided the TCIs with certain guarantees which protect the TCIs from losses should a tax credit recapture event occur. The contractual arrangements with the TCIs include a put/call provision whereby we may be obligated or entitled to repurchase the interest of the TCIs in the special purpose entities at the end of the tax credit recapture period. We anticipate that either the TCIs will exercise their put rights or we will exercise our call rights prior to the applicable tax credit recapture periods.

The portion of the TCI's investment that is attributed to the put is recorded at fair value at inception in accounts payable and other liabilities on our Consolidated Balance Sheets, and is accreted to the expected put price as interest expense in our Consolidated Statements of Income over the recapture period. The remaining balance of the TCI's investment is initially recorded in accounts payable and other liabilities on our Consolidated Balance Sheets and will be relieved upon delivery of the tax credit to the TCI, as a reduction in the carrying value of the subject property, net of allocated expenses. Direct and incremental costs incurred in structuring the transaction are deferred and will be recognized as an increase in the cost basis of the subject property upon the recognition of the related tax credit as discussed above.

Impairment of Long-Lived and Intangible Assets

We periodically evaluate our long-lived assets, primarily consisting of investments in real estate, for impairment indicators. If indicators of impairment are present, we evaluate the carrying value of the related real estate investments in relation to the future undiscounted cash flows of the underlying operations. In performing this evaluation, we consider market conditions and our current intentions with respect to holding or disposing of the asset. We adjust the net book value of leased properties and other long-lived assets to fair value if the sum of the expected future undiscounted cash flows, including sales proceeds, is less than book value. We recognize an impairment loss at the time we make any such determination.

If impairment indicators arise with respect to intangible assets with finite useful lives, we evaluate impairment by comparing the carrying amount of the asset to the estimated future undiscounted net cash flows expected to be generated by the asset. If estimated future undiscounted net cash flows are less than the carrying amount of the asset, then we estimate the fair value of the asset and compare the estimated fair value to the intangible asset's carrying value. We recognize any shortfall from carrying value as an impairment loss in the current period.

We evaluate our investments in unconsolidated entities for impairment at least annually, and whenever events or changes in circumstances indicate that the carrying value of our investment may exceed its fair value. If we determine that a decline in the fair value of our investment in an unconsolidated entity is other-than-temporary, and if such reduced fair value is below the carrying value, we record an impairment.

We test goodwill for impairment at least annually, and more frequently if indicators arise. We first assess qualitative factors, such as current macroeconomic conditions, state of the equity and capital markets and our overall financial and operating performance, to determine the likelihood that the fair value of a reporting unit is less than its carrying amount. If we determine it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we proceed with estimating the fair value of the reporting unit. On January 1, 2020 we adopted ASU 2017-04, *Simplifying the Test for Goodwill Impairment*, which removes the traditional "Step 2" of the goodwill impairment test that required a hypothetical purchase price allocation. A goodwill impairment, if any, will be recognized in the period it is determined and now measured as the amount by which a reporting unit's carrying value exceeds its fair value.

Estimates of fair value used in our evaluation of goodwill (if necessary based on our qualitative assessment), investments in real estate, investments in unconsolidated entities and intangible assets are based upon discounted future cash flow projections or other acceptable valuation techniques that are based, in turn, upon all available evidence including level three inputs, such as revenue and expense growth rates, estimates of future cash flows, capitalization rates, discount rates, general economic conditions and trends, or other available market data. Our ability to accurately predict future operating results and cash flows and to estimate and determine fair values impacts the timing and recognition of impairments. While we believe our assumptions are reasonable, changes in these assumptions may have a material impact on our financial results.

Fair Values of Financial Instruments

Fair value is a market-based measurement, not an entity-specific measurement, and we determine fair value based on the assumptions that we expect market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, GAAP establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within levels one and two of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within level three of the hierarchy).

Level one inputs utilize unadjusted quoted prices for identical assets or liabilities in active markets that we have the ability to access. Level two inputs are inputs other than quoted prices included in level one that are directly or indirectly observable for the asset or liability. Level two inputs may include quoted prices for similar assets and liabilities in active markets and other inputs for the asset or liability that are observable at commonly quoted intervals, such as interest rates, foreign exchange rates and yield curves. Level three inputs are unobservable inputs for the asset or liability, which typically are based on our own assumptions, because there is little, if any, related market activity. If the determination of the fair value measurement is based on inputs from different levels of the hierarchy, the level within which the entire fair value measurement falls is the lowest level input that is significant to the fair value measurement in its entirety. If the volume and level of market activity for an asset or liability has decreased significantly relative to the normal market activity for such asset or liability (or similar assets or liabilities), then transactions or quoted prices may not accurately reflect fair value. In addition, if there is evidence that a transaction for an asset or liability is not orderly, little, if any, weight is placed on that transaction price as an indicator of fair value. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

We use the following methods and assumptions in estimating the fair value of our financial instruments.

- *Cash and cash equivalents* - The carrying amount of unrestricted cash and cash equivalents reported on our Consolidated Balance Sheets approximates fair value due to the short maturity of these instruments.
- *Escrow deposits and restricted cash* - The carrying amount of escrow deposits and restricted cash reported on our Consolidated Balance Sheets approximates fair value due to the short maturity of these instruments.
- *Loans receivable* - We estimate the fair value of loans receivable using level two and level three inputs. We discount future cash flows using current interest rates at which similar loans with the same terms and length to maturity would be made to borrowers with similar credit ratings.
- *Available for sale securities* - We estimate the fair value of marketable debt securities using level two inputs. We observe quoted prices for similar assets or liabilities in active markets that we have the ability to access. We estimate the fair value of certain government-sponsored pooled loan investments using level three inputs. We consider credit spreads, underlying asset performance and credit quality, and default rates.
- *Derivative instruments* - With the assistance of a third party, we estimate the fair value of derivative instruments, including interest rate caps, interest rate swaps, and foreign currency forward contracts, using level two inputs.
 - Interest rate caps - We observe forward yield curves and other relevant information.
 - Interest rate swaps - We observe alternative financing rates derived from market-based financing rates, forward yield curves and discount rates.
 - Foreign currency forward contracts - We estimate the future values of the two currency tranches using forward exchange rates that are based on traded forward points and calculate a present value of the net amount using a discount factor based on observable traded interest rates.
- *Senior notes payable and other debt* - We estimate the fair value of senior notes payable and other debt using level two inputs. We discount the future cash flows using current interest rates at which we could obtain similar borrowings. For mortgage debt, we may estimate fair value using level three inputs, similar to those used in determining fair value of loans receivable (above).
- *Redeemable OP unitholder interests* - We estimate the fair value of our redeemable OP unitholder interests using level one inputs. We base fair value on the closing price of our common stock, as OP Units may be redeemed at

the election of the holder for cash or, at our option, shares of our common stock, subject to adjustment in certain circumstances.

Revenue Recognition

Triple-Net Leased Properties and Office Operations

Certain of our triple-net leases and most of our MOB and research and innovation center (collectively, “office operations”) leases provide for periodic and determinable increases in base rent. We recognize base rental revenues under these leases on a straight-line basis over the applicable lease term when collectability of substantially all rents is probable. Recognizing rental income on a straight-line basis generally results in recognized revenues during the first half of a lease term exceeding the cash amounts contractually due from our tenants, creating a straight-line rent receivable that is included in other assets on our Consolidated Balance Sheets. At March 31, 2020 and December 31, 2019, this cumulative excess totaled \$277.1 million and \$278.8 million, respectively (excluding properties classified as held for sale).

Certain of our leases provide for periodic increases in base rent only if certain revenue parameters or other substantive contingencies are met. We recognize the increased rental revenue under these leases as the related parameters or contingencies are met, rather than on a straight-line basis over the applicable lease term.

We assess the probability of collecting substantially all rents under our leases based on several factors, including, among other things, payment history, the financial strength of the tenant and any guarantors, the historical operations and operating trends of the property, the historical payment pattern of the tenant, the type of property, the value of the underlying collateral, if any, expected future performance of the property and current economic conditions. 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. If we change our conclusions regarding the probability of collecting rent payments required by a lease, we may recognize adjustments to rental income in the period we make such change in our conclusions.

Senior Living Operations

Our resident agreements are accounted for as leases and we recognize resident fees and services, other than move-in fees, monthly as services are provided. We recognize move-in fees on a straight-line basis over the average resident stay.

Other

We recognize interest income from loans and investments, including discounts and premiums, using the effective interest method when collectability is reasonably assured. We apply the effective interest method on a loan-by-loan basis and recognize discounts and premiums as yield adjustments over the related loan term. We recognize interest income on an impaired loan to the extent our estimate of the fair value of the collateral is sufficient to support the balance of the loan, other receivables and all related accrued interest. When the balance of the loan, other receivables and all related accrued interest is equal to or less than our estimate of the fair value of the collateral, we recognize interest income on a cash basis.

On January 1, we adopted ASU 2016-13, *Measurement of Credit Losses on Financial Instruments* (“ASU 2016-13”). The amendments in ASU 2016-13 require us to evaluate a current estimate of all expected credit losses over the life of a financial instrument, which may result in earlier recognition of credit losses on loans and other financial instruments. Under prior guidance, we generally only considered past events and current conditions in measuring an incurred loss. We will establish a reserve for any estimated credit losses using this model with a corresponding charge to net income. We adopted ASU 2016-13 using the modified retrospective method and we established no reserve upon adoption.

Lease Accounting

We lease real property, primarily land and corporate office space, and equipment, primarily vehicles at our senior housing communities. At lease inception, we establish an operating lease asset and operating lease liability calculated as the present value of future minimum lease payments. As our leases do not provide an implicit rate, we use a discount rate that approximates our incremental borrowing rate available at lease commencement to determine the present value. Our lease expense primarily consists of ground and corporate office leases. Ground lease expense is included in interest expense and corporate office lease expense is included in general, administrative and professional fees in the Company’s Consolidated Statements of Income.

NOTE 3—CONCENTRATION OF CREDIT RISK

As of March 31, 2020, Atria, Sunrise, Brookdale Senior Living, Ardent and Kindred managed or operated approximately 20.8%, 10.6%, 7.9%, 4.9% and 1.1%, respectively, of our consolidated real estate investments based on gross book value (excluding properties classified as held for sale as of March 31, 2020). Because Atria and Sunrise manage our properties in exchange for the receipt of a management fee from us, we are not directly exposed to the credit risk of our managers in the same manner or to the same extent as our triple-net tenants.

Based on gross book value, approximately 44.1% and 19.5% of our consolidated real estate investments were senior housing communities included in the senior living operations and triple-net leased properties reportable business segments, respectively (excluding properties classified as held for sale as of March 31, 2020). MOBs, research and innovation centers, IRFs and LTACs, health systems, skilled nursing facilities (“SNFs”) and secured loans receivable and investments collectively comprised the remaining 36.4%. Our consolidated properties were located in 45 states, the District of Columbia, seven Canadian provinces and the United Kingdom as of March 31, 2020, with properties in one state (California) accounting for more than 10% of our total continuing revenues and net operating income (“NOI,” which is defined as total revenues, excluding interest and other income, less property-level operating expenses and office building services costs) for the three months then ended.

Triple-Net Leased Properties

The following table reflects the concentration risk related to our triple-net leased properties for the periods presented:

	For the Three Months Ended March 31,	
	2020	2019
Revenues⁽¹⁾:		
Brookdale Senior Living	4.6%	4.8%
Ardent	3.0	3.1
Kindred	3.2	3.4
NOI:		
Brookdale Senior Living	8.8%	8.8%
Ardent	5.8	5.7
Kindred	6.2	6.2

⁽¹⁾ Total revenues include office building and other services revenue, income from loans and investments and interest and other income.

Each of our leases with Brookdale Senior Living, Ardent and Kindred is a triple-net lease that obligates the tenant to pay all property-related expenses, including maintenance, utilities, repairs, taxes, insurance and capital expenditures, and to comply with the terms of the mortgage financing documents, if any, affecting the properties. In addition, each of our Brookdale Senior Living, Ardent and Kindred leases has a corporate guaranty.

The properties we lease to Brookdale Senior Living, Ardent and Kindred accounted for a significant portion of our triple-net leased properties segment revenues and NOI for the three months ended March 31, 2020 and 2019. If Brookdale Senior Living, Ardent or Kindred becomes unable or unwilling to satisfy its obligations to us or to renew its leases with us upon expiration of the terms thereof, our financial condition and results of operations could decline, and our ability to service our indebtedness and to make distributions to our stockholders could be impaired. We cannot assure you that Brookdale Senior Living, Ardent and Kindred will have sufficient assets, income and access to financing to enable them to satisfy their respective obligations to us, and any failure, inability or unwillingness by Brookdale Senior Living, Ardent or Kindred to do so could have a material adverse effect on our business, financial condition, results of operations and liquidity, our ability to service our indebtedness and other obligations and our ability to make distributions to our stockholders, as required for us to continue to qualify as a REIT (a “Material Adverse Effect”). We also cannot assure you that Brookdale Senior Living, Ardent and Kindred will elect to renew their respective leases with us upon expiration of the leases or that we will be able to reposition any non-renewed properties on a timely basis or on the same or better economic terms, if at all.

Senior Living Operations

As of March 31, 2020, Atria and Sunrise, collectively, provided comprehensive property management and accounting services with respect to 260 of our 400 consolidated senior housing communities, for which we pay annual management fees pursuant to long-term management agreements.

We rely on our managers' personnel, expertise, technical resources and information systems, proprietary information, good faith and judgment to manage our senior living operations efficiently and effectively. We also rely on our managers to set appropriate resident fees and otherwise operate our senior housing communities in compliance with the terms of our management agreements and all applicable laws and regulations. Although we have various rights as the property owner under our management agreements, including various rights to terminate and exercise remedies under the agreements as provided therein, Atria's or Sunrise's failure, inability or unwillingness to satisfy its respective obligations under those agreements, to efficiently and effectively manage our properties or to provide timely and accurate accounting information with respect thereto could have a Material Adverse Effect on us. In addition, significant changes in Atria's or Sunrise's senior management or equity ownership or any adverse developments in their businesses or financial condition could have a Material Adverse Effect on us.

Brookdale Senior Living, Kindred, Atria, Sunrise and Ardent Information

Brookdale Senior Living is subject to the reporting requirements of the SEC and is required to file with the SEC annual reports containing audited financial information and quarterly reports containing unaudited financial information. The information related to Brookdale Senior Living contained or referred to in this Quarterly Report on Form 10-Q has been derived from SEC filings made by Brookdale Senior Living or other publicly available information, or was provided to us by Brookdale Senior Living, and we have not verified this information through an independent investigation or otherwise. We have no reason to believe that this information is inaccurate in any material respect, but we cannot assure you of its accuracy. We are providing this data for informational purposes only, and you are encouraged to obtain Brookdale Senior Living's publicly available filings, which can be found at the SEC's website at www.sec.gov.

Kindred, Atria, Sunrise and Ardent are not currently subject to the reporting requirements of the SEC. The information related to Kindred, Atria, Sunrise and Ardent contained or referred to in this Quarterly Report on Form 10-Q has been derived from publicly available information or was provided to us by Kindred, Atria, Sunrise or Ardent, as the case may be, and we have not verified this information through an independent investigation or otherwise. We have no reason to believe that this information is inaccurate in any material respect, but we cannot assure you of its accuracy.

NOTE 4—DISPOSITIONS

2020 Activity

In March 2020, we formed the Ventas Life Science and Healthcare Real Estate Fund, L.P. (the "Fund"), a perpetual life vehicle that focuses on investments in research and innovation centers, medical office buildings and senior housing communities in North America. To seed the Fund, we contributed six (two of which are on the same campus) stabilized research and innovation and medical office properties. We received cash consideration of \$620 million and a 21% interest in the Fund. We recognized a gain on the transactions of \$223.4 million.

Also, during the three months ended March 31, 2020, we sold one MOB and one senior housing community for aggregate consideration of \$9.2 million and we recognized a gain on the sale of these assets of \$2.8 million.

Real Estate Impairment

We recognized impairments of \$12.2 million and \$10.2 million, respectively, for the three months ended March 31, 2020 and 2019, which are recorded in depreciation and amortization in our Consolidated Statements of Income. Our recorded impairments were primarily the result of a change in our intent to hold the impaired assets. In most cases, we recognize an impairment in the periods in which our change in intent is made.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Assets Held for Sale

The table below summarizes our real estate assets classified as held for sale, including the amounts reported on our Consolidated Balance Sheets, which may include anticipated post-closing settlements of working capital for disposed properties.

	As of March 31, 2020			As of December 31, 2019		
	Number of Properties Held for Sale	Assets Held for Sale	Liabilities Related to Assets Held for Sale	Number of Properties Held for Sale	Assets Held for Sale	Liabilities Related to Assets Held for Sale
(Dollars in thousands)						
Triple-Net Leased Properties	8	\$ 52,115	\$ 1,512	8	\$ 62,098	\$ 1,623
Office Operations	—	1,496	1,397	1	5,177	499
Senior Living Operations	5	21,428	2,098	6	24,158	3,341
Total	13	\$ 75,039	\$ 5,007	15	\$ 91,433	\$ 5,463

NOTE 5—LOANS RECEIVABLE AND INVESTMENTS

As of March 31, 2020 and December 31, 2019, we had \$857.0 million and \$1.0 billion, respectively, of net loans receivable and investments relating to senior housing and healthcare operators or properties. The following is a summary of our loans receivable and investments, net, including amortized cost, fair value and unrealized gains or losses on available for sale investments:

	Carrying Amount	Amortized Cost	Fair Value	Unrealized Gain (Loss)
(In thousands)				
As of March 31, 2020:				
Secured/mortgage loans and other, net	\$ 567,247	\$ 567,247	\$ 444,187	\$ —
Government-sponsored pooled loan investments, net ⁽¹⁾	56,470	52,879	56,470	3,591
Total investments reported as secured loans receivable and investments, net	623,717	620,126	500,657	3,591
Non-mortgage loans receivable, net	44,301	44,301	39,915	—
Marketable debt securities ⁽²⁾	189,024	213,128	189,024	(24,104)
Total loans receivable and investments, net	\$ 857,042	\$ 877,555	\$ 729,596	\$ (20,513)
As of December 31, 2019:				
Secured/mortgage loans and other, net	\$ 645,546	\$ 645,546	\$ 646,925	\$ —
Government-sponsored pooled loan investments, net ⁽¹⁾	59,066	52,178	59,066	6,888
Total investments reported as secured loans receivable and investments, net	704,612	697,724	705,991	6,888
Non-mortgage loans receivable, net	63,724	63,724	63,538	—
Marketable debt securities ⁽²⁾	237,360	213,062	237,360	24,298
Total loans receivable and investments, net	\$ 1,005,696	\$ 974,510	\$ 1,006,889	\$ 31,186

⁽¹⁾ Investments in government-sponsored pool loans have contractual maturity dates in 2021 and 2023.

⁽²⁾ Investments in marketable debt securities have contractual maturity dates in 2024 and 2026.

2020 Activity

During the three months ended March 31, 2020, we received aggregate proceeds of \$99.0 million for the full repayment of the principal balances of seven loans receivable with a weighted average interest rate of 8.4% that were due to mature between 2020 and 2024, resulting in total gains of \$1.4 million.

NOTE 6—INVESTMENTS IN UNCONSOLIDATED ENTITIES

We report investments in unconsolidated entities over whose operating and financial policies we have the ability to exercise significant influence under the equity method of accounting. We are not required to consolidate these entities because our joint venture partners have significant participating rights, nor are these entities considered VIEs, as they are controlled by equity holders with sufficient capital.

At March 31, 2020, we had a 25% interest in a real estate joint venture that has a majority ownership in six properties and four properties under development.

In March 2020, we formed the Fund in which we are manager, general partner and had a 21% ownership interest. See “Note 4 - Dispositions.”

We account for our interests in real estate joint ventures, including the Fund, as well as our 34% interest in Atria, 34% interest in Eclipse Senior Living (“ESL”) and 9.8% interest in Ardent, which are included within other assets on our Consolidated Balance Sheets, under the equity method of accounting.

Our 34% ownership interest in Atria entitles us to customary rights and minority protections, including the right to appoint two of six members to the Atria Board of Directors.

Our 34% ownership interest in ESL entitles us to customary rights and minority protections, including the right to appoint two of six members to the ESL Board of Directors. ESL management owns the 66% controlling interest.

Our 9.8% ownership interest in Ardent entitles us to certain rights and minority protections, as well as the right to appoint one of 11 members on the Ardent Board of Directors.

With the exception of our interests in Atria, ESL and Ardent, we provide various services to unconsolidated entities in exchange for fees and reimbursements. Total management fees earned in connection with these entities were \$1.0 million and \$0.7 million for the three months ended March 31, 2020 and 2019, respectively, which is included in office building and other services revenue in our Consolidated Statements of Income.

NOTE 7—INTANGIBLES

The following is a summary of our intangibles:

	As of March 31, 2020		As of December 31, 2019	
	Balance	Remaining Weighted Average Amortization Period in Years	Balance	Remaining Weighted Average Amortization Period in Years
	(Dollars in thousands)			
Intangible assets:				
Above market lease intangibles	\$ 142,556	6.8	\$ 145,891	6.9
In-place and other lease intangibles	1,099,090	10.8	1,160,261	10.6
Goodwill	1,050,137	N/A	1,051,161	N/A
Other intangibles	35,712	10.7	35,837	10.9
Accumulated amortization	(910,159)	N/A	(920,742)	N/A
Net intangible assets	\$ 1,417,336	10.4	\$ 1,472,408	10.2
Intangible liabilities:				
Below market lease intangibles	\$ 339,794	14.5	\$ 349,357	14.5
Other lease intangibles	13,498	N/A	13,498	N/A
Accumulated amortization	(202,017)	N/A	(203,834)	N/A
Purchase option intangibles	3,568	N/A	3,568	N/A
Net intangible liabilities	\$ 154,843	14.5	\$ 162,589	14.5

N/A—Not Applicable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Above market lease intangibles and in-place and other lease intangibles are included in acquired lease intangibles within real estate investments on our Consolidated Balance Sheets. Other intangibles (including non-compete agreements, trade names and trademarks) are included in other assets on our Consolidated Balance Sheets. Below market lease intangibles, other lease intangibles and purchase option intangibles are included in accounts payable and other liabilities on our Consolidated Balance Sheets.

NOTE 8—OTHER ASSETS

The following is a summary of our other assets:

	<u>As of March 31, 2020</u>	<u>As of December 31, 2019</u>
	(In thousands)	
Straight-line rent receivables	\$ 277,078	\$ 278,833
Non-mortgage loans receivable, net	44,301	63,724
Marketable debt securities	189,024	237,360
Other intangibles, net	4,956	5,149
Investment in unconsolidated operating entities	45,608	59,301
Other	241,193	232,929
Total other assets	<u>\$ 802,160</u>	<u>\$ 877,296</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

NOTE 9—SENIOR NOTES PAYABLE AND OTHER DEBT

The following is a summary of our senior notes payable and other debt:

	As of March 31, 2020	As of December 31, 2019
	(In thousands)	
Unsecured revolving credit facility ⁽¹⁾	\$ 2,888,159	\$ 120,787
Commercial paper notes	—	567,450
Secured revolving construction credit facility due 2022	152,427	160,492
Floating Rate Senior Notes, Series F due 2021 ⁽²⁾	213,386	231,018
3.25% Senior Notes due 2022	500,000	500,000
3.30% Senior Notes, Series C due 2022 ⁽²⁾	177,822	192,515
Unsecured term loan due 2023	200,000	200,000
3.125% Senior Notes due 2023	400,000	400,000
3.10% Senior Notes due 2023	400,000	400,000
2.55% Senior Notes, Series D due 2023 ⁽²⁾	195,604	211,767
3.50% Senior Notes due 2024	400,000	400,000
3.75% Senior Notes due 2024	400,000	400,000
4.125% Senior Notes, Series B due 2024 ⁽²⁾	177,822	192,515
2.80% Senior Notes, Series E due 2024 ⁽²⁾	426,773	462,036
Unsecured term loan due 2025 ⁽²⁾	355,644	385,030
3.50% Senior Notes due 2025	600,000	600,000
2.65% Senior Notes due 2025	450,000	450,000
4.125% Senior Notes due 2026	500,000	500,000
3.25% Senior Notes due 2026	450,000	450,000
3.85% Senior Notes due 2027	400,000	400,000
4.00% Senior Notes due 2028	650,000	650,000
4.40% Senior Notes due 2029	750,000	750,000
3.00% Senior Notes due 2030	650,000	650,000
6.90% Senior Notes due 2037 ⁽³⁾	52,400	52,400
6.59% Senior Notes due 2038 ⁽³⁾	22,823	22,823
5.70% Senior Notes due 2043	300,000	300,000
4.375% Senior Notes due 2045	300,000	300,000
4.875% Senior Notes due 2049	300,000	300,000
Mortgage loans and other	1,943,909	1,996,969
Total	14,256,769	12,245,802
Deferred financing costs, net	(76,967)	(79,939)
Unamortized fair value adjustment	17,975	20,056
Unamortized discounts	(25,498)	(27,146)
Senior notes payable and other debt	\$ 14,172,279	\$ 12,158,773

⁽¹⁾ As of March 31, 2020 and December 31, 2019, respectively, \$12.4 million and \$26.2 million of aggregate borrowings were denominated in Canadian dollars. Aggregate borrowings of \$25.7 million and \$27.6 million were denominated in British pounds as of March 31, 2020 and December 31, 2019, respectively.

⁽²⁾ Canadian Dollar debt obligations shown in US Dollars.

⁽³⁾ Our 6.90% senior notes due 2037 are subject to repurchase at the option of the holders, at par, on October 1, 2027, and our 6.59% senior notes due 2038 are subject to repurchase at the option of the holders, at par, on July 7 in each of 2023 and 2028.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

As of March 31, 2020, our indebtedness had the following maturities:

	Principal Amount Due at Maturity	Unsecured Revolving Credit Facility and Commercial Paper Notes ⁽¹⁾	Scheduled Periodic Amortization	Total Maturities
	(In thousands)			
2020	\$ 198,730	\$ —	\$ 30,149	\$ 228,879
2021	379,222	2,888,159	38,427	3,305,808
2022	1,224,542	—	33,010	1,257,552
2023	1,574,517	—	20,059	1,594,576
2024	1,520,387	—	14,114	1,534,501
Thereafter	6,240,467	—	94,986	6,335,453
Total maturities	\$ 11,137,865	\$ 2,888,159	\$ 230,745	\$ 14,256,769

⁽¹⁾ At March 31, 2020, we had \$40.0 million of borrowings outstanding under our unsecured revolving credit facility and commercial paper program, net of \$2.8 billion of unrestricted cash and cash equivalents.

