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

# FORM 10-Q/A
**Amendment No. 1**

**(Mark One)**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 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 x 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 x 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 | x | Accelerated filer ☐ | Non-accelerated filer | ☐ |
| Smaller reporting company | ☐ | | Emerging growth company | ☐ |

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

| Trading symbol: | Class of Common Stock: | Name of exchange on which registered: |
|---|---|---|
| VTR | Common Stock, $0.25 par value | 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 November 3, 2020: |
|---|
| 374,570,775 |

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 x

## EXPLANATORY NOTE

This Amendment No. 1 to the Form 10-Q (this “Amendment”) amends the Quarterly Report on Form 10-Q of Ventas, Inc. for the period ended September 30, 2020 (the “Form 10-Q”) filed earlier today on November 6, 2020 for the sole purpose of correcting a clerical error. The clerical error resulted in Item 6. Exhibits and the Signatures to be missing from the Form 10-Q as originally submitted.

As required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended, new certifications by our principal executive officer and principal financial officer are filed as exhibits to this Amendment. No other changes have been made to the Form 10-Q. For the convenience of the reader, this Amendment restates in its entirety, as amended, the original Form 10-Q. This Amendment does not reflect events that may have occurred subsequent to the original filing date, and does not modify or update in any way the substantive disclosures made in the Form 10-Q.

**VENTAS, INC.**
**FORM 10-Q/A**

**INDEX**

## PART I—FINANCIAL INFORMATION

## ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

### VENTAS, INC.
### CONSOLIDATED BALANCE SHEETS
### (Unaudited)

| | As of September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| | (In thousands, except per share amounts) | |
| **Assets** | | |
| Real estate investments: | | |
| Land and improvements | $ 2,268,583 | $ 2,285,648 |
| Buildings and improvements | 24,196,730 | 24,386,051 |
| Construction in progress | 567,052 | 461,815 |
| Acquired lease intangibles | 1,246,312 | 1,308,077 |
| Operating lease assets | 386,946 | 385,225 |
| | 28,665,623 | 28,826,816 |
| Accumulated depreciation and amortization | (7,687,211) | (7,092,243) |
| Net real estate property | 20,978,412 | 21,734,573 |
| Secured loans receivable and investments, net | 604,452 | 704,612 |
| Investments in unconsolidated real estate entities | 162,860 | 45,022 |
| Net real estate investments | 21,745,724 | 22,484,207 |
| Cash and cash equivalents | 588,343 | 106,363 |
| Escrow deposits and restricted cash | 40,147 | 39,739 |
| Goodwill | 1,050,742 | 1,051,161 |
| Assets held for sale | 15,748 | 85,527 |
| Deferred income tax assets, net | 304 | 47,495 |
| Other assets | 779,475 | 877,716 |
| Total assets | $ 24,220,483 | $ 24,692,208 |
| **Liabilities and equity** | | |
| Liabilities: | | |
| Senior notes payable and other debt | $ 12,047,919 | $ 12,158,773 |
| Accrued interest | 97,828 | 111,115 |
| Operating lease liabilities | 247,255 | 251,196 |
| Accounts payable and other liabilities | 1,234,933 | 1,145,939 |
| Liabilities related to assets held for sale | 1,987 | 5,224 |
| Deferred income tax liabilities | 53,711 | 200,831 |
| Total liabilities | 13,683,633 | 13,873,078 |
| Redeemable OP unitholder and noncontrolling interests | 249,143 | 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, 373,940 and 372,811 shares issued at September 30, 2020 and December 31, 2019, respectively | 93,467 | 93,185 |
| Capital in excess of par value | 14,142,349 | 14,056,453 |
| Accumulated other comprehensive loss | (65,042) | (34,564) |
| Retained earnings (deficit) | (3,972,647) | (3,669,050) |
| Treasury stock, 33 and 2 shares at September 30, 2020 and December 31, 2019, respectively | (1,275) | (132) |
| Total Ventas stockholders' equity | 10,196,852 | 10,445,892 |
| Noncontrolling interests | 90,855 | 99,560 |
| Total equity | 10,287,707 | 10,545,452 |
| Total liabilities and equity | $ 24,220,483 | $ 24,692,208 |

See accompanying notes.

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

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands, except per share amounts) | | | |
| **Revenues** | | | | |
| Rental income: | | | | |
| Triple-net leased | $ 156,136 | $ 193,383 | $ 527,238 | $ 589,833 |
| Office | 198,376 | 214,939 | 599,696 | 618,555 |
| | 354,512 | 408,322 | 1,126,934 | 1,208,388 |
| Resident fees and services | 541,322 | 541,090 | 1,667,421 | 1,583,262 |
| Office building and other services revenue | 3,868 | 2,959 | 10,669 | 8,168 |
| Income from loans and investments | 18,666 | 30,164 | 62,203 | 66,819 |
| Interest and other income | 572 | 620 | 6,965 | 10,109 |
| Total revenues | 918,940 | 983,155 | 2,874,192 | 2,876,746 |
| **Expenses** | | | | |
| Interest | 115,505 | 113,967 | 355,333 | 334,955 |
| Depreciation and amortization | 249,366 | 234,603 | 847,797 | 696,710 |
| Property-level operating expenses: | | | | |
| Senior living | 422,653 | 388,011 | 1,265,362 | 1,115,834 |
| Office | 66,934 | 67,144 | 192,192 | 191,972 |
| Triple-net leased | 5,398 | 6,338 | 17,004 | 20,092 |
| | 494,985 | 461,493 | 1,474,558 | 1,327,898 |
| Office building services costs | 557 | 627 | 1,827 | 1,775 |
| General, administrative and professional fees | 34,228 | 40,530 | 106,747 | 124,369 |
| Loss on extinguishment of debt, net | 7,386 | 37,434 | 7,386 | 41,861 |
| Merger-related expenses and deal costs | 11,325 | 4,304 | 26,129 | 11,084 |
| Allowance on loans receivable and investments | 4,999 | — | 34,654 | — |
| Other | 3,534 | 2,164 | 10,624 | (9,294) |
| Total expenses | 921,885 | 895,122 | 2,865,055 | 2,529,358 |
| (Loss) income before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests | (2,945) | 88,033 | 9,137 | 347,388 |
| Income (loss) from unconsolidated entities | 865 | 854 | (15,861) | (2,621) |
| Gain on real estate dispositions | 12,622 | 36 | 240,101 | 24,633 |
| Income tax benefit (expense) | 3,195 | (2,005) | 95,855 | 57,004 |
| Income from continuing operations | 13,737 | 86,918 | 329,232 | 426,404 |
| Net income | 13,737 | 86,918 | 329,232 | 426,404 |
| Net income attributable to noncontrolling interests | 986 | 1,659 | 534 | 4,831 |
| Net income attributable to common stockholders | $ 12,751 | $ 85,259 | $ 328,698 | $ 421,573 |
| **Earnings per common share** | | | | |
| Basic: | | | | |
| Income from continuing operations | $ 0.04 | $ 0.23 | $ 0.88 | $ 1.17 |
| Net income attributable to common stockholders | 0.03 | 0.23 | 0.88 | 1.16 |
| Diluted: | | | | |
| Income from continuing operations | $ 0.04 | $ 0.23 | $ 0.88 | $ 1.16 |
| Net income attributable to common stockholders | 0.03 | 0.23 | 0.87 | 1.15 |

See accompanying notes.

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

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands) | | | |
| Net income | $ 13,737 | $ 86,918 | $ 329,232 | $ 426,404 |
| Other comprehensive income (loss): | | | | |
| Foreign currency translation | 7,907 | (7,011) | (4,942) | (11,770) |
| Unrealized gain (loss) on available for sale securities | 10,431 | (3,162) | (9,828) | 3,734 |
| Derivative instruments | 1,714 | (10,013) | (19,661) | (32,076) |
| Total other comprehensive income (loss) | 20,052 | (20,186) | (34,431) | (40,112) |
| Comprehensive income | 33,789 | 66,732 | 294,801 | 386,292 |
| Comprehensive income (loss) attributable to noncontrolling interests | 3,320 | 1,659 | (3,419) | 4,831 |
| Comprehensive income attributable to common stockholders | $ 30,469 | $ 65,073 | $ 298,220 | $ 381,461 |

See accompanying notes.

**VENTAS, INC.**
**CONSOLIDATED STATEMENTS OF EQUITY**
**For the Three Months Ended September 30, 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 July 1, 2020 | $ 93,261 | $ 14,118,119 | $ (82,761) | $ (3,816,460) | $ (947) | $ 10,311,212 | $ 88,698 | $ 10,399,910 |
| Net income | — | — | — | 12,751 | — | 12,751 | 986 | 13,737 |
| Other comprehensive loss | — | — | 17,719 | — | — | 17,719 | 2,333 | 20,052 |
| Net change in noncontrolling interests | — | (6,173) | — | — | — | (6,173) | (1,162) | (7,335) |
| Dividends to common stockholders—$0.45 per share | — | — | — | (166,738) | — | (166,738) | — | (166,738) |
| Issuance of common stock for stock plans, restricted stock grants and other | 206 | 42,074 | — | (2,200) | (328) | 39,752 | — | 39,752 |
| Adjust redeemable OP unitholder interests to current fair value | — | (11,669) | — | — | — | (11,669) | — | (11,669) |
| Redemption of OP Units | — | (2) | — | — | — | (2) | — | (2) |
| Balance at September 30, 2020 | $ 93,467 | $ 14,142,349 | $ (65,042) | $ (3,972,647) | $ (1,275) | $ 10,196,852 | $ 90,855 | $ 10,287,707 |
| | | | | | | | | |
| Balance at July 1, 2019 | $ 92,852 | $ 13,940,117 | $ (39,671) | $ (3,173,287) | $ — | $ 10,820,011 | $ 56,351 | $ 10,876,362 |
| Net income | — | — | — | 85,259 | — | 85,259 | 1,659 | 86,918 |
| Other comprehensive income | — | — | (20,186) | — | — | (20,186) | — | (20,186) |
| Net change in noncontrolling interests | — | 552 | — | — | — | 552 | 36,507 | 37,059 |
| Dividends to common stockholders—$0.7925 per share | — | — | — | (296,393) | — | (296,393) | — | (296,393) |
| Issuance of common stock | 276 | 76,004 | — | — | — | 76,280 | — | 76,280 |
| Issuance of common stock for stock plans, restricted stock grants and other | 36 | 16,657 | — | — | (210) | 16,483 | — | 16,483 |
| Adjust redeemable OP unitholder interests to current fair value | — | (16,015) | — | — | — | (16,015) | — | (16,015) |
| Redemption of OP Units | — | (285) | — | — | — | (285) | — | (285) |
| Balance at September 30, 2019 | $ 93,164 | $ 14,017,030 | $ (59,857) | $ (3,384,421) | $ (210) | $ 10,665,706 | $ 94,517 | $ 10,760,223 |

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF EQUITY
For the Nine Months Ended September 30, 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 | — | — | — | 328,698 | — | 328,698 | 534 | 329,232 |
| Other comprehensive loss | — | — | (30,478) | — | — | (30,478) | (3,953) | (34,431) |
| Net change in noncontrolling interests | — | (5,160) | — | — | — | (5,160) | (5,286) | (10,446) |
| Dividends to common stockholders—$1.6925 per share | — | — | — | (631,346) | — | (631,346) | — | (631,346) |
| Issuance of common stock for stock plans, restricted stock grants and other | 282 | 54,967 | — | (949) | (1,143) | 53,157 | — | 53,157 |
| Adjust redeemable OP unitholder interests to current fair value | — | 36,353 | — | — | — | 36,353 | — | 36,353 |
| Redemption of OP Units | — | (264) | — | — | — | (264) | — | (264) |
| Balance at September 30, 2020 | $ 93,467 | $ 14,142,349 | $ (65,042) | $ (3,972,647) | $ (1,275) | $ 10,196,852 | $ 90,855 | $ 10,287,707 |
| | | | | | | | | |
| 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 | — | — | — | 421,573 | — | 421,573 | 4,831 | 426,404 |
| Other comprehensive income | — | — | (40,112) | — | — | (40,112) | — | (40,112) |
| Net change in noncontrolling interests | — | (1,546) | — | — | — | (1,546) | 33,949 | 32,403 |
| Dividends to common stockholders—$2.3775 per share | — | — | — | (876,581) | — | (876,581) | — | (876,581) |
| Issuance of common stock | 3,829 | 938,607 | — | — | — | 942,436 | — | 942,436 |
| Issuance of common stock for stock plans, restricted stock grants and other | 210 | 54,750 | — | — | (210) | 54,750 | — | 54,750 |
| Adjust redeemable OP unitholder interests to current fair value | — | (51,024) | — | — | — | (51,024) | — | (51,024) |
| Redemption of OP Units | — | (285) | — | — | — | (285) | — | (285) |
| Cumulative effect change in accounting principles | — | — | (163) | 801 | — | 638 | — | 638 |
| Balance at September 30, 2019 | $ 93,164 | $ 14,017,030 | $ (59,857) | $ (3,384,421) | $ (210) | $ 10,665,706 | $ 94,517 | $ 10,760,223 |

See accompanying notes.