Credit Facilities, Commercial Paper and Unsecured Term Loans

Our unsecured credit facility is comprised of a \$3.0 billion unsecured revolving credit facility priced at LIBOR plus 0.875% as of March 31, 2020. The unsecured revolving credit facility matures in April 2021, but may be extended at our option subject to the satisfaction of certain conditions, including all representations and warranties being correct in all material respects with no existing defaults, for two additional periods of six months each to April 2022. The unsecured revolving credit facility also includes an accordion feature that permits us to increase our aggregate borrowing capacity thereunder to up to \$3.75 billion.

Our wholly-owned subsidiary, Ventas Realty, Limited Partnership (“Ventas Realty”), may issue from time to time unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of \$1.0 billion. The notes are sold under customary terms in the United States commercial paper note market and are ranked pari passu with all of Ventas Realty’s other unsecured senior indebtedness. The notes are fully and unconditionally guaranteed by Ventas, Inc. As of March 31, 2020, we had no borrowings outstanding under our commercial paper program.

As of March 31, 2020, \$2.9 billion was outstanding under the unsecured revolving credit facility with an additional \$24.0 million restricted to support outstanding letters of credit. See “Note 1 - Description Of Business - COVID-19 Update.” We had \$87.9 million in available liquidity under the unsecured revolving credit facility as of March 31, 2020.

As of March 31, 2020, we had a \$200.0 million unsecured term loan priced at LIBOR plus 0.90% that matures in 2023. The term loan also includes an accordion feature that effectively permits us to increase our aggregate borrowings thereunder to up to \$800.0 million.

As of March 31, 2020, we had a C\$500 million unsecured term loan facility priced at Canadian Dollar Offered Rate (“CDOR”) plus 0.90% that matures in 2025.

As of March 31, 2020, we had a \$400.0 million secured revolving construction credit facility with \$152.4 million of borrowings outstanding. The secured revolving construction credit facility matures in 2022 and is primarily used to finance the development of research and innovation centers and other construction projects.

Senior Notes

In March 2020, Ventas Realty issued \$500.0 million aggregate principal amount of 4.75% senior notes due 2030 at a public offering price equal to 97.86% of par. The notes were settled and proceeds were received in April 2020.

NOTE 10—FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of our financial instruments were as follows:

	As of March 31, 2020		As of December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In thousands)			
Assets:				
Cash and cash equivalents	\$ 2,848,115	\$ 2,848,115	\$ 106,363	\$ 106,363
Escrow deposits and restricted cash	38,144	38,144	39,739	39,739
Secured mortgage loans and other, net	567,247	444,187	645,546	646,925
Non-mortgage loans receivable, net	44,301	39,915	63,724	63,538
Marketable debt securities	189,024	189,024	237,360	237,360
Government-sponsored pooled loan investments, net	56,470	56,470	59,066	59,066
Derivative instruments	1,676	1,676	738	738
Liabilities:				
Senior notes payable and other debt, gross	14,256,769	14,223,577	12,245,802	12,778,758
Derivative instruments	30,413	30,413	12,987	12,987
Redeemable OP Units	100,763	100,763	171,178	171,178

For a discussion of the assumptions considered, refer to “Note 2 - Accounting Policies.” 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 above are not necessarily indicative of the amounts we would realize in a current market exchange.

NOTE 11—LITIGATION

Proceedings Arising in Connection with Our Business

From time to time, we are party to various legal actions, regulatory proceedings and claims (some of which may not be fully insured and some of which may allege large damage amounts) arising in connection with our business, including our senior living and office operations. These claims may include, among other things, professional liability and general liability claims, unfair business practices claims, employment claims and regulatory proceedings related to our senior living operations, the risks of which has increased as a result of the COVID-19 pandemic.

It is the opinion of management, except as otherwise set forth in this note, that the disposition of any such actions, investigations and claims that are currently pending will not, individually or in the aggregate, have a Material Adverse Effect on us. However, regardless of their merits, we may be forced to expend significant financial resources to defend and resolve these matters. We are unable to predict the ultimate outcome of these actions, investigations and claims, and if management’s assessment of our liability with respect thereto is incorrect, such actions, investigations and claims could have a Material Adverse Effect on us.

Proceedings against Tenants, Operators and Managers

From time to time, Atria, Sunrise, Brookdale Senior Living, Ardent, Kindred and our other tenants, operators and managers are parties to certain legal actions, regulatory proceedings and claims arising in the conduct of their business and operations, the risk of which has increased as a result of the COVID-19 pandemic. In other circumstances, regardless of whether we are a named party in the legal actions, regulatory proceedings or claims, we may be contractually obligated to indemnify, defend and hold harmless our tenants, operators and managers against such actions, proceedings or claims. The unfavorable resolution of any such actions, proceedings or claims could, individually or in the aggregate, materially adversely affect our or such tenants’, operators’ or managers’ liquidity, financial condition or results of operations and their ability to satisfy their respective obligations to us, which, in turn, could have a Material Adverse Effect on us.

Proceedings Indemnified and Defended by Third Parties

From time to time, we are party to certain legal actions, regulatory proceedings and claims for which our tenants, operators, managers and other third parties are contractually obligated to indemnify, defend and hold us harmless in whole or in part. For instance, managers of our senior living communities and tenants of our triple-net leased properties and, in some cases, their affiliates are required by the terms of their management agreements, leases or other agreements with us to indemnify, defend and hold us harmless against certain actions, investigations and claims. In addition, third parties from whom we acquired certain of our assets and, in some cases, their affiliates are required by the terms of the related conveyance documents to indemnify, defend and hold us harmless against certain actions, investigations and claims related to the acquired assets and arising prior to our ownership or related to excluded assets and liabilities. In some cases, a portion of the purchase price consideration is held in escrow for a specified period of time as collateral for these indemnification obligations.

We are presently being defended by certain third parties in these types of matters. We cannot assure you that these third parties will continue to defend us in these matters, that they will have sufficient assets, income and access to financing to enable them to satisfy their defense and indemnification obligations to us or that any purchase price consideration held in escrow will be sufficient to satisfy claims for which we are entitled to indemnification. The unfavorable resolution of any such actions, investigations or claims could, individually or in the aggregate, materially adversely affect our tenants' or other obligated third parties' liquidity, financial condition or results of operations and their ability to satisfy their respective obligations to us, which, in turn, could have a Material Adverse Effect on us.

NOTE 12—INCOME TAXES

We have elected to be taxed as a REIT under the applicable provisions of the Internal Revenue Code of 1986, as amended, for every year beginning with the year ended December 31, 1999. We have also elected for certain of our subsidiaries to be treated as taxable REIT subsidiaries ("TRS" or "TRS entities"), which are subject to federal, state and foreign income taxes. All entities other than the TRS entities are collectively referred to as the "REIT" within this note. Certain REIT entities are subject to foreign income tax.

Although the TRS entities and certain other foreign entities have paid minimal cash federal, state and foreign income taxes for the three months ended March 31, 2020, their income tax liabilities may increase in future periods as we exhaust net operating loss ("NOL") carryforwards and as our senior living and other operations grow. Such increases could be significant.

Our consolidated provisions for income taxes for the three months ended March 31, 2020 and 2019 were a benefit of \$149.0 million and \$1.3 million, respectively. The income tax benefit for the three months ended March 31, 2020 was primarily due to a \$152.9 million net deferred tax benefit related to the internal restructuring of certain US taxable REIT subsidiaries completed within the quarter. The benefit resulted from the transfer of assets subject to certain deferred tax liabilities from taxable REIT subsidiaries to the REIT in this tax-free transaction. The income tax benefit for the three months ended March 31, 2019 was primarily due to operating losses at our TRS entities.

Realization of a deferred tax benefit related to NOLs depends, in part, upon generating sufficient taxable income within the relevant carryforward period. The REIT NOL carryforwards will begin to expire within the current year while TRS NOL carryforwards will begin to expire in 2032.

Each TRS is a tax paying component for purposes of classifying deferred tax assets and liabilities. Net deferred tax liabilities with respect to our TRS entities totaled \$47.5 million and \$200.8 million as of March 31, 2020 and December 31, 2019, respectively, and related primarily to differences between the financial reporting and tax bases of fixed and intangible assets, net of loss carryforwards. Net deferred tax assets with respect to our TRS entities totaled \$47.5 million as of March 31, 2020 and December 31, 2019 and related primarily to loss carryforwards.

Generally, we are subject to audit under the statute of limitations by the Internal Revenue Service for the year ended December 31, 2016 and subsequent years and are subject to audit by state taxing authorities for the year ended December 31, 2015 and subsequent years. We are subject to audit generally under the statutes of limitation by the Canada Revenue Agency and provincial authorities with respect to the Canadian entities for the year ended December 31, 2015 and subsequent years. We are subject to audit in the United Kingdom generally for periods ended in and subsequent to 2018.

NOTE 13—STOCKHOLDERS' EQUITY

Capital Stock

From time to time, we may sell up to an aggregate of \$1.0 billion of our common stock under an “at-the-market” equity offering program (“ATM program”). During the three months ended March 31, 2020, we sold no shares of common stock under our ATM program. As of March 31, 2020, \$822.1 million of our common stock remained available for sale under our ATM program.

Accumulated Other Comprehensive Loss

The following is a summary of our accumulated other comprehensive loss:

	As of March 31, 2020	As of December 31, 2019
	(In thousands)	
Foreign currency translation	\$ (60,283)	\$ (51,743)
Available for sale securities	(20,513)	27,380
Derivative instruments	(22,612)	(10,201)
Total accumulated other comprehensive loss	<u>\$ (103,408)</u>	<u>\$ (34,564)</u>

NOTE 14—EARNINGS PER SHARE

The following table shows the amounts used in computing our basic and diluted earnings per share:

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands, except per share amounts)	
Numerator for basic and diluted earnings per share:		
Income from continuing operations	\$ 474,730	\$ 127,588
Net income	474,730	127,588
Net income attributable to noncontrolling interests	1,613	1,803
Net income attributable to common stockholders	<u>\$ 473,117</u>	<u>\$ 125,785</u>
Denominator:		
Denominator for basic earnings per share—weighted average shares	372,829	356,853
Effect of dilutive securities:		
Stock options	19	328
Restricted stock awards	188	440
OP unitholder interests	2,961	2,998
Denominator for diluted earnings per share—adjusted weighted average shares	<u>375,997</u>	<u>360,619</u>
Basic earnings per share:		
Income from continuing operations	\$ 1.27	\$ 0.36
Net income attributable to common stockholders	1.27	0.35
Diluted earnings per share:		
Income from continuing operations	\$ 1.26	\$ 0.35
Net income attributable to common stockholders	1.26	0.35

NOTE 15—SEGMENT INFORMATION

As of March 31, 2020, we operated through three reportable business segments: triple-net leased properties, senior living operations and office operations. In our triple-net leased properties segment, we invest in and own senior housing and healthcare properties throughout the United States and the United Kingdom and lease those properties to healthcare operating companies under “triple-net” or “absolute-net” leases that obligate the tenants to pay all property-related expenses. In our senior living operations segment, we invest in senior housing communities throughout the United States and Canada and engage independent operators, such as Atria and Sunrise, to manage those communities. In our office operations segment, we primarily acquire, own, develop, lease and manage MOBs and research and innovation centers throughout the United States. Information provided for “all other” includes income from loans and investments and other miscellaneous income and various corporate-level expenses not directly attributable to any of our three reportable business segments. Assets included in “all other” consist primarily of corporate assets, including cash, restricted cash, loans receivable and investments, and miscellaneous accounts receivable.

Our chief operating decision makers evaluate performance of the combined properties in each reportable business segment and determine how to allocate resources to those segments, in significant part, based on segment NOI and related measures. We define segment NOI as total revenues, less interest and other income, property-level operating expenses and office building services costs. We consider segment NOI useful because it allows investors, analysts and our management to measure unlevered property-level operating results and to compare our operating results to the operating results of other real estate companies between periods on a consistent basis. In order to facilitate a clear understanding of our historical consolidated operating results, segment NOI should be examined in conjunction with net income attributable to common stockholders as presented in our Consolidated Financial Statements and other financial data included elsewhere in this Quarterly Report on Form 10-Q.

Interest expense, depreciation and amortization, general, administrative and professional fees, income tax expense and other non-property specific revenues and expenses are not allocated to individual reportable business segments for purposes of assessing segment performance. There are no intersegment sales or transfers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Summary information by reportable business segment is as follows:

	For the Three Months Ended March 31, 2020				
	Triple-Net Leased Properties	Senior Living Operations	Office Operations	All Other	Total
	(In thousands)				
Revenues:					
Rental income	\$ 194,862	\$ —	\$ 208,395	\$ —	\$ 403,257
Resident fees and services	—	576,770	—	—	576,770
Office building and other services revenue	—	—	2,174	954	3,128
Income from loans and investments	—	—	—	24,046	24,046
Interest and other income	—	—	—	4,853	4,853
Total revenues	\$ 194,862	\$ 576,770	\$ 210,569	\$ 29,853	\$ 1,012,054
Total revenues	\$ 194,862	\$ 576,770	\$ 210,569	\$ 29,853	\$ 1,012,054
Less:					
Interest and other income	—	—	—	4,853	4,853
Property-level operating expenses	6,331	410,131	64,506	—	480,968
Office building services costs	—	—	727	—	727
Segment NOI	\$ 188,531	\$ 166,639	\$ 145,336	\$ 25,000	525,506
Interest and other income					4,853
Interest expense					(116,696)
Depreciation and amortization					(248,837)
General, administrative and professional fees					(42,535)
Merger-related expenses and deal costs					(8,218)
Other					(3,708)
Loss from unconsolidated entities					(10,876)
Gain on real estate dispositions					226,225
Income tax benefit					149,016
Income from continuing operations					474,730
Net income					474,730
Net income attributable to noncontrolling interests					1,613
Net income attributable to common stockholders					\$ 473,117

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

	For the Three Months Ended March 31, 2019				
	Triple-Net Leased Properties	Senior Living Operations	Office Operations	All Other	Total
	(In thousands)				
Revenues:					
Rental income	\$ 200,068	\$ —	\$ 201,428	\$ —	\$ 401,496
Resident fees and services	—	521,447	—	—	521,447
Office building and other services revenue	—	—	1,775	743	2,518
Income from loans and investments	—	—	—	17,126	17,126
Interest and other income	—	—	—	287	287
Total revenues	\$ 200,068	\$ 521,447	\$ 203,203	\$ 18,156	\$ 942,874
Total revenues	\$ 200,068	\$ 521,447	\$ 203,203	\$ 18,156	\$ 942,874
Less:					
Interest and other income	—	—	—	287	287
Property-level operating expenses	7,433	360,986	62,085	—	430,504
Office building services costs	—	—	633	—	633
Segment NOI	\$ 192,635	\$ 160,461	\$ 140,485	\$ 17,869	511,450
Interest and other income					287
Interest expense					(110,619)
Depreciation and amortization					(235,920)
General, administrative and professional fees					(40,760)
Loss on extinguishment of debt, net					(405)
Merger-related expenses and deal costs					(2,180)
Other					(23)
Loss from unconsolidated entities					(946)
Gain on real estate dispositions					5,447
Income tax benefit					1,257
Income from continuing operations					127,588
Net income					127,588
Net income attributable to noncontrolling interests					1,803
Net income attributable to common stockholders					\$ 125,785

Capital expenditures, including investments in real estate property and development project expenditures, by reportable business segment are as follows:

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Capital expenditures:		
Triple-net leased properties	\$ 7,685	\$ 8,591
Senior living operations	51,884	26,959
Office operations	140,988	49,154
Total capital expenditures	\$ 200,557	\$ 84,704

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Our portfolio of properties and mortgage loan and other investments are located in the United States, Canada and the United Kingdom. Revenues are attributed to an individual country based on the location of each property. Geographic information regarding our operations is as follows:

	For the Three Months Ended March 31,	
	2020	2019
(In thousands)		
Revenues:		
United States	\$ 908,193	\$ 888,281
Canada	96,970	47,597
United Kingdom	6,891	6,996
Total revenues	\$ 1,012,054	\$ 942,874
	As of March 31, 2020	As of December 31, 2019
(In thousands)		
Net real estate property:		
United States	\$ 18,089,200	\$ 18,631,352
Canada	2,631,249	2,830,850
United Kingdom	246,827	266,885
Total net real estate property	\$ 20,967,276	\$ 21,729,087

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless otherwise indicated or except where the context otherwise requires, the terms "we," "us" and "our" and other similar terms in Item 2 of this Quarterly Report on Form 10-Q refer to Ventas, Inc. and its consolidated subsidiaries.

Cautionary Statements

Forward-Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements regarding our or our tenants', operators', borrowers' or managers' expected future financial condition, results of operations, cash flows, funds from operations, dividends and dividend plans, financing opportunities and plans, capital markets transactions, business strategy, budgets, projected costs, operating metrics, capital expenditures, competitive positions, acquisitions, investment opportunities, dispositions, merger integration, growth opportunities, expected lease income, continued qualification as a real estate investment trust ("REIT"), plans and objectives of management for future operations, and statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will," and other similar expressions are forward-looking statements. These forward-looking statements are inherently uncertain, and actual results may differ from our expectations. We do not undertake a duty to update these forward-looking statements, which speak only as of the date on which they are made.

Our actual future results and trends may differ materially from expectations depending on a variety of factors discussed in our filings with the Securities and Exchange Commission ("SEC"). These factors include without limitation:

- The effects of the ongoing COVID-19 pandemic and measures intended to prevent its spread on our business, results of operations, cash flows and financial condition, including declines in rental revenues and increases in operating costs in our senior housing operating portfolio, deterioration in the financial conditions of our tenants and their ability to satisfy their payment obligations to us, constraints in our ability to access capital and other sources of funding and increased risk of claims, litigation and regulatory proceedings and uncertainty that may adversely affect us;
- The ability and willingness of our tenants, operators, borrowers, managers and other third parties to satisfy their obligations under their respective contractual arrangements with us, including, in some cases, their obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities;
- The ability of our tenants, operators, borrowers and managers to maintain the financial strength and liquidity necessary to satisfy their respective obligations and liabilities to third parties, including without limitation obligations under their existing credit facilities and other indebtedness;
- Our success in implementing our business strategy and our ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments;
- Macroeconomic conditions such as a disruption of or lack of access to the capital markets, changes in the debt rating on U.S. government securities, default or delay in payment by the United States of its obligations, and changes in the federal or state budgets resulting in the reduction or nonpayment of Medicare or Medicaid reimbursement rates;
- The nature and extent of future competition, including new construction in the markets in which our senior housing communities and office buildings are located;
- The extent and effect of future or pending healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates;
- Increases in our borrowing costs as a result of changes in interest rates and other factors, including the potential phasing out of London Inter-bank Offered Rate ("LIBOR") after 2021;
- The ability of our tenants, operators and managers, as applicable, to comply with laws, rules and regulations in the operation of our properties, to deliver high-quality services, to attract and retain qualified personnel and to attract residents and patients;

- Changes in general economic conditions or economic conditions in the markets in which we may, from time to time, compete, and the effect of those changes on our revenues, earnings and funding sources;
- Our ability to pay down, refinance, restructure or extend our indebtedness as it becomes due;
- Our ability and willingness to maintain our qualification as a REIT in light of economic, market, legal, tax and other considerations;
- Final determination of our taxable net income for the year ended December 31, 2019 and for the year ending December 31, 2020;
- The ability and willingness of our tenants to renew their leases with us upon expiration of the leases, our ability to reposition our properties on the same or better terms in the event of nonrenewal or in the event we exercise our right to replace an existing tenant, and obligations, including indemnification obligations, we may incur in connection with the replacement of an existing tenant;
- Risks associated with our senior housing operating portfolio, such as factors that can cause volatility in our operating income and earnings generated by those properties, including without limitation national and regional economic conditions, development of new competing properties, costs of food, materials, energy, labor and services, employee benefit costs, insurance costs and professional and general liability claims, and the timely delivery of accurate property-level financial results for those properties;
- Changes in exchange rates for any foreign currency in which we may, from time to time, conduct business;
- Year-over-year changes in the Consumer Price Index or the U.K. Retail Price Index and the effect of those changes on the rent escalators contained in our leases and on our earnings;
- Our ability and the ability of our tenants, operators, borrowers and managers to obtain and maintain adequate property, liability and other insurance from reputable, financially stable providers;
- The impact of damage to our properties from catastrophic weather and other natural events and the physical effects of climate change;
- The impact of increased operating costs and uninsured professional liability claims on our liquidity, financial condition and results of operations or that of our tenants, operators, borrowers and managers and our ability and the ability of our tenants, operators, borrowers and managers to accurately estimate the magnitude of those claims;
- Risks associated with our office building portfolio and operations, including our ability to successfully design, develop and manage office buildings and to retain key personnel;
- The ability of the hospitals on or near whose campuses our medical office buildings (“MOBs”) are located and their affiliated health systems to remain competitive and financially viable and to attract physicians and physician groups;
- Risks associated with our investments in joint ventures and unconsolidated entities, including our lack of sole decision-making authority and our reliance on our joint venture partners’ financial condition;
- Our ability to obtain the financial results expected from our development and redevelopment projects, including projects undertaken through our joint ventures;
- The impact of market or issuer events on the liquidity or value of our investments in marketable securities;
- Consolidation in the senior housing and healthcare industries resulting in a change of control of, or a competitor’s investment in, one or more of our tenants, operators, borrowers or managers or significant changes in the senior management of our tenants, operators, borrowers or managers;
- The impact of litigation or any financial, accounting, legal or regulatory issues that may affect us or our tenants, operators, borrowers or managers; and

- Changes in accounting principles, or their application or interpretation, and our ability to make estimates and the assumptions underlying the estimates, which could have an effect on our earnings.

Many of these factors are beyond our control and the control of our management.

Brookdale Senior Living, Kindred, Atria, Sunrise and Ardent Information

Brookdale Senior Living Inc. (together with its subsidiaries, “Brookdale Senior Living”) is subject to the reporting requirements of the SEC and is required to file with the SEC annual reports containing audited financial information and quarterly reports containing unaudited financial information. The information related to Brookdale Senior Living contained or referred to in this Quarterly Report on Form 10-Q has been derived from SEC filings made by Brookdale Senior Living or other publicly available information, or was provided to us by Brookdale Senior Living, and we have not verified this information through an independent investigation or otherwise. We have no reason to believe that this information is inaccurate in any material respect, but we cannot assure you of its accuracy. We are providing this data for informational purposes only, and you are encouraged to obtain Brookdale Senior Living’s publicly available filings, which can be found on the SEC’s website at www.sec.gov.

Kindred Healthcare, LLC (formerly Kindred Healthcare, Inc., together with its subsidiaries, “Kindred”), Atria Senior Living, Inc. (“Atria”), Sunrise Senior Living, LLC (together with its subsidiaries, “Sunrise”) and Ardent Health Partners, LLC (together with its subsidiaries, “Ardent”) are not currently subject to the reporting requirements of the SEC. The information related to Kindred, Atria, Sunrise and Ardent contained or referred to in this Quarterly Report on Form 10-Q has been derived from publicly available information or was provided to us by Kindred, Atria, Sunrise or Ardent, as the case may be, and we have not verified this information through an independent investigation or otherwise. We have no reason to believe that this information is inaccurate in any material respect, but we cannot assure you of its accuracy.

Company Overview

We are a REIT with a highly diversified portfolio of senior housing, research and innovation, and healthcare properties located throughout the United States, Canada and the United Kingdom. As of March 31, 2020, we owned or managed through unconsolidated joint ventures approximately 1,200 properties (including properties classified as held for sale), consisting of senior housing communities, MOBs, research and innovation centers, inpatient rehabilitation facilities (“IRFs”) and long-term acute care facilities (“LTACs”), and health systems. We also had 22 properties under development, including four properties that are owned by unconsolidated real estate entities. We are an S&P 500 company headquartered in Chicago, Illinois.

We primarily invest in senior housing, research and innovation, and healthcare properties through acquisitions and lease our properties to unaffiliated tenants or operate them through independent third-party managers.

As of March 31, 2020, we leased a total of 412 properties (excluding properties within our office operations reportable business segment) to various healthcare operating companies under “triple-net” or “absolute-net” leases that obligate the tenants to pay all property-related expenses, including maintenance, utilities, repairs, taxes, insurance and capital expenditures. Our three largest tenants, Brookdale Senior Living, Ardent and Kindred leased from us 122 properties (excluding two properties managed by Brookdale Senior Living pursuant to long-term management agreements), 11 properties and 32 properties, respectively, as of March 31, 2020.

As of March 31, 2020, pursuant to long-term management agreements, we engaged independent operators, such as Atria and Sunrise, to manage 405 senior housing communities for us.

Through our Lillibridge Healthcare Services, Inc. subsidiary and our ownership interest in PMB Real Estate Services LLC, we also provide MOB management, leasing, marketing, facility development and advisory services to highly rated hospitals and health systems throughout the United States. In addition, from time to time, we make secured and non-mortgage loans and other investments relating to senior housing and healthcare operators or properties.

We aim to enhance shareholder value by delivering consistent, superior total returns through a strategy of: (1) generating reliable and growing cash flows; (2) maintaining a balanced, diversified portfolio of high-quality assets; and (3) preserving our financial strength, flexibility and liquidity.

Our ability to access capital in a timely and cost effective manner is critical to the success of our business strategy because it affects our ability to satisfy existing obligations, including the repayment of maturing indebtedness, and to make future investments. Factors such as general market conditions, interest rates, credit ratings on our securities, expectations of

our potential future earnings and cash distributions, and the trading price of our common stock that are beyond our control and fluctuate over time all impact our access to and cost of external capital. For that reason, we generally attempt to match the long-term duration of our investments in real property with long-term financing through the issuance of shares of our common stock or the incurrence of long-term fixed rate debt.

COVID-19 Update

In December 2019, a novel strain of coronavirus (“COVID-19”) emerged in China. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. The outbreak has now spread to the United States and infections have been reported globally.

Starting in March, the COVID-19 pandemic and measures to prevent its spread began to affect us in a number of ways. In our senior living operating portfolio, March occupancy trended lower in the second half of the month as government policies and implementation of infection control best practices began to materially limit or close communities to new resident move-ins. In addition, starting in mid-March, operating costs began to rise materially, including for services, labor and personal protective equipment and other supplies, as our operators took appropriate actions to protect residents and caregivers. These trends accelerated in April, and are expected to continue through at least May, impacting revenues and net operating income in the second quarter.