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

| | For the Nine Months Ended September 30, | |
|---|---|---|
| | 2020 | 2019 |
| | (In thousands) | |
| Cash flows from operating activities: | | |
| Net income | $ 329,232 | $ 426,404 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 847,797 | 696,710 |
| Amortization of deferred revenue and lease intangibles, net | (25,343) | (6,484) |
| Other non-cash amortization | 15,211 | 16,910 |
| Allowance on loans receivable and investments | 34,654 | — |
| Stock-based compensation | 17,322 | 26,670 |
| Straight-lining of rental income | 107,134 | (25,680) |
| Loss on extinguishment of debt, net | 7,386 | 41,861 |
| Gain on real estate dispositions | (240,101) | (24,633) |
| Gain on real estate loan investments | (167) | — |
| Income tax benefit | (99,702) | (60,249) |
| Loss from unconsolidated entities | 15,869 | 2,621 |
| Distributions from unconsolidated entities | 2,960 | 1,400 |
| Other | 15,615 | 9,236 |
| Changes in operating assets and liabilities: | | |
| Increase in other assets | (68,228) | (59,366) |
| Decrease in accrued interest | (12,975) | (15,909) |
| Increase in accounts payable and other liabilities | 207,749 | 54,057 |
| Net cash provided by operating activities | 1,154,413 | 1,083,548 |
| Cash flows from investing activities: | | |
| Net investment in real estate property | (77,625) | (939,805) |
| Investment in loans receivable | (113,147) | (1,257,577) |
| Proceeds from real estate disposals | 682,604 | 77,555 |
| Proceeds from loans receivable | 106,966 | 1,008,683 |
| Development project expenditures | (309,967) | (229,845) |
| Capital expenditures | (94,407) | (99,787) |
| Distributions from unconsolidated entities | — | 151 |
| Investment in unconsolidated entities | (7,832) | (1,711) |
| Insurance proceeds for property damage claims | 33 | 20,457 |
| Net cash provided by (used in) investing activities | 186,625 | (1,421,879) |
| Cash flows from financing activities: | | |
| Net change in borrowings under revolving credit facilities | (74,144) | 278,677 |
| Net change in borrowings under commercial paper program | (565,524) | 304,508 |
| Proceeds from debt | 657,557 | 2,206,577 |
| Repayment of debt | (127,528) | (2,456,135) |
| Payment of deferred financing costs | (7,564) | (17,867) |
| Issuance of common stock, net | 36,395 | 942,250 |
| Cash distribution to common stockholders | (760,363) | (861,789) |
| Cash distribution to redeemable OP unitholders | (5,954) | (6,882) |
| Cash issued for redemption of OP Units | (575) | (361) |
| Contributions from noncontrolling interests | 1,138 | 4,959 |
| Distributions to noncontrolling interests | (9,666) | (6,403) |
| Proceeds from stock option exercises | 3,518 | 34,134 |
| Other | (4,989) | (6,601) |
| Net cash (used in) provided by financing activities | (857,699) | 415,067 |
| Net increase in cash, cash equivalents and restricted cash | 483,339 | 76,736 |
| Effect of foreign currency translation | (951) | 396 |
| Cash, cash equivalents and restricted cash at beginning of period | 146,102 | 131,464 |
| Cash, cash equivalents and restricted cash at end of period | $ 628,490 | $ 208,596 |

See accompanying notes.

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

| | For the Nine Months Ended September 30, 2020 | 2019 |
|---|---|---|
| | (In thousands) | |
| Supplemental schedule of non-cash activities: | | |
| Assets acquired and liabilities assumed from acquisitions and other: | | |
| Real estate investments | $ 169,484 | $ 1,056,481 |
| Other assets | 1,224 | 11,123 |
| Debt | 55,368 | 907,746 |
| Other liabilities | 2,707 | 46,336 |
| Deferred income tax liability | 337 | — |
| Noncontrolling interests | 20,259 | 113,522 |

See accompanying notes.

## 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 September 30, 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 19 properties under development, including one property that is owned by an unconsolidated real estate entity. 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 September 30, 2020, we leased a total of 377 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 (together with its subsidiaries, “Kindred”) leased from us 121 properties (excluding seven properties managed by Brookdale Senior Living pursuant to long-term management agreements), 11 properties and 32 properties, respectively, as of September 30, 2020.

As of September 30, 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 439 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*

The novel coronavirus (“COVID-19”) pandemic and actions taken to prevent its spread continue to affect our business in a number of differing ways.

In our senior living operating portfolio, leading indicators in senior housing, including leads, tours and move-ins, showed consistent improvement from July through September, but occupancy continued to decline and operating costs related to COVID-19 remained elevated in the third quarter. Recent COVID-19 clinical trends remain dynamic and create significant uncertainty.

Our NNN senior housing tenants’ performance has also been affected by COVID-19. While we received substantially all NNN senior housing rent we expected to receive in the third quarter, we have modified certain NNN senior housing leases to reset rent and have provided other modest financial accommodations to certain NNN senior housing tenants who need it as a result of COVID-19.

The Company’s NNN healthcare tenants have benefitted from significant government financial support that was deployed early and has partially offset the direct financial impact of the pandemic. Substantially all expected rent was paid by the Company’s NNN healthcare tenants in the third quarter.

Our office operations segment delivered steady performance in the third quarter, growing 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) modestly compared to the second quarter. In the third quarter, we received 99% of contractual rents in the office segment.

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 have benefitted or could benefit our company, tenants, operators, borrowers and managers. In particular, in early September, the Department of Health and Human Services (“HHS”) announced that assisted living communities are eligible to apply for funding under the Phase II General Distribution allocation (“Phase II”) of the Public Health and Social Services Emergency Fund (the “Provider Relief Fund”) established pursuant to the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”) and the Paycheck Protection Program and Health Care Enhancement Act (the “PPPHCE Act”). Distributions under Phase II are expected to equal 2% of annual revenues from patient care, and to benefit the assisted living communities in the Company’s senior living operating business, as well as its NNN senior housing tenants. While the guidance from HHS is subject to change, under current guidance, distributions from the Provider Relief Fund are not subject to repayment, provided that the recipient uses the funds first for expenses attributable to COVID-19 and then for lost revenue attributable to COVID-19, and is able to attest to and comply with certain terms and conditions, including not using funds received from the Provider Relief Fund to reimburse expenses or losses that other sources are obligated to reimburse, providing detailed reporting to HHS, maintaining records in accordance with law and submitting to government audit and investigation.

We have applied for approximately $35 million in grants under Phase II of the Provider Relief Fund on behalf of the assisted living communities in our senior living operating business. Although we have begun to receive amounts under some of those applications, there can be no assurance that all our applications will be approved or that additional funds will ultimately be received in full or in part. The Company continues to evaluate the terms, conditions and permitted uses associated with the grants, including the requirements and restrictions imposed by HHS, and is in the process of determining what portions of these grants the Company will be able to retain and use. Any funds that are ultimately received and retained by us are not expected to fully offset the losses incurred in the Company’s senior living operating portfolio that are attributable to COVID-19. We believe that substantially all our NNN senior housing tenants have also applied for funding under Phase II to partially mitigate the losses they have incurred as a direct result of COVID-19.

HHS recently announced a new $20 billion Phase III General Distribution allocation (“Phase III”) of the Provider Relief Fund, which will be made available to all healthcare providers, including assisted living communities, who have previously received distributions from the Provider Relief Fund. Phase III is expected to be distributed (i) first, to ensure that eligible providers have received funding equal to at least 2% of their annual patient care revenues and (ii) second, to provide an additional payment that considers providers’ overall financial losses caused by the COVID-19 pandemic. The actual amount paid to providers will depend in part on how many providers apply in Phase III and will be determined after all applications have been received. While we have applied for funding under Phase III on behalf of the assisted living communities in our senior living operating business, there can be no assurance that we will receive funding under Phase III or the amount of any such funding.

HHS and the Department of Defense (the “DOD”) have announced agreements with CVS and Walgreens to provide and administer COVID-19 vaccines to residents of long-term care facilities nationwide (including assisted living and independent living communities) with no out-of-pocket costs to residents or the communities where they live. HHS and DOD also announced a program for the delivery of COVID-19 rapid point-of-care diagnostic tests to certain qualified assisted living facilities. While we expect both of these programs to benefit our senior living operating portfolio, as well as our NNN senior housing tenants, there can be no assurance these programs will ultimately be implemented, will be implemented on the same terms as have been currently announced or will continue once implemented.

Since the start of the COVID-19 pandemic, we have taken precautionary steps to increase liquidity and preserve financial flexibility in light of the resulting uncertainty. *See* “Management’s Discussion and Analysis of Financial Condition and Results of Operations; Liquidity and Capital Resources; Recent Capital Conservation Actions.” As of November 5, 2020, we had approximately $3.2 billion in liquidity, including availability under our revolving credit facility and cash and cash equivalents on hand, with no borrowings outstanding under our commercial paper program and negligible near-term debt maturing.

The trajectory and future impact of the COVID-19 pandemic remains highly uncertain. COVID-19 clinical trends have worsened in recent weeks; and multiple jurisdictions have recently imposed or are re-imposing heightened preventative measures. The extent of the COVID-19 pandemic’s continuing and ultimate effect on our operational and financial performance will depend on the clinical experience, which may differ considerably across regions and fluctuate over time, and on other future developments, including the ultimate duration, spread and intensity of the outbreak; the availability and effective distribution of testing and, eventually, a vaccine; the extent to which governments across the country impose or re-impose preventative restrictions and the extent and duration of any rollback of those restrictions; and the availability of government financial support to our business, tenants and operators. Due to these uncertainties, we are not able at this time to estimate the impact of the COVID-19 pandemic on our business, results of operations, financial condition and cash flows, either in the short or long-term, but it could be material.

We have not identified the COVID-19 pandemic, on its own, as a “triggering event” for purposes of evaluating impairment of real estate assets, goodwill and other intangibles, investments in unconsolidated entities and financial instruments. However, as of September 30, 2020, we considered the effect of the pandemic on certain of our assets (described below) and our ability to recover the respective carrying values of these assets. We applied our considerations to existing critical accounting policies that require us to make estimates and assumptions regarding future events that affect the reported amounts of assets and liabilities. We based our estimates on our experience and on assumptions we believe to be reasonable under the circumstances. As a result, we have recognized the following charges for the three and nine months ended September 30, 2020:

- *Adjustment to rental income:* As of September 30, 2020, we concluded that it is probable we would not collect substantially all rents from certain tenants, primarily within our triple-net leased properties segment. As a result, we recognized adjustments to rental income of $20.3 million and $74.5 million for the three and nine months ended September 30, 2020. Rental payments from these tenants will be recognized in rental income when received.

- *Impairment of real estate assets:* As of September 30, 2020, we compared our estimate of undiscounted cash flows, including a hypothetical terminal value, for certain real estate assets to the assets' respective carrying values. No impairment charges were recognized for the quarter ended September 30, 2020. During the quarter ended June 30, 2020 we recognized $108.8 million of impairments representing the difference between the assets' carrying value and the then estimated fair value of $192.8 million. The impaired assets, primarily senior housing communities, represent less than 1% of our consolidated net real estate property as of September 30, 2020. Impairments are recorded within depreciation and amortization in our Consolidated Statements of Income and are primarily related to our senior living operations reportable business segment.

- *Loss on financial instruments and impairment of unconsolidated entities:* As of September 30, 2020, we concluded that credit losses exist within certain of our non-mortgage loans receivables and government-sponsored pooled loan investments. As a result, we recognized credit loss charges of $5.0 million and $34.7 million for the three and nine months ended September 30, 2020. No allowances are recorded within our portfolios of secured mortgage loans or marketable debt securities. In addition, during the quarter ended June 30, 2020 we recognized an impairment of $10.7 million in an equity investment in an unconsolidated entity.

- *Deferred tax asset valuation allowance:* As of June 30, 2020, we concluded that it was not more likely than not that deferred tax assets (primarily US federal NOL carryforwards which begin to expire in 2032) would be realized based on our cumulative loss in recent years for certain of our taxable REIT subsidiaries. As a result, we recorded a valuation allowance of $56.4 million against these deferred tax assets on our Consolidated Balance Sheets with a corresponding charge to income tax benefit (expense) in our Consolidated Statements of Income for the quarter ended June 30, 2020. We maintained our conclusions regarding the realizability of deferred tax assets as of September 30, 2020.

## 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 and nine months ended September 30, 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 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.

| | September 30, 2020 | | December 31, 2019 | |
|---|---|---|---|---|
| | Total Assets | Total Liabilities | Total Assets | Total Liabilities |
| | (In thousands) | | | |
| NHP/PMB L.P. | $ 657,455 | $ 246,697 | $ 666,404 | $ 244,934 |
| Other identified VIEs | 3,922,931 | 1,526,184 | 4,075,821 | 1,459,830 |
| Tax credit VIEs | 954,850 | 377,996 | 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 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 September 30, 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 September 30, 2020 and December 31, 2019, the fair value of the redeemable OP Units was $129.6 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 September 30, 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 September 30, 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.

***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, including underlying asset performance and credit quality. 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.

- *Stock warrants* - We estimate the fair value of stock warrants using level two inputs that are obtained from public sources. Inputs include equity spot price, strike dividend yield, volatility and a risk-free rate.

- *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.

***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 is 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 such as replacement cost or comparable sales. 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.

***Revenue Recognition***

*Triple-Net Leased Properties and Office Operations*

Certain of our triple-net leases and most of our MOB and research and innovation centers (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 September 30, 2020 and December 31, 2019, this cumulative excess totaled $164.2 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 evaluate collectability of accrued interest receivables separate from the amortized cost basis of our loans. As such, we recognize interest income on an impaired loan to the extent we believe accrued contractual interest payments are collectable. Otherwise interest income is recognized 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 September 30, 2020, Atria, Sunrise, Brookdale Senior Living, Ardent and Kindred managed or operated approximately 20.6%, 10.4%, 8.1%, 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 September 30, 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 47.3% and 16.4% 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 September 30, 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 36.3%. Our consolidated properties were located in 45 states, the District of Columbia, seven Canadian provinces and the United Kingdom as of September 30, 2020, with properties in one state (California) accounting for more than 10% of our total consolidated revenues and NOI 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 September 30, | |
|---|---|---|
| | 2020 | 2019 |
| Revenues[1]: | | |
| Brookdale Senior Living | 4.0 % | 4.6 % |
| Ardent | 3.3 | 3.0 |
| Kindred | 3.6 | 3.3 |
| NOI: | | |
| Brookdale Senior Living | 8.8 % | 8.6 % |
| Ardent | 7.2 | 5.7 |
| Kindred | 7.8 | 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 September 30, 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.

***Brookdale Transaction***

In July 2020, we entered into a revised master lease agreement (the "Brookdale Lease") and certain other agreements (together with the Brookdale Lease, the "Agreements") with Brookdale Senior Living. The Agreements modify our current arrangements with Brookdale Senior Living as follows:

We received up-front consideration approximating $235 million dollars, which will be amortized over the remaining lease term and consisted of: (a) $162 million in cash including $47 million from the transfer to Ventas of deposits under the Brookdale Lease; (b) a $45 million cash pay note (the "Note") from Brookdale, which has an initial interest rate of 9.0%, increasing 50 basis points per annum, and matures on December 31, 2025; (c) $28 million in warrants exercisable for 16.3 million shares of Brookdale Senior Living common stock, which are exercisable at any time prior to December 31, 2025 and have an exercise price of $3.00 per share.

Base cash rent under the Brookdale Lease is set at $100 million per annum starting in July 2020, with three percent annual escalators commencing on January 1, 2022. The Brookdale Lease is guaranteed by, and the Note is a direct obligation of, Brookdale Senior Living.

The warrants are classified within other assets on our Consolidated Balance Sheets. These warrants are measured at fair value with changes in fair value being recognized within other expense in our Consolidated Statements of Income.

Brookdale Senior Living transferred fee ownership of five senior living communities to us, in full satisfaction and repayment of a $78 million loan to Brookdale Senior Living from us that was secured by the five communities. Brookdale Senior Living will now manage those communities for us under a terminable management agreement.

***Holiday Transaction***

In April 2020, 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 $33.8 million in cash from the transfer to us of deposits under the Holiday Lease and $66 million in principal amount of secured notes. As a result of the Holiday Lease termination, we recognized net income of $50.2 million during the second quarter, composed of $99.8 million of cash and notes received less $49.6 million from the write-off of accumulated straight-line receivable.

***Senior Living Operations***

As of September 30, 2020, Atria and Sunrise, collectively, provided comprehensive property management and accounting services with respect to 258 of our 431 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/A 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/A 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 AND IMPAIRMENTS

*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 $224.6 million.

Also, during the nine months ended September 30, 2020, we sold one MOB, three senior housing communities, ten triple-net leased properties and one land parcel for aggregate consideration of $67.7 million and we recognized a gain on the sale of these assets of $15.5 million.

*JV Transaction*

In October 2020, we formed a joint venture (the "JV") with GIC. To seed the JV, we contributed our controlling ownership interest in four in-progress university-based research and innovation development projects (the "Initial R&I JV Projects"). At closing, GIC reimbursed us for its share of costs incurred to-date. We will own an over 50 percent interest and GIC will own a 45 percent interest in the Initial R&I JV Projects. We will act as manager of the JV, with customary rights and obligations, and will receive customary fees and incentives. Our exclusive development partner, Wexford Science & Technology, remains the developer of, and a minority partner in, all of the projects. We will account for our investment in the JV under the equity method of accounting.

*Real Estate Impairment*

We recognized impairments of $129.5 million and $22.6 million, respectively, for the nine months ended September 30, 2020 and 2019, which are recorded in depreciation and amortization in our Consolidated Statements of Income. Other than charges relating to properties directly impacted by COVID-19 (See "Note 1 - Description Of Business - COVID-19 Update"), 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.

*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 September 30, 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 | $ 62,098 | $ 1,623 |
| Office Operations | 2 | 7,441 | 785 | 1 | 5,177 | 499 |
| Senior Living Operations | 2 | 8,307 | 1,202 | 5 | 18,252 | 3,102 |
| Total | 4 | $ 15,748 | $ 1,987 | 14 | $ 85,527 | $ 5,224 |

In September 2020, one senior housing community no longer met the criteria as being classified as held for sale. As a result, we adjusted the carrying amount of the asset by recognizing depreciation expense of $0.1 million and classified the asset within net real estate investments on our Consolidated Balance Sheets for all periods presented.

## NOTE 5—LOANS RECEIVABLE AND INVESTMENTS

As of September 30, 2020 and December 31, 2019, we had $892.5 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 |
|---|---|---|---|---|
| | (In thousands) | | | |
| **As of September 30, 2020:** | | | | |
| Secured/mortgage loans and other, net | $ 555,483 | $ 555,483 | $ 487,373 | $ — |
| Government-sponsored pooled loan investments, net [(1)] [(3)] | 48,969 | 54,361 | 48,969 | 3,453 |
| Total investments reported as secured loans receivable and investments, net | 604,452 | 609,844 | 536,342 | 3,453 |
| Non-mortgage loans receivable, net [(3)] | 56,844 | 86,347 | 56,832 | — |
| Marketable debt securities [(2)] | 231,168 | 213,264 | 231,168 | 17,905 |
| Total loans receivable and investments, net | $ 892,464 | $ 909,455 | $ 824,342 | $ 21,358 |
| **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.
(3) As of September 30, 2020, the carrying amounts for government-sponsored pooled loan investments, net and non-mortgage loans receivable, net reflect allowances of $8.8 million and $29.5 million, respectively.

*2020 Activity*

During the nine months ended September 30, 2020, we received aggregate proceeds of $106.1 million for the full repayment of the principal balances of various loans receivable with a weighted average interest rate of 8.3% that were due to mature between 2020 and 2025, resulting in total gains of $1.4 million.

In April 2020, we received as consideration $66 million of notes secured by equity pledges on real estate assets with an effective interest rate of 9.2% in connection with the termination of the Holiday Lease. See "Note 3 - Concentration Of Credit Risk".

We recognized $5.0 million and $34.7 million in expense in establishing allowances on our loan and investment portfolio for the three and nine months ended September 30, 2020, respectively. See "Note 1 - Description Of Business - COVID-19 Update".

In July 2020, we entered into a $45 million Note from Brookdale Senior Living in connection with certain revised Agreements, which is included above in Non-mortgage loans receivable, net. The Note has an initial interest rate of 9.0%, increasing 50 basis points per annum, and matures on December 31, 2025. In addition, Brookdale transferred fee ownership of five senior living communities to us, in full satisfaction and repayment of a $78 million loan to Brookdale Senior Living from us that was secured by the five communities. See "Note 3 - Concentration Of Credit Risk".

## 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 September 30, 2020, we had a 25% interest in a real estate joint venture that has a majority ownership in nine properties and one property under development.

In March 2020, we formed the Fund in which we are sponsor and general partner. As of September 30, 2020, we have a 21% ownership interest in the Fund. See “Note 4 - Dispositions And Impairments”. In October 2020, the Fund acquired a portfolio of three life science properties in the South San Francisco life science cluster for $1.0 billion, which increased assets under management to $1.8 billion. The acquisition was financed with a $415 million mortgage loan bearing interest at a fixed rate of 2.6% per annum.

We account for our investments in unconsolidated real estate entities, 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 $1.5 million and $0.9 million for the three months ended September 30, 2020 and 2019, respectively, and $3.9 million and $2.5 million for the nine months ended September 30, 2020 and 2019, respectively, which is included in office building and other services revenue in our Consolidated Statements of Income. In June 2020, as a result of COVID-19, we recognized an impairment charge of $10.7 million related to our investment in an unconsolidated entity. See “Note 1 - Description Of Business - COVID-19 Update”.

## NOTE 7—INTANGIBLES

The following is a summary of our intangibles:

| | As of September 30, 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 | $ 141,224 | 6.6 | $ 145,891 | 6.9 |
| In-place and other lease intangibles | 1,105,088 | 10.7 | 1,162,187 | 10.6 |
| Goodwill | 1,050,742 | N/A | 1,051,161 | N/A |
| Other intangibles | 35,796 | 10.2 | 35,837 | 10.9 |
| Accumulated amortization | (943,809) | N/A | (922,668) | N/A |
| Net intangible assets | $ 1,389,041 | 10.3 | $ 1,472,408 | 10.2 |
| Intangible liabilities: | | | | |
| Below market lease intangibles | $ 339,200 | 14.3 | $ 349,357 | 14.5 |
| Other lease intangibles | 13,498 | N/A | 13,498 | N/A |
| Accumulated amortization | (208,959) | N/A | (203,834) | N/A |
| Purchase option intangibles | 3,568 | N/A | 3,568 | N/A |
| Net intangible liabilities | $ 147,307 | 14.3 | $ 162,589 | 14.5 |

N/A—Not Applicable.

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:

| | As of September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| | (In thousands) | |
| Straight-line rent receivables | $ 164,161 | $ 278,833 |
| Non-mortgage loans receivable, net | 56,844 | 63,724 |
| Stock warrants | 26,940 | — |
| Marketable debt securities | 231,168 | 237,360 |
| Other intangibles, net | 4,748 | 5,149 |
| Investment in unconsolidated operating entities | 43,116 | 59,301 |
| Other | 252,498 | 233,349 |
| Total other assets | $ 779,475 | $ 877,716 |

## NOTE 9—SENIOR NOTES PAYABLE AND OTHER DEBT

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

| | As of September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| | (In thousands) | |
| Unsecured revolving credit facility [1] | $ 41,484 | $ 120,787 |
| Commercial paper notes | — | 567,450 |
| Secured revolving construction credit facility due 2022 | 164,585 | 160,492 |
| Floating Rate Senior Notes, Series F due 2021 [2] | 225,242 | 231,018 |
| 3.25% Senior Notes due 2022 | 500,000 | 500,000 |
| 3.30% Senior Notes, Series C due 2022 [2] | 187,702 | 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] | 206,472 | 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] | 187,702 | 192,515 |
| 2.80% Senior Notes, Series E due 2024 [2] | 450,484 | 462,036 |
| Unsecured term loan due 2025 [2] | 375,404 | 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 |
| 4.75% Senior Notes due 2030 | 500,000 | — |
| 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 | 2,076,369 | 1,996,969 |
| Total | 12,140,667 | 12,245,802 |
| Deferred financing costs, net | (73,444) | (79,939) |
| Unamortized fair value adjustment | 14,008 | 20,056 |
| Unamortized discounts | (33,312) | (27,146) |
| Senior notes payable and other debt | $ 12,047,919 | $ 12,158,773 |

(1) As of September 30, 2020 and December 31, 2019, respectively, $15.8 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 September 30, 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.

As of September 30, 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 | $ 131,956 | $ — | $ 11,765 | $ 143,721 |
| 2021 | 426,284 | 41,484 | 43,006 | 510,774 |
| 2022 | 1,292,027 | — | 36,943 | 1,328,970 |
| 2023 | 1,593,067 | — | 23,556 | 1,616,623 |
| 2024 | 1,559,708 | — | 17,502 | 1,577,210 |
| Thereafter | 6,859,843 | — | 103,526 | 6,963,369 |
| Total maturities | $ 11,862,885 | $ 41,484 | $ 236,298 | $ 12,140,667 |

(1) At September 30, 2020, we had unrestricted cash and cash equivalents of $0.6 billion, which exceeds the borrowings outstanding under our unsecured revolving credit facility and commercial paper program.

***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%. 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 September 30, 2020, we had no borrowings outstanding under our commercial paper program.

As of September 30, 2020, $41.5 million was outstanding under the unsecured revolving credit facility with an additional $24.9 million restricted to support outstanding letters of credit. In addition, we limit our utilization of the unsecured revolving credit facility, to the extent necessary, to support our commercial paper program when commercial paper notes are outstanding. We had $2.9 billion in available liquidity under the unsecured revolving credit facility as of September 30, 2020.

As of September 30, 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 September 30, 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 September 30, 2020, we had a $400.0 million secured revolving construction credit facility with $164.6 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 priced a public offering of $500.0 million aggregate principal amount of 4.75% senior notes due 2030 at an amount equal to 97.86% of par. The notes were issued and proceeds were received in April 2020.

In October 2020, we redeemed, pursuant to a cash tender offer, $236.3 million aggregate principal amount then outstanding of our 3.25% senior notes due 2022 at 104.14% of par value, plus accrued and unpaid interest to the payment date. Tender offer results were given in September 2020 and, as a result, we recognized a non-cash charge to loss on extinguishment of debt of $7.4 million in September 2020 and will recognize an additional loss of $3.5 million in October 2020.