Our triple-net senior housing tenants experienced similar trends, which has put them under increased operational and financial pressure. While we collected substantially all triple-net senior housing rent we expected to receive in March and April, we have given and may continue to provide financial support to these tenants in the form of rent deferrals and application of portions of lease deposits to fulfill payment obligations. Without financial support or other government assistance, certain of our triple-net senior housing tenants will likely experience worsening financial conditions through the second quarter, which would pressure their rent coverage ratios and may affect their ability to pay us contractual rent in full on a timely basis.

In our office operations segment and healthcare triple-net leased properties business, we collected substantially all rent due in the first quarter. In April, we collected substantially all rent due from our healthcare triple-net leased tenants. This cohort of tenants has benefitted from significant government financial support to partially offset the direct financial impact of the COVID-19 pandemic on healthcare providers. In our office operations segment, we received 96% of anticipated rent in April. We expect the majority of remaining unpaid April rent to ultimately be collectible. In our office operations segment, most markets have transitioned to virtual tours and our tenant retention increased in April as many tenants have delayed or canceled move-outs as a result of the COVID-19 pandemic.

In March, we took precautionary steps to increase liquidity and preserve financial flexibility in light of the uncertainty resulting from the COVID-19 pandemic. On March 12, 2020, we provided notice to the lenders under our \$3.0 billion unsecured revolving credit facility to borrow \$2.75 billion under the facility. A total of \$2.9 billion is currently outstanding under the facility. In March 2020, we added to this liquidity by issuing \$500.0 million aggregate principal amount of 4.75% senior notes due 2030. The notes were settled and proceeds were received in April 2020.

We had approximately \$3.2 billion in cash and cash equivalents on hand as of May 6, 2020, with negligible near-term debt maturing and no pending, unfunded or unannounced acquisitions. In order to conserve capital, we have reduced expected capital expenditures for 2020 by \$0.3 billion to a new expected total of \$0.5 billion, mainly through pausing certain ground-up developments that were not yet substantially underway. We are also reviewing our general and administrative expenses to identify additional opportunities to reduce operating costs.

The federal government, as well as state and local governments, have implemented or announced programs to provide financial and other support to businesses affected by the COVID-19 pandemic, some of which benefit or could benefit our company, tenants, operators, borrowers and managers. While these government assistance programs are not expected to fully offset the negative financial impact of the pandemic, and there can be no assurance that these programs will continue or the extent to which they will be expanded, we are monitoring them closely and have been in active dialogue with our tenants, operators, borrowers and managers regarding ways in which these programs could benefit them or us.

We expect the trends highlighted above with respect to the impact of the COVID-19 pandemic to continue and, in some cases, accelerate. The extent of the COVID-19 pandemic’s continued effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the outbreak, the pace at which jurisdictions across the country re-open and restrictions begin to lift, the availability of government financial support to our business, tenants and operators and whether a resurgence of the outbreak occurs. Due to these uncertainties, we are not able at this time to

estimate the ultimate impact of the COVID-19 pandemic on our business, results of operations, financial condition and cash flows but it could be material.

2020 Highlights

Investments and Dispositions

- In March 2020, we formed and sponsored the Ventas Life Science and Healthcare Real Estate Fund, L.P. (the “Fund”), a perpetual life vehicle that focuses on investments in life science, medical office and senior housing real estate. We are the manager and general partner of the Fund and have retained a 21% interest in the Fund. To seed the Fund, we contributed six (two of which are on the same campus) stabilized research and innovation and medical office properties comprising 1.2 million square feet of space. We received cash consideration of \$620 million and recognized a gain on the transactions of \$223.4 million. The Fund had more than \$0.7 billion in assets under management and third-party equity commitments of approximately \$0.65 billion from globally respected institutional investors as of March 31, 2020.
- During the three months ended March 31, 2020, we received aggregate proceeds of \$99.0 million for the full repayment of the principal balances of seven loans receivable with a weighted average interest rate of 8.4% that were due to mature between 2020 and 2024, resulting in total gains of \$1.4 million.
- During the three months ended March 31, 2020, we sold two properties for aggregate consideration of \$9.2 million and we recognized a gain on the sale of these assets of \$2.8 million.

Liquidity

- In March 2020, to increase liquidity and preserve financial flexibility in light of the current uncertainty resulting from the COVID-19 pandemic, we drew \$2.75 billion under our \$3.0 billion unsecured revolving credit facility and our wholly-owned subsidiary, Ventas Realty, Limited Partnership (“Ventas Realty”), issued \$500.0 million aggregate principal amount of 4.75% senior notes due 2030. The notes were settled and proceeds were received in April 2020.

Portfolio

- Following the end of the quarter, we completed a transaction with affiliates of Holiday Retirement (collectively, “Holiday”), including (a) entry into a new, terminable management agreement with Holiday Management Company for our 26 independent living assets previously subject to a triple-net lease (the “Holiday Lease”) with Holiday; (b) termination of the Holiday Lease; and (c) our receipt from Holiday of approximately \$34 million in cash and \$66 million in principal amount of secured notes. We expect to recognize income in the amount equal to the cash received and the fair value of the notes and expect to record expenses including a \$50 million write-off of the accrued straight-line receivable related to the Holiday Lease. The transaction was effective as of April 1, 2020.

Concentration Risk

We use concentration ratios to identify, understand and evaluate the potential impact of economic downturns and other adverse events that may affect our asset types, geographic locations, business models, and tenants, operators and managers. We evaluate concentration risk in terms of investment mix and operations mix. Investment mix measures the percentage of our investments that is concentrated in a specific asset type or that is operated or managed by a particular tenant, operator or manager. Operations mix measures the percentage of our operating results that is attributed to a particular tenant, operator or manager, geographic location or business model. The following tables reflect our concentration risk as of the dates and for the periods presented:

	As of March 31, 2020	As of December 31, 2019
Investment mix by asset type⁽¹⁾:		
Senior housing communities	63.6%	62.2%
MOBs	19.1	19.3
Research and innovation centers	7.4	8.7
Health systems	5.3	5.1
IRFs and LTACs	1.7	1.6
Skilled nursing facilities (“SNFs”)	0.7	0.7
Secured loans receivable and investments, net	2.2	2.4
Investment mix by tenant, operator and manager⁽¹⁾:		
Atria	20.8%	20.4%
Sunrise	10.6	10.3
Brookdale Senior Living	7.9	7.7
Ardent	4.9	4.7
Kindred	1.1	1.0
All other	54.7	55.9

⁽¹⁾ Ratios are based on the gross book value of consolidated real estate investments (excluding properties classified as held for sale) as of each reporting date.

	For the Three Months Ended March 31,	
	2020	2019
Operations mix by tenant and operator and business model:		
Revenues ⁽¹⁾ :		
Senior living operations	57.0%	55.3%
Brookdale Senior Living ⁽²⁾	4.6	4.8
Ardent	3.0	3.1
Kindred	3.2	3.4
All others	32.2	33.4
Adjusted EBITDA:		
Senior living operations	33.1%	32.9%
Brookdale Senior Living ⁽²⁾	9.3	7.6
Ardent	6.1	5.0
Kindred	6.5	5.4
All others	45.0	49.1
Net operating income (“NOI”)		
Senior living operations	31.7%	31.4%
Brookdale Senior Living ⁽²⁾	8.8	8.8
Ardent	5.8	5.7
Kindred	6.2	6.2
All others	47.5	47.9
Operations mix by geographic location ⁽³⁾ :		
California	15.3%	16.3%
New York	8.6	9.1
Texas	5.7	6.3
Pennsylvania	4.7	4.8
Florida	4.2	4.1
All others	61.5	59.4

(1) Total revenues include office building and other services revenue, revenue from loans and investments and interest and other income (excluding amounts in discontinued operations and including amounts related to assets classified as held for sale).

(2) Excludes two senior housing communities which are included in the senior living operations reportable business segment.

(3) Ratios are based on total revenues (excluding amounts in discontinued operations and including amounts related to assets classified as held for sale) for each period presented.

See “Non-GAAP Financial Measures” included elsewhere in this Quarterly Report on Form 10-Q for additional disclosure and reconciliations of net income attributable to common stockholders, as computed in accordance with GAAP, to Adjusted EBITDA and NOI, respectively.

Triple-Net Lease Expirations

If our tenants are not able or willing to renew our triple-net leases upon expiration, we may be unable to reposition the applicable properties on a timely basis or on the same or better economic terms, if at all. Although our lease expirations are staggered, the non-renewal of some or all of our triple-net leases that expire in any given year could have a material adverse effect on our business, financial condition, results of operations and liquidity, our ability to service our indebtedness and other obligations and our ability to make distributions to our stockholders, as required for us to continue to qualify as a REIT (a “Material Adverse Effect”). During the three months ended March 31, 2020, we had no triple-net lease renewals or expirations without renewal that, in the aggregate, had a material impact on our financial condition or results of operations for that period.

Critical Accounting Policies and Estimates

Our Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information set forth in the Accounting Standards Codification (“ASC”), as published by the Financial Accounting Standards Board (“FASB”), and with the SEC instructions to Form 10-Q and Article 10 of Regulation S-X. GAAP requires us to make estimates and assumptions regarding future events 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 periods. We base these estimates on our experience and assumptions we believe to be reasonable under the circumstances. However, if our judgment or interpretation of the facts and circumstances relating to various transactions or other matters had been different, we may have applied a different accounting treatment, resulting in a different presentation of our financial statements. We periodically reevaluate our estimates and assumptions, and in the event they prove to be different from actual results, we make adjustments in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain.

Our Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on February 24, 2020, contains further information regarding the critical accounting policies that affect our more significant estimates and judgments used in the preparation of our Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. There have been no material changes to these policies in 2020. Please refer to “Note 2 - Accounting Policies” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for information regarding recently adopted accounting standards.

Results of Operations

As of March 31, 2020, we operated through three reportable business segments: triple-net leased properties, senior living operations and office operations. In our triple-net leased properties segment, we invest in and own senior housing and healthcare properties throughout the United States and the United Kingdom and lease those properties to healthcare operating companies under “triple-net” or “absolute-net” leases that obligate the tenants to pay all property-related expenses. In our senior living operations segment, we invest in senior housing communities throughout the United States and Canada and engage independent operators, such as Atria and Sunrise, to manage those communities. In our office operations segment, we primarily acquire, own, develop, lease and manage MOBs and research and innovation centers throughout the United States. Information provided for “all other” includes income from loans and investments and other miscellaneous income and various corporate-level expenses not directly attributable to any of our three reportable business segments. Assets included in “all other” consist primarily of corporate assets, including cash, restricted cash, loans receivable and investments, and miscellaneous accounts receivable.

Our chief operating decision makers evaluate performance of the combined properties in each reportable business segment and determine how to allocate resources to those segments, in significant part, based on segment NOI and related measures. For further information regarding our reportable business segments and a discussion of our definition of segment NOI, see “Note 15 - Segment Information” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. See “Non-GAAP Financial Measures” included elsewhere in this Quarterly Report on Form 10-Q for additional disclosure and reconciliations of net income attributable to common stockholders, as computed in accordance with GAAP, to NOI.

Three Months Ended March 31, 2020 and 2019

The table below shows our results of operations for the three months ended March 31, 2020 and 2019 and the effect of changes in those results from period to period on our net income attributable to common stockholders.

	For the Three Months Ended March 31,		(Decrease) Increase to Net Income	
	2020	2019	\$	%
(Dollars in thousands)				
Segment NOI:				
Triple-net leased properties	\$ 188,531	\$ 192,635	\$ (4,104)	(2.1)%
Senior living operations	166,639	160,461	6,178	3.9
Office operations	145,336	140,485	4,851	3.5
All other	25,000	17,869	7,131	39.9
Total segment NOI	525,506	511,450	14,056	2.7
Interest and other income	4,853	287	4,566	nm
Interest expense	(116,696)	(110,619)	(6,077)	(5.5)
Depreciation and amortization	(248,837)	(235,920)	(12,917)	(5.5)
General, administrative and professional fees	(42,535)	(40,760)	(1,775)	(4.4)
Loss on extinguishment of debt, net	—	(405)	405	nm
Merger-related expenses and deal costs	(8,218)	(2,180)	(6,038)	nm
Other	(3,708)	(23)	(3,685)	nm
Income before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests	110,365	121,830	(11,465)	(9.4)
Loss from unconsolidated entities	(10,876)	(946)	(9,930)	nm
Gain on real estate dispositions	226,225	5,447	220,778	nm
Income tax benefit	149,016	1,257	147,759	nm
Income from continuing operations	474,730	127,588	347,142	nm
Net income	474,730	127,588	347,142	nm
Net income attributable to noncontrolling interests	1,613	1,803	190	10.5
Net income attributable to common stockholders	\$ 473,117	\$ 125,785	347,332	nm

nm - not meaningful

Segment NOI—Triple-Net Leased Properties

The following table summarizes results of operations in our triple-net leased properties reportable business segment, including assets sold or classified as held for sale as of March 31, 2020, but excluding assets whose operations were classified as discontinued operations.

	For the Three Months Ended March 31,		(Decrease) Increase to Segment NOI	
	2020	2019	\$	%
(Dollars in thousands)				
Segment NOI—Triple-Net Leased Properties:				
Rental income	\$ 194,862	\$ 200,068	\$ (5,206)	(2.6)%
Less: Property-level operating expenses	(6,331)	(7,433)	1,102	14.8
Segment NOI	\$ 188,531	\$ 192,635	(4,104)	(2.1)

In our triple-net leased properties reportable business segment, our revenues generally consist of fixed rental amounts (subject to annual contractual escalations) received from our tenants in accordance with the applicable lease terms. We report revenues and property-level operating expenses within our triple-net leased properties reportable business segment for real estate tax and insurance expenses that are paid from escrows collected from our tenants.

The segment NOI decrease in our triple-net leased portfolio was primarily driven by 2019 transitions from our triple-net portfolio to our senior housing operating portfolio, partially offset by annual rent escalations due to contractual increases pursuant to the terms of our leases.

Occupancy rates may affect the profitability of our tenants' operations. For senior housing communities and post-acute properties in our triple-net leased properties reportable business segment, occupancy generally reflects average operator-reported unit and bed occupancy, respectively, for the reporting period. Because triple-net financials are delivered to us following the reporting period, occupancy is reported in arrears. The following table sets forth average continuing occupancy rates related to the triple-net leased properties we owned at March 31, 2020 and 2019 for the fourth quarter of 2019 and 2018, respectively. The table excludes non-stabilized properties, properties owned through investments in unconsolidated entities, certain properties for which we do not receive occupancy information and properties acquired or properties that transitioned operators for which we do not have a full quarter of occupancy results.

	Number of Properties Owned at March 31, 2020	Average Occupancy for the Three Months Ended December 31, 2019	Number of Properties Owned at March 31, 2019	Average Occupancy for the Three Months Ended December 31, 2018
Senior housing communities	329	86.2%	351	84.9%
SNFs	16	87.6	17	85.2
IRFs and LTACs	36	51.5	36	52.0

The following table compares results of operations for our 400 same-store triple-net leased properties. See "Non-GAAP Financial Measures—NOI" included elsewhere in this Quarterly Report on Form 10-Q for additional disclosure regarding same-store NOI.

	For the Three Months Ended March 31,		Increase to Segment NOI	
	2020	2019	\$	%
(Dollars in thousands)				
Same-Store Segment NOI—Triple-Net Leased Properties:				
Rental income	\$ 193,375	\$ 190,975	\$ 2,400	1.3%
Less: Property-level operating expenses	(6,295)	(7,157)	862	12.0
Segment NOI	<u>\$ 187,080</u>	<u>\$ 183,818</u>	3,262	1.8

The segment NOI increase in our same-store triple net leased portfolio was primarily driven by annual rent escalations due to contractual increases pursuant to the terms of our leases.

Segment NOI—Senior Living Operations

The following table summarizes results of operations in our senior living operations reportable business segment, including assets sold or classified as held for sale as of March 31, 2020, but excluding assets whose operations were classified as discontinued operations. For senior housing communities in our senior living operations reportable business segment, occupancy generally reflects average operator-reported unit occupancy for the reporting period.

	For the Three Months Ended March 31,		Increase (Decrease) to Segment NOI	
	2020	2019	\$	%
(Dollars in thousands)				
Segment NOI—Senior Living Operations:				
Resident fees and services	\$ 576,770	\$ 521,447	\$ 55,323	10.6 %
Less: Property-level operating expenses	(410,131)	(360,986)	(49,145)	(13.6)
Segment NOI	<u>\$ 166,639</u>	<u>\$ 160,461</u>	6,178	3.9

	Number of Properties at March 31,		Average Unit Occupancy for the Three Months Ended March 31,		Average Monthly Revenue Per Occupied Room For the Three Months Ended March 31,	
	2020	2019	2020	2019	2020	2019
Total communities	400	358	86.6%	86.4%	\$ 5,056	\$ 5,797

Resident fees and services include all amounts earned from residents at our senior housing communities, such as rental fees related to resident leases, extended health care fees and other ancillary service income. Property-level operating expenses related to our senior living operations segment include labor, food, utilities, marketing, management and other costs of operating the properties.

The segment NOI increase in our senior housing operating portfolio was primarily driven by the 2019 acquisition of an 87% interest in 34 Canadian senior housing communities via an equity partnership with Le Groupe Maurice, in addition to 2019 property transitions from our triple-net leased portfolio to our senior housing operating portfolio.

The following table compares results of operations for our 335 same-store senior living operating communities.

	For the Three Months Ended March 31,		Decrease to Segment NOI			
	2020	2019	\$	%		
(Dollars in thousands)						
Same-Store Segment NOI—Senior Living Operations:						
Resident fees and services	\$ 495,102	\$ 496,024	\$ (922)	(0.2)%		
Less: Property-level operating expenses	(353,760)	(338,201)	(15,559)	(4.6)		
Segment NOI	\$ 141,342	\$ 157,823	(16,481)	(10.4)		
	Number of Properties at March 31,		Average Unit Occupancy for the Three Months Ended March 31,		Average Monthly Revenue Per Occupied Room For the Three Months Ended March 31,	
	2020	2019	2020	2019	2020	2019
Same-store communities	335	335	85.5%	87.0%	\$ 5,910	\$ 5,822

The segment NOI decrease in our same-store senior housing operating portfolio was primarily driven by a lower occupancy starting point entering the year, the impact of cumulative supply and, beginning in mid-March, an estimated \$6 million in increased COVID-19 related labor and supply costs.

Segment NOI—Office Operations

The following table summarizes results of operations in our office operations reportable business segment, including assets sold or classified as held for sale as of March 31, 2020, but excluding assets whose operations were classified as discontinued operations. For properties in our office operations reportable business segment, occupancy generally reflects occupied square footage divided by net rentable square footage as of the end of the reporting period.

	For the Three Months Ended March 31,		Increase (Decrease) to Segment NOI			
	2020	2019	\$	%		
(Dollars in thousands)						
Segment NOI—Office Operations:						
Rental income	\$ 208,395	\$ 201,428	\$ 6,967	3.5 %		
Office building services costs	2,174	1,775	399	22.5		
Total revenues	210,569	203,203	7,366	3.6		
Less:						
Property-level operating expenses	(64,506)	(62,085)	(2,421)	(3.9)		
Office building services costs	(727)	(633)	(94)	(14.8)		
Segment NOI	\$ 145,336	\$ 140,485	4,851	3.5		
	Number of Properties at March 31,		Occupancy at March 31,		Annualized Average Rent Per Occupied Square Foot for the Three Months Ended March 31,	
	2020	2019	2020	2019	2020	2019
Total office buildings	377	385	90.2%	90.1%	\$ 34	\$ 33

Office operations grew due to active leasing at recently developed properties, increasing tenant retention, contractual rent increases, acquisitions and business interruption insurance proceeds received in the first quarter of 2020, partially offset by assets sold in the quarter.

The following table compares results of operations for our 359 same-store office buildings.

	For the Three Months Ended March 31,		Increase (Decrease) to Segment NOI			
	2020	2019	\$	%		
(Dollars in thousands)						
Same-Store Segment NOI—Office Operations:						
Rental income	\$ 184,999	\$ 179,065	\$ 5,934	3.3 %		
Less: Property-level operating expenses	(57,311)	(55,954)	(1,357)	(2.4)		
Segment NOI	<u>\$ 127,688</u>	<u>\$ 123,111</u>	4,577	3.7		
	Number of Properties at March 31,		Occupancy at March 31,		Annualized Average Rent Per Occupied Square Foot for the Three Months Ended March 31,	
	2020	2019	2020	2019	2020	2019
Same-store office buildings	359	359	91.4%	90.3%	\$ 33	\$ 32

Same-store operations increases in the first quarter of 2020 over the same period in 2019 were driven by strong tenant retention, rent escalators and increased occupancy.

All Other

Information provided for all other segment NOI includes income from loans and investments and other miscellaneous income not directly attributable to any of our three reportable business segments. The \$7.1 million increase in all other segment NOI for the three months ended March 31, 2020 over the same period in 2019 is primarily due to income from 2019 loans receivable investments and gains from first quarter 2020 loans receivable repayments.

Interest and Other Income

The \$4.6 million increase in interest and other income for the three months ended March 31, 2020 over the same period in 2019 is primarily due to the reduction of a liability related to an acquisition.

Interest Expense

The \$6.1 million increase in total interest expense for the three months ended March 31, 2020 compared to the same period in 2019 is attributable to an increase of \$17.0 million due to higher debt balances, partially offset by a decrease of \$11.3 million due to a lower effective interest rate and increased capitalized interest. Our weighted average effective interest rate was 3.5% and 3.9% for the three months ended March 31, 2020 and 2019, respectively. Capitalized interest for the three months ended March 31, 2020 and 2019 was \$2.9 million and \$2.0 million, respectively.

Depreciation and Amortization

Depreciation and amortization expense related to continuing operations increased \$12.9 million during the three months ended March 31, 2020 compared to the same period in 2019 primarily due to asset acquisitions, net of dispositions.

Merger-Related Expenses and Deal Costs

The \$6.0 million increase in merger-related expenses and deal costs is primarily attributable to the first quarter 2020 formation of the Fund.

Other

The \$3.7 million increase in other expenses is primarily attributable to demolition costs during the first quarter of 2020 related to prior year natural disasters and a decrease in property insurance recoveries during the three months ended March 31, 2020 compared to the same period in 2019.

Loss from Unconsolidated Entities

The \$9.9 million increase in loss from unconsolidated entities during the three months ended March 31, 2020 compared to the same period in 2019 is primarily due to our share of non-cash income tax expense from one of our unconsolidated entities.

Gain on Real Estate Dispositions

The \$226.2 million gain on real estate dispositions during the three months ended March 31, 2020 is primarily due to our contribution of six properties to the Fund.

Income Tax Benefit

The \$147.8 million increase in income tax benefit related to continuing operations for the three months ended March 31, 2020 compared to the same period in 2019 is primarily due to a \$152.9 million net deferred tax benefit related to the internal restructuring of certain US taxable REIT subsidiaries completed within the first quarter of 2020. The benefit resulted from the transfer of assets subject to certain deferred tax liabilities from taxable REIT subsidiaries to the entities other than the TRS entities in this tax-free transaction.

Non-GAAP Financial Measures

We consider certain non-GAAP financial measures to be useful supplemental measures of our operating performance. A non-GAAP financial measure is a measure of historical or future financial performance, financial position or cash flows that excludes or includes amounts that are not so excluded from or included in the most directly comparable measure calculated and presented in accordance with GAAP. Described below are the non-GAAP financial measures used by management to evaluate our operating performance and that we consider most useful to investors, together with reconciliations of these measures to the most directly comparable GAAP measures.

The non-GAAP financial measures we present in this Quarterly Report on Form 10-Q may not be comparable to those presented by other real estate companies due to the fact that not all real estate companies use the same definitions. You should not consider these measures as alternatives to net income attributable to common stockholders (determined in accordance with GAAP) as indicators of our financial performance or as alternatives to cash flow from operating activities (determined in accordance with GAAP) as measures of our liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of our needs. In order to facilitate a clear understanding of our consolidated historical operating results, you should examine these measures in conjunction with net income attributable to common stockholders as presented in our Consolidated Financial Statements and other financial data included elsewhere in this Quarterly Report on Form 10-Q.

Funds From Operations and Normalized Funds From Operations

Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. However, since real estate values historically have risen or fallen with market conditions, many industry investors deem presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. For that reason, we consider Funds From Operations (“FFO”) and normalized FFO to be appropriate supplemental measures of operating performance of an equity REIT. In particular, we believe that normalized FFO is useful because it allows investors, analysts and our management to compare our operating performance to the operating performance of other real estate companies and between periods on a consistent basis without having to account for differences caused by non-recurring items and other non-operational events such as transactions and litigation. In some cases, we provide information about identified non-cash components of FFO and normalized FFO because it allows investors, analysts and our management to assess the impact of those items on our financial results.

We use the National Association of Real Estate Investment Trusts (“Nareit”) definition of FFO. Nareit defines FFO as net income attributable to common stockholders (computed in accordance with GAAP), excluding gains or losses from sales of real estate property, including gains or losses on re-measurement of equity method investments, and impairment write-downs of

depreciable real estate, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. We define normalized FFO as FFO excluding the following income and expense items (which may be recurring in nature): (a) merger-related costs and expenses, including amortization of intangibles, transition and integration expenses, and deal costs and expenses, including expenses and recoveries relating to acquisition lawsuits; (b) the impact of any expenses related to asset impairment and valuation allowances, the write-off of unamortized deferred financing fees, or additional costs, expenses, discounts, make-whole payments, penalties or premiums incurred as a result of early retirement or payment of our debt; (c) the non-cash effect of income tax benefits or expenses, the non-cash impact of changes to our executive equity compensation plan, derivative transactions that have non-cash mark-to-market impacts on our Consolidated Statements of Income and non-cash charges related to lease terminations; (d) the financial impact of contingent consideration, severance-related costs and charitable donations made to the Ventas Charitable Foundation; (e) gains and losses for non-operational foreign currency hedge agreements and changes in the fair value of financial instruments; (f) gains and losses on non-real estate dispositions and other unusual items related to unconsolidated entities; (g) expenses related to the re-audit and re-review in 2014 of our historical financial statements and related matters; and (h) net expenses or recoveries related to natural disasters.

The following table summarizes our FFO and normalized FFO for the three months ended March 31, 2020 and 2019. The increase in normalized FFO for the three months ended March 31, 2020 over the same period in 2019 is principally due to higher interest income from loans and investments and the positive impact of our 2019 acquisition of an 87% interest in 34 Canadian senior housing communities via an equity partnership with Le Groupe Maurice, partially offset by increases in interest expense and higher supplies and labor costs as a result of COVID-19. See “COVID-19 Update.”

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Net income attributable to common stockholders	\$ 473,117	\$ 125,785
Adjustments:		
Real estate depreciation and amortization	247,330	234,471
Real estate depreciation related to noncontrolling interests	(3,843)	(1,834)
Real estate depreciation related to unconsolidated entities	561	165
Gain on real estate dispositions related to unconsolidated entities	—	(799)
(Loss) gain on real estate dispositions related to noncontrolling interests	(6)	354
Gain on real estate dispositions	(226,225)	(5,447)
FFO attributable to common stockholders	490,934	352,695
Adjustments:		
Change in fair value of financial instruments	(10)	(38)
Non-cash income tax benefit	(140,895)	(1,714)
Loss on extinguishment of debt, net	—	405
Loss on non-real estate dispositions related to unconsolidated entities	239	—
Merger-related expenses, deal costs and re-audit costs	8,773	2,829
Amortization of other intangibles	118	121
Other items related to unconsolidated entities	(875)	1,038
Non-cash impact of changes to equity plan	6,895	2,334
Natural disaster expenses (recoveries), net	941	(1,539)
Normalized FFO attributable to common stockholders	\$ 366,120	\$ 356,131

Adjusted EBITDA

We consider Adjusted EBITDA an important supplemental measure because it provides another manner in which to evaluate our operating performance and serves as another indicator of our credit strength and our ability to service our debt obligations. We define Adjusted EBITDA as consolidated earnings, which includes amounts in discontinued operations, before interest, taxes, depreciation and amortization (including non-cash stock-based compensation expense), excluding gains or losses on extinguishment of debt, our consolidated joint venture partners' share of EBITDA, merger-related expenses and deal costs, expenses related to the re-audit and re-review in 2014 of our historical financial statements, net gains or losses on real estate activity, gains or losses on re-measurement of equity interest upon acquisition, changes in the fair value of financial instruments, unrealized foreign currency gains or losses, net expenses or recoveries related to natural disasters and non-cash charges related to lease terminations, and including our share of EBITDA from unconsolidated entities and adjustments for other immaterial or identified items. The following table sets forth a reconciliation of net income attributable to common stockholders to Adjusted EBITDA:

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Net income attributable to common stockholders	\$ 473,117	\$ 125,785
Adjustments:		
Interest	116,696	110,619
Loss on extinguishment of debt, net	—	405
Taxes (including tax amounts in general, administrative and professional fees)	(147,707)	114
Depreciation and amortization	248,837	235,920
Non-cash stock-based compensation expense	10,514	8,405
Merger-related expenses, deal costs and re-audit costs	8,218	2,191
Net income attributable to noncontrolling interests, adjusted for consolidated joint venture partners' share of EBITDA	(6,098)	(2,874)
Loss from unconsolidated entities, adjusted for Ventas share of EBITDA from unconsolidated entities	17,733	7,758
Gain on real estate dispositions	(226,225)	(5,447)
Unrealized foreign currency gains	(73)	(427)
Change in fair value of financial instruments	(9)	(53)
Natural disaster expenses (recoveries), net	783	(1,649)
Adjusted EBITDA	<u>\$ 495,786</u>	<u>\$ 480,747</u>

NOI

We also consider NOI an important supplemental measure because it allows investors, analysts and our management to assess our unlevered property-level operating results and to compare our operating results with those of other real estate companies and between periods on a consistent basis. We define NOI as total revenues, less interest and other income, property-level operating expenses and office building services costs. Cash receipts may differ due to straight-line recognition of certain rental income and the application of other GAAP policies. The following table sets forth a reconciliation of net income attributable to common stockholders to NOI:

	For the Three Months Ended March 31,	
	2020	2019
	(In thousands)	
Net income attributable to common stockholders	\$ 473,117	\$ 125,785
Adjustments:		
Interest and other income	(4,853)	(287)
Interest	116,696	110,619
Depreciation and amortization	248,837	235,920
General, administrative and professional fees	42,535	40,760
Loss on extinguishment of debt, net	—	405
Merger-related expenses and deal costs	8,218	2,180
Other	3,708	23
Net income attributable to noncontrolling interests	1,613	1,803
Loss from unconsolidated entities	10,876	946
Income tax benefit	(149,016)	(1,257)
Gain on real estate dispositions	(226,225)	(5,447)
NOI	\$ 525,506	\$ 511,450

See “Results of Operations” for discussions regarding both segment NOI and same-store segment NOI. We define same-store as properties owned, consolidated and operational for the full period in both comparison periods and are not otherwise excluded; provided, however, that we may include selected properties that otherwise meet the same-store criteria if they are included in substantially all of, but not a full, period for one or both of the comparison periods, and in our judgment such inclusion provides a more meaningful presentation of our portfolio performance. Newly acquired or recently developed or redeveloped properties in our senior living operations segment will be included in same-store once they are stabilized for the full period in both periods presented. These properties are considered stabilized upon the earlier of (a) the achievement of 80% sustained occupancy or (b) 24 months from the date of acquisition or substantial completion of work. Recently developed or redeveloped properties in our office operations and triple-net leased properties segments will be included in same-store once substantial completion of work has occurred for the full period in both periods presented. Our senior living operations and triple-net leased properties that have undergone operator or business model transitions will be included in same-store once operating under consistent operating structures for the full period in both periods presented.

Properties are excluded from same-store if they are: (i) sold, classified as held for sale or properties whose operations were classified as discontinued operations in accordance with GAAP; (ii) impacted by materially disruptive events such as flood or fire; (iii) those properties that are currently undergoing a materially disruptive redevelopment; (iv) for our office operations, those properties for which management has an intention to institute a redevelopment plan because the properties may require major property-level expenditures to maximize value, increase NOI, or maintain a market-competitive position and/or achieve property stabilization; or (v) for the senior living operations and triple-net leased segments, those properties that are scheduled to undergo operator or business model transitions, or have transitioned operators or business models after the start of the prior comparison period.

To eliminate the impact of exchange rate movements, all same-store NOI measures assume constant exchange rates across comparable periods, using the following methodology: the current period’s results are shown in actual reported USD, while prior comparison period’s results are adjusted and converted to USD based on the average exchange rate for the current period.

Liquidity and Capital Resources

During the three months ended March 31, 2020, our principal sources of liquidity were cash flows from operations, proceeds from the issuance of debt securities, borrowings under our unsecured revolving credit facility, proceeds from asset sales and cash on hand.

For the next 12 months, our principal liquidity needs are to: (i) fund operating expenses; (ii) meet our debt service requirements; (iii) repay maturing mortgage and other debt; (iv) fund acquisitions, investments and commitments and any development and redevelopment activities; (v) fund capital expenditures; and (vi) make distributions to our stockholders and unitholders, as required for us to continue to qualify as a REIT. We expect that these liquidity needs generally will be satisfied by a combination of the following: cash flows from operations, cash on hand, debt assumptions and financings (including secured financings), issuances of debt and equity securities, dispositions of assets (in whole or in part through joint venture arrangements with third parties) and borrowings under our revolving credit facilities and commercial paper program. However, an inability to access liquidity through multiple capital sources concurrently could have a Material Adverse Effect on us. In addition, while continuing decreased revenue and net operating income as a result of the COVID-19 pandemic could lead to downgrades of our long-term credit rating and therefore adversely impact our cost of borrowing, we currently believe we will continue to have access to one or more debt markets during the duration of the pandemic and could seek to enter into secured debt financings or issue debt and equity securities to satisfy our liquidity needs, although no assurances can be made in this regard. See “COVID-19 Update.”

See “Note 9 - Senior Notes Payable And Other Debt” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further information regarding our significant financing activities.

Credit Facilities, Commercial Paper and Unsecured Term Loans

Our unsecured credit facility is comprised of a \$3.0 billion unsecured revolving credit facility priced at LIBOR plus 0.875% as of March 31, 2020. The unsecured revolving credit facility matures in April 2021, but may be extended at our option subject to the satisfaction of certain conditions, including all representations and warranties being correct in all material respects with no existing defaults, for two additional periods of six months each to April 2022. The unsecured revolving credit facility also includes an accordion feature that permits us to increase our aggregate borrowing capacity thereunder to up to \$3.75 billion.

Our wholly-owned subsidiary, Ventas Realty, may issue from time to time unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of \$1.0 billion. The notes are sold under customary terms in the United States commercial paper note market and are ranked pari passu with all of Ventas Realty’s other unsecured senior indebtedness. The notes are fully and unconditionally guaranteed by Ventas, Inc. As of March 31, 2020, we had no borrowings outstanding under our commercial paper program.

As of March 31, 2020, \$2.9 billion was outstanding under the unsecured revolving credit facility with an additional \$24.0 million restricted to support outstanding letters of credit. See “COVID-19 Update.” We had \$87.9 million in available liquidity under the unsecured revolving credit facility as of March 31, 2020.

As of March 31, 2020, we had a \$200.0 million unsecured term loan priced at LIBOR plus 0.90% that matures in 2023. The term loan also includes an accordion feature that effectively permits us to increase our aggregate borrowings thereunder to up to \$800.0 million.

As of March 31, 2020, we had a C\$500 million unsecured term loan facility priced at Canadian Dollar Offered Rate (“CDOR”) plus 0.90% that matures in 2025.

As of March 31, 2020, we had a \$400.0 million secured revolving construction credit facility with \$152.4 million of borrowings outstanding. The secured revolving construction credit facility matures in 2022 and is primarily used to finance the development of research and innovation centers and other construction projects.

Senior Notes

In March 2020, Ventas Realty issued \$500.0 million aggregate principal amount of 4.75% senior notes due 2030 at a public offering price equal to 97.86% of par. The notes were settled and proceeds were received in April 2020.

Equity Offerings

From time to time, we may sell up to an aggregate of \$1.0 billion of our common stock under an “at-the-market” equity offering program (“ATM program”). During the three months ended March 31, 2020, we sold no shares of common stock under our ATM program. As of March 31, 2020, \$822.1 million of our common stock remained available for sale under our ATM program.

Derivatives and Hedging

In the normal course of our business, interest rate fluctuations affect future cash flows under our variable rate debt obligations, loans receivable and marketable debt securities, and foreign currency exchange rate fluctuations affect our operating results. We follow established risk management policies and procedures, including the use of derivative instruments, to mitigate the impact of these risks.

Cash Flows

The following table sets forth our sources and uses of cash flows:

	For the Three Months Ended March 31,		Increase (Decrease) to Cash	
	2020	2019	\$	%
	(Dollars in thousands)			
Cash, cash equivalents and restricted cash at beginning of period	\$ 146,102	\$ 131,464	\$ 14,638	11.1 %
Net cash provided by operating activities	314,452	336,120	(21,668)	(6.4)
Net cash provided by (used in) investing activities	517,181	(67,824)	585,005	nm
Net cash provided by (used in) financing activities	1,911,300	(259,763)	2,171,063	nm
Effect of foreign currency translation	(2,776)	234	(3,010)	nm
Cash, cash equivalents and restricted cash at end of period	<u>\$ 2,886,259</u>	<u>\$ 140,231</u>	2,746,028	nm

nm - not meaningful

Cash Flows from Operating Activities

Cash flows from operating activities decreased \$21.7 million during the three months ended March 31, 2020 over the same period in 2019 due primarily to changes in working capital.

Cash Flows from Investing Activities

Cash flows from investing activities increased \$585.0 million during the three months ended March 31, 2020 over the same period in 2019 primarily due to increased real estate dispositions and loans receivable proceeds, partially offset by increased acquisition activity and capital expenditures.

Cash Flows from Financing Activities

Cash flows from financing activities increased \$2.2 billion during the three months ended March 31, 2020 over the same period in 2019 primarily due to increased debt borrowings during 2020, net of repayments, partially offset by the issuance of common stock in 2019.

Capital Expenditures

The terms of our triple-net leases generally obligate our tenants to pay all capital expenditures necessary to maintain and improve our triple-net leased properties. However, from time to time, we may fund the capital expenditures for our triple-net leased properties through loans or advances to the tenants, which may increase the amount of rent payable with respect to the properties in certain cases. We may also fund capital expenditures for which we may become responsible upon expiration of our triple-net leases or in the event that our tenants are unable or unwilling to meet their obligations under those leases. We also expect to fund capital expenditures related to our senior living operations and office operations reportable business segments with the cash flows from the properties or through additional borrowings. We expect that these liquidity needs generally will be satisfied by a combination of the following: cash flows from operations, cash on hand, debt assumptions and financings (including secured financings), issuances of debt and equity securities, dispositions of assets (in whole or in part through joint venture arrangements with third parties) and borrowings under our revolving credit facilities.

To the extent that unanticipated capital expenditure needs arise or significant borrowings are required, our liquidity may be affected adversely. Our ability to borrow additional funds may be restricted in certain circumstances by the terms of the instruments governing our outstanding indebtedness.

We are party to certain agreements that obligate us to develop senior housing or healthcare properties funded through capital that we and, in certain circumstances, our joint venture partners provide. As of March 31, 2020, we had 22 properties under development pursuant to these agreements, including four properties that are owned by unconsolidated real estate entities. In addition, from time to time, we engage in redevelopment projects with respect to our existing senior housing communities to maximize the value, increase NOI, maintain a market-competitive position, achieve property stabilization or change the primary use of the property.

Guarantor and Issuer Financial Information

Ventas, Inc. has fully and unconditionally guaranteed the obligation to pay principal and interest with respect to the outstanding senior notes issued by our 100% owned subsidiary, Ventas Realty, including the senior notes that were jointly issued with Ventas Capital Corporation. Ventas Capital Corporation is a direct 100% owned subsidiary of Ventas Realty that has no assets or operations, but was formed in 2002 solely to facilitate offerings of senior notes by a limited partnership. None of our other subsidiaries (excluding Ventas Realty and Ventas Capital Corporation) is obligated with respect to Ventas Realty's outstanding senior notes.

Ventas, Inc. has also fully and unconditionally guaranteed the obligation to pay principal and interest with respect to the outstanding senior notes issued by our 100% owned subsidiary, Ventas Canada Finance Limited ("Ventas Canada"). None of our other subsidiaries is obligated with respect to Ventas Canada's outstanding senior notes, all of which were issued on a private placement basis in Canada.

In connection with the acquisition of Nationwide Health Properties, Inc. ("NHP"), our 100% owned subsidiary, Nationwide Health Properties, LLC ("NHP LLC"), as successor to NHP, assumed the obligation to pay principal and interest with respect to the outstanding senior notes issued by NHP. Neither we nor any of our subsidiaries (other than NHP LLC) is obligated with respect to any of NHP LLC's outstanding senior notes.

Under certain circumstances, contractual and legal restrictions, including those contained in the instruments governing our subsidiaries' outstanding mortgage indebtedness, may restrict our ability to obtain cash from our subsidiaries for the purpose of meeting our debt service obligations, including our payment guarantees with respect to Ventas Realty's and Ventas Canada's senior notes.

The following summarizes our guarantor and issuer balance sheet and statement of income information as of March 31, 2020 and December 31, 2019 and for the three months ended March 31, 2020 and the year ended December 31, 2019.

Balance Sheet Information

	As of March 31, 2020	
	Guarantor	Issuer
	(In thousands)	
Assets		
Investment in and advances to affiliates	\$ 16,012,470	\$ 2,728,110
Total assets	18,640,068	2,837,725
Liabilities and equity		
Intercompany loans	11,795,172	(7,246,353)
Total liabilities	12,149,594	3,416,352
Redeemable OP unitholder and noncontrolling interests	97,094	—
Total equity (deficit)	6,393,380	(578,627)
Total liabilities and equity	18,640,068	2,837,725

Balance Sheet Information

	As of December 31, 2019	
	Guarantor	Issuer
	(In thousands)	
Assets		
Investment in and advances to affiliates	\$ 15,774,897	\$ 2,728,110
Total assets	15,875,910	2,838,270
Liabilities and equity		
Intercompany loans	8,789,600	(5,105,070)
Total liabilities	9,133,733	3,363,067
Redeemable OP unitholder and noncontrolling interests	102,657	—
Total equity (deficit)	6,639,520	(524,797)
Total liabilities and equity	15,875,910	2,838,270

Statement of Income Information

	For the Three Months Ended March 31, 2020	
	Guarantor	Issuer
	(In thousands)	
Equity earnings in affiliates	\$ 482,296	\$ —
Total revenues	483,594	35,696
Income (loss) before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests	473,508	(48,279)
Net income (loss)	473,117	(48,279)
Net income (loss) attributable to common stockholders	473,117	(48,279)

Statement of Income Information

For the Year Ended December 31, 2019

	Guarantor		Issuer	
	(In thousands)			
Equity earnings in affiliates	\$	362,143	\$	—
Total revenues		366,243		142,754
Income (loss) before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests		432,020		(246,929)
Net income (loss)		433,016		(246,841)
Net income (loss) attributable to common stockholders		433,016		(246,841)

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The following discussion of our exposure to various market risks contains forward-looking statements that involve risks and uncertainties. These projected results have been prepared utilizing certain assumptions considered reasonable in light of information currently available to us. Nevertheless, because of the inherent unpredictability of interest rates and other factors, actual results could differ materially from those projected in such forward-looking information.

We are exposed to market risk related to changes in interest rates with respect to borrowings under our unsecured revolving credit facility and our unsecured term loans, certain of our mortgage loans that are floating rate obligations, mortgage loans receivable that bear interest at floating rates and available for sale securities. These market risks result primarily from changes in LIBOR rates or prime rates. To manage these risks, we continuously monitor our level of floating rate debt with respect to total debt and other factors, including our assessment of current and future economic conditions.

As of March 31, 2020 and December 31, 2019, the fair value of our secured and non-mortgage loans receivable, based on our estimates of currently prevailing rates for comparable loans, was \$484.1 million and \$710.5 million, respectively.

The fair value of our fixed and variable rate debt is based on current interest rates at which we could obtain similar borrowings. For fixed rate debt, interest rate fluctuations generally affect the fair value, but not our earnings or cash flows. Therefore, interest rate risk does not have a significant impact on our fixed rate debt obligations until their maturity or earlier prepayment and refinancing. If interest rates have risen at the time we seek to refinance our fixed rate debt, whether at maturity or otherwise, our future earnings and cash flows could be adversely affected by additional borrowing costs. Conversely, lower interest rates at the time of refinancing may reduce our overall borrowing costs.

To highlight the sensitivity of our fixed rate debt to changes in interest rates, the following summary shows the effects of a hypothetical instantaneous change of 100 basis points in interest rates:

	As of March 31, 2020		As of December 31, 2019	
	(In thousands)			
Gross book value	\$	10,180,353	\$	10,270,402
Fair value		10,115,712		10,784,441
Fair value reflecting change in interest rates:				
-100 basis points		10,768,842		11,438,507
+100 basis points		9,675,477		10,196,943

The change in our fixed rate debt from December 31, 2019 to March 31, 2020 was due primarily to exchange rate fluctuations related to our outstanding senior notes.

The table below sets forth certain information with respect to our debt, excluding premiums and discounts.

	As of March 31, 2020	As of December 31, 2019	As of March 31, 2019
	(Dollars in thousands)		
Balance:			
Fixed rate:			
Senior notes	\$ 8,503,244	\$ 8,584,056	\$ 8,405,769
Unsecured term loans	200,000	200,000	400,000
Secured revolving construction credit facility	152,427	160,492	—
Mortgage loans and other	1,324,682	1,325,854	694,948
Variable rate:			
Senior notes	213,386	231,018	—
Unsecured revolving credit facility	2,888,159	120,787	52,135
Unsecured term loans	355,644	385,030	500,000
Commercial paper notes	—	567,450	195,000
Secured revolving construction credit facility	—	—	104,629
Mortgage loans and other	619,227	671,115	436,697
Total	<u>\$ 14,256,769</u>	<u>\$ 12,245,802</u>	<u>\$ 10,789,178</u>
Percentage of total debt:			
Fixed rate:			
Senior notes	59.6%	70.1%	78.0%
Unsecured term loans	1.4	1.6	3.7
Secured revolving construction credit facility	1.1	1.3	—
Mortgage loans and other	9.3	10.8	6.4
Variable rate:			
Senior notes	1.5	1.9	—
Unsecured revolving credit facility	20.3	1.0	0.5
Unsecured term loans	2.5	3.1	4.6
Commercial paper notes	—	4.7	1.8
Secured revolving construction credit facility	—	—	1.0
Mortgage loans and other	4.3	5.5	4.0
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Weighted average interest rate at end of period:			
Fixed rate:			
Senior notes	3.7%	3.7%	3.8%
Unsecured term loans	2.0	2.0	2.8
Secured revolving construction credit facility	4.5	4.5	—
Mortgage loans and other	3.7	3.7	4.4
Variable rate:			
Senior notes	2.5	2.5	—
Unsecured revolving credit facility	1.5	2.4	2.2
Unsecured term loans	2.6	2.9	3.3
Commercial paper notes	—	2.0	2.8
Secured revolving construction credit facility	—	—	4.2
Mortgage loans and other	3.8	3.4	3.4
Total	3.2	3.5	3.7

The variable rate debt in the table above reflects, in part, the effect of \$147.8 million notional amount of interest rate swaps with maturities ranging from March 2022 to May 2022, in each case that effectively convert fixed rate debt to variable rate debt. In addition, the fixed rate debt in the table above reflects, in part, the effect of \$504.5 million and C\$119.2 million

notional amount of interest rate swaps with maturities ranging from August 2020 to December 2029 in each case that effectively convert variable rate debt to fixed rate debt.

The increase in our outstanding variable rate debt at March 31, 2020 compared to December 31, 2019 is primarily attributable to borrowings under our unsecured revolving credit facility, partially offset by repayments of our commercial paper program.

Assuming a 100 basis point increase in the weighted average interest rate related to our variable rate debt and assuming no change in our variable rate debt outstanding as of March 31, 2020, interest expense on an annualized basis would increase by approximately \$40.1 million, or \$0.11 per diluted common share.

As of March 31, 2020 and December 31, 2019, our joint venture partners' aggregate share of total debt was \$221.0 million and \$228.2 million, respectively, with respect to certain properties we owned through consolidated joint ventures. Total debt does not include our portion of debt related to investments in unconsolidated entities, which was \$113.7 million and \$60.6 million as of March 31, 2020 and December 31, 2019, respectively.

As a result of our Canadian and United Kingdom operations, we are subject to fluctuations in certain foreign currency exchange rates that may, from time to time, affect our financial condition and operating performance. Based solely on our results for the three months ended March 31, 2020 (including the impact of existing hedging arrangements), if the value of the U.S. dollar relative to the British pound and Canadian dollar were to increase or decrease by one standard deviation compared to the average exchange rate during the year, our normalized FFO per share for the three months ended March 31, 2020 would decrease or increase, as applicable, by less than \$0.01 per share or 1%. We will continue to mitigate these risks through a layered approach to hedging looking out for the next year and continual assessment of our foreign operational capital structure. Nevertheless, we cannot assure you that any such fluctuations will not have an effect on our earnings.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15(b) and 15d-15(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2020. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective as of March 31, 2020, at the reasonable assurance level.

Internal Control Over Financial Reporting

There have been no changes in our internal controls over financial reporting during the first quarter of 2020 (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 1. LEGAL PROCEEDINGS

The information contained in “Note 11 - Litigation” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q is incorporated by reference into this Item 1. Except as set forth therein, there have been no new material legal proceedings and no material developments in the legal proceedings reported in our Annual Report on Form 10-K for the year ended December 31, 2019.

ITEM 1A. RISK FACTORS

This section supplements and updates certain of the information found under Part I, Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission on February 24, 2020 (the “2019 Form 10-K”) based on information currently known to us and recent developments since the date of the 2019 Form 10-K filing. The matters discussed below should be read in conjunction with the risk factors set forth in the 2019 Form 10-K. However, the risks and uncertainties that we face are not limited to those described below and those set forth in the 2019 Form 10-K. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, results of operations and financial condition.

The ongoing COVID-19 pandemic and measures intended to prevent its spread could have a material adverse effect on our business, results of operations, cash flows and financial condition.

In December 2019, COVID-19 was first reported in Wuhan, China, and on March 11, 2020, the World Health Organization declared COVID-19 a pandemic. The outbreak has reached more than 160 countries and has led governments and other authorities around the world, including federal, state and local authorities in the United States, to impose measures intended to control its spread, including restrictions on freedom of movement and business operations such as travel bans, border closings, business closures, quarantines and shelter-in-place orders.

The impact of the COVID-19 pandemic and measures to prevent its spread has negatively impacted our businesses in a number of ways and is expected to continue to do so. As our senior housing operators have responded to the pandemic, operating costs have begun to rise. Our revenue and operating results also depend significantly on the occupancy levels at our properties. Following the COVID-19 outbreak, occupancy at our senior housing properties began to decrease materially, as move-ins at those properties slowed. The pandemic simultaneously raises the risk of an elevated level of resident illness and move-outs at those properties. In addition, incidences of COVID-19 outbreaks at our senior housing properties or the perception that outbreaks may occur could materially and adversely disrupt operations at such properties, as well as cause significant reputational harm to us and our tenants, managers and operators.

In our triple-net leased senior housing, triple-net leased healthcare and Office portfolios, tenants that experience deteriorating financial conditions as a result of the COVID-19 pandemic may be unwilling or unable to pay rent in full on a timely basis. In some cases, we may have to restructure tenants’ long-term rent obligations and may not be able to do so on terms that are as favorable to us as those currently in place. Numerous state, local, federal and industry-initiated efforts may also affect landlords’ ability to collect rent or enforce remedies for the failure to pay rent. Certain of our tenants, managers and operators may incur significant costs or losses responding to the COVID-19 pandemic, lose business due to any interruption in the operations of our properties or incur other liabilities related to shelter-in-place orders, quarantines, infection or other related factors. The federal, state and local governments have implemented or announced assistance programs in connection with the COVID-19 pandemic that have benefited or in the future may benefit certain of our tenants, managers and operators, especially in our triple-net leased healthcare and Office portfolios, but such government assistance may be insufficient to offset the downturn in business of our tenants, managers and operators. Risks related to the downturn in business of our tenants, managers and operators are also described in our risk factor titled “We face potential adverse consequences from the bankruptcy, insolvency or financial deterioration of one or more of our tenant, operators, borrowers, managers and other obligors” under “Risk Factors-Risks Arising from Our Business” in our Annual Report on Form 10-K for the year ended December 31, 2019.