## NOTE 10—FAIR VALUES OF FINANCIAL INSTRUMENTS

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

| | As of September 30, 2020 | | As of December 31, 2019 | |
|---|---|---|---|---|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| | (In thousands) | | | |
| Assets: | | | | |
| Cash and cash equivalents | $ 588,343 | $ 588,343 | $ 106,363 | $ 106,363 |
| Escrow deposits and restricted cash | 40,147 | 40,147 | 39,739 | 39,739 |
| Stock warrants | 26,940 | 26,940 | — | — |
| Secured mortgage loans and other, net | 555,483 | 487,373 | 645,546 | 646,925 |
| Non-mortgage loans receivable, net | 56,844 | 56,832 | 63,724 | 63,538 |
| Marketable debt securities | 231,168 | 231,168 | 237,360 | 237,360 |
| Government-sponsored pooled loan investments, net | 48,969 | 48,969 | 59,066 | 59,066 |
| Derivative instruments | 195 | 195 | 738 | 738 |
| Liabilities: | | | | |
| Senior notes payable and other debt, gross | 12,140,667 | 12,882,340 | 12,245,802 | 12,778,758 |
| Derivative instruments | 29,925 | 29,925 | 12,987 | 12,987 |
| Redeemable OP Units | 129,576 | 129,576 | 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 federal, state and foreign income taxes for the nine months ended September 30, 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 September 30, 2020 and 2019 were a benefit of $3.2 million and an expense of $2.0 million, respectively. Our consolidated provisions for income taxes for the nine months ended September 30, 2020 and 2019 were a benefit of $95.9 million and $57.0 million, respectively. The income tax benefit for the three months ended September 30, 2020 was primarily due to operating losses at our TRS entities. The income tax benefit for the nine months ended September 30, 2020 was primarily due to a $152.9 million net deferred tax benefit related to an internal restructuring of certain US taxable REIT subsidiaries completed in the first quarter, partially offset by a valuation allowance recorded against certain deferred tax assets in the second quarter. The benefit resulted from the transfer of assets subject to certain deferred tax liabilities from taxable REIT subsidiaries to the REIT in a tax-free transaction. The income tax benefit for the nine months ended September 30, 2019 was primarily due to the reversal of valuation allowances recorded against the net deferred tax assets of certain of our TRS entities.

Each TRS is a tax paying component for purposes of classifying deferred tax assets and liabilities. Deferred tax liabilities with respect to our TRS entities totaled $53.7 million and $200.8 million as of September 30, 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. Deferred tax assets with respect to our TRS entities totaled $0.3 million and $47.5 million as of September 30, 2020 and December 31, 2019, respectively, 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, 2017 and subsequent years and are subject to audit by state taxing authorities for the year ended December 31, 2016 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, 2016 and subsequent years. We are subject to audit in the United Kingdom generally for periods ended in and subsequent to 2019.

## 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 nine months ended September 30, 2020, we sold 0.8 million shares of common stock under our ATM program for gross proceeds of $45.07 per share. As of September 30, 2020, $785.0 million of our common stock remained available for sale under our ATM program.

In October 2020, we sold 0.7 million shares of common stock under our ATM program for gross proceeds of $44.65 per share.

### *Accumulated Other Comprehensive Loss*

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

| | As of September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| | (In thousands) | |
| Foreign currency translation | $ (54,966) | $ (51,743) |
| Available for sale securities | 17,552 | 27,380 |
| Derivative instruments | (27,628) | (10,201) |
| Total accumulated other comprehensive loss | $ (65,042) | $ (34,564) |

## 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 September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands, except per share amounts) | | | |
| Numerator for basic and diluted earnings per share: | | | | |
| Income from continuing operations | $ 13,737 | $ 86,918 | $ 329,232 | $ 426,404 |
| Net income | 13,737 | 86,918 | 329,232 | 426,404 |
| Net income attributable to noncontrolling interests | 986 | 1,659 | 534 | 4,831 |
| Net income attributable to common stockholders | $ 12,751 | $ 85,259 | $ 328,698 | $ 421,573 |
| Denominator: | | | | |
| Denominator for basic earnings per share—weighted average shares | 373,177 | 372,426 | 372,997 | 363,724 |
| Effect of dilutive securities: | | | | |
| Stock options | — | 640 | — | 445 |
| Restricted stock awards | 163 | 567 | 147 | 492 |
| OP unitholder interests | 2,955 | 2,992 | 2,968 | 2,996 |
| Denominator for diluted earnings per share—adjusted weighted average shares | 376,295 | 376,625 | 376,112 | 367,657 |
| Basic earnings per share: | | | | |
| Income from continuing operations | $ 0.04 | $ 0.23 | $ 0.88 | $ 1.17 |
| Net income attributable to common stockholders | 0.03 | 0.23 | 0.88 | 1.16 |
| Diluted earnings per share: | | | | |
| Income from continuing operations | $ 0.04 | $ 0.23 | $ 0.88 | $ 1.16 |
| Net income attributable to common stockholders | 0.03 | 0.23 | 0.87 | 1.15 |

## NOTE 15—SEGMENT INFORMATION

As of September 30, 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/A.

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.

Summary information by reportable business segment is as follows:

| | For the Three Months Ended September 30, 2020 | | | | |
|---|---|---|---|---|---|
| | Triple-Net Leased Properties | Senior Living Operations | Office Operations | All Other | Total |
| | | | (In thousands) | | |
| Revenues: | | | | | |
| Rental income | $ 156,136 | $ — | $ 198,376 | $ — | $ 354,512 |
| Resident fees and services | — | 541,322 | — | — | 541,322 |
| Office building and other services revenue | — | — | 2,440 | 1,428 | 3,868 |
| Income from loans and investments | — | — | — | 18,666 | 18,666 |
| Interest and other income | — | — | — | 572 | 572 |
| Total revenues | $ 156,136 | $ 541,322 | $ 200,816 | $ 20,666 | $ 918,940 |
| | | | | | |
| Total revenues | $ 156,136 | $ 541,322 | $ 200,816 | $ 20,666 | $ 918,940 |
| Less: | | | | | |
| Interest and other income | — | — | — | 572 | 572 |
| Property-level operating expenses | 5,398 | 422,653 | 66,934 | — | 494,985 |
| Office building services costs | — | — | 557 | — | 557 |
| Segment NOI | $ 150,738 | $ 118,669 | $ 133,325 | $ 20,094 | 422,826 |
| Interest and other income | | | | | 572 |
| Interest expense | | | | | (115,505) |
| Depreciation and amortization | | | | | (249,366) |
| General, administrative and professional fees | | | | | (34,228) |
| Loss on extinguishment of debt, net | | | | | (7,386) |
| Merger-related expenses and deal costs | | | | | (11,325) |
| Allowance on loans receivable and investments | | | | | (4,999) |
| Other | | | | | (3,534) |
| Income from unconsolidated entities | | | | | 865 |
| Gain on real estate dispositions | | | | | 12,622 |
| Income tax benefit | | | | | 3,195 |
| Income from continuing operations | | | | | 13,737 |
| Net income | | | | | 13,737 |
| Net income attributable to noncontrolling interests | | | | | 986 |
| Net income attributable to common stockholders | | | | | $ 12,751 |

| | For the Three Months Ended September 30, 2019 | | | | |
|---|---|---|---|---|---|
| | Triple-Net Leased Properties | Senior Living Operations | Office Operations | All Other | Total |
| | (In thousands) | | | | |
| Revenues: | | | | | |
| Rental income | $ 193,383 | $ — | $ 214,939 | $ — | $ 408,322 |
| Resident fees and services | — | 541,090 | — | — | 541,090 |
| Office building and other services revenue | — | — | 2,059 | 900 | 2,959 |
| Income from loans and investments | — | — | — | 30,164 | 30,164 |
| Interest and other income | — | — | — | 620 | 620 |
| Total revenues | $ 193,383 | $ 541,090 | $ 216,998 | $ 31,684 | $ 983,155 |
| | | | | | |
| Total revenues | $ 193,383 | $ 541,090 | $ 216,998 | $ 31,684 | $ 983,155 |
| Less: | | | | | |
| Interest and other income | — | — | — | 620 | 620 |
| Property-level operating expenses | 6,338 | 388,011 | 67,144 | — | 461,493 |
| Office building services costs | — | — | 627 | — | 627 |
| Segment NOI | $ 187,045 | $ 153,079 | $ 149,227 | $ 31,064 | 520,415 |
| Interest and other income | | | | | 620 |
| Interest expense | | | | | (113,967) |
| Depreciation and amortization | | | | | (234,603) |
| General, administrative and professional fees | | | | | (40,530) |
| Loss on extinguishment of debt, net | | | | | (37,434) |
| Merger-related expenses and deal costs | | | | | (4,304) |
| Other | | | | | (2,164) |
| Income from unconsolidated entities | | | | | 854 |
| Gain on real estate dispositions | | | | | 36 |
| Income tax expense | | | | | (2,005) |
| Income from continuing operations | | | | | 86,918 |
| Net income | | | | | 86,918 |
| Net income attributable to noncontrolling interests | | | | | 1,659 |
| Net income attributable to common stockholders | | | | | $ 85,259 |

| | For the Nine Months Ended September 30, 2020 | | | | |
|---|---|---|---|---|---|
| | Triple-Net Leased Properties | Senior Living Operations | Office Operations | All Other | Total |
| | (In thousands) | | | | |
| Revenues: | | | | | |
| Rental income | $ 527,238 | $ — | $ 599,696 | $ — | $ 1,126,934 |
| Resident fees and services | — | 1,667,421 | — | — | 1,667,421 |
| Office building and other services revenue | — | — | 6,871 | 3,798 | 10,669 |
| Income from loans and investments | — | — | — | 62,203 | 62,203 |
| Interest and other income | — | — | — | 6,965 | 6,965 |
| Total revenues | $ 527,238 | $ 1,667,421 | $ 606,567 | $ 72,966 | $ 2,874,192 |
| | | | | | |
| Total revenues | $ 527,238 | $ 1,667,421 | $ 606,567 | $ 72,966 | $ 2,874,192 |
| Less: | | | | | |
| Interest and other income | — | — | — | 6,965 | 6,965 |
| Property-level operating expenses | 17,004 | 1,265,362 | 192,192 | — | 1,474,558 |
| Office building services costs | — | — | 1,827 | — | 1,827 |
| Segment NOI | $ 510,234 | $ 402,059 | $ 412,548 | $ 66,001 | 1,390,842 |
| Interest and other income | | | | | 6,965 |
| Interest expense | | | | | (355,333) |
| Depreciation and amortization | | | | | (847,797) |
| General, administrative and professional fees | | | | | (106,747) |
| Loss on extinguishment of debt, net | | | | | (7,386) |
| Merger-related expenses and deal costs | | | | | (26,129) |
| Allowance on loans receivable and investments | | | | | (34,654) |
| Other | | | | | (10,624) |
| Loss from unconsolidated entities | | | | | (15,861) |
| Gain on real estate dispositions | | | | | 240,101 |
| Income tax benefit | | | | | 95,855 |
| Income from continuing operations | | | | | 329,232 |
| Net income | | | | | 329,232 |
| Net income attributable to noncontrolling interests | | | | | 534 |
| Net income attributable to common stockholders | | | | | $ 328,698 |

| | For the Nine Months Ended September 30, 2019 | | | | |
|---|---|---|---|---|---|
| | Triple-Net Leased Properties | Senior Living Operations | Office Operations | All Other | Total |
| | | | (In thousands) | | |
| Revenues: | | | | | |
| Rental income | $ 589,833 | $ — | $ 618,555 | $ — | $ 1,208,388 |
| Resident fees and services | — | 1,583,262 | — | — | 1,583,262 |
| Office building and other services revenue | — | — | 5,685 | 2,483 | 8,168 |
| Income from loans and investments | — | — | — | 66,819 | 66,819 |
| Interest and other income | — | — | — | 10,109 | 10,109 |
| Total revenues | $ 589,833 | $ 1,583,262 | $ 624,240 | $ 79,411 | $ 2,876,746 |
| | | | | | |
| Total revenues | $ 589,833 | $ 1,583,262 | $ 624,240 | $ 79,411 | $ 2,876,746 |
| Less: | | | | | |
| Interest and other income | — | — | — | 10,109 | 10,109 |
| Property-level operating expenses | 20,092 | 1,115,834 | 191,972 | — | 1,327,898 |
| Office building services costs | — | — | 1,775 | — | 1,775 |
| Segment NOI | $ 569,741 | $ 467,428 | $ 430,493 | $ 69,302 | 1,536,964 |
| Interest and other income | | | | | 10,109 |
| Interest expense | | | | | (334,955) |
| Depreciation and amortization | | | | | (696,710) |
| General, administrative and professional fees | | | | | (124,369) |
| Loss on extinguishment of debt, net | | | | | (41,861) |
| Merger-related expenses and deal costs | | | | | (11,084) |
| Other | | | | | 9,294 |
| Loss from unconsolidated entities | | | | | (2,621) |
| Gain on real estate dispositions | | | | | 24,633 |
| Income tax benefit | | | | | 57,004 |
| Income from continuing operations | | | | | 426,404 |
| Net income | | | | | 426,404 |
| Net income attributable to noncontrolling interests | | | | | 4,831 |
| Net income attributable to common stockholders | | | | | $ 421,573 |

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

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands) | | | |
| Capital expenditures: | | | | |
| Triple-net leased properties | $ 11,832 | $ 13,558 | $ 33,000 | $ 27,805 |
| Senior living operations | 46,349 | 780,837 | 129,165 | 845,290 |
| Office operations | 112,432 | 94,396 | 319,834 | 396,342 |
| Total capital expenditures | $ 170,613 | $ 888,791 | $ 481,999 | $ 1,269,437 |

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 September 30, 2020 | For the Three Months Ended September 30, 2019 | For the Nine Months Ended September 30, 2020 | For the Nine Months Ended September 30, 2019 |
|---|---|---|---|---|
| | (In thousands) | | | |
| Revenues: | | | | |
| United States | $ 817,949 | $ 904,031 | $ 2,569,467 | $ 2,688,329 |
| Canada | 96,896 | 72,495 | 287,056 | 167,881 |
| United Kingdom | 4,095 | 6,629 | 17,669 | 20,536 |
| Total revenues | $ 918,940 | $ 983,155 | $ 2,874,192 | $ 2,876,746 |

| | As of September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| | (In thousands) | |
| Net real estate property: | | |
| United States | $ 17,874,378 | $ 18,636,839 |
| Canada | 2,853,245 | 2,830,850 |
| United Kingdom | 250,789 | 266,885 |
| Total net real estate property | $ 20,978,412 | $ 21,734,573 |

## 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/A refer to Ventas, Inc. and its consolidated subsidiaries.*

### Cautionary Statements

#### *Forward-Looking Statements*

This Quarterly Report on Form 10-Q/A 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”). These forward-looking statements include, among others, statements of expectations, beliefs, future plans and strategies, anticipated results from operations and developments and other matters that are not historical facts. The forward-looking statements are based on management's beliefs as well as on a number of assumptions concerning future events. You should not put undue reliance on these forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors that could cause actual events or results to differ materially from those expressed or implied by the forward-looking statements. We do not undertake a duty to update these forward-looking statements, which speak only as of the date on which they are made.