The COVID-19 pandemic has caused and is likely to continue to cause regulatory changes and, as a result, healthcare operations may face increased regulatory scrutiny. Any changes in the regulatory framework or the intensity or extent of government or private enforcement actions could materially increase operating costs incurred by us or our tenants, operators and managers for monitoring and reporting compliance. In addition, the COVID-19 pandemic may cause our senior housing business to face increased exposure to lawsuits or other legal or regulatory proceedings filed at the same time across multiple jurisdictions, such as professional liability litigation alleging wrongful death and negligence claims, some of which may result

in large damage awards and not be indemnified or subject to sufficient insurance coverage. Federal, state, local and industry-initiated efforts may limit our senior housing tenants', operators' and managers' liabilities from COVID-19 related quality of care litigation but the extent of such limitations are uncertain and, to the extent such limitations of liability may not be applicable or enforced, such liabilities could adversely impact the business and financial conditions of our tenants and operators. If, in turn, such tenants or operators fail to make contractual rent payments to us or, with respect to our senior living operating portfolio, cash flows are adversely affected, it could have a Material Adverse Effect on us.

The COVID-19 pandemic has also caused, and is likely to continue to cause, severe economic, market and other disruptions worldwide. We cannot assure you that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of the pandemic, or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. The continuance of decreased revenue and net operating income as a result of the COVID-19 pandemic could lead to downgrades of our long-term credit rating. Such future downgrades could increase our borrowing costs, which would make it more difficult or expensive to obtain additional financing or refinance existing obligations and commitments. In addition, the deterioration of global economic conditions as a result of the pandemic may ultimately decrease occupancy levels and pricing across our portfolio as senior residents and tenants reduce or defer their spending.

Additionally, the COVID-19 pandemic could increase the magnitude of many of the other risks described herein or in the risk factors set forth in the 2019 Form 10-K. The extent of the COVID-19 pandemic's effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the outbreak, all of which are uncertain and difficult to predict. Due to the speed with which the situation is developing, we are not able at this time to estimate the effect of these factors on our business, but the adverse impact on our business, results of operations, financial condition and cash flows could be material.

Significant legal actions or regulatory proceedings could subject us or our tenants, operators and managers to increased operating costs and substantial uninsured liabilities, which could materially adversely affect our or their liquidity, financial condition and results of operations.

From time to time, we may be subject to claims brought against us in lawsuits and other legal or regulatory proceedings arising out of our alleged actions or the alleged actions of our tenants, operators and managers. In certain circumstances, our tenants, operators and managers may have agreed to indemnify, defend and hold us harmless against such litigation or proceedings. In other circumstances, regardless of whether we are a named party in the litigation or other legal or regulatory proceedings, we may be contractually obligated to indemnify, defend and hold harmless our operators and managers, and in some cases their affiliates, against such litigation or proceedings. An unfavorable resolution of any such litigation or proceeding could materially adversely affect our or their liquidity, financial condition and results of operations and have a Material Adverse Effect on us. In addition, even with a favorable resolution of any such litigation or proceeding, the effect of litigation and other potential litigation and proceeding may materially increase operating costs incurred by our tenants, operators and borrowers for monitoring and reporting quality of care compliance, which in our senior living operating portfolio would be borne by us.

In our senior living operating portfolio, in which we are typically the holder of the applicable healthcare license, if one of our managers fails to comply with applicable laws, we could be deemed responsible, which could subject us to penalties including loss or suspension of licensure and certificates of need, certification or accreditation, exclusion from government healthcare programs, administrative sanctions and monetary penalties.

In certain cases, we and our tenants, operators and managers may be subject to professional liability, general liability, employment, premise, privacy, environmental, unfair business practice and contracts claims brought by plaintiffs' attorneys seeking significant damages and attorneys' fees, some of which may not be insured or indemnified and some of which may result in significant damage awards. Due to the historically high frequency and severity of professional liability claims against senior housing and healthcare providers, the availability of professional liability insurance has decreased and the premiums on such insurance coverage remain costly. The availability of insurance for other claims such as wage and hour, certain environmental, privacy and unfair business practices claims has decreased and the premiums on such insurance coverage remain costly. As a result, insurance protection against such claims may not be sufficient to cover all claims against us or our tenants, operators or managers, and may not be available at a reasonable cost or otherwise on terms that provide adequate coverage. If we or our tenants, operators and managers are unable to maintain adequate insurance coverage or are required to pay damages, we or they may be exposed to substantial liabilities and the adverse impact on our or our tenants', operators' and managers' financial conditions, results of operations and cash flows could be material.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Issuer Purchases of Equity Securities**

We do not have a publicly announced repurchase plan or program in effect. The table below summarizes other repurchases of our common stock made during the quarter ended March 31, 2020.

	Number of Shares Repurchased ⁽¹⁾	Average Price Per Share
January 1 through January 31	23,795	\$ 58.81
February 1 through February 29	41,968	61.74
March 1 through March 31	23,419	46.47

- ⁽¹⁾ Repurchases represent shares withheld to pay taxes on the vesting of restricted stock granted to employees under our 2006 Incentive Plan or 2012 Incentive Plan or restricted stock units granted to employees under the Nationwide Health Properties, Inc. (“NHP”) 2005 Performance Incentive Plan and assumed by us in connection with our acquisition of NHP. The value of the shares withheld is the closing price of our common stock on the date the vesting or exercise occurred (or, if not a trading day, the immediately preceding trading day) or the fair market value of our common stock at the time of exercise, as the case may be.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

The exhibits required by Item 601 of Regulation S-K which are filed with this report are listed below.

Exhibit Number	Description of Document	Location of Document
10.1	Consulting Agreement Amendment dated as of January 22, 2020 between Ventas, Inc. and T. Richard Riney.	Filed herewith.
10.2.1	Employee Protection and Restrictive Covenants Agreement dated January 21, 2020 between Ventas, Inc. and Carey Shea Roberts.	Filed herewith.
10.2.2	Employment Bonus Agreement dated March 4, 2020 between Ventas, Inc. and Carey Shea Roberts.	Filed herewith.
10.3	Employee Protection and Restrictive Covenants Agreement dated February 7, 2020 between Ventas, Inc. and J. Justin Hutchens.	Filed herewith.
22	List of Guarantors and Issuers of Guaranteed Securities	Filed herewith.
31.1	Certification of Debra A. Cafaro, Chairman and Chief Executive Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.	Filed herewith.
31.2	Certification of Robert F. Probst, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.	Filed herewith.
32.1	Certification of Debra A. Cafaro, Chairman and Chief Executive Officer, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. § 1350.	Filed herewith.
32.2	Certification of Robert F. Probst, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. § 1350.	Filed herewith.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	Filed herewith.
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 8, 2020

VENTAS, INC.

By:

/s/ DEBRA A. CAFARO

Debra A. Cafaro
Chairman and
Chief Executive Officer

By:

/s/ ROBERT F. PROBST

Robert F. Probst
Executive Vice President and
Chief Financial Officer

VENTAS, INC.

CONSULTING AGREEMENT AMENDMENT

THIS CONSULTING AGREEMENT AMENDMENT (“Amendment”) is made and entered into as of January 22, 2020 (the “Amendment Date”), by and between **VENTAS, INC.**, a Delaware corporation (the “Company”) and **T. Richard Riney**, a Senior Advisor of the Company (“Consultant”), pursuant to the Consulting Agreement entered into between the Company and Consultant as of October 15, 2019, as previously amended December 13, 2019 (the “Agreement”). Unless otherwise provided, capitalized terms in this Amendment have the meaning set forth in the Agreement.

The Agreement is hereby amended in the following manner.

1. In Section 2 of the Agreement, the phrase “February 15, 2020” shall be deleted and replaced by the phrase “March 15, 2020” in the first sentence thereof.

In all other respects, the Agreement, as amended hereby, shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed and consented to this Amendment on and as of the date first above written.

VENTAS, INC.

By: /s/ Edmund M. Brady, III

Edmund M. Brady, III

Title: SVP and Chief Human Resources Officer

/s/ T. Richard Riney

T. Richard Riney

EMPLOYEE PROTECTION AND RESTRICTIVE COVENANTS AGREEMENT

This EMPLOYEE PROTECTION AND RESTRICTIVE COVENANTS AGREEMENT (“Agreement”) by and between VENTAS, INC., a Delaware corporation (the “Company”), and Carey Shea Roberts (“Executive”), dated as of January 21, 2020, is effective immediately upon execution with respect to Section 3(a) of this Agreement and will become effective with respect to the rest of this Agreement upon Executive’s commencement of employment with the Company (the “Effective Date”).

WHEREAS, this Agreement provides Executive with severance if Executive’s employment is terminated in certain circumstances and provides the Company with certain protections regarding Executive’s actions, including after termination of employment.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements contained herein, and intending to be legally bound hereby, the Company and Executive agree as follows:

1. Obligations of the Company upon Termination. Following any termination of Executive’s employment by the Company without Cause (as defined below) or by Executive with Good Reason (as defined below) hereunder, the Company shall pay Executive’s Base Salary through the Date of Termination (as defined below) and all amounts earned and owed (but yet unpaid) to Executive pursuant to the terms and conditions of the executive benefit plans and programs of the Company in effect at the time such payments are due, including accrued and unpaid vacation. The term “Base Salary” for purposes of this Agreement shall refer to Executive’s base salary annualized, as most recently increased. In addition, except for a termination in connection with a Change in Control (defined below) covered by Section 2 hereof, subject to Executive’s execution of a general release of claims in form substantially similar to the form attached hereto as Appendix A (the “Release”), Executive shall be entitled to the following additional payments:

(a) Other than for Cause, or for Good Reason. If the Company shall terminate Executive’s employment other than for Cause or if Executive shall terminate Executive’s employment for Good Reason:

(i) The Company shall pay Executive within thirty (30) days of the Date of Termination (but not earlier than the date on which the Release becomes irrevocable) a lump sum payment equal to the sum of (A) Executive’s annual Base Salary and (B) the annual cash bonus Executive would receive for the year of termination assuming target individual and Company performance.

(ii) The Company shall, at the Company’s election, either (A) provide during the one (1) year period beginning on the Date of Termination (the “Medical Benefit Severance Period”) Executive with continued medical, dental and vision benefits (but no other benefits) at the same level as if Executive remained actively employed during the Medical Benefit Severance Period, or (B) pay to Executive a cash lump sum payment equal to (1) twelve (12) multiplied by (2) the excess of the monthly COBRA (as defined below) premium as of Executive’s Date of Termination for the medical, dental and vision coverage Executive had immediately prior to Executive’s Date of Termination over the monthly dollar amount Executive would have paid to the Company for such medical, dental and vision coverage if Executive remained employed during the Medical Benefit Severance Period. If the Company elects pursuant to the preceding sentence to provide medical, dental and vision benefits during the Medical Benefit Severance Period, Executive shall pay the Company on a monthly basis the portion of the periodic cost of such continued coverage equal to the dollar amount of such periodic cost as if Executive remained employed during the Medical Benefit Severance Period and such medical, dental and vision benefits shall terminate at the earlier of (A) the end of the Medical Benefit Severance Period or (B) the time they would be permitted to terminate under Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”). As and to the extent provided by COBRA, Executive will be eligible to continue Executive’s health insurance benefits at Executive’s own expense for the statutory period prescribed by COBRA, treating Executive’s termination of employment as the “qualifying event” (as defined in COBRA).

(b) Cause; Executive Resignation. If Executive's employment shall be terminated by the Company for Cause or by Executive other than for Good Reason, this Agreement shall terminate without further additional obligations to Executive under this Agreement.

(c) Death after Termination. In the event of the death of Executive during the period Executive is receiving payments pursuant to this Agreement, Executive's designated beneficiary shall be entitled to receive the balance of the payments, or in the event of no designated beneficiary, the remaining payments shall be made to Executive's estate.

2. Occurrence of a Change in Control.

(a) Termination Other than for Cause, or for Good Reason. If a Change in Control shall occur and within one (1) year after the date of the occurrence of such Change in Control, the Company shall terminate Executive's employment other than for Cause or Executive shall terminate Executive's employment for Good Reason (a "Change in Control Severance"), subject to Executive's execution of the Release and in lieu of the benefits under Section 1 hereof:

(i) The Company shall pay Executive within thirty (30) days of the Date of Termination (but not earlier than the date on which the Release becomes irrevocable) a lump sum payment equal to two and one-half (2.5) times the sum of (A) Executive's annual Base Salary, plus (B) the annual cash bonus Executive would receive for the year of termination assuming target individual and Company performance.

(ii) The Company shall, at the Company's election, either (A) provide during the two (2) year period commencing on the date of the Change in Control Severance ("Change in Control Medical Benefit Severance Period") Executive with continued medical, dental and vision benefits (but no other benefits) at the same level as if Executive remained actively employed during the Change in Control Medical Benefit Severance Period or (B) pay to Executive a cash lump sum payment equal to (1) twenty-four (24) multiplied by (2) the excess of the monthly COBRA premium as of Executive's Date of Termination for the medical, dental and vision coverage Executive had immediately prior to Executive's Date of Termination over the monthly dollar amount Executive would have paid to the Company for such medical, dental and vision coverage if Executive remained employed during the Change in Control Medical Benefit Severance Period. If the Company elects pursuant to the preceding sentence to provide medical, dental and vision benefits during the Change in Control Medical Benefit Severance Period, Executive shall pay the Company on a monthly basis the portion of the periodic cost of such continued coverage equal to the dollar amount of such periodic cost as if Executive remained employed during the Change in Control Medical Benefit Severance Period, and such medical, dental and vision benefits shall terminate at the earlier of (A) the end of the Change in Control Medical Benefit Severance Period or (B) the time they would be permitted to terminate under COBRA. As and to the extent provided by COBRA, Executive will be eligible to continue Executive's health insurance benefits at Executive's own expense for the statutory period prescribed by COBRA, treating Executive's termination of employment as the "qualifying event" (as defined in COBRA).

(b) Change in Control. For purposes of this Agreement, a "Change in Control" means the occurrence of any of the following events:

(i) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (having the meaning ascribed to such term in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and as used in Section 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d)) immediately after which such Person has beneficial ownership (within the meaning of Rule 13d-3 promulgated under the 1934 Act) ("Beneficial Ownership" and/or Beneficially Owned") of thirty-five percent (35%) or more of the combined voting power of the Company's then outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control. A Non-Control Acquisition shall mean an acquisition by (i) the Company or any company, corporation, partnership, limited liability company or other Person in which the Company directly or indirectly owns a majority interest ("Subsidiary"),

(ii) an employee benefit plan (or a trust forming a part thereof) maintained by the Company or any Subsidiary, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(ii) The individuals who, as of the Effective Date, were members of the Board of Directors of the Company (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, such new director shall, for purposes of this Section 2(b), be considered a member of the Incumbent Board; and provided, further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened election contest (as described in former Rule 14a-11 promulgated under the 1934 Act) ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors of the Company (a "Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(iii) Approval by stockholders of the Company and the consummation of:

(A) A merger, consolidation or reorganization involving the Company, unless such transaction is a Non-Control Transaction. For purposes of this Agreement, the term "Non-Control Transaction" shall mean a merger, consolidation or reorganization of the Company in which:

[1] The stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least forty-five percent (45%) of the combined voting power of the voting securities of the corporation or entity resulting from such merger, consolidation or reorganization (the "Surviving Company") over which any Person has Beneficial Ownership in substantially the same proportion as their Beneficial Ownership of the Voting Securities immediately before such merger, consolidation or reorganization;

[2] The individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least a majority of the members of the board of directors or equivalent body of the Surviving Company; and

[3] No Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Company or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of thirty-five percent (35%) or more of the then outstanding Voting Securities) has Beneficial Ownership of thirty-five percent (35%) or more of the combined voting power of the Surviving Company's then outstanding voting securities.

(B) A complete liquidation or dissolution of the Company.

(C) The sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided, however, that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which

increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

3. Restrictive Covenants.

(a) Confidentiality.

(i) Executive shall not, unless written permission is granted by the Company, disclose to or communicate in any manner with the press or any other media about Executive's employment with the Company, the terms of this Agreement, the termination of Executive's employment with the Company, the Company's businesses or affairs, the Company's officers, directors, employees and/or consultants, or any matter related to any of the foregoing.

(ii) Executive acknowledges that it is the policy of the Company and its Subsidiaries to maintain as secret and confidential all information and techniques acquired, developed, possessed or used by the Company and its Subsidiaries relating to their business, operations, actual or potential products, strategies, assets, liabilities, potential assets and liabilities, employees, customers, tenants, operators, borrowers, managers, proposed or prospective customers, tenants, operators, borrowers and managers, business partners, communities, buildings and facilities (including without limitation: information protected by the Company's attorney/client, work product, or tax advisor/audit privileges; tax matters and information; financial analysis and models; the Company's strategic plans; negotiations with third parties; methods, policies, processes, formulas, techniques, know-how and other knowledge; trade practices, trade secrets, or financial matters; lists of customers or customers' purchases; lists of suppliers, representatives, or other distributors; lists of and information (business, financial or otherwise) about tenants, operators, borrowers, managers and customers and their respective businesses and operations; requirements for systems, programs, machines, or their equipment; information regarding the Company's bank accounts, credit agreement or financial projections, results or information; information regarding the Company's directors or officers or their personal affairs), whether or not any such information or any of the material described above is explicitly designated or marked as "confidential" ("Confidential Information"). "Confidential Information" shall not include information that (A) is or becomes generally available to the public other than as a result of a disclosure by Executive in violation of this Agreement, (B) was available to Executive on a non-confidential basis prior to Executive's employment with the Company, or (C) is compelled to be disclosed by any law, regulation or order of a court or governmental agency, provided that prior written notice is given to the Company and Executive cooperates with the Company in any efforts by the Company to limit the scope of such obligation and/or to obtain confidential treatment of any material disclosed pursuant to such obligation. Executive recognizes that all such Confidential Information is the sole and exclusive property of the Company and its Subsidiaries, and that disclosure of Confidential Information would cause damage to the Company and its Subsidiaries. Executive shall not disclose, directly or indirectly, any Confidential Information obtained during Executive's employment with the Company, and will take all necessary precautions to prevent disclosure, to any unauthorized individual or entity inside or outside the Company, and will not use the Confidential Information or permit its use for the benefit of Executive or other third party other than the Company. These obligations shall continue for so long as the Confidential Information remains Confidential Information.

(b) Noncompetition, Nonsolicitation, Noninterference. During Executive's employment with the Company and through the Restricted Period (as defined below), Executive shall not, either directly or indirectly (through another business or person), engage in or facilitate any of the following activities anywhere in the United States:

(i) Hiring, recruiting, engaging as a consultant or adviser, employing or attempting or soliciting to hire, recruit or employ any person employed by the Company or any Subsidiary or affiliate, or causing or attempting to cause any third party to do any of the foregoing; nothing in this Section 3(b)(i) shall, however, restrict Executive from general employment advertising on a broad basis not targeted at or designed for any such employee;

(ii) Causing or attempting to cause any person employed at any time during the Restricted Period by the Company or any Subsidiary or affiliate to terminate his or her relationship with the Company or any Subsidiary or affiliate;

(iii) Soliciting, enticing away, or endeavoring to entice away, or otherwise interfering with any employee, customer, tenant, operator, manager or proposed employee, customer, tenant, operator or manager with whom the Company or any Subsidiary or affiliate has ongoing contact, financial partner or proposed financial partner with whom the Company or any Subsidiary or affiliate has ongoing contact, vendor, supplier or other similar business relation, who at any time during the Restricted Period or who at any time during the period commencing one (1) year prior to the Date of Termination, to Executive's knowledge, maintained a material business relationship with the Company or any Subsidiary or affiliate or with whom the Company or any Subsidiary or affiliate is targeting for a material business relationship or is engaged in discussions with to commence a material business relationship at the time of termination of Executive's employment with the Company; or

(iv) Performing services as an employee, director, officer, consultant, independent contractor or advisor; or investing in, whether in the form of equity or debt, owning any interest or otherwise having an ownership or other interest or a connection to any Prohibited Entity (as defined below); or performing services as an employee, director, officer, consultant, independent contractor or advisor to any other company, entity or person if those services relate directly to a business or businesses that directly and materially compete with the Company anywhere in the United States. Nothing in this Section 3(b) (iv) shall, however, restrict Executive from (A) making an investment in and owning up to two percent (2%) of the common stock of any company whose stock is listed on a national exchange, provided that such investment does not give Executive the right or ability to control or influence the policy decisions of any direct competitor, or (B) except as provided in Section 3(c) below, performing services as an employee, director, officer, consultant, independent contractor or advisor of an operating company that provides healthcare goods or services other than leasing or financing of real property (for example, a hospital or a nursing facility). For purposes of this Agreement, a "Prohibited Entity" is any company, entity or person that derives more than twenty percent (20%) of its consolidated gross revenues from a business or businesses that directly and materially compete with the Company.

The "Restricted Period" shall mean (x) the two (2) year period following the termination of Executive's employment with the Company if such termination of employment with the Company occurs pursuant to Section 2(a) hereof or (y) the one (1) year period following the termination of Executive's employment with the Company if Executive's employment with the Company terminates in any manner other than as described in Section 2(a).

(c) Other Prohibited Activities. Executive acknowledges that Executive's position at the Company provides Executive with access to highly sensitive information concerning the Company's lessees, managers, borrowers and operators and their affiliates and leases, operating agreements, management agreements and other contractual agreements with such lessees, managers, borrowers and operators and their affiliates which are critical to the Company's ability to effectively function and to the properties to be purchased by the Company, and that if Executive were to provide services for such lessees, managers, borrowers and operators and/or their affiliates such services would cause irreparable damages to the Company. Executive shall not during Executive's employment and the Restricted Period, either directly or indirectly (through another business or person), engage in or facilitate any of the following activities anywhere in the United States or in any location outside the United States where the Company conducts or plans to conduct business: performing services as an employee, director, officer, consultant, independent contractor or advisor of, or investing in, whether in the form of equity or debt, owning any interest or otherwise having an ownership or other interest in any of the Company's then current lessees, managers, borrowers or operators or any of their respective parent, sister, subsidiary or affiliated entities (other than any such lessee, manager, borrower or operator that, together with its parent, sister, subsidiary and affiliated entities, contributes less than five percent (5%) of the Company's net operating income (NOI), computed on a pro forma annualized basis consistent with the Company's most recent supplemental disclosure, and is not in default under any of its agreements with the Company nor has an ongoing dispute with the Company) in any manner, including without limitation as an owner, principal, partner, officer, director, stockholder, employee, consultant, contractor, agent, broker, representative or otherwise. Nothing in this Section 3(c) shall, however, restrict Executive from making an investment in and owning, directly or indirectly, up to two percent (2%) of

the common stock of any company whose stock is listed on a national exchange, provided that such investment does not give Executive the right or ability to control or influence the policy decisions of any lessee, manager, borrower or operator or any of its parent, sister, subsidiary or affiliated entities.

(d) Non-Disparagement.

(i) Executive agrees not to make, or cause to be made, any statement, observation or opinion, or communicate any information (whether oral or written, directly or indirectly) that (A) accuses or implies that the Company and/or any of its affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns, engaged in any wrongful, unlawful, unethical or improper conduct, whether relating to Executive's employment (or termination thereof), the business or operations of the Company, or otherwise; or (B) disparages, impugns or in any way reflects adversely upon the business, good will, products, business opportunities, competency, character, behavior or reputation of the Company and/or any of its affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns.

(ii) Nothing in this Agreement is intended to: (1) limit Executive's ability to report to, respond to inquiries from, or otherwise cooperate with, any governmental, regulatory or self-regulatory agency with jurisdiction over the Company or its assets, or make disclosures that are protected under whistleblower or other provisions of applicable law or regulation; (2) limit monetary or personal relief or remedy available for pursuing a claim or charge that cannot be released in accordance with federal, state or local law; or (3) create any obligation on Executive's part to inform the Company about the fact or substance of any communications Executive may have with any governmental authorities in connection with any pending and/or future actions.

(e) New Employer. Executive shall provide the terms and conditions of this Section 3 to any prospective new employer or new employer and shall permit the Company to contact any such company, entity or individual to confirm Executive's compliance with this Section 3 and shall provide the Company with such information as it requests to allow such inquiry.

(f) Reasonableness of Restrictive Covenants.

(i) Executive acknowledges that the covenants contained in this Section 3 are reasonable in the scope of the activities restricted, the geographic area covered by the restrictions, and the duration of the restrictions, and that such covenants are reasonably necessary to protect the Company's legitimate interests in its Confidential Information, its reputation, and in its relationships with its employees, customers, and suppliers.

(ii) The Company has consulted, and Executive has had an opportunity to consult, with their respective legal counsel and to be advised concerning the reasonableness and propriety of such covenants. Executive acknowledges that Executive's observance of the covenants contained herein will not deprive Executive of the ability to earn a livelihood or to support Executive's dependents.

(iii) If any provision or portion of Section 3 of this Agreement is held to be unenforceable because of the scope, duration, territory or terms thereof, Executive agrees that the court making such determination shall have the power to and shall reduce the scope, duration, territory and/or terms of such provision, so that the provision is enforceable by the court to afford the maximum protection to the Company under the law, and such provision as amended shall be enforced by the court.

(g) Right to Injunction. In recognition of the confidential nature of the Confidential Information, and in recognition of the necessity of the limited restrictions imposed by Section 3, Executive and the Company agree that it would be impossible to measure solely in money the damages which the Company would suffer if Executive were to breach any of Executive's obligations hereunder. Executive acknowledges that any breach of any provision of this Agreement would irreparably injure the Company. Accordingly, Executive agrees that if Executive breaches any of the provisions of Section 3, the Company

shall be entitled, in addition to any other remedies to which the Company may be entitled under this Agreement or otherwise, to an injunction to be issued without bond by a court of competent jurisdiction, to restrain any breach, or threatened breach, of any provision of Section 3, and Executive hereby waives any right to assert any claim or defense that the Company has an adequate remedy at law for any such breach or to require the Company to post bond or other security during the pendency of such injunction.

(h) Assistance. During the one (1) year period following a termination of Executive's employment with the Company, Executive shall from time to time provide the Company with such reasonable assistance and cooperation as the Company may reasonably from time to time request in connection with any investigation, claim, dispute, judicial, legislative, administrative or arbitral proceeding, or litigation (any of the foregoing, a "Proceeding") arising out of matters within the knowledge of Executive and related to Executive's position as an employee of the Company. Such assistance and cooperation shall include providing information, declarations or statements to the Company, signing documents, meeting with attorneys or other representatives of the Company, and preparing for and giving truthful testimony in connection with any Proceeding or related deposition. Executive shall agree to also make Executive available to assist the Company with transition of Executive's duties to his or her successor and addressing ongoing issues and problems. In any such instance, Executive shall provide such assistance and cooperation at times and in places mutually convenient for the Company and Executive and which do not unreasonably interfere with Executive's business or personal activities. The Company shall reimburse Executive's reasonable out-of-pocket costs and expenses in connection with such assistance and cooperation upon Executive's written request in such form and containing such information as the Company shall reasonably request.

(i) Subsequent Practice of Law. As this Agreement relates to Executive's future practice of law, the Company and Executive understand and agree that this Agreement shall be interpreted consistent with the Rules of Professional Conduct, including Model Rules 1.6, 1.9, and 5.6 and their counterparts in relevant jurisdictions (the "Rules"), and that, in the event of any conflict between the Rules and this Agreement, the Rules shall control and any conflicting provision in this Agreement shall be deemed null and void.

4. Termination of Employment. Subject to the provisions of this Agreement, the Company may terminate Executive's employment at any time for any reason whatsoever or for no reason and with or without Cause. Executive acknowledges and agrees that Executive's employment with the Company is terminable at the will of the Company without any obligation, except as may be expressly provided in Section 1 or Section 2.

(a) Cause. For purposes of this Agreement, "Cause" shall mean (i) Executive's indictment for, conviction of, or plea of nolo contendere to, any felony or a misdemeanor involving fraud, dishonesty or moral turpitude; (ii) the willful or intentional material breach by Executive of Executive's duties and responsibilities; (iii) the willful or intentional material misconduct by Executive in the performance of Executive's duties, or (iv) the willful or intentional failure by Executive to comply with any lawful instruction or directive of the CEO.

(b) Good Reason. Executive may terminate Executive's employment for Good Reason or without Good Reason. For purposes of this Agreement, "Good Reason" shall mean any of the following occurring on or after the Effective Date:

(i) A material diminution in Executive's position, authority or duties (including the assignment to Executive of any duties materially and adversely inconsistent with Executive's position, authority or duties hereunder), excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive;

(ii) The Company shall materially reduce (other than pursuant to a uniform reduction applicable to other similarly situated executives of the Company) the Base Salary or annual target bonus opportunity of Executive;

(iii) The Company shall require Executive to relocate Executive's principal business office to any location more than thirty (30) miles from its location on the Effective Date; or

- (iv) The failure of the Company to obtain the assumption of this Agreement as contemplated by Section 6(c);

which, in each case, is not cured within thirty (30) days after written notice from Executive to the Company setting forth in reasonable detail the facts and circumstances claimed to constitute Good Reason and affording an opportunity to cure. Any termination of employment by Executive for Good Reason shall be communicated to the Company by written notice in accordance with this Agreement. Executive must deliver to the Company the Notice of Termination (as defined below) not later than ninety (90) days after Executive has actual knowledge of an act or omission which constitutes Good Reason. In the event that the Company fails to remedy the condition constituting Good Reason during the applicable cure period, the Separation from Service (as defined below) must occur, if at all, within six (6) months following the end of such cure period in order for such termination as a result of such condition to constitute a termination for Good Reason.

(c) Notice of Termination. Any termination by the Company for Cause or by Executive for Good Reason shall be communicated by notice (a "Notice of Termination") given in accordance with this Agreement. For purposes of this Agreement, a Notice of Termination means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination by the Company (for Cause) or by Executive (with Good Reason) of Executive's employment under the provision so indicated, and (iii) specifies the intended termination date. The failure by the Company or Executive to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause or Good Reason shall not waive any right of the Company or Executive, respectively, hereunder or preclude the Company or Executive, respectively, from asserting such fact or circumstance in enforcing their respective rights hereunder.

(d) Date of Termination. "Date of Termination" means (i) if Executive's employment is terminated by the Company for Cause or by Executive for Good Reason, the date specified in the Notice of Termination or (ii) if Executive's employment is terminated by the Company other than for Cause, the date on which the Company notified Executive of such termination. To the extent necessary to have payments and benefits under this Agreement be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A"), or comply with the requirements of Code Section 409A, the Company and Executive agree to cooperate in a reasonable manner (including with regard to any post-termination services by Executive) such that the Date of Termination as defined in this Agreement shall constitute a "separation from service" pursuant to Code Section 409A ("Separation from Service"). Notwithstanding anything contained in this Agreement to the contrary, the date on which a Separation from Service occurs shall be the "Date of Termination" or termination of employment for purposes of determining the timing of payments under this Agreement to the extent necessary to have such payments and benefits under this Agreement be exempt from the requirements of Code Section 409A or comply with the requirements of Code Section 409A.

5. Disputes. Any dispute or controversy arising under, out of, or in connection with this Agreement shall, at the election and upon written demand of the Company, be finally determined and settled by binding arbitration in the City of Chicago, Illinois, in accordance with the commercial arbitration rules and procedures of JAMS, and judgment upon the award may be entered in any court having jurisdiction thereof. Each party shall bear its own costs, legal fees and other expenses respecting such arbitration; provided, however, if one party shall prevail in the claims in such arbitration as determined by the arbitrator, the non-prevailing party shall pay the prevailing party's costs, legal fees and other expenses respecting such arbitration. The parties agree that for any dispute for which the Company does not make the arbitration election and demand, the exclusive jurisdiction and venue will be in the federal or state courts located in Cook County, Illinois.

6. Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. This Agreement shall not be terminated by the voluntary or involuntary dissolution of the Company or by any merger or consolidation where the Company is not the surviving corporation, or upon any transfer of all or substantially all of the Company's stock or assets. In the event of such merger,

consolidation or transfer, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the surviving corporation or corporation to which such stock or assets of the Company shall be transferred.

(c) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, or any business of the Company for which Executive's services are principally performed, to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as herein before defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

7. Other Severance Benefits. Executive hereby agrees that in consideration for the payments to be received under Section 1 or Section 2 of this Agreement, Executive waives any and all rights to any payments or benefits under any plans, programs, contracts or arrangements of the Company or its affiliates that provide for severance payments or benefits upon a termination of employment.

8. Payment Cutback. Notwithstanding any provision of this Agreement to the contrary, if any payments or benefits to which Executive becomes entitled, whether pursuant to the terms of or by reason of this Agreement or any other plan, arrangement, agreement, policy or program (including without limitation any restricted stock, stock option, stock appreciation right or similar right, or the lapse or termination of any restriction on the vesting or exercisability of any of the foregoing) with the Company, any successor to the Company or to all or a part of the business or assets of the Company (whether direct or indirect, by purchase, merger, consolidation, spin off, or otherwise and regardless of whether such payment is made by or on behalf of the Company or such successor) or any person whose actions result in a Change in Control or any person affiliated with the Company or such persons (in the aggregate, "Total Payments"), constitute "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), and but for this Section 8, would be subject to the excise tax imposed by Section 4999 of the Code, then Executive will be entitled to receive either (a) the full amount of the Total Payments or (b) a portion of the Total Payments having a value equal to \$1 less than three (3) times such individual's "base amount" (as such term is defined in Section 280G(b)(3)(A) of the Code), whichever of (a) and (b), after taking into account applicable federal, state, and local income and employment taxes and the excise tax imposed by Section 4999 of the Code or any successor provision of the Code or any similar state or local tax, results in the receipt by Executive on an after-tax basis, of the greatest portion of the Total Payments.

All determinations required to be made under this Section 8 shall be made by the accountant or tax counsel or other similar expert advisor selected by Executive (such advisor, the "Tax Advisor"), which shall, if requested, provide detailed supporting calculations both to the Company and Executive within fifteen (15) business days of the receipt of notice from the Company or Executive that there has been Total Payments, or such earlier time as is requested by the Company or Executive, and if requested, a written opinion. All fees, costs and expenses (including, but not limited to, the costs of retaining experts) of the Tax Advisor shall be borne by the Company. The determination by the Tax Advisor shall be binding upon the Company and Executive.

9. Withholding. The Company may withhold all applicable required federal, state, local and other employment, income and other taxes from any and all payments to be made pursuant to this Agreement.

10. No Mitigation. Executive shall have no duty to mitigate Executive's damages by seeking other employment and, should Executive actually receive compensation from any such other employment, the payments required hereunder shall not be reduced or offset by any such compensation, except that the medical benefits provided pursuant to Section 1(a)(ii) or Section 2(a)(ii) may be terminated as provided by Section 1(a)(ii) or Section 2(a)(ii) if Executive receives benefits from a subsequent employer.

11. Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given and effective when delivered or sent by telephone facsimile transmission, e-mail or personal or overnight couriers, in each case with confirmation of receipt, addressed as follows:

If to Executive: to the most recent address on file with the Company or to Executive's Company or personal email address, as applicable.

If to Company:

Ventas, Inc.
353 North Clark Street, Suite 3300
Chicago, IL 60654
Attn.: Chief Human Resources Officer
Telephone: (312) 660-3800

Fax: (312) 660-3891

Email: to the Chief Human Resources Officer's Company email address.

Either party may change its specified address by giving notice in writing to the other in accordance with the foregoing method.

12. Waiver of Breach and Severability. The waiver by either party of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by either party. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision, which other provision shall remain in full force and effect. In the event any provision of this Agreement is found to be invalid or unenforceable, it may be severed from the Agreement and the remaining provisions of the Agreement shall continue to be binding and effective.

13. Entire Agreement; Amendment. This instrument contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral, with respect to the subject matter hereof. No provisions of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in writing signed by Executive and the Company.

14. Agreement Does Not Grant Employment Rights. This Agreement shall not be construed as granting to Executive any right to employment by the Company. The right of the Company to terminate Executive's employment at any time, with or without Cause, is specifically reserved.

15. Compliance with Code Section 409A. All payments pursuant to this Agreement shall be subject to the provisions of this Section 15. Notwithstanding anything herein to the contrary, this Agreement is intended to be interpreted and operated to the fullest extent possible so that the payments and benefits under this Agreement either shall be exempt from the requirements of Code Section 409A or shall comply with the requirements of such provision; provided, however, that notwithstanding anything to the contrary in this Agreement in no event shall the Company be liable to Executive for or with respect to any taxes, penalties or interest which may be imposed upon Executive pursuant to Code Section 409A.

(a) Payments to Specified Employees. To the extent that any payment or benefit pursuant to this Agreement constitutes a "deferral of compensation" subject to Code Section 409A (after taking into account to the maximum extent possible any applicable exemptions) (a "409A Payment") treated as payable upon a Separation from Service, then, if on the date of Executive's Separation from Service, Executive is a Specified Employee, then to the extent required for Executive not to incur additional taxes pursuant to Code Section 409A, no such 409A Payment shall be made to Executive earlier than the earlier of (i) six (6) months after Executive's Separation from Service; or (ii) the date of his death. Should this Section 15 otherwise result in the delay of in-kind benefits (for example, health benefits), any such benefit shall be made available to Executive by the Company during such delay period at Executive's expense. Should this Section 15 result in payments or benefits to Executive at a later time than otherwise would have been made under this Agreement, on the first day any such payments or benefits may be made without incurring additional tax pursuant to Code Section 409A (the "409A Payment Date"), the Company shall make such payments and provide such benefits as provided for in this Agreement, provided that any amounts that would have been payable earlier but for the application of this Section 15, as well as reimbursement of the amount Executive paid for benefits pursuant to the preceding sentence, shall be paid in lump-sum on the 409A Payment Date along with accrued interest at the rate of interest published in the Wall Street Journal as the "prime rate" (or equivalent) on the date that payments or benefits, as applicable, to Executive should have been made under this Agreement. For purposes of this Section 15, the term "Specified Employee" shall have the meaning set forth in Code Section 409A, as determined in accordance with the methodology established by the Company.

For purposes of determining whether a Separation from Service has occurred for purposes of Code Section 409A, to the extent permissible under Code Section 409A, subsidiaries and affiliates of the Company are those included by using a twenty percent (20%) standard to define the controlled group under Code Section 1563(a) in lieu of the fifty percent (50%) default rule. In addition, for purposes of determining whether a Separation from Service has occurred for purposes of Code Section 409A, a Separation from Service is deemed to include a reasonably anticipated permanent reduction in the level of services performed by Executive to less than fifty percent (50%) of the average level of services performed by Executive during the immediately preceding twelve (12) month period.

(b) **Reimbursements.** For purposes of complying with Code Section 409A and without extending the payment timing otherwise provided in this Agreement, taxable reimbursements under this Agreement, subject to the following sentence and to the extent required to comply with Code Section 409A, will be made no later than the end of the calendar year following the calendar year in which the expense was incurred. To the extent required to comply with Code Section 409A, any taxable reimbursements and any in-kind benefits under this Agreement will be subject to the following: (a) payment of such reimbursements or in-kind benefits during one calendar year will not affect the amount of such reimbursement or in-kind benefits provided during any other calendar year (other than for medical reimbursement arrangements as excepted under Treasury Regulations §1.409A-3(i)(1)(iv)(B) solely because the arrangement provides for a limit on the amount of expenses that may be reimbursed under such arrangement over some or all of the period the arrangement remains in effect); (b) such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another form of compensation to Executive and (c) the right to reimbursements under this Agreement will be in effect for the lesser of the time specified in this Agreement or ten (10) years plus the lifetime of Executive. Any taxable reimbursements or in-kind benefits shall be treated as not subject to Code Section 409A to the maximum extent provided by Treasury Regulations §1.409A-1(b)(9)(v) or otherwise under Code Section 409A.

(c) **Release.** To the extent that Executive is required to execute and deliver a Release to receive a 409A Payment, and this Agreement provides for such 409A Payment to be provided prior to the 55th day following Executive's Separation from Service, such 409A Payment will be provided upon the 55th day following Executive's Separation from Service provided the Release in the form mutually agreed upon between Executive and the Company or in the form set forth in Appendix A has been executed, delivered and effective prior to such time. To the extent a 409A Payment is made at a later time than otherwise would have been made under this Agreement because of the provisions of the preceding sentence of this Section 15(c), interest for the delay and the opportunity for Executive to pay for benefits in the interim with subsequent reimbursement from the Company shall be provided in a manner consistent with that set forth in Section 15(a). To the extent that Executive is required to execute and deliver a Release to receive a 409A Payment and this Agreement provides for such 409A Payment to be provided in accordance with Section 15(a), such 409A Payment will be provided as set forth in Section 15(a) provided the Release in the form mutually agreed upon between Executive and the Company or in the form set forth in Appendix A has been executed, delivered and effective prior to such time. If a Release is required for a 409A Payment and such Release is not executed, delivered and effective by the date six (6) months after Executive's Separation from Service if such 409A Payment is subject to the limitations set forth in Section 15(a) or the 55th day following Executive's Separation from Service if such 409A Payment is not subject to the limitations set forth in Section 15(a), such 409A Payment shall not be provided to Executive to the extent that providing such 409A Payment would cause such 409A Payment to fail to comply with Code Section 409A. To the extent that any payments or benefits under this Agreement are intended to be exempt from Code Section 409A as a short-term deferral pursuant to Treasury Regulations §1.409A-1(b)(4) or any successor thereto and require Executive to provide a Release to the Company to obtain such payments or benefits, any Release required for such payment or benefit must be provided in the form mutually agreed upon between Executive and the Company or in the form set forth in Appendix A no later than March 7th of the calendar year following the calendar year of Executive's Separation from Service.

(d) **No Acceleration; Separate Payments; Termination of Employment.** No 409A Payment payable under this Agreement shall be subject to acceleration or to any change in the specified time or method of payment, except as otherwise provided under this Agreement and consistent with Code Section 409A. If under this Agreement, a 409A Payment is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment. Notwithstanding anything contained in this Agreement to the contrary, the date on which a Separation from Service occurs shall be treated as the termination of employment date for purposes of determining the timing of payments under this Agreement to

the extent necessary to have such payments and benefits under this Agreement be exempt from the requirements of Section 409A of the Code or comply with the requirements of Code Section 409A.

(e) Cooperation. If the Company or Executive determines that any provision of this Agreement is or might be inconsistent with the requirements of Code Section 409A, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid subjecting Executive to the imposition of any additional tax under Code Section 409A without changing the basic economic terms of this Agreement. Notwithstanding the foregoing, no provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with Code Section 409A from Executive or any other individual to the Company. This Section 15 is not intended to impose any restrictions on payments or benefits to Executive other than those otherwise set forth in this Agreement or required for Executive not to incur additional tax under Code Section 409A and shall be interpreted and operated accordingly. The Company to the extent reasonably requested by Executive shall modify this Agreement to effectuate the intention set forth in the preceding sentence.

16. Recoupment. Executive acknowledges that Executive will be subject to recoupment policies adopted by the Company pursuant to the requirements of Dodd-Frank Wall Street Reform and Consumer Protection Act or other law or the listing requirements of any national securities exchange on which the common stock of the Company is listed.

17. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois without regard to its choice of law principles.

18. Headings. The headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Ventas, Inc.

EXECUTIVE

Name: /s/ Edmund M. Brady, III

Edmund M. Brady, III

Title: SVP & CHRO

Name: /s/ Carey Shea Roberts

Carey Shea Roberts

Date: January 21, 2020

Date: January 21, 2020

APPENDIX A

RELEASE AND WAIVER OF CLAIMS

This Release and Waiver of Claims ("Release") is made as of this ____ day of _____, _____, by and between Ventas, Inc., a Delaware corporation (the "Company") and Carey Shea Roberts ("Executive").

WHEREAS, the Company and Executive entered into an Employee Protection and Restrictive Covenants Agreement, effective as of _____ (the "Agreement");

WHEREAS, Executive's employment with the Company has terminated; and

WHEREAS, in connection with the termination of Executive's employment, under the Agreement, Executive is entitled to certain payments and other benefits.

NOW, THEREFORE, in consideration of the payments and other benefits, if any, due Executive under the Agreement ("Severance Payments"), the Company and Executive hereby agree as follows:

1. Except as specifically provided herein, Executive, for Executive and Executive's heirs, agents, executors, successors, assigns, legal representatives, personal representatives, and administrators (collectively, the "Related Parties"), intending to be legally bound, does hereby RELEASE AND FOREVER DISCHARGE the Company, its agents, affiliates, subsidiaries, parents, joint ventures, and its and their respective officers, directors, shareholders, employees, predecessors, and partners, and its and their respective successors and assigns, heirs, executors, and administrators (collectively, "Releasees") from all causes of action, suits, debts, claims obligations, and demands of every kind and nature whatsoever in law or in equity, known or unknown, which Executive ever had, now has, or hereafter may have, or which the Related Parties may have, by reason of any matter, cause or thing whatsoever, at any time prior to the execution of this Release and particularly, but without limitation of the foregoing general terms, any claims arising from or relating in any way to the Agreement, Executive's employment relationship with Company, the terms and conditions of that employment relationship, and the termination of that employment relationship, including, but not limited to the following: claims or demands related to salary, bonuses, commissions, stock, stock options, any other ownership interests in the Company, paid time off, fringe benefits, expense reimbursements, sabbatical benefits, severance benefits, or any other form of compensation or equity; any claims arising under the Age Discrimination in Employment Act ("ADEA"), as amended, 29 U.S.C. § 621 *et seq.*, the Older Worker's Benefit Protection Act, 29 U.S.C. § 626(0)(1), Title VII of The Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e *et seq.*, the Civil Rights Act of 1871, the Civil Rights Act of 1991, the Americans with Disabilities Act, 42 U.S.C. § 12101-12213, the Rehabilitation Act, the Family and Medical Leave Act of 1993 ("FMLA"), 29 U.S.C. § 2601 *et seq.*, the Fair Labor Standards Act; any other claims under any federal, state or local common law, statutory, or regulatory provision, now or hereafter recognized; claims for wrongful discharge, discrimination, fraud, defamation, harassment, emotional distress, or breach of the implied covenant of good faith and fair dealing; and any claims for attorneys' fees and costs. This Release does not apply to any claims that cannot be released or waived by law or to claims for the following: payments and benefits to Executive provided for under the Agreement or any employee benefit plan or equity plan of the Company in which Executive is a participant, including, without limitation, any options, stock or other equity awards that are vested (including those that vested as a result of Executive's termination of employment), or payment of any benefits to which Executive may be entitled under a Company sponsored tax qualified retirement or savings plan; any rights of Executive to indemnification under the Certificate of Incorporation or by-laws of the Company, the Agreement or other agreement between Executive and the Company; or any rights of Executive under any directors' and officers' liability insurance policy maintained by the Company. Except as specifically provided herein, it is expressly understood and agreed that this Release shall operate as a clear and unequivocal waiver by Executive of any claim for accrued or unpaid wages, benefits or any other type of payment other than as provided to Executive under the Agreement or any employee benefit plan or equity plan of the Company in which Executive is a participant. It is the intention of the parties to make this Release as broad and as general as the law permits as to the claims released hereunder.

2. Executive further agrees and recognizes that Executive has permanently and irrevocably severed Executive's employment relationship with the Company, that Executive shall not seek employment at any time in the future with the Company or any entity with which the Company is consolidated for financial reporting purposes, and that the Company has no obligation to employ Executive in the future.

3. Executive agrees that no promise or inducement to enter into this Release has been offered or made except as set forth herein and that Executive is entering into this Release without any threat or coercion and without reliance on any statement or representation made on behalf of the Company or by any person employed by or representing the Company, except for the written provisions and promises contained in this Release.

4. The parties agree that damages incurred as a result of a breach of this Release will be difficult to measure. It is, therefore, further agreed that, in addition to the remedy set forth in Section 6(h) or any other remedies, equitable relief will be available in the case of a breach of this Release. It also is agreed that, in the event Executive files a claim against the Company (other than a charge before the EEOC) with respect to a claim released by Executive herein, the Company may withhold, retain, or require reimbursement of the Severance Payments.

5. The parties agree and acknowledge that this Release, and the settlement and termination of any asserted or unasserted claims against the Releasees pursuant to the Release, are not and shall not be construed to be an admission of any violation of any federal, state or local statute or regulation, or of any duty owed by any of the Releasees to Executive.

6. Executive certifies and acknowledges:

(a) Executive has read the terms of this Release, and Executive understands its terms and effects, including the fact that Executive has agreed to RELEASE AND FOREVER DISCHARGE all Releasees from any legal action or other liability of any type related in any way to the matters released pursuant to this Release other than as provided in the Agreement and in this Release;

(b) Executive has signed this Release voluntarily and knowingly in exchange for the Severance Payments and other consideration described herein, which Executive acknowledges is adequate and satisfactory to Executive and which Executive acknowledges is in addition to any other benefits to which Executive is otherwise entitled;

(c) Executive has been and is hereby advised in writing to consult with an attorney prior to signing this Release and Executive has had the opportunity to seek legal counsel in connection with this Release;

(d) Executive does not waive rights or claims that may arise after the date this Release is executed;

(e) Executive has been informed that Executive has the right to consider this Release for a period of **[21] [45]** days from receipt, and Executive has signed on the date indicated below after concluding that this Release is satisfactory to Executive;

(f) Neither the Company, nor any of its directors, employees, or attorneys, has made any representations to Executive concerning the terms or effects of this Release other than those contained herein;

(g) Executive has not filed a charge, lawsuit or any other claim (and will not hereafter file a charge, lawsuit or any other claim (other than a charge before the EEOC)) against the Company relating to Executive's employment and/or cessation of employment with the Company or otherwise involving facts that occurred on or prior to the date that Executive has signed this Release, other than a lawsuit or claim that the Company has failed to pay Executive the Severance Payments or benefits due under any employee benefit plan or equity plan of the Company in which Executive is a participant; and

(h) If Executive commences, continues, joins in, or in any other manner attempts to pursue a recovery for any claim released herein against any of the Releasees, or otherwise violates the terms of this Release, (i) Executive will cease to have any further rights to Severance Payments from the Company, and (ii) Executive shall be required to return any Severance Payments made to Executive by the Company (together with interest thereon). A claim that would be expressly permitted by the terms of this Release were it successful will not be deemed a violation of this Release even if such claim is unsuccessful, provided that such claim is made in good faith. In addition, nothing in this Release is intended to: (1) limit Executive's ability to report to, respond to inquiries from, or otherwise cooperate with, any governmental, regulatory or self-regulatory agency with jurisdiction over the Company or its assets (including but not limited to the EEOC), or make disclosures that are protected under whistleblower or other provisions of applicable law or regulation; (2) limit monetary or personal relief or remedy available for pursuing a claim or charge that cannot be released in accordance with federal, state or local law; or (3) create any obligation on

Executive's part to inform the Company about the fact or substance of any communications Executive may have with any governmental authorities in connection with any pending and/or future actions.

7. Executive acknowledges that Executive may later discover facts different from or in addition to those which Executive knows or believes to be true now, and Executive agrees that, in such event, this Release shall nevertheless remain effective in all respects, notwithstanding such different or additional facts or the discovery of those facts.

8. This Release may not be introduced in any legal or administrative proceeding, or other similar forum, except one concerning a breach of this Release.

9. If all or any part of this Release is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other portion of this Release. Any section or a part of a section declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of the section to the fullest extent possible while remaining lawful and valid.

10. This Release shall not be altered, amended, or modified except by written instrument executed by the Company and Executive. A waiver of any portion of this Release shall not be deemed a waiver of any other portion of this Release.

11. This Release may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

12. This Release shall be governed by and construed and interpreted in accordance with the laws of the State of Illinois without regard to its choice of law principles.

13. Executive also understands that Executive has the right to revoke this Release within seven (7) days after execution, and that this Release will not become effective or enforceable until the revocation period has expired. Such notice of revocation shall be in writing and shall be deemed to have been duly given and effective when delivered or sent by telephone facsimile transmission, e-mail or personal or overnight couriers, in each case with confirmation of receipt, addressed as follows:

Ventas, Inc.
353 North Clark Street, Suite 3300
Chicago, IL 60654
Attn.: Chief Human Resources Officer
Telephone: (312) 660-3800

Fax: (312) 660-3891

Email: to the Chief Human Resources Officer's Company email address.

(Signature Page to Follow)

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties execute the foregoing Release and Waiver of Claims.

Ventas, Inc.

EXECUTIVE

Name: _____
[Name]

Name: _____
Carey Shea Roberts

Title: _____

Date: _____

Date: _____

Employment Bonus Agreement

This Employment Bonus Agreement (“Agreement”) is entered into as of March 4, 2020 (“Effective Date”) between **Carey Shea Roberts** (“Executive”) and Ventas, Inc. (together with all of its direct and indirect parents, subsidiaries and other affiliates and related entities, the “Company”).