Certain factors that could prevent the Company from achieving its stated goals include but are not limited to:

- The effects of the ongoing COVID-19 pandemic and measures intended to manage the pandemic on our business, results of operations, cash flows and financial condition, including declines in revenues and increases in operating costs in our senior housing operating portfolio, deterioration in the financial condition of our tenants and their ability to satisfy their payment obligations to us; constraints in our ability to access capital and other sources of financing; increased risk of claims, litigation and regulatory proceedings that may adversely affect us; and the ability of federal, state and local governments to respond to and manage the COVID-19 pandemic effectively;

- 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 ability to implement our business strategy;

- 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 obligation, and changes in 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 the results of the Presidential election on, and more broadly, 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 senior housing 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 level of indebtedness and 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 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 living 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;

- 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;

- 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; and

- Other factors set forth in our periodic filings with the Securities and Exchange Commission ("SEC").

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/A 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 (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/A 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 September 30, 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 19 properties under development, including one property that is owned by an unconsolidated real estate entity. 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 September 30, 2020, we leased a total of 377 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 121 properties (excluding seven properties managed by Brookdale Senior Living pursuant to long-term management agreements), 11 properties and 32 properties, respectively, as of September 30, 2020.

As of September 30, 2020, pursuant to long-term management agreements, we engaged independent operators, such as Atria and Sunrise, to manage 439 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***

The novel coronavirus ("COVID-19") pandemic and actions taken to prevent its spread continue to affect our business in a number of differing ways.

In our senior living operating portfolio, leading indicators in senior housing, including leads, tours and move-ins, showed consistent improvement from July through September, but occupancy continued to decline and operating costs related to COVID-19 remained elevated in the third quarter. Recent COVID-19 clinical trends remain dynamic and create significant uncertainty.

Our NNN senior housing tenants' performance has also been affected by COVID-19. While we received substantially all NNN senior housing rent we expected to receive in the third quarter, we have modified certain NNN senior housing leases to reset rent and have provided other modest financial accommodations to certain NNN senior housing tenants who need it as a result of COVID-19.

The Company's NNN healthcare tenants have benefitted from significant government financial support that was deployed early and has partially offset the direct financial impact of the pandemic. Substantially all expected rent was paid by the Company's NNN healthcare tenants in the third quarter.

Our office operations segment delivered steady performance in the third quarter, growing 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) modestly compared to the second quarter. In the third quarter, we received 99% of contractual rents in the office segment.

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 have benefitted or could benefit our company, tenants, operators, borrowers and managers. In particular, in early September, the Department of Health and Human Services ("HHS") announced that assisted living communities are eligible to apply for funding under the Phase II General Distribution allocation ("Phase II") of the Public Health and Social Services Emergency Fund (the "Provider Relief Fund") established pursuant to the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") and the Paycheck Protection Program and Health Care Enhancement Act (the "PPPHCE Act"). Distributions under Phase II are expected to equal 2% of annual revenues from patient care, and to benefit the assisted living communities in the Company's senior living operating business, as well as its NNN senior housing tenants. While the guidance from HHS is subject to change, under current guidance, distributions from the Provider Relief Fund are not subject to repayment, provided that the recipient uses the funds first for expenses attributable to COVID-19 and then for lost revenue attributable to COVID-19, and is able to attest to and comply with certain terms and conditions, including not using funds received from the Provider Relief Fund to reimburse expenses or losses that other sources are obligated to reimburse, providing detailed reporting to HHS, maintaining records in accordance with law and submitting to government audit and investigation.

We have applied for approximately $35 million in grants under Phase II of the Provider Relief Fund on behalf of the assisted living communities in our senior living operating business. Although we have begun to receive amounts under some of those applications, there can be no assurance that all our applications will be approved or that additional funds will ultimately be received in full or in part. The Company continues to evaluate the terms, conditions and permitted uses associated with the grants, including the requirements and restrictions imposed by HHS, and is in the process of determining what portions of these grants the Company will be able to retain and use. Any funds that are ultimately received and retained by us are not expected to fully offset the losses incurred in the Company's senior living operating portfolio that are attributable to COVID-19. We believe that substantially all our NNN senior housing tenants have also applied for funding under Phase II to partially mitigate the losses they have incurred as a direct result of COVID-19.

HHS recently announced a new $20 billion Phase III General Distribution allocation ("Phase III") of the Provider Relief Fund, which will be made available to all healthcare providers, including assisted living communities, who have previously received distributions from the Provider Relief Fund. Phase III is expected to be distributed (i) first, to ensure that eligible providers have received funding equal to at least 2% of their annual patient care revenues and (ii) second, to provide an additional payment that considers providers' overall financial losses caused by the COVID-19 pandemic. The actual amount paid to providers will depend in part on how many providers apply in Phase III and will be determined after all applications have been received. While we have applied for funding under Phase III on behalf of the assisted living communities in our senior living operating business, there can be no assurance that we will receive funding under Phase III or the amount of any such funding.

HHS and the Department of Defense (the “DOD”) have announced agreements with CVS and Walgreens to provide and administer COVID-19 vaccines to residents of long-term care facilities nationwide (including assisted living and independent living communities) with no out-of-pocket costs to residents or the communities where they live. HHS and DOD also announced a program for the delivery of COVID-19 rapid point-of-care diagnostic tests to certain qualified assisted living facilities. While we expect both of these programs to benefit our senior living operating portfolio, as well as our NNN senior housing tenants, there can be no assurance these programs will ultimately be implemented, will be implemented on the same terms as have been currently announced or will continue once implemented.

Since the start of the COVID-19 pandemic, we have taken precautionary steps to increase liquidity and preserve financial flexibility in light of the resulting uncertainty. *See* “—Liquidity and Capital Resources; Recent Capital Conservation Actions.” As of November 5, 2020, we had approximately $3.2 billion in liquidity, including availability under our revolving credit facility and cash and cash equivalents on hand, with no borrowings outstanding under our commercial paper program and negligible near-term debt maturing.

The trajectory and future impact of the COVID-19 pandemic remains highly uncertain. COVID-19 clinical trends have worsened in recent weeks; and multiple jurisdictions have recently imposed or are re-imposing heightened preventative measures. The extent of the COVID-19 pandemic’s continuing and ultimate effect on our operational and financial performance will depend on the clinical experience, which may differ considerably across regions and fluctuate over time, and on other future developments, including the ultimate duration, spread and intensity of the outbreak; the availability and effective distribution of testing and, eventually, a vaccine; the extent to which governments across the country impose or re-impose preventative restrictions and the extent and duration of any rollback of those restrictions; and the availability of government financial support to our business, tenants and operators. Due to these uncertainties, we are not able at this time to estimate the impact of the COVID-19 pandemic on our business, results of operations, financial condition and cash flows, either in the short or long-term, but it could be material.

See “Note 1 - Description Of Business - COVID-19 Update” for a description of charges recognized during the three and nine months ended September 30, 2020 as a result of the COVID-19 pandemic.

**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 sponsor and general partner of the Fund and, as of September 30, 2020, have 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 $224.6 million. In October 2020, the Fund acquired a portfolio of three life science properties in the South San Francisco life science cluster for $1.0 billion, which increased assets under management to $1.8 billion. The acquisition was financed with a $415 million mortgage loan bearing interest at a fixed rate of 2.6% per annum.

- In October 2020, we formed a joint venture (the “JV”) with GIC. To seed the JV, we contributed our controlling ownership interest in four in-progress university-based research and innovation development projects (the “Initial R&I JV Projects”). At closing, GIC reimbursed us for its share of costs incurred to-date. We will own an over 50 percent interest and GIC will own a 45 percent interest in the Initial R&I JV Projects. We will act as manager of the JV, with customary rights and obligations, and will receive customary fees and incentives. Our exclusive development partner, Wexford Science & Technology, remains the developer of, and a minority partner in, all of the projects. We will account for our investment in the JV under the equity method of accounting.

- During the nine months ended September 30, 2020, we received aggregate proceeds of $106.1 million for the full repayment of the principal balances of various loans receivable with a weighted average interest rate of 8.3% that were due to mature between 2020 and 2025, resulting in total gains of $1.4 million.

- During the nine months ended September 30, 2020, we sold 15 properties for aggregate consideration of $67.7 million and we recognized a gain on the sale of these assets of $15.5 million.

***Liquidity***

- In March 2020, we priced a public offering of $500.0 million aggregate principal amount of 4.75% senior notes due 2030. The notes were issued and proceeds were received in April 2020.

- In October 2020, we redeemed, pursuant to a cash tender offer, $236.3 million aggregate principal amount then outstanding of our 3.25% senior notes due 2022 at 104.14% of par value, plus accrued and unpaid interest to the payment date.

- For the nine months ended September 30, 2020, we sold an aggregate of 0.8 million shares of common stock under our "at-the-market" equity offering program ("ATM program") for gross proceeds of $45.07 per share. In October 2020, we sold 0.7 million shares of common stock under our ATM program for gross proceeds of $44.65 per share.

***Portfolio***

- In July 2020, we entered into a revised master lease agreement (the "Brookdale Lease") and certain other agreements (together with the Brookdale Lease, the "Agreements") with Brookdale Senior Living. The Agreements modify our current arrangements with Brookdale Senior Living as follows:

  We received up-front consideration approximating $235 million dollars, which will be amortized over the remaining lease term and consisted of: (a) $162 million in cash including $47 million from the transfer to Ventas of deposits under the Brookdale Lease; (b) a $45 million cash pay note (the "Note") from Brookdale, which has an initial interest rate of 9.0%, increasing 50 basis points per annum, and matures on December 31, 2025; (c) $28 million warrants exercisable for 16.3 million shares of Brookdale Senior Living common stock, which are exercisable at any time prior to December 31, 2025 and have an exercise price of $3.00 per share.

  Base cash rent under the Brookdale Lease is set at $100 million per annum starting in July 2020, with three percent annual escalators commencing on January 1, 2022. The Brookdale Lease is guaranteed by, and the Note is a direct obligation of, Brookdale Senior Living.

  Brookdale Senior Living transferred fee ownership of five senior living communities to us, in full satisfaction and repayment of a $78 million loan to Brookdale Senior Living from us that was secured by the five communities. Brookdale Senior Living will now manage those communities for us under a terminable management agreement.

- In April 2020, 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 $33.8 million in cash from the transfer to us of deposits under the Holiday Lease and $66 million in principal amount of secured notes. As a result of the Holiday Lease termination, we recognized net income of $50.2 million, composed of $99.8 million of cash and notes received less $49.6 million from the write-off of accumulated straight-line receivable.