WHEREAS, Executive has commenced employment with the Company;

WHEREAS, the Company has agreed to provide an employment bonus payment of **\$1,000,000** (the “Bonus”) to Executive, processed through the Company’s payroll and subject to any required withholding; and

WHEREAS, in exchange for the Bonus, Executive has agreed to reimburse the Company either through service (by remaining employed with the Company for a specific time period as set forth in this Agreement) or by repayment (if Executive terminates employment as set forth in this Agreement before completing the agreed-upon service).

NOW, THEREFORE, in consideration of the mutual promises set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

1. **Bonus:** Provided that a Repayment Event (as defined below) has not occurred, the Company shall pay the Bonus to Executive with the first regularly scheduled payroll after execution of this Agreement.
2. **Repayment Obligation:** As described below in this Section 2, Executive will be required to repay, without demand, all or a portion of the Bonus (collectively, a “Repayment Obligation”) under certain termination events (each, a “Repayment Event”). The Repayment Obligation must be in the form of a check payable to the order of the Company and remitted to the Company no later than ten (10) days following the Repayment Event.
 - a. If the Company terminates Executive’s employment for Cause at any time from the Effective Date until the twenty-four (24) month anniversary of the Effective Date, Executive shall repay to the Company, without demand, an amount equal to the Bonus.
 - b. If Executive voluntarily terminates employment with the Company for any reason other than Good Reason at any time from the Effective Date until the twenty four (24) month anniversary of the Effective Date, Executive shall repay to the Company, without demand, an amount equal to the Bonus multiplied by a fraction, (i) the numerator of which is equal to the number of days remaining from the date of termination until the twenty-four (24) month anniversary of the Effective Date and (ii) the denominator of which is 731.
 - c. As used in this Agreement, “Cause” and “Good Reason” have the same meaning as defined in Executive’s Employee Protection and Restrictive Covenants Agreement executed in connection with Executive’s commencement of employment with the Company.
3. **Right of Set-off:** To the extent allowed by law, the Company may deduct the amount of any Repayment Obligation from any compensation due and owing to Executive, including compensation due at the time of separation from employment with the Company.
4. **No Guarantee of Employment:** Nothing in this Agreement constitutes a commitment or guarantee on the part of the Company to provide employment to Executive for any specific period of time or duration. Employment will continue to be “at-will” and nothing in this Agreement should be construed as an offer of employment for any specified period. Either Executive or the Company may change or terminate the employment relationship for any reason (or no reason) with or without notice.
5. **Notices:** Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given and effective when delivered or sent by telephone facsimile transmission, e-mail or personal or overnight couriers, in each case with confirmation of receipt, addressed as follows:

If to Executive: at the most recent address on file with the Company or to Executive’s Company or personal email address, as applicable.

If to Company: Ventas, Inc.

353 North Clark Street, Suite 3300
Chicago, IL 60654
Attn.: Chief Human Resources Officer
Telephone: (312) 660-3800

Fax: (312) 660-3891

Email: to the Chief Human Resources Officer's Company email address.

Either party may change its specified address by giving notice in writing to the other in accordance with the foregoing method.

6. **No Waiver:** The waiver or failure of either party to exercise, in any respect, any right provided in this Agreement shall not be deemed a waiver of any other right or remedy to which the party may be entitled.
7. **Entirety of Agreement:** The terms and conditions set forth herein constitute the entire agreement between the parties and supersede any communications or previous agreements with respect to the subject matter of this Agreement. There are no written or oral understandings directly or indirectly related to the subject matter of this Agreement that are not set forth herein. No change can be made to this Agreement other than in writing and signed by both parties.
8. **Governing Law:** The parties agree that all questions concerning the intention, validity or meaning of this Agreement shall be construed and resolved according to the laws of the State of Illinois, other than any that would require the use of another jurisdiction's laws. The parties also designate the Circuit Court of Cook County, Illinois as the court of competent jurisdiction and the venue for any actions or proceedings related to this Agreement and hereby irrevocably consent to such designation, jurisdiction and venue.
9. **Attorney Fees:** If the Company or Executive brings any legal action or seeks arbitration regarding the interpretation or enforcement of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees from the other party, in addition to any other relief that may be granted.
10. **Severability:** The parties agree that if any portion of this Agreement is declared to be unlawful or invalid, it shall, if possible, be construed in a manner which will give effect to the terms of this Agreement to the fullest extent possible while remaining lawful and valid.
11. **Successors:** This Agreement shall be binding upon, and shall inure to the benefit of the parties and their respective successors and assigns; provided, however, this Agreement is not assignable by Executive.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

Ventas, Inc.

EXECUTIVE

Name: /s/ Edmund M. Brady, III
Edmund M. Brady, III
Title: SVP & CHRO

Name: /s/ Carey Shea Roberts
Carey Shea Roberts

Date: March 3, 2020

Date: March 3, 2020

Address: **353 N. Clark St., Suite 3300**
Chicago, IL 60654

EMPLOYEE PROTECTION AND RESTRICTIVE COVENANTS AGREEMENT

This EMPLOYEE PROTECTION AND RESTRICTIVE COVENANTS AGREEMENT (“Agreement”) by and between VENTAS, INC., a Delaware corporation (the “Company”), and J. Justin Hutchens (“Executive”), dated as of February 7, 2020, is effective immediately upon execution with respect to Section 3(a) of this Agreement and will become effective with respect to the rest of this Agreement upon Executive’s commencement of employment with the Company (the “Effective Date”).

WHEREAS, this Agreement provides Executive with severance if Executive’s employment is terminated in certain circumstances and provides the Company with certain protections regarding Executive’s actions, including after termination of employment.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements contained herein, and intending to be legally bound hereby, the Company and Executive agree as follows:

1. Obligations of the Company upon Termination. Following any termination of Executive’s employment by the Company without Cause (as defined below) or by Executive with Good Reason (as defined below) hereunder, the Company shall pay Executive’s Base Salary through the Date of Termination (as defined below) and all amounts earned and owed (but yet unpaid) to Executive pursuant to the terms and conditions of the executive benefit plans and programs of the Company in effect at the time such payments are due, including accrued and unpaid vacation. The term “Base Salary” for purposes of this Agreement shall refer to Executive’s base salary annualized, as most recently increased. In addition, except for a termination in connection with a Change in Control (defined below) covered by Section 2 hereof, subject to Executive’s execution of a general release of claims in form substantially similar to the form attached hereto as Appendix A (the “Release”), Executive shall be entitled to the following additional payments:

(a) Other than for Cause, or for Good Reason. If the Company shall terminate Executive’s employment other than for Cause or if Executive shall terminate Executive’s employment for Good Reason:

(i) The Company shall pay Executive within thirty (30) days of the Date of Termination (but not earlier than the date on which the Release becomes irrevocable) a lump sum payment equal to the sum of (A) Executive’s annual Base Salary and (B) the annual cash bonus Executive would receive for the year of termination assuming target individual and Company performance.

(ii) The Company shall, at the Company’s election, either (A) provide during the one (1) year period beginning on the Date of Termination (the “Medical Benefit Severance Period”) Executive with continued medical, dental and vision benefits (but no other benefits) at the same level as if Executive remained actively employed during the Medical Benefit Severance Period, or (B) pay to Executive a cash lump sum payment equal to (1) twelve (12) multiplied by (2) the excess of the monthly COBRA (as defined below) premium as of Executive’s Date of Termination for the medical, dental and vision coverage Executive had immediately prior to Executive’s Date of Termination over the monthly dollar amount Executive would have paid to the Company for such medical, dental and vision coverage if Executive remained employed during the Medical Benefit Severance Period. If the Company elects pursuant to the preceding sentence to provide medical, dental and vision benefits during the Medical Benefit Severance Period, Executive shall pay the Company on a monthly basis the portion of the periodic cost of such continued coverage equal to the dollar amount of such periodic cost as if Executive remained employed during the Medical Benefit Severance Period and such medical, dental and vision benefits shall terminate at the earlier of (A) the end of the Medical Benefit Severance Period or (B) the time they would be permitted to terminate under Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”). As and to the extent provided by COBRA, Executive will be eligible to continue Executive’s health insurance benefits at Executive’s own expense for the statutory period prescribed by COBRA, treating Executive’s termination of employment as the “qualifying event” (as defined in COBRA).

(b) Cause; Executive Resignation. If Executive’s employment shall be terminated by the Company for Cause or by Executive other than for Good Reason, the Company shall have no further additional obligations to Executive under this Agreement.

(c) Death after Termination. In the event of the death of Executive during the period Executive is receiving payments pursuant to this Agreement, Executive's designated beneficiary shall be entitled to receive the balance of the payments, or in the event of no designated beneficiary, the remaining payments shall be made to Executive's estate.

2. Occurrence of a Change in Control.

(a) Termination Other than for Cause, or for Good Reason. If a Change in Control shall occur and within one (1) year after the date of the occurrence of such Change in Control, the Company shall terminate Executive's employment other than for Cause or Executive shall terminate Executive's employment for Good Reason (a "Change in Control Severance"), subject to Executive's execution of the Release and in lieu of the benefits under Section 1 hereof:

(i) The Company shall pay Executive within thirty (30) days of the Date of Termination (but not earlier than the date on which the Release becomes irrevocable) a lump sum payment equal to two and one-half (2.5) times the sum of (A) Executive's annual Base Salary, plus (B) the annual cash bonus Executive would receive for the year of termination assuming target individual and Company performance.

(ii) The Company shall, at the Company's election, either (A) provide during the two (2) year period commencing on the date of the Change in Control Severance ("Change in Control Medical Benefit Severance Period") Executive with continued medical, dental and vision benefits (but no other benefits) at the same level as if Executive remained actively employed during the Change in Control Medical Benefit Severance Period or (B) pay to Executive a cash lump sum payment equal to (1) twenty-four (24) multiplied by (2) the excess of the monthly COBRA premium as of Executive's Date of Termination for the medical, dental and vision coverage Executive had immediately prior to Executive's Date of Termination over the monthly dollar amount Executive would have paid to the Company for such medical, dental and vision coverage if Executive remained employed during the Change in Control Medical Benefit Severance Period. If the Company elects pursuant to the preceding sentence to provide medical, dental and vision benefits during the Change in Control Medical Benefit Severance Period, Executive shall pay the Company on a monthly basis the portion of the periodic cost of such continued coverage equal to the dollar amount of such periodic cost as if Executive remained employed during the Change in Control Medical Benefit Severance Period, and such medical, dental and vision benefits shall terminate at the earlier of (A) the end of the Change in Control Medical Benefit Severance Period or (B) the time they would be permitted to terminate under COBRA. As and to the extent provided by COBRA, Executive will be eligible to continue Executive's health insurance benefits at Executive's own expense for the statutory period prescribed by COBRA, treating Executive's termination of employment as the "qualifying event" (as defined in COBRA).

(b) Change in Control. For purposes of this Agreement, a "Change in Control" means the occurrence of any of the following events:

(i) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (having the meaning ascribed to such term in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and as used in Section 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d)) immediately after which such Person has beneficial ownership (within the meaning of Rule 13d-3 promulgated under the 1934 Act) ("Beneficial Ownership" and/or "Beneficially Owned") of thirty-five percent (35%) or more of the combined voting power of the Company's then outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities which are acquired in a Non-Control Acquisition (as hereinafter defined) shall not constitute an acquisition which would cause a Change in Control. A Non-Control Acquisition shall mean an acquisition by (i) the Company or any company, corporation, partnership, limited liability company or other Person in which the Company directly or indirectly owns a majority interest ("Subsidiary"), (ii) an employee benefit plan (or a trust forming a part thereof) maintained by the Company or any Subsidiary, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(ii) The individuals who, as of the Effective Date, were members of the Board of Directors of the Company (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, such new director shall, for

purposes of this Section 2(b), be considered a member of the Incumbent Board; and provided, further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened election contest (as described in former Rule 14a-11 promulgated under the 1934 Act) ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors of the Company (a "Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(iii) Approval by stockholders of the Company and the consummation of:

(A) A merger, consolidation or reorganization involving the Company, unless such transaction is a Non-Control Transaction. For purposes of this Agreement, the term "Non-Control Transaction" shall mean a merger, consolidation or reorganization of the Company in which:

[1] The stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly immediately following such merger, consolidation or reorganization, at least forty-five percent (45%) of the combined voting power of the voting securities of the corporation or entity resulting from such merger, consolidation or reorganization (the "Surviving Company") over which any Person has Beneficial Ownership in substantially the same proportion as their Beneficial Ownership of the Voting Securities immediately before such merger, consolidation or reorganization;

[2] The individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least a majority of the members of the board of directors or equivalent body of the Surviving Company; and

[3] No Person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Company or any Person who, immediately prior to such merger, consolidation or reorganization, had Beneficial Ownership of thirty-five percent (35%) or more of the then outstanding Voting Securities) has Beneficial Ownership of thirty-five percent (35%) or more of the combined voting power of the Surviving Company's then outstanding voting securities.

(B) A complete liquidation or dissolution of the Company.

(C) The sale or other disposition of all or substantially all of the assets of the Company to any Person (other than a transfer to a Subsidiary).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increases the proportional number of shares Beneficially Owned by the Subject Person; provided, however, that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Voting Securities which increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

3. Restrictive Covenants.

(a) Confidentiality.

(i) Executive shall not, unless written permission is granted by the Company, disclose to or communicate in any manner with the press or any other media about Executive's employment with the Company, the terms of this Agreement, the termination of Executive's employment with the Company, the Company's businesses or affairs, the Company's officers, directors, employees and/or consultants, or any matter related to any of the foregoing.

(ii) Executive acknowledges that it is the policy of the Company and its Subsidiaries to maintain as secret and confidential all information and techniques acquired, developed, possessed or used by the Company and its Subsidiaries relating to their business, operations, actual or potential products, strategies, assets, liabilities, potential assets and liabilities, employees, customers, tenants, operators, borrowers, managers, proposed or prospective customers, tenants, operators, borrowers and managers, business partners, communities, buildings and facilities (including without limitation: information protected by the Company's attorney/client, work product, or tax advisor/audit privileges; tax matters and information; financial analysis and models; the Company's strategic plans; negotiations with third parties; methods, policies, processes, formulas, techniques, know-how and other knowledge; trade practices, trade secrets, or financial matters; lists of customers or customers' purchases; lists of suppliers, representatives, or other distributors; lists of and information (business, financial or otherwise) about tenants, operators, borrowers, managers and customers and their respective businesses and operations; requirements for systems, programs, machines, or their equipment; information regarding the Company's bank accounts, credit agreement or financial projections, results or information; information regarding the Company's directors or officers or their personal affairs), whether or not any such information or any of the material described above is explicitly designated or marked as "confidential" ("Confidential Information"). "Confidential Information" shall not include information that (A) is or becomes generally available to the public other than as a result of a disclosure by Executive in violation of this Agreement, (B) was available to Executive on a non-confidential basis prior to Executive's employment with the Company, or (C) is compelled to be disclosed by any law, regulation or order of a court or governmental agency, provided that prior written notice is given to the Company and Executive cooperates with the Company in any efforts by the Company to limit the scope of such obligation and/or to obtain confidential treatment of any material disclosed pursuant to such obligation. Executive recognizes that all such Confidential Information is the sole and exclusive property of the Company and its Subsidiaries, and that disclosure of Confidential Information would cause damage to the Company and its Subsidiaries. Executive shall not disclose, directly or indirectly, any Confidential Information obtained during Executive's employment with the Company, and will take all necessary precautions to prevent disclosure, to any unauthorized individual or entity inside or outside the Company, and will not use the Confidential Information or permit its use for the benefit of Executive or other third party other than the Company. These obligations shall continue for so long as the Confidential Information remains Confidential Information.

(b) Noncompetition, Nonsolicitation, Noninterference. During Executive's employment with the Company and through the Restricted Period (as defined below), Executive shall not, either directly or indirectly (through another business or person), engage in or facilitate any of the following activities anywhere in the United States:

(i) Hiring, recruiting, engaging as a consultant or adviser, employing or attempting or soliciting to hire, recruit or employ any person employed by the Company or any Subsidiary or affiliate, or causing or attempting to cause any third party to do any of the foregoing; nothing in this Section 3(b)(i) shall, however, restrict Executive from general employment advertising on a broad basis not targeted at or designed for any such employee;

(ii) Causing or attempting to cause any person employed at any time during the Restricted Period by the Company or any Subsidiary or affiliate to terminate his or her relationship with the Company or any Subsidiary or affiliate;

(iii) Soliciting, enticing away, or endeavoring to entice away, or otherwise interfering with any employee, customer, tenant, operator, manager or proposed employee, customer, tenant, operator or manager with whom the Company or any Subsidiary or affiliate has ongoing contact, financial partner or proposed financial partner with whom the Company or any Subsidiary or affiliate has ongoing contact, vendor, supplier or other similar business relation, who at any time during the Restricted Period or who at any time during the period commencing one (1) year prior to the Date of Termination, to Executive's knowledge, maintained a material business relationship with the Company or any Subsidiary or affiliate or with whom the Company or any Subsidiary or affiliate is targeting for a material business relationship or is engaged in discussions with to commence a material business relationship at the time of termination of Executive's employment with the Company; or

(iv) Performing services as an employee, director, officer, consultant, independent contractor or advisor; or investing in, whether in the form of equity or debt, owning any interest or otherwise having an ownership or other interest or a connection to any Prohibited Entity (as defined below); or performing services as an employee, director, officer, consultant, independent contractor or advisor to any other company, entity or person if those services relate directly to a business or businesses that directly and materially compete with the Company anywhere in the United States. Nothing in this Section 3(b)(iv) shall, however, restrict Executive from (A) making an investment in and owning up to two percent (2%) of the common stock of any company whose stock is listed on a national exchange, provided that such investment does not give Executive the right or ability to control or influence the policy decisions of any direct competitor, or (B) except as provided in Section 3(c) below, performing services as an employee, director, officer, consultant, independent contractor or advisor of an operating company that provides healthcare goods or services other than leasing or financing of real property (for example, a hospital or a nursing facility). For purposes of this Agreement, a “Prohibited Entity” is any company, entity or person that derives more than twenty percent (20%) of its consolidated gross revenues from a business or businesses that directly and materially compete with the Company.

The “Restricted Period” shall mean (x) the two (2) year period following the termination of Executive’s employment with the Company if such termination of employment with the Company occurs pursuant to Section 2(a) hereof or (y) the one (1) year period following the termination of Executive’s employment with the Company if Executive’s employment with the Company terminates in any manner other than as described in Section 2(a).

(c) Other Prohibited Activities. Executive acknowledges that Executive’s position at the Company provides Executive with access to highly sensitive information concerning the Company’s lessees, managers, borrowers and operators and their affiliates and leases, operating agreements, management agreements and other contractual agreements with such lessees, managers, borrowers and operators and their affiliates which are critical to the Company’s ability to effectively function and to the properties to be purchased by the Company, and that if Executive were to provide services for such lessees, managers, borrowers and operators and/or their affiliates such services would cause irreparable damages to the Company. Executive shall not during Executive’s employment and the Restricted Period, either directly or indirectly (through another business or person), engage in or facilitate any of the following activities anywhere in the United States or in any location outside the United States where the Company conducts or plans to conduct business: performing services as an employee, director, officer, consultant, independent contractor or advisor of, or investing in, whether in the form of equity or debt, owning any interest or otherwise having an ownership or other interest in any of the Company’s then current lessees, managers, borrowers or operators or any of their respective parent, sister, subsidiary or affiliated entities (other than any such lessee, manager, borrower or operator that, together with its parent, sister, subsidiary and affiliated entities, contributes less than five percent (5%) of the Company’s net operating income (NOI), computed on a pro forma annualized basis consistent with the Company’s most recent supplemental disclosure, and is not in default under any of its agreements with the Company nor has an ongoing dispute with the Company) in any manner, including without limitation as an owner, principal, partner, officer, director, stockholder, employee, consultant, contractor, agent, broker, representative or otherwise. Nothing in this Section 3(c) shall, however, restrict Executive from making an investment in and owning, directly or indirectly, up to two percent (2%) of the common stock of any company whose stock is listed on a national exchange, provided that such investment does not give Executive the right or ability to control or influence the policy decisions of any lessee, manager, borrower or operator or any of its parent, sister, subsidiary or affiliated entities.

(d) Non-Disparagement.

(i) Executive agrees not to make, or cause to be made, any statement, observation or opinion, or communicate any information (whether oral or written, directly or indirectly) that (A) accuses or implies that the Company and/or any of its affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns, engaged in any wrongful, unlawful, unethical or improper conduct, whether relating to Executive’s employment (or termination thereof), the business or operations of the Company, or otherwise; or (B) disparages, impugns or in any way reflects adversely upon the business, good will, products, business opportunities, competency, character, behavior or reputation of the Company and/or any of its affiliates, together with their respective present or former officers, directors, partners, stockholders, employees and agents, and each of their predecessors, successors and assigns.

(ii) Nothing in this Agreement is intended to: (1) limit Executive’s ability to report to, respond to inquiries from, or otherwise cooperate with, any governmental, regulatory or self-regulatory agency with

jurisdiction over the Company or its assets, or make disclosures that are protected under whistleblower or other provisions of applicable law or regulation; (2) limit monetary or personal relief or remedy available for pursuing a claim or charge that cannot be released in accordance with federal, state or local law; or (3) create any obligation on Executive's part to inform the Company about the fact or substance of any communications Executive may have with any governmental authorities in connection with any pending and/or future actions.

(e) New Employer. Executive shall provide the terms and conditions of this Section 3 to any prospective new employer or new employer and shall permit the Company to contact any such company, entity or individual to confirm Executive's compliance with this Section 3 and shall provide the Company with such information as it requests to allow such inquiry.

(f) Reasonableness of Restrictive Covenants.

(i) Executive acknowledges that the covenants contained in this Section 3 are reasonable in the scope of the activities restricted, the geographic area covered by the restrictions, and the duration of the restrictions, and that such covenants are reasonably necessary to protect the Company's legitimate interests in its Confidential Information, its reputation, and in its relationships with its employees, customers, and suppliers.

(ii) The Company has consulted, and Executive has had an opportunity to consult, with their respective legal counsel and to be advised concerning the reasonableness and propriety of such covenants. Executive acknowledges that Executive's observance of the covenants contained herein will not deprive Executive of the ability to earn a livelihood or to support Executive's dependents.

(iii) If any provision or portion of Section 3 of this Agreement is held to be unenforceable because of the scope, duration, territory or terms thereof, Executive agrees that the court making such determination shall have the power to and shall reduce the scope, duration, territory and/or terms of such provision, so that the provision is enforceable by the court to afford the maximum protection to the Company under the law, and such provision as amended shall be enforced by the court.

(g) Right to Injunction. In recognition of the confidential nature of the Confidential Information, and in recognition of the necessity of the limited restrictions imposed by Section 3, Executive and the Company agree that it would be impossible to measure solely in money the damages which the Company would suffer if Executive were to breach any of Executive's obligations hereunder. Executive acknowledges that any breach of any provision of this Agreement would irreparably injure the Company. Accordingly, Executive agrees that if Executive breaches any of the provisions of Section 3, the Company shall be entitled, in addition to any other remedies to which the Company may be entitled under this Agreement or otherwise, to an injunction to be issued without bond by a court of competent jurisdiction, to restrain any breach, or threatened breach, of any provision of Section 3, and Executive hereby waives any right to assert any claim or defense that the Company has an adequate remedy at law for any such breach or to require the Company to post bond or other security during the pendency of such injunction.

(h) Assistance. During the one (1) year period following a termination of Executive's employment with the Company, Executive shall from time to time provide the Company with such reasonable assistance and cooperation as the Company may reasonably from time to time request in connection with any investigation, claim, dispute, judicial, legislative, administrative or arbitral proceeding, or litigation (any of the foregoing, a "Proceeding") arising out of matters within the knowledge of Executive and related to Executive's position as an employee of the Company. Such assistance and cooperation shall include providing information, declarations or statements to the Company, signing documents, meeting with attorneys or other representatives of the Company, and preparing for and giving truthful testimony in connection with any Proceeding or related deposition. Executive shall agree to also make Executive available to assist the Company with transition of Executive's duties to his or her successor and addressing ongoing issues and problems. In any such instance, Executive shall provide such assistance and cooperation at times and in places mutually convenient for the Company and Executive and which do not unreasonably interfere with Executive's business or personal activities. The Company shall reimburse Executive's reasonable out-of-pocket costs and expenses in connection with such assistance and cooperation upon Executive's written request in such form and containing such information as the Company shall reasonably request.

4. Termination of Employment. Subject to the provisions of this Agreement, the Company may terminate Executive's employment at any time for any reason whatsoever or for no reason and with or without Cause. Executive

acknowledges and agrees that Executive's employment with the Company is terminable at the will of the Company without any obligation, except as may be expressly provided in Section 1 or Section 2.

(a) Cause. For purposes of this Agreement, "Cause" shall mean (i) Executive's indictment for, conviction of, or plea of nolo contendere to, any felony or a misdemeanor involving fraud, dishonesty or moral turpitude; (ii) the willful or intentional material breach by Executive of Executive's duties and responsibilities; (iii) the willful or intentional material misconduct by Executive in the performance of Executive's duties, or (iv) the willful or intentional failure by Executive to comply with any lawful instruction or directive of the CEO.

(b) Good Reason. Executive may terminate Executive's employment for Good Reason or without Good Reason. For purposes of this Agreement, "Good Reason" shall mean any of the following occurring on or after the Effective Date:

(i) A material diminution in Executive's position, authority or duties (including the assignment to Executive of any duties materially and adversely inconsistent with Executive's position, authority or duties hereunder), excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive;

(ii) The Company shall materially reduce (other than pursuant to a uniform reduction applicable to other similarly situated executives of the Company) the Base Salary or annual target bonus opportunity of Executive;

(iii) The Company shall require Executive to relocate Executive's principal business office to any location more than thirty (30) miles from its location on the Effective Date; or

(iv) The failure of the Company to obtain the assumption of this Agreement as contemplated by Section 6(c);

which, in each case, is not cured within thirty (30) days after written notice from Executive to the Company setting forth in reasonable detail the facts and circumstances claimed to constitute Good Reason and affording an opportunity to cure. Any termination of employment by Executive for Good Reason shall be communicated to the Company by written notice in accordance with this Agreement. Executive must deliver to the Company the Notice of Termination (as defined below) not later than ninety (90) days after Executive has actual knowledge of an act or omission which constitutes Good Reason. In the event that the Company fails to remedy the condition constituting Good Reason during the applicable cure period, the Separation from Service (as defined below) must occur, if at all, within six (6) months following the end of such cure period in order for such termination as a result of such condition to constitute a termination for Good Reason.

(c) Notice of Termination. Any termination by the Company for Cause or by Executive for Good Reason shall be communicated by notice (a "Notice of Termination") given in accordance with this Agreement. For purposes of this Agreement, a Notice of Termination means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination by the Company (for Cause) or by Executive (with Good Reason) of Executive's employment under the provision so indicated, and (iii) specifies the intended termination date. The failure by the Company or Executive to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Cause or Good Reason shall not waive any right of the Company or Executive, respectively, hereunder or preclude the Company or Executive, respectively, from asserting such fact or circumstance in enforcing their respective rights hereunder.

(d) Date of Termination. "Date of Termination" means (i) if Executive's employment is terminated by the Company for Cause or by Executive for Good Reason, the date specified in the Notice of Termination or (ii) if Executive's employment is terminated by the Company other than for Cause, the date on which the Company notified Executive of such termination. To the extent necessary to have payments and benefits under this Agreement be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A"), or comply with the requirements of Code Section 409A, the Company and Executive agree to cooperate in a reasonable manner (including with regard to any post-termination services by Executive) such that the Date of Termination as defined in this Agreement shall constitute a "separation from service" pursuant to Code Section 409A ("Separation from Service"). Notwithstanding anything contained in this Agreement to the contrary, the date on which a Separation from Service occurs shall be the "Date of Termination" or termination of employment for purposes of

determining the timing of payments under this Agreement to the extent necessary to have such payments and benefits under this Agreement be exempt from the requirements of Code Section 409A or comply with the requirements of Code Section 409A.

5. Disputes. The Company and Executive agree that, except as specifically provided below, all disputes and claims of any nature that Executive may have against the Company or any of its affiliates, or any of their respective officers, directors, partners, members, employees or agents in their capacity as such, including all statutory, contractual and common law claims, and any disputes relating to this Agreement or otherwise concerning the validity, enforceability or applicability of this Agreement or this provision to any particular dispute or claim, will be submitted to mandatory binding arbitration in Chicago, Illinois or another agreed-upon location, under JAMS's comprehensive arbitration rules and procedures. Unless otherwise agreed by the Company and Executive, the mandatory arbitration will be submitted before a single arbitrator appointed by JAMS. This Agreement shall survive the employer-employee relationship between the Company and Executive and shall apply to all disputes and claims, whether they arise or are asserted before, during, or after the termination of Executive's employment with the Company. This provision does not apply to disputes that cannot be arbitrated as a matter of law. In addition, notwithstanding anything to the contrary in this Agreement, the Company and Executive agree that: (a) either Executive or the Company may seek and obtain from any state or federal court located in Chicago, Illinois, any injunctive or equitable relief (including a temporary restraining order and/or a preliminary injunction) necessary to maintain (and/or to restore) the status quo or to prevent the possibility of irreversible or irreparable harm pending arbitration, and the Company and Executive voluntarily and willingly submit to the jurisdiction of the state and federal courts located in Chicago, Illinois, for such purposes; (b) the Company or Executive may bring an action in court to compel arbitration under this Agreement; and (c) either party may bring an action in any court of competent jurisdiction to enforce an arbitration award entered by a JAMS arbitrator.

6. Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. This Agreement shall not be terminated by the voluntary or involuntary dissolution of the Company or by any merger or consolidation where the Company is not the surviving corporation, or upon any transfer of all or substantially all of the Company's stock or assets. In the event of such merger, consolidation or transfer, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the surviving corporation or corporation to which such stock or assets of the Company shall be transferred.

(c) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, or any business of the Company for which Executive's services are principally performed, to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as herein before defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

7. Other Severance Benefits. Executive hereby agrees that in consideration for the payments to be received under Section 1 or Section 2 of this Agreement, Executive waives any and all rights to any payments or benefits under any plans, programs, contracts or arrangements of the Company or its affiliates that provide for severance payments or benefits upon a termination of employment.

8. Payment Cutback. Notwithstanding any provision of this Agreement to the contrary, if any payments or benefits to which Executive becomes entitled, whether pursuant to the terms of or by reason of this Agreement or any other plan, arrangement, agreement, policy or program (including without limitation any restricted stock, stock option, stock appreciation right or similar right, or the lapse or termination of any restriction on the vesting or exercisability of any of the foregoing) with the Company, any successor to the Company or to all or a part of the business or assets of the Company (whether direct or indirect, by purchase, merger, consolidation, spin off, or otherwise and regardless of whether such payment is made by or on behalf of the Company or such successor) or any person whose actions result in a Change in Control or any person affiliated with the Company or such persons (in the aggregate, "Total Payments"), constitute "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), and but for this Section 8, would be subject to the excise tax imposed by Section 4999 of the Code, then Executive will be entitled to receive either (a) the full amount of the Total Payments or (b) a portion of the Total Payments having a value equal to \$1 less than three (3) times

such individual's "base amount" (as such term is defined in Section 280G(b)(3)(A) of the Code), whichever of (a) and (b), after taking into account applicable federal, state, and local income and employment taxes and the excise tax imposed by Section 4999 of the Code or any successor provision of the Code or any similar state or local tax, results in the receipt by Executive on an after-tax basis, of the greatest portion of the Total Payments.

All determinations required to be made under this Section 8 shall be made by the accountant or tax counsel or other similar expert advisor selected by Executive (such advisor, the "Tax Advisor"), which shall, if requested, provide detailed supporting calculations both to the Company and Executive within fifteen (15) business days of the receipt of notice from the Company or Executive that there has been Total Payments, or such earlier time as is requested by the Company or Executive, and if requested, a written opinion. All fees, costs and expenses (including, but not limited to, the costs of retaining experts) of the Tax Advisor shall be borne by the Company. The determination by the Tax Advisor shall be binding upon the Company and Executive.

9. Withholding. The Company may withhold all applicable required federal, state, local and other employment, income and other taxes from any and all payments to be made pursuant to this Agreement.

10. No Mitigation. Executive shall have no duty to mitigate Executive's damages by seeking other employment and, should Executive actually receive compensation from any such other employment, the payments required hereunder shall not be reduced or offset by any such compensation, except that the medical benefits provided pursuant to Section 1(a)(ii) or Section 2(a)(ii) may be terminated as provided by Section 1(a)(ii) or Section 2(a)(ii) if Executive receives benefits from a subsequent employer.

11. Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given and effective when delivered or sent by telephone facsimile transmission, e-mail or personal or overnight couriers, in each case with confirmation of receipt, addressed as follows:

If to Executive: to the most recent address on file with the Company or to Executive's Company or personal email address, as applicable.

If to Company:

Ventas, Inc.
353 North Clark Street, Suite 3300
Chicago, IL 60654
Attn.: Chief Human Resources Officer
Telephone: (312) 660-3800

Fax: (312) 660-3891

Email: to the Chief Human Resources Officer's Company email address.

Either party may change its specified address by giving notice in writing to the other in accordance with the foregoing method.

12. Waiver of Breach and Severability. The waiver by either party of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by either party. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision, which other provision shall remain in full force and effect. In the event any provision of this Agreement is found to be invalid or unenforceable, it may be severed from the Agreement and the remaining provisions of the Agreement shall continue to be binding and effective.

13. Entire Agreement; Amendment. This instrument contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral, with respect to the subject matter hereof. No provisions of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in writing signed by Executive and the Company.

14. Agreement Does Not Grant Employment Rights. This Agreement shall not be construed as granting to Executive any right to employment by the Company. The right of the Company to terminate Executive's employment at any time, with or without Cause, is specifically reserved.

15. Compliance with Code Section 409A. All payments pursuant to this Agreement shall be subject to the provisions of this Section 15. Notwithstanding anything herein to the contrary, this Agreement is intended to be interpreted and operated to the fullest extent possible so that the payments and benefits under this Agreement either shall be exempt from the requirements of Code Section 409A or shall comply with the requirements of such provision; provided, however, that notwithstanding anything to the contrary in this Agreement in no event shall the Company be liable to Executive for or with respect to any taxes, penalties or interest which may be imposed upon Executive pursuant to Code Section 409A.

(a) Payments to Specified Employees. To the extent that any payment or benefit pursuant to this Agreement constitutes a "deferral of compensation" subject to Code Section 409A (after taking into account to the maximum extent possible any applicable exemptions) (a "409A Payment") treated as payable upon a Separation from Service, then, if on the date of Executive's Separation from Service, Executive is a Specified Employee, then to the extent required for Executive not to incur additional taxes pursuant to Code Section 409A, no such 409A Payment shall be made to Executive earlier than the earlier of (i) six (6) months after Executive's Separation from Service; or (ii) the date of his death. Should this Section 15 otherwise result in the delay of in-kind benefits (for example, health benefits), any such benefit shall be made available to Executive by the Company during such delay period at Executive's expense. Should this Section 15 result in payments or benefits to Executive at a later time than otherwise would have been made under this Agreement, on the first day any such payments or benefits may be made without incurring additional tax pursuant to Code Section 409A (the "409A Payment Date"), the Company shall make such payments and provide such benefits as provided for in this Agreement, provided that any amounts that would have been payable earlier but for the application of this Section 15, as well as reimbursement of the amount Executive paid for benefits pursuant to the preceding sentence, shall be paid in lump-sum on the 409A Payment Date along with accrued interest at the rate of interest published in The Wall Street Journal as the "prime rate" (or equivalent) on the date that payments or benefits, as applicable, to Executive should have been made under this Agreement. For purposes of this Section 15, the term "Specified Employee" shall have the meaning set forth in Code Section 409A, as determined in accordance with the methodology established by the Company. For purposes of determining whether a Separation from Service has occurred for purposes of Code Section 409A, to the extent permissible under Code Section 409A, subsidiaries and affiliates of the Company are those included by using a twenty percent (20%) standard to define the controlled group under Code Section 1563(a) in lieu of the fifty percent (50%) default rule. In addition, for purposes of determining whether a Separation from Service has occurred for purposes of Code Section 409A, a Separation from Service is deemed to include a reasonably anticipated permanent reduction in the level of services performed by Executive to less than fifty percent (50%) of the average level of services performed by Executive during the immediately preceding twelve (12) month period.

(b) Reimbursements. For purposes of complying with Code Section 409A and without extending the payment timing otherwise provided in this Agreement, taxable reimbursements under this Agreement, subject to the following sentence and to the extent required to comply with Code Section 409A, will be made no later than the end of the calendar year following the calendar year in which the expense was incurred. To the extent required to comply with Code Section 409A, any taxable reimbursements and any in-kind benefits under this Agreement will be subject to the following: (a) payment of such reimbursements or in-kind benefits during one calendar year will not affect the amount of such reimbursement or in-kind benefits provided during any other calendar year (other than for medical reimbursement arrangements as excepted under Treasury Regulations §1.409A-3(i)(1)(iv)(B) solely because the arrangement provides for a limit on the amount of expenses that may be reimbursed under such arrangement over some or all of the period the arrangement remains in effect); (b) such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another form of compensation to Executive and (c) the right to reimbursements under this Agreement will be in effect for the lesser of the time specified in this Agreement or ten (10) years plus the lifetime of Executive. Any taxable reimbursements or in-kind benefits shall be treated as not subject to Code Section 409A to the maximum extent provided by Treasury Regulations §1.409A-1(b)(9)(v) or otherwise under Code Section 409A.

(c) Release. To the extent that Executive is required to execute and deliver a Release to receive a 409A Payment, and this Agreement provides for such 409A Payment to be provided prior to the 55th day following Executive's Separation from Service, such 409A Payment will be provided upon the 55th day following Executive's Separation from Service provided the Release in the form mutually agreed upon between Executive and the Company or in the form set forth in Appendix A has been executed, delivered and effective prior to such time. To the extent a 409A Payment is made at a later time than otherwise would have been made under this Agreement because of the provisions of the preceding sentence of this Section 15(c), interest for the delay and the opportunity for Executive to

pay for benefits in the interim with subsequent reimbursement from the Company shall be provided in a manner consistent with that set forth in Section 15(a). To the extent that Executive is required to execute and deliver a Release to receive a 409A Payment and this Agreement provides for such 409A Payment to be provided in accordance with Section 15(a), such 409A Payment will be provided as set forth in Section 15(a) provided the Release in the form mutually agreed upon between Executive and the Company or in the form set forth in Appendix A has been executed, delivered and effective prior to such time. If a Release is required for a 409A Payment and such Release is not executed, delivered and effective by the date six (6) months after Executive's Separation from Service if such 409A Payment is subject to the limitations set forth in Section 15(a) or the 55th day following Executive's Separation from Service if such 409A Payment is not subject to the limitations set forth in Section 15(a), such 409A Payment shall not be provided to Executive to the extent that providing such 409A Payment would cause such 409A Payment to fail to comply with Code Section 409A. To the extent that any payments or benefits under this Agreement are intended to be exempt from Code Section 409A as a short-term deferral pursuant to Treasury Regulations §1.409A-1(b)(4) or any successor thereto and require Executive to provide a Release to the Company to obtain such payments or benefits, any Release required for such payment or benefit must be provided in the form mutually agreed upon between Executive and the Company or in the form set forth in Appendix A no later than March 7th of the calendar year following the calendar year of Executive's Separation from Service.

(d) No Acceleration; Separate Payments; Termination of Employment. No 409A Payment payable under this Agreement shall be subject to acceleration or to any change in the specified time or method of payment, except as otherwise provided under this Agreement and consistent with Code Section 409A. If under this Agreement, a 409A Payment is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment. Notwithstanding anything contained in this Agreement to the contrary, the date on which a Separation from Service occurs shall be treated as the termination of employment date for purposes of determining the timing of payments under this Agreement to the extent necessary to have such payments and benefits under this Agreement be exempt from the requirements of Section 409A of the Code or comply with the requirements of Code Section 409A.

(e) Cooperation. If the Company or Executive determines that any provision of this Agreement is or might be inconsistent with the requirements of Code Section 409A, the parties shall attempt in good faith to agree on such amendments to this Agreement as may be necessary or appropriate to avoid subjecting Executive to the imposition of any additional tax under Code Section 409A without changing the basic economic terms of this Agreement. Notwithstanding the foregoing, no provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with Code Section 409A from Executive or any other individual to the Company. This Section 15 is not intended to impose any restrictions on payments or benefits to Executive other than those otherwise set forth in this Agreement or required for Executive not to incur additional tax under Code Section 409A and shall be interpreted and operated accordingly. The Company to the extent reasonably requested by Executive shall modify this Agreement to effectuate the intention set forth in the preceding sentence.

16. Recoupment. Executive acknowledges that Executive will be subject to recoupment policies adopted by the Company pursuant to the requirements of Dodd-Frank Wall Street Reform and Consumer Protection Act or other law or the listing requirements of any national securities exchange on which the common stock of the Company is listed.

17. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois without regard to its choice of law principles.

18. Headings. The headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Ventas, Inc.

EXECUTIVE

Name: /s/ Edmund M. Brady, III
Edmund M. Brady, III

Title: SVP & CHRO

Name: /s/ J. Justin Hutchens
J. Justin Hutchens

Date: February 7, 2020

Date: February 13, 2020

APPENDIX A

RELEASE AND WAIVER OF CLAIMS

This Release and Waiver of Claims ("Release") is made as of this ____ day of _____, _____, by and between Ventas, Inc., a Delaware corporation (the "Company") and J. Justin Hutchens ("Executive").

WHEREAS, the Company and Executive entered into an Employee Protection and Restrictive Covenants Agreement, effective as of _____ (the "Agreement");

WHEREAS, Executive's employment with the Company has terminated; and

WHEREAS, in connection with the termination of Executive's employment, under the Agreement, Executive is entitled to certain payments and other benefits.

NOW, THEREFORE, in consideration of the payments and other benefits, if any, due Executive under the Agreement ("Severance Payments"), the Company and Executive hereby agree as follows:

1. Except as specifically provided herein, Executive, for Executive and Executive's heirs, agents, executors, successors, assigns, legal representatives, personal representatives, and administrators (collectively, the "Related Parties"), intending to be legally bound, does hereby RELEASE AND FOREVER DISCHARGE the Company, its agents, affiliates, subsidiaries, parents, joint ventures, and its and their respective officers, directors, shareholders, employees, predecessors, and partners, and its and their respective successors and assigns, heirs, executors, and administrators (collectively, "Releasees") from all causes of action, suits, debts, claims obligations, and demands of every kind and nature whatsoever in law or in equity, known or unknown, which Executive ever had, now has, or hereafter may have, or which the Related Parties may have, by reason of any matter, cause or thing whatsoever, at any time prior to the execution of this Release and particularly, but without limitation of the foregoing general terms, any claims arising from or relating in any way to the Agreement, Executive's employment relationship with Company, the terms and conditions of that employment relationship, and the termination of that employment relationship, including, but not limited to the following: claims or demands related to salary, bonuses, commissions, stock, stock options, any other ownership interests in the Company, paid time off, fringe benefits, expense reimbursements, sabbatical benefits, severance benefits, or any other form of compensation or equity; any claims arising under the Age Discrimination in Employment Act ("ADEA"), as amended, 29 U.S.C. § 621 *et seq.*, the Older Worker's Benefit Protection Act, 29 U.S.C. § 626(0)(1), Title VII of The Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e *et seq.*, the Civil Rights Act of 1871, the Civil Rights Act of 1991, the Americans with Disabilities Act, 42 U.S.C. § 12101-12213, the Rehabilitation Act, the Family and Medical Leave Act of 1993 ("FMLA"), 29 U.S.C. § 2601 *et seq.*, the Fair Labor Standards Act; any other claims under any federal, state or local common law, statutory, or regulatory provision, now or hereafter recognized; claims for wrongful discharge, discrimination, fraud, defamation, harassment, emotional distress, or breach of the implied covenant of good faith and fair dealing; and any claims for attorneys' fees and costs. This Release does not apply to any claims that cannot be released or waived by law or to claims for the following: payments and benefits to Executive provided for under the Agreement or any employee benefit plan or equity plan of the Company in which Executive is a participant, including, without limitation, any options, stock or other equity awards that are vested (including those that vested as a result of Executive's termination of employment), or payment of any benefits to which Executive may be entitled under a Company sponsored tax qualified retirement or savings plan; any rights of Executive to indemnification under the Certificate of Incorporation or by-laws of the Company, the Agreement or other agreement between Executive and the Company; or any rights of Executive under any directors' and officers' liability insurance policy maintained by the Company. Except as specifically provided herein, it is expressly understood and agreed that this Release shall operate as a clear and unequivocal waiver by Executive of any claim for accrued or unpaid wages, benefits or any other type of payment other than as provided to Executive under the Agreement or any employee benefit plan or equity plan of the Company in which Executive is a participant. It is the intention of the parties to make this Release as broad and as general as the law permits as to the claims released hereunder.

2. Executive further agrees and recognizes that Executive has permanently and irrevocably severed Executive's employment relationship with the Company, that Executive shall not seek employment at any time in the future with the Company or any entity with which the Company is consolidated for financial reporting purposes, and that the Company has no obligation to employ Executive in the future.

3. Executive agrees that no promise or inducement to enter into this Release has been offered or made except as set forth herein and that Executive is entering into this Release without any threat or coercion and without reliance on any

statement or representation made on behalf of the Company or by any person employed by or representing the Company, except for the written provisions and promises contained in this Release.

4. The parties agree that damages incurred as a result of a breach of this Release will be difficult to measure. It is, therefore, further agreed that, in addition to the remedy set forth in Section 6(h) or any other remedies, equitable relief will be available in the case of a breach of this Release. It also is agreed that, in the event Executive files a claim against the Company (other than a charge before the EEOC) with respect to a claim released by Executive herein, the Company may withhold, retain, or require reimbursement of the Severance Payments.

5. The parties agree and acknowledge that this Release, and the settlement and termination of any asserted or unasserted claims against the Releasees pursuant to the Release, are not and shall not be construed to be an admission of any violation of any federal, state or local statute or regulation, or of any duty owed by any of the Releasees to Executive.

6. Executive certifies and acknowledges:

(a) Executive has read the terms of this Release, and Executive understands its terms and effects, including the fact that Executive has agreed to RELEASE AND FOREVER DISCHARGE all Releasees from any legal action or other liability of any type related in any way to the matters released pursuant to this Release other than as provided in the Agreement and in this Release;

(b) Executive has signed this Release voluntarily and knowingly in exchange for the Severance Payments and other consideration described herein, which Executive acknowledges is adequate and satisfactory to Executive and which Executive acknowledges is in addition to any other benefits to which Executive is otherwise entitled;

(c) Executive has been and is hereby advised in writing to consult with an attorney prior to signing this Release and Executive has had the opportunity to seek legal counsel in connection with this Release;

(d) Executive does not waive rights or claims that may arise after the date this Release is executed;

(e) Executive has been informed that Executive has the right to consider this Release for a period of [21] [45] days from receipt, and Executive has signed on the date indicated below after concluding that this Release is satisfactory to Executive;

(f) Neither the Company, nor any of its directors, employees, or attorneys, has made any representations to Executive concerning the terms or effects of this Release other than those contained herein;

(g) Executive has not filed a charge, lawsuit or any other claim (and will not hereafter file a charge, lawsuit or any other claim (other than a charge before the EEOC)) against the Company relating to Executive's employment and/or cessation of employment with the Company or otherwise involving facts that occurred on or prior to the date that Executive has signed this Release, other than a lawsuit or claim that the Company has failed to pay Executive the Severance Payments or benefits due under any employee benefit plan or equity plan of the Company in which Executive is a participant; and

(h) If Executive commences, continues, joins in, or in any other manner attempts to pursue a recovery for any claim released herein against any of the Releasees, or otherwise violates the terms of this Release, (i) Executive will cease to have any further rights to Severance Payments from the Company, and (ii) Executive shall be required to return any Severance Payments made to Executive by the Company (together with interest thereon). A claim that would be expressly permitted by the terms of this Release were it successful will not be deemed a violation of this Release even if such claim is unsuccessful, provided that such claim is made in good faith. In addition, nothing in this Release is intended to: (1) limit Executive's ability to report to, respond to inquiries from, or otherwise cooperate with, any governmental, regulatory or self-regulatory agency with jurisdiction over the Company or its assets (including but not limited to the EEOC), or make disclosures that are protected under whistleblower or other provisions of applicable law or regulation; (2) limit monetary or personal relief or remedy available for pursuing a claim or charge that cannot be released in accordance with federal, state or local law; or (3) create any obligation on Executive's part to inform the Company about the fact or substance of any communications Executive may have with any governmental authorities in connection with any pending and/or future actions.

7. Executive acknowledges that Executive may later discover facts different from or in addition to those which Executive knows or believes to be true now, and Executive agrees that, in such event, this Release shall nevertheless remain effective in all respects, notwithstanding such different or additional facts or the discovery of those facts.

8. This Release may not be introduced in any legal or administrative proceeding, or other similar forum, except one concerning a breach of this Release.

9. If all or any part of this Release is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other portion of this Release. Any section or a part of a section declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of the section to the fullest extent possible while remaining lawful and valid.

10. This Release shall not be altered, amended, or modified except by written instrument executed by the Company and Executive. A waiver of any portion of this Release shall not be deemed a waiver of any other portion of this Release.

11. This Release may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

12. This Release shall be governed by and construed and interpreted in accordance with the laws of the State of Illinois without regard to its choice of law principles.

13. Executive also understands that Executive has the right to revoke this Release within seven (7) days after execution, and that this Release will not become effective or enforceable until the revocation period has expired. Such notice of revocation shall be in writing and shall be deemed to have been duly given and effective when delivered or sent by telephone facsimile transmission, e-mail or personal or overnight couriers, in each case with confirmation of receipt, addressed as follows:

Ventas, Inc.
353 North Clark Street, Suite 3300
Chicago, IL 60654
Attn.: Chief Human Resources Officer
Telephone: (312) 660-3800

Fax: (312) 660-3891

Email: to the Chief Human Resources Officer's Company email address.

(Signature Page to Follow)

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties execute the foregoing Release and Waiver of Claims.

Ventas, Inc.

EXECUTIVE

Name: _____
[Name]

Title: _____

Date: _____

Name: _____
J. Justin Hutchens

Date: _____

List of Guarantors and Issuers of Guaranteed Securities

As of March 31, 2020, Ventas, Inc. is the guarantor of the outstanding guaranteed debt securities of its subsidiaries, as listed below.

Debt Instrument	Issuer
Floating Rate Senior Notes, Series F due 2021	Ventas Canada Finance Limited
3.25% Senior Notes due 2022	Ventas Realty, Limited Partnership and Ventas Capital Corporation
3.30% Senior Notes, Series C due 2022	Ventas Canada Finance Limited
3.125% Senior Notes due 2023	Ventas Realty, Limited Partnership
3.10% Senior Notes due 2023	Ventas Realty, Limited Partnership
2.55% Senior Notes, Series D due 2023	Ventas Canada Finance Limited
3.50% Senior Notes due 2024	Ventas Realty, Limited Partnership
3.75% Senior Notes due 2024	Ventas Realty, Limited Partnership
4.125% Senior Notes, Series B due 2024	Ventas Canada Finance Limited
2.80% Senior Notes, Series E due 2024	Ventas Canada Finance Limited
3.50% Senior Notes due 2025	Ventas Realty, Limited Partnership
2.65% Senior Notes due 2025	Ventas Realty, Limited Partnership
4.125% Senior Notes due 2026	Ventas Realty, Limited Partnership
3.25% Senior Notes due 2026	Ventas Realty, Limited Partnership
3.85% Senior Notes due 2027	Ventas Realty, Limited Partnership
4.00% Senior Notes due 2028	Ventas Realty, Limited Partnership
4.40% Senior Notes due 2029	Ventas Realty, Limited Partnership
3.00% Senior Notes due 2030	Ventas Realty, Limited Partnership
5.70% Senior Notes due 2043	Ventas Realty, Limited Partnership
4.375% Senior Notes due 2045	Ventas Realty, Limited Partnership
4.875% Senior Notes due 2049	Ventas Realty, Limited Partnership

I, Debra A. Cafaro, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ventas, 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(s) 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(s) 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: May 8, 2020

/s/ DEBRA A. CAFARO

Debra A. Cafaro
Chairman and Chief Executive Officer

I, Robert F. Probst, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ventas, 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(s) 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(s) 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: May 8, 2020

/s/ ROBERT F. PROBST

Robert F. Probst

Executive Vice President and Chief Financial Officer

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Ventas, Inc. (the "Company") for the period ended March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Debra A. Cafaro, Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2020

/s/ DEBRA A. CAFARO

Debra A. Cafaro

Chairman and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Ventas, Inc. (the "Company") for the period ended March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert F. Probst, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2020

/s/ ROBERT F. PROBST

Robert F. Probst

Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.