**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 September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| Investment mix by asset type[1]: | | |
| Senior housing communities | 63.7 % | 62.2 % |
| MOBs | 18.9 | 19.3 |
| Research and innovation centers | 7.7 | 8.7 |
| Health systems | 5.2 | 5.1 |
| IRFs and LTACs | 1.7 | 1.6 |
| Skilled nursing facilities (“SNFs”) | 0.7 | 0.7 |
| Secured loans receivable and investments, net | 2.1 | 2.4 |
| Investment mix by tenant, operator and manager[1]: | | |
| Atria | 20.6 % | 20.4 % |
| Sunrise | 10.4 | 10.3 |
| Brookdale Senior Living | 8.1 | 7.7 |
| Ardent | 4.9 | 4.7 |
| Kindred | 1.1 | 1.0 |
| All other | 54.9 | 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 September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| Operations mix by tenant and operator and business model: | | | | |
| Revenues[1]: | | | | |
| Senior living operations | 59.1 % | 55.8 % | 58.1 % | 55.3 % |
| Brookdale Senior Living[2] | 4.0 | 4.6 | 4.5 | 4.7 |
| Ardent | 3.3 | 3.0 | 3.2 | 3.1 |
| Kindred | 3.6 | 3.3 | 3.4 | 3.3 |
| All others | 30.0 | 33.3 | 30.8 | 33.6 |
| Adjusted EBITDA: | | | | |
| Senior living operations | 28.6 % | 32.3 % | 29.9 % | 32.2 % |
| Brookdale Senior Living[2] | 8.9 | 8.2 | 9.6 | 8.1 |
| Ardent | 7.4 | 5.5 | 6.8 | 5.3 |
| Kindred | 7.9 | 6.0 | 7.3 | 5.8 |
| All others | 47.2 | 48.0 | 46.4 | 48.6 |
| NOI: | | | | |
| Senior living operations | 28.4 % | 30.8 % | 29.1 % | 30.9 % |
| Brookdale Senior Living[2] | 8.8 | 8.6 | 9.3 | 8.7 |
| Ardent | 7.2 | 5.7 | 6.5 | 5.8 |
| Kindred | 7.8 | 6.2 | 7.1 | 6.3 |
| All others | 47.8 | 48.7 | 48.0 | 48.3 |
| Operations mix by geographic location[3]: | | | | |
| California | 15.8 % | 15.8 % | 15.7 % | 16.1 % |
| New York | 8.0 | 8.7 | 8.2 | 8.9 |
| Texas | 6.0 | 5.9 | 6.1 | 6.1 |
| Pennsylvania | 4.2 | 4.7 | 4.6 | 4.7 |
| Illinois | 4.0 | 4.1 | 4.1 | 4.2 |
| All others | 61.9 | 60.8 | 61.2 | 60.0 |

(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 seven senior housing communities which are included in the senior living operations reportable business segment.
(3) Ratios are based on total revenues (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/A 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 nine months ended September 30, 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/A 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/A. 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/A for information regarding recently adopted accounting standards.

## Results of Operations

As of September 30, 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/A. See "Non-GAAP Financial Measures" included elsewhere in this Quarterly Report on Form 10-Q/A for additional disclosure and reconciliations of net income attributable to common stockholders, as computed in accordance with GAAP, to NOI.

***Three Months Ended September 30, 2020 and 2019***

The table below shows our results of operations for the three months ended September 30, 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 September 30, | | (Decrease) Increase to Net Income | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| Segment NOI: | | | | |
| Triple-net leased properties | $ 150,738 | $ 187,045 | $ (36,307) | (19.4)% |
| Senior living operations | 118,669 | 153,079 | (34,410) | (22.5) |
| Office operations | 133,325 | 149,227 | (15,902) | (10.7) |
| All other | 20,094 | 31,064 | (10,970) | (35.3) |
| Total segment NOI | 422,826 | 520,415 | (97,589) | (18.8) |
| Interest and other income | 572 | 620 | (48) | (7.7) |
| Interest expense | (115,505) | (113,967) | (1,538) | (1.3) |
| Depreciation and amortization | (249,366) | (234,603) | (14,763) | (6.3) |
| General, administrative and professional fees | (34,228) | (40,530) | 6,302 | 15.5 |
| Loss on extinguishment of debt, net | (7,386) | (37,434) | 30,048 | 80.3 |
| Merger-related expenses and deal costs | (11,325) | (4,304) | (7,021) | nm |
| Allowance on loans receivable and investments | (4,999) | — | (4,999) | nm |
| Other | (3,534) | (2,164) | (1,370) | (63.3) |
| (Loss) income before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests | (2,945) | 88,033 | (90,978) | nm |
| Income from unconsolidated entities | 865 | 854 | 11 | 1.3 |
| Gain on real estate dispositions | 12,622 | 36 | 12,586 | nm |
| Income tax benefit (expense) | 3,195 | (2,005) | 5,200 | nm |
| Income from continuing operations | 13,737 | 86,918 | (73,181) | (84.2) |
| Net income | 13,737 | 86,918 | (73,181) | (84.2) |
| Net income attributable to noncontrolling interests | 986 | 1,659 | 673 | 40.6 |
| Net income attributable to common stockholders | $ 12,751 | $ 85,259 | (72,508) | (85.0) |

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 September 30, 2020.

| | For the Three Months Ended September 30, | | (Decrease) Increase to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Segment NOI—Triple-Net Leased Properties:** | | | | |
| Rental income | $ 156,136 | $ 193,383 | $ (37,247) | (19.3)% |
| Less: Property-level operating expenses | (5,398) | (6,338) | 940 | 14.8 |
| Segment NOI | $ 150,738 | $ 187,045 | (36,307) | (19.4) |

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 a $15.6 million reduction for the removal of 26 Holiday communities at the start of the second quarter 2020 from our triple-net portfolio, the COVID-19 related write-off of previously accrued straight-line rental income during the third quarter of 2020 of $14.3 million, and $7.7 million for lower rental income on the Brookdale lease that was modified at the start of the third quarter of 2020. We will continue to try to collect rent on a contractual basis for the tenants where straight-line rent has been written off, but we have determined that collectability is not probable due to COVID-19.

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 September 30, 2020 and 2019 for the second quarter of 2020 and 2019, 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 September 30, 2020 | Average Occupancy for the Three Months Ended June 30, 2020 | Number of Properties Owned at September 30, 2019 | Average Occupancy for the Three Months Ended June 30, 2019 |
|---|---|---|---|---|
| Senior housing communities | 303 | 80.6% | 345 | 84.1% |
| SNFs | 16 | 78.9 | 16 | 87.1 |
| IRFs and LTACs | 35 | 56.9 | 36 | 54.9 |

The following table compares results of operations for our 375 same-store triple-net leased properties. See "Non-GAAP Financial Measures—NOI" included elsewhere in this Quarterly Report on Form 10-Q/A for additional disclosure regarding same-store NOI.

| | For the Three Months Ended September 30, | | Decrease to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Same-Store Segment NOI—Triple-Net Leased Properties:** | | | | |
| Rental income | $ 154,799 | $ 172,357 | $ (17,558) | (10.2)% |
| Less: Property-level operating expenses | (5,397) | (4,897) | (500) | (10.2) |
| Segment NOI | $ 149,402 | $ 167,460 | (18,058) | (10.8) |

The segment NOI decrease in our same-store triple net leased portfolio was primarily driven by the COVID-19 related write-off of previously accrued straight-line rental income during the third quarter of 2020 and lower rental income from the Brookdale lease modification at the start of the third quarter of 2020, partially offset by rent increases due to contractual escalations pursuant to the terms of our leases. We will continue to try to collect rent on a contractual basis for the tenants where straight-line rent has been written off, but we have determined that collectability is not probable due to COVID-19.

*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 September 30, 2020. 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 September 30, | | Increase (Decrease) to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Segment NOI—Senior Living Operations:** | | | | |
| Resident fees and services | $ 541,322 | $ 541,090 | $ 232 | 0.0 % |
| Less: Property-level operating expenses | (422,653) | (388,011) | (34,642) | (8.9) |
| Segment NOI | $ 118,669 | $ 153,079 | (34,410) | (22.5) |

| | Number of Properties at September 30, | | Average Unit Occupancy for the Three Months Ended September 30, | | Average Monthly Revenue Per Occupied Room For the Three Months Ended September 30, | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Total communities | 431 | 395 | 79.8 % | 86.6 % | $ 4,708 | $ 5,454 |

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 decrease in our senior housing operating portfolio was primarily driven by lower occupancy rates and increased operating costs resulting from the COVID-19 pandemic. This is offset by the transition of 26 independent living assets at the start of the second quarter 2020, operated by Holiday from our triple-net portfolio to our senior housing operating portfolio and the third quarter 2019 acquisition of 34 Canadian senior housing communities via an equity partnership with Le Groupe Maurice.

The following table compares results of operations for our 351 same-store senior living operating communities.

| | For the Three Months Ended September 30, | | Decrease to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Same-Store Segment NOI—Senior Living Operations:** | | | | |
| Resident fees and services | $ 445,034 | $ 505,700 | $ (60,666) | (12.0)% |
| Less: Property-level operating expenses | (361,232) | (360,833) | (399) | (0.1) |
| Segment NOI | $ 83,802 | $ 144,867 | (61,065) | (42.2) |

| | Number of Properties at September 30, | | Average Unit Occupancy for the Three Months Ended September 30, | | Average Monthly Revenue Per Occupied Room For the Three Months Ended September 30, | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Same-store communities | 351 | 351 | 76.6 % | 86.4 % | $ 5,709 | $ 5,758 |

The segment NOI decrease in our same-store senior housing operating portfolio was primarily driven by lower occupancy and increased operating costs resulting from the COVID-19 pandemic.

*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 September 30, 2020. 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 September 30, | | (Decrease) Increase to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Segment NOI—Office Operations:** | | | | |
| Rental income | $ 198,376 | $ 214,939 | $ (16,563) | (7.7)% |
| Office building services costs | 2,440 | 2,059 | 381 | 18.5 |
| Total revenues | 200,816 | 216,998 | (16,182) | (7.5) |
| Less: | | | | |
| Property-level operating expenses | (66,934) | (67,144) | 210 | 0.3 |
| Office building services costs | (557) | (627) | 70 | 11.2 |
| Segment NOI | $ 133,325 | $ 149,227 | (15,902) | (10.7) |

| | Number of Properties at September 30, | | Occupancy at September 30, | | Annualized Average Rent Per Occupied Square Foot for the Three Months Ended September 30, | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Total office buildings | 377 | 384 | 89.9 % | 90.1 % | $ 34 | $ 35 |

The office segment NOI decrease was primarily driven by assets sold to the Fund in the first quarter of 2020, a lease termination fee received in the third quarter 2019, and COVID-19 impacts including the write-off of previously accrued straight-line rental income during the third quarter of 2020 and reduced parking revenues, partially offset by active leasing at recently developed properties, continued tenant retention and contractual rent increases.

The following table compares results of operations for our 360 same-store office buildings.

| | For the Three Months Ended September 30, | | Decrease to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Same-Store Segment NOI—Office Operations:** | | | | |
| Rental income | $ 187,451 | $ 192,348 | $ (4,897) | (2.5)% |
| Less: Property-level operating expenses | (62,934) | (59,617) | (3,317) | (5.6) |
| Segment NOI | $ 124,517 | $ 132,731 | (8,214) | (6.2) |

| | Number of Properties at September 30, | | Occupancy at September 30, | | Annualized Average Rent Per Occupied Square Foot for the Three Months Ended September 30, | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Same-store office buildings | 360 | 360 | 91.1 % | 90.6 % | $ 33 | $ 34 |

Same-store operations decreases in the third quarter of 2020 over the same period in 2019 were driven by a lease termination fee received in the third quarter of 2019, COVID-19 impacts including the write-off of previously accrued straight-line rental income during the third quarter of 2020 and reduced parking revenues, partially offset by continued tenant retention, contractual rent escalators and increased occupancy primarily in our Research and Innovation centers.

*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 $11.0 million decrease in all other segment NOI for the three months ended September 30, 2020 over the same period in 2019 is primarily due to reduced interest income from loans receivable investments as a result of the repayment of certain loans receivable. See “Note 5 - Loans Receivable And Investments” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q/A.

*Interest Expense*

The $1.5 million increase in total interest expense for the three months ended September 30, 2020 compared to the same period in 2019 is primarily attributable to an increase of $7.3 million due to higher debt balances, partially offset by a decrease of $5.2 million due to a lower effective interest rate. Our weighted average effective interest rate was 3.6% and 3.8% for the three months ended September 30, 2020 and 2019, respectively. Capitalized interest for the three months ended September 30, 2020 and 2019 was $2.5 million and $1.8 million, respectively.

*Depreciation and Amortization*

Depreciation and amortization expense increased $14.8 million during the three months ended September 30, 2020 compared to the same period in 2019 primarily due to incremental depreciation on asset acquisitions, primarily the acquisition of 34 Canadian senior housing communities via an equity partnership with Le Groupe Maurice, net of dispositions.

*Loss on Extinguishment of Debt, Net*

Loss on extinguishment of debt, net for the three months ended September 30, 2020 was due primarily to the notice of redemption of $236.3 million of our 3.25% senior notes due 2022. Loss on extinguishment of debt, net for the three months ended September 30, 2019 was due primarily to the $600 million redemption and repayment of our 4.25% senior notes due 2022.

*Merger-Related Expenses and Deal Costs*

The $7.0 million increase in merger-related expenses and deal costs is primarily attributable to costs incurred as a result of the Brookdale transaction partially offset by 2019 operator transition costs. See “Note 3 - Concentration Of Credit Risk” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q/A.

*Other*

The $1.4 million change in other expenses is primarily attributable to the change in fair value of stock warrants received in connection with the Brookdale transaction. See “Note 3 - Concentration Of Credit Risk” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q/A.

*Gain on Real Estate Dispositions*

The $12.6 million increase in gain on real estate dispositions is due to higher disposition activity in the third quarter of 2020.

*Income Tax Benefit (Expense)*

The $5.2 million change from income tax expense to an income tax benefit related to continuing operations for the three months ended September 30, 2020 compared to the same period in 2019 is primarily due to operating losses at our TRS entities.

*Nine Months Ended September 30, 2020 and 2019*

The table below shows our results of operations for the nine months ended September 30, 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 Nine Months Ended September 30, | | (Decrease) Increase to Net Income | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| Segment NOI: | | | | |
| Triple-net leased properties | $ 510,234 | $ 569,741 | $ (59,507) | (10.4)% |
| Senior living operations | 402,059 | 467,428 | (65,369) | (14.0) |
| Office operations | 412,548 | 430,493 | (17,945) | (4.2) |
| All other | 66,001 | 69,302 | (3,301) | (4.8) |
| Total segment NOI | 1,390,842 | 1,536,964 | (146,122) | (9.5) |
| Interest and other income | 6,965 | 10,109 | (3,144) | (31.1) |
| Interest expense | (355,333) | (334,955) | (20,378) | (6.1) |
| Depreciation and amortization | (847,797) | (696,710) | (151,087) | (21.7) |
| General, administrative and professional fees | (106,747) | (124,369) | 17,622 | 14.2 |
| Loss on extinguishment of debt, net | (7,386) | (41,861) | 34,475 | 82.4 |
| Merger-related expenses and deal costs | (26,129) | (11,084) | (15,045) | nm |
| Allowance on loans receivable and investments | (34,654) | — | (34,654) | nm |
| Other | (10,624) | 9,294 | (19,918) | nm |
| Income before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests | 9,137 | 347,388 | (338,251) | (97.4) |
| Loss from unconsolidated entities | (15,861) | (2,621) | (13,240) | nm |
| Gain on real estate dispositions | 240,101 | 24,633 | 215,468 | nm |
| Income tax benefit | 95,855 | 57,004 | 38,851 | 68.2 |
| Income from continuing operations | 329,232 | 426,404 | (97,172) | (22.8) |
| Net income | 329,232 | 426,404 | (97,172) | (22.8) |
| Net income attributable to noncontrolling interests | 534 | 4,831 | 4,297 | 88.9 |
| Net income attributable to common stockholders | $ 328,698 | $ 421,573 | (92,875) | (22.0) |

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 September 30, 2020.

| | For the Nine Months Ended September 30, | | (Decrease) Increase to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Segment NOI—Triple-Net Leased Properties:** | | | | |
| Rental income | $ 527,238 | $ 589,833 | $ (62,595) | (10.6)% |
| Less: Property-level operating expenses | (17,004) | (20,092) | 3,088 | 15.4 % |
| Segment NOI | $ 510,234 | $ 569,741 | (59,507) | (10.4) |

nm - not meaningful

The decrease in our triple-net leased properties segment NOI for the nine months ended September 30, 2020 over the same period in 2019 is attributable primarily to the COVID-19 related write-off of previously accrued straight-line rental income during the second quarter of 2020 of $53.3 million (non-Holiday assets), the additional write-off of previously accrued straight-line rental income during the third quarter of 2020 of $14.3 million, lower rental income from the Brookdale lease modification at the start of the third quarter of 2020, and the transition of 26 independent living assets at the start of the second quarter 2020 operated by Holiday from our triple-net portfolio to our senior housing operating portfolio, partially offset by the $50.2 million impact of terminating the Holiday Lease. We will continue to try to collect rent on a contractual basis for the tenants where straight-line rent has been written off, but we have determined that collectability as not probable due to COVID-19.

The following table compares results of operations for our 371 same-store triple-net leased properties.

| | For the Nine Months Ended September 30, | | (Decrease) Increase to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Same-Store Segment NOI—Triple-Net Leased Properties:** | | | | |
| Rental income | $ 450,333 | $ 515,788 | $ (65,455) | (12.7)% |
| Less: Property-level operating expenses | (15,226) | (15,287) | 61 | 0.4 |
| Segment NOI | $ 435,107 | $ 500,501 | (65,394) | (13.1) |

nm - not meaningful

The decrease in our same-store triple-net leased properties rental income for the nine months ended September 30, 2020 over the same period in 2019 is attributable primarily to the COVID-19 related write-off of previously accrued straight-line rental income of $53.3 million during the second quarter of 2020, the additional write-off of previously accrued straight-line rental income during the third quarter of 2020 of $14.3 million and lower rental income from the Brookdale lease modification at the start of the third quarter of 2020, partially offset by rent increases due to contractual escalations pursuant to the terms of our leases. We will continue to try to collect rent on a contractual basis for the tenants where straight-line rent has been written off, but we have determined that collectability is not probable due to COVID-19.

*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 September 30, 2020.

| | For the Nine Months Ended September 30, | | Increase (Decrease) to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Segment NOI—Senior Living Operations:** | | | | |
| Resident fees and services | $ 1,667,421 | $ 1,583,262 | $ 84,159 | 5.3 % |
| Less: Property-level operating expenses | (1,265,362) | (1,115,834) | (149,528) | (13.4) |
| Segment NOI | $ 402,059 | $ 467,428 | (65,369) | (14.0) |

| | Number of Properties at September 30, | | Average Unit Occupancy For the Nine Months Ended September 30, | | Average Monthly Revenue Per Occupied Room For the Nine Months Ended September 30, | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Total communities | 431 | 395 | 82.7 % | 86.3 % | $ 4,811 | $ 5,665 |

The decrease in our senior living operations segment NOI was primarily attributable to lower occupancy and increased operating costs resulting from the COVID-19 pandemic. This is offset by the transition of 26 independent living assets at the start of the second quarter 2020 operated by Holiday from our triple-net portfolio to our senior housing operating portfolio and the third quarter 2019 acquisition of 34 Canadian senior housing communities via an equity partnership with Le Groupe Maurice.

The following table compares results of operations for our 336 same-store senior living operating communities.

| | For the Nine Months Ended September 30, 2020 | For the Nine Months Ended September 30, 2019 | Decrease to Segment NOI $ | Decrease to Segment NOI % |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| **Same-Store Segment NOI—Senior Living Operations:** | | | | |
| Resident fees and services | $ 1,380,821 | $ 1,483,433 | $ (102,612) | (6.9)% |
| Less: Property-level operating expenses | (1,069,714) | (1,030,446) | (39,268) | (3.8) |
| Segment NOI | $ 311,107 | $ 452,987 | (141,880) | (31.3) |

| | Number of Properties at September 30, 2020 | Number of Properties at September 30, 2019 | Average Unit Occupancy For the Nine Months Ended September 30, 2020 | Average Unit Occupancy For the Nine Months Ended September 30, 2019 | Average Monthly Revenue Per Occupied Room For the Nine Months Ended September 30, 2020 | Average Monthly Revenue Per Occupied Room For the Nine Months Ended September 30, 2019 |
|---|---|---|---|---|---|---|
| Same-store communities | 336 | 336 | 80.7 % | 86.9 % | $ 5,808 | $ 5,800 |

The decrease in our same-store senior living operations segment NOI was primarily attributable to lower occupancy rates and increased operating costs resulting from the COVID-19 pandemic.

*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 September 30, 2020.

| | For the Nine Months Ended September 30, 2020 | For the Nine Months Ended September 30, 2019 | (Decrease) Increase to Segment NOI $ | (Decrease) Increase to Segment NOI % |
|---|---|---|---|---|
| | (Dollars in thousands) | | | |
| **Segment NOI—Office Operations:** | | | | |
| Rental income | $ 599,696 | $ 618,555 | $ (18,859) | (3.0)% |
| Office building services revenue | 6,871 | 5,685 | 1,186 | 20.9 |
| Total revenues | 606,567 | 624,240 | (17,673) | (2.8) |
| Less: | | | | |
| Property-level operating expenses | (192,192) | (191,972) | (220) | (0.1) |
| Office building services costs | (1,827) | (1,775) | (52) | (2.9) |
| Segment NOI | $ 412,548 | $ 430,493 | (17,945) | (4.2) |

| | Number of Properties at September 30, 2020 | Number of Properties at September 30, 2019 | Occupancy at September 30, 2020 | Occupancy at September 30, 2019 | Annualized Average Rent Per Occupied Square Foot For the Nine Months Ended September 30, 2020 | Annualized Average Rent Per Occupied Square Foot For the Nine Months Ended September 30, 2019 |
|---|---|---|---|---|---|---|
| Total office buildings | 377 | 384 | 89.9 % | 90.1 % | $ 33 | $ 34 |

The decrease in our office operations segment NOI for the nine months ended September 30, 2020 over the same period in 2019 is attributable primarily to assets sold to the Fund in the first quarter of 2020, lease termination fees received in 2019, and COVID-19 impacts including the write-off of previously accrued straight-line rental income during the third quarter of 2020 and reduced parking revenues, partially offset by active leasing at recently developed properties, continued tenant retention, contractual rent escalators, acquisitions and business interruption insurance proceeds.

The following table compares results of operations for our 358 same-store office buildings.

| | For the Nine Months Ended September 30, | | Increase (Decrease) to Segment NOI | |
|---|---|---|---|---|
| | 2020 | 2019 | $ | % |
| | (Dollars in thousands) | | | |
| **Same-Store Segment NOI—Office Operations:** | | | | |
| Rental income | $ 558,621 | $ 550,760 | $ 7,861 | 1.4 % |
| Less: Property-level operating expenses | (177,814) | (173,658) | (4,156) | (2.4) |
| Segment NOI | $ 380,807 | $ 377,102 | 3,705 | 1.0 |

| | Number of Properties at September 30, | | OccupancySeptember 30, | | Annualized Average Rent Per Occupied Square Foot For the Nine Months Ended September 30, | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Same-store office buildings | 358 | 358 | 91.3 % | 90.9 % | $ 33 | $ 33 |

The increase in our same-store office operations segment NOI for the nine months ended September 30, 2020 over the same period in 2019 is primarily due to strong tenant retention, contractual rent escalators and increasing occupancy, partially offset by COVID-19 impacts including the write-off of previously accrued straight-line rental income during the third quarter of 2020 and reduced parking revenues.

*All Other*

The $3.3 million decrease in all other segment NOI for the nine months ended September 30, 2020 over the same period in 2019 is primarily due to reduced interest income from our loans receivable investments, partially offset by increased management fee revenues from investments in unconsolidated real estate entities. See “Note 5 - Loans Receivable And Investments” and “Note 6 - Investments In Unconsolidated Entities” of the Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q/A.

*Interest and Other Income*

The $3.1 million decrease in interest and other income for the nine months ended September 30, 2020 over the same period in 2019 is primarily due to 2019 income from the exercise of warrants related to our research and innovation properties offset by a 2020 reduction of a liability related to an acquisition and interest income on short term investments.

*Interest Expense*

The $20.4 million increase in total interest expense for the nine months ended September 30, 2020 over the same period in 2019 is primarily attributable to an increase of $55.7 million due to higher debt balances, partially offset by a decrease of $33.7 million due to a lower effective interest rate. Our weighted average effective interest rate was 3.5% and 3.9% for the nine months ended September 30, 2020 and 2019, respectively. Capitalized interest for the nine months ended September 30, 2020 and 2019 was $8.1 million and $5.7 million, respectively.

*Depreciation and Amortization*

The $151.1 million increase in depreciation and amortization expense during the nine months ended September 30, 2020 compared to the same period in 2019, is primarily due to an increase in real estate impairments during 2020 and asset acquisitions, net of dispositions. See “COVID-19 Update” for information regarding 2020 impairment charges.

*Loss on Extinguishment of Debt, Net*

Loss on extinguishment of debt, net for the nine months ended September 30, 2020 was due primarily to the notice of redemption of $236.3 million of our 3.25% senior notes due 2022. Loss on extinguishment of debt, net for the nine months ended September 30, 2019 was due primarily to the $600 million redemption and repayment of our 4.25% senior notes due 2022.

*Merger-Related Expenses and Deal Costs*

The $15.0 million increase in merger-related expenses and deal costs for the nine months ended September 30, 2020 over the same period in 2019 was due primarily to costs incurred as a result of the Brookdale transaction and 2020 expenses related to severance and operator transitions offset by 2019 expenses relating to operator transitions.

*Other*

The $19.9 million change in other for the nine months ended September 30, 2020 over the same period in 2019 is primarily due to increased corporate-level insurance costs in 2020, the change in fair value of stock warrants received in connection with the Brookdale transaction, and insurance recoveries received in 2019 related to natural disasters.

*Loss from Unconsolidated Entities*

The $13.2 million increase in loss from unconsolidated entities for the nine months ended September 30, 2020 over the same period in 2019 is due to an impairment of our investment in an unconsolidated operating entity and our share of operating results from our unconsolidated entities. See “COVID-19 Update” for information regarding 2020 impairment charges.

*Gain on Real Estate Dispositions*

The $215.5 million increase in gain on real estate dispositions to $240.1 million for the nine months ended September 30, 2020 over the same period in 2019 is due primarily to our contribution of six properties to the Fund.

*Income Tax Benefit*

The $38.9 million increase in income tax benefit related to continuing operations for the nine months ended September 30, 2020 compared to the same period in 2019 is primarily due to a $152.9 million deferred tax benefit related to the internal restructuring of certain US taxable REIT subsidiaries completed within the first quarter of 2020, offset by changes in the valuation allowance against deferred tax assets of certain of our TRS entities. 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 U.S. Generally Accepted Accounting Principles (“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/A 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/A.

*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 leases; (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; (h) net expenses or recoveries related to natural disasters and (i) any other incremental items set forth in the normalized FFO reconciliation included herein.

The following table summarizes our FFO and normalized FFO for the three and nine months ended September 30, 2020 and 2019. The decrease in normalized FFO for the nine months ended September 30, 2020 over the same period in 2019 is principally due to the impact of COVID-19 on our senior housing business and increases in interest expense from incremental borrowings arising as a consequence of the impact of COVID-19, partially offset by the positive impact of our third quarter 2019 acquisition of an interest in 34 Canadian senior housing communities via an equity partnership with Le Groupe Maurice. See “COVID-19 Update”.

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands) | | | |
| Net income attributable to common stockholders | $ 12,751 | $ 85,259 | $ 328,698 | $ 421,573 |
| Adjustments: | | | | |
| Real estate depreciation and amortization | 247,969 | 233,078 | 843,409 | 692,179 |
| Real estate depreciation related to noncontrolling interests | (4,475) | (2,496) | (12,386) | (6,080) |
| Real estate depreciation related to unconsolidated entities | 1,360 | (456) | 3,228 | (124) |
| Gain on real estate dispositions related to unconsolidated entities | — | (67) | — | (868) |
| (Loss) gain on real estate dispositions related to noncontrolling interests | — | — | (9) | 354 |
| Gain on real estate dispositions | (12,622) | (36) | (240,101) | (24,633) |
| FFO attributable to common stockholders | 244,983 | 315,282 | 922,839 | 1,082,401 |
| Adjustments: | | | | |
| Change in fair value of financial instruments | 1,157 | (7) | 1,134 | (56) |
| Non-cash income tax (benefit) expense | (4,763) | 946 | (90,153) | (60,248) |
| Loss on extinguishment of debt, net | 7,386 | 37,434 | 7,386 | 41,861 |
| Gain on non-real estate dispositions related to unconsolidated entities | (244) | (34) | (5) | (37) |
| Merger-related expenses, deal costs and re-audit costs | 12,793 | 4,726 | 28,171 | 13,119 |
| Amortization of other intangibles | 118 | 121 | 354 | 363 |
| Other items related to unconsolidated entities | 290 | 502 | (848) | 2,917 |
| Non-cash impact of changes to equity plan | (1,923) | 1,729 | 1,635 | 6,647 |
| Natural disaster expenses (recoveries), net | 125 | (101) | 1,318 | (14,979) |
| Impact of Holiday lease termination | — | — | (50,184) | — |
| Write-off of straightline rental income, net of noncontrolling interests | 18,408 | — | 70,776 | — |
| Allowance on loan investments and impairment of unconsolidated entities, net of noncontrolling interests | 4,635 | — | 44,955 | — |
| Normalized FFO attributable to common stockholders | $ 282,965 | $ 360,598 | $ 937,378 | $ 1,071,988 |

*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 before interest, taxes, depreciation and amortization (including non-cash stock-based compensation expense, asset impairment and valuation allowances), 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 leases, 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 (loss) income attributable to common stockholders to Adjusted EBITDA:

| | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands) | | | |
| Net income attributable to common stockholders | $ 12,751 | $ 85,259 | $ 328,698 | $ 421,573 |
| Adjustments: | | | | |
| Interest | 115,505 | 113,967 | 355,333 | 334,955 |
| Loss on extinguishment of debt, net | 7,386 | 37,434 | 7,386 | 41,861 |
| Taxes (including tax amounts in general, administrative and professional fees) | (1,849) | 3,080 | (92,056) | (54,218) |
| Depreciation and amortization | 249,366 | 234,603 | 847,797 | 696,710 |
| Non-cash stock-based compensation expense | 5,765 | 8,195 | 17,322 | 26,670 |
| Merger-related expenses, deal costs and re-audit costs | 11,325 | 4,304 | 26,128 | 11,095 |
| Net income attributable to noncontrolling interests, adjusted for consolidated joint venture partners' share of EBITDA | (6,359) | (4,136) | (18,096) | (10,209) |
| Loss from unconsolidated entities, adjusted for Ventas share of EBITDA from unconsolidated entities | 11,811 | 8,120 | 39,983 | 24,887 |
| Gain on real estate dispositions | (12,622) | (36) | (240,100) | (24,633) |
| Unrealized foreign currency gains | (146) | (233) | (152) | (925) |
| Change in fair value of financial instruments | 1,155 | (14) | 1,133 | (81) |
| Natural disaster expenses (recoveries), net | 181 | (93) | 1,162 | (15,050) |
| Impact of Holiday lease termination | — | — | (50,184) | — |
| Write-off of straightline rental income, net of noncontrolling interests | 18,408 | — | 70,776 | — |
| Allowance on loan investments and impairment of unconsolidated entities, net of noncontrolling interests | 4,635 | — | 44,955 | — |
| Adjusted EBITDA | $ 417,312 | $ 490,450 | $ 1,340,085 | $ 1,452,635 |

***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 September 30, | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | (In thousands) | | | |
| Net income attributable to common stockholders | $ 12,751 | $ 85,259 | $ 328,698 | $ 421,573 |
| Adjustments: | | | | |
| Interest and other income | (572) | (620) | (6,965) | (10,109) |
| Interest | 115,505 | 113,967 | 355,333 | 334,955 |
| Depreciation and amortization | 249,366 | 234,603 | 847,797 | 696,710 |
| General, administrative and professional fees | 34,228 | 40,530 | 106,747 | 124,369 |
| Loss on extinguishment of debt, net | 7,386 | 37,434 | 7,386 | 41,861 |
| Merger-related expenses and deal costs | 11,325 | 4,304 | 26,129 | 11,084 |
| Allowance on loans receivable and investments | 4,999 | — | 34,654 | — |
| Other | 3,534 | 2,164 | 10,624 | (9,294) |
| Net income attributable to noncontrolling interests | 986 | 1,659 | 534 | 4,831 |
| (Income) loss from unconsolidated entities | (865) | (854) | 15,861 | 2,621 |
| Income tax (benefit) expense | (3,195) | 2,005 | (95,855) | (57,004) |
| Gain on real estate dispositions | (12,622) | (36) | (240,101) | (24,633) |
| NOI | $ 422,826 | $ 520,415 | $ 1,390,842 | $ 1,536,964 |

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 nine months ended September 30, 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. Depending upon the availability of external capital, we believe our liquidity is sufficient to fund these uses of cash. 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.”

### *Recent Capital Conservation Actions*

In September 2020, our Board of Directors declared a third quarter 2020 dividend of $0.45 per share, which was paid in October. This was consistent with the second quarter dividend, which was a reduction from the first quarter dividend of $0.7925 per share. This measure enabled us to conserve approximately $130 million of cash per quarter compared to the prior dividend level. Also, in June, we eliminated roles representing over 25% of our corporate positions, excluding onsite field personnel. For the second half of 2020, the base salaries of our CEO and other executive officers were voluntarily reduced by 20% and 10%, respectively. As a result of these capital conservation actions, our third quarter 2020 annualized general and administrative expenses are approximately $29 million lower than our reported general and administrative expenses for full-year 2019.

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/A 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%. 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 September 30, 2020, we had no borrowings outstanding under our commercial paper program.

As of September 30, 2020, $41.5 million was outstanding under the unsecured revolving credit facility with an additional $24.9 million restricted to support outstanding letters of credit. In addition, we limit our utilization of the unsecured revolving credit facility, to the extent necessary, to support our commercial paper program when commercial paper notes are outstanding. We had $2.9 billion in available liquidity under the unsecured revolving credit facility as of September 30, 2020.

As of September 30, 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 September 30, 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 September 30, 2020, we had a $400.0 million secured revolving construction credit facility with $164.6 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 priced a public offering of $500.0 million aggregate principal amount of 4.75% senior notes due 2030 at an amount equal to 97.86% of par. The notes were issued and proceeds were received in April 2020.

In October 2020, we redeemed, pursuant to a cash tender offer, $236.3 million aggregate principal amount then outstanding of our 3.25% senior notes due 2022 at 104.14% of par value, plus accrued and unpaid interest to the payment date. Tender offer results were given in September 2020 and, as a result, we recognized a non-cash charge to loss on extinguishment of debt of $7.4 million in September 2020 and will recognize an additional loss of $3.5 million in October 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 nine months ended September 30, 2020, we sold 0.8 million shares of common stock under our ATM program for gross proceeds of $45.07 per share. As of September 30, 2020, $785.0 million of our common stock remained available for sale under our ATM program .

In October 2020, we sold 0.7 million shares of common stock under our ATM program for gross proceeds of $44.65 per share.

***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 Nine Months Ended September 30, | | 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 | 1,154,413 | 1,083,548 | 70,865 | 6.5 |
| Net cash provided by (used in) investing activities | 186,625 | (1,421,879) | 1,608,504 | nm |
| Net cash (used in) provided by financing activities | (857,699) | 415,067 | (1,272,766) | nm |
| Effect of foreign currency translation | (951) | 396 | (1,347) | nm |
| Cash, cash equivalents and restricted cash at end of period | $ 628,490 | $ 208,596 | 419,894 | nm |

nm - not meaningful

*Cash Flows from Operating Activities*

Cash flows from operating activities increased $70.9 million during the nine months ended September 30, 2020 over the same period in 2019 due primarily to an increase in accounts payable and other liabilities as a result of deferred revenue recorded in connection with the up-front consideration received with the Brookdale transaction, partially offset by lower NOI.

*Cash Flows from Investing Activities*

Cash flows from investing activities increased $1.6 billion during the nine months ended September 30, 2020 over the same period in 2019 primarily due to decreased acquisitions and investments activity in addition to increased proceeds from real estate dispositions.

*Cash Flows from Financing Activities*

Cash flows used in financing activities decreased $1.3 billion during the nine months ended September 30, 2020 over the same period in 2019 primarily due to the issuance of common stock in 2019 and decreased debt borrowings during 2020, net of repayments.

***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 September 30, 2020, we had 19 properties under development pursuant to these agreements, including one property that is owned by an unconsolidated real estate entity. 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 September 30, 2020 and December 31, 2019 and for the three and nine months ended September 30, 2020 and the year ended December 31, 2019.

**Balance Sheet Information**

| | As of September 30, 2020 | |
|---|---|---|
| | Guarantor | Issuer |
| | (In thousands) | |
| **Assets** | | |
| Investment in and advances to affiliates | $ 16,288,715 | $ 2,727,953 |
| Total assets | 16,895,222 | 2,846,246 |
| **Liabilities and equity** | | |
| Intercompany loans | 10,550,563 | (4,817,595) |
| Total liabilities | 10,764,265 | 3,527,320 |
| Redeemable OP unitholder and noncontrolling interests | 119,728 | — |
| Total equity (deficit) | 6,011,229 | (681,073) |
| Total liabilities and equity | 16,895,222 | 2,846,246 |

**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 Nine Months Ended September 30, 2020 | |
|---|---|---|
| | Guarantor | Issuer |
| | (In thousands) | |
| Equity earnings in affiliates | $ 386,635 | $ — |
| Total revenues | 391,890 | 107,539 |
| Income (loss) before unconsolidated entities, real estate dispositions, income taxes and noncontrolling interests | 329,760 | (163,747) |
| Net income (loss) | 328,698 | (151,106) |
| Net income (loss) attributable to common stockholders | 328,698 | (151,106) |

**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 September 30, 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 $544.2 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 September 30, 2020 | As of December 31, 2019 |
|---|---|---|
| | (In thousands) | |
| Gross book value | $ 10,656,616 | $ 10,270,402 |
| Fair value | 11,408,266 | 10,784,441 |
| Fair value reflecting change in interest rates: | | |
| -100 basis points | 12,063,942 | 11,438,507 |
| +100 basis points | 10,821,236 | 10,196,943 |

The increase in our fixed rate debt from December 31, 2019 to September 30, 2020 was due primarily to the issuance of senior notes in 2020, partially offset by the change in presentation of the secured revolving construction credit facility to variable rate debt. The secured revolving construction credit facility was previously reflected as fixed rate debt due to an interest rate swap which had effectively converted the associated interest expense from variable to fixed until its expiration in August 2020.

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

| | As of September 30, 2020 | As of December 31, 2019 | As of September 30, 2019 |
|---|---|---|---|
| | | (Dollars in thousands) | |
| **Balance:** | | | |
| Fixed rate: | | | |
| Senior notes | $ 9,057,583 | $ 8,584,056 | $ 8,110,614 |
| Unsecured term loans | 200,000 | 200,000 | 200,000 |
| Secured revolving construction credit facility | — | 160,492 | 143,108 |
| Mortgage loans and other | 1,399,033 | 1,325,854 | 1,284,690 |
| Variable rate: | | | |
| Senior notes | 225,242 | 231,018 | — |
| Unsecured revolving credit facility | 41,484 | 120,787 | 983,788 |
| Unsecured term loans | 375,404 | 385,030 | 377,672 |
| Commercial paper notes | — | 567,450 | 305,000 |
| Secured revolving construction credit facility | 164,585 | — | — |
| Mortgage loans and other | 677,337 | 671,115 | 735,548 |
| Total | $ 12,140,668 | $ 12,245,802 | $ 12,140,420 |
| **Percentage of total debt:** | | | |
| Fixed rate: | | | |
| Senior notes | 74.6 % | 70.1 % | 66.8 % |
| Unsecured term loans | 1.6 | 1.6 | 1.6 |
| Secured revolving construction credit facility | — | 1.3 | 1.2 |
| Mortgage loans and other | 11.5 | 10.8 | 10.6 |
| Variable rate: | | | |
| Senior notes | 1.9 | 1.9 | — |
| Unsecured revolving credit facility | 0.3 | 1.0 | 8.1 |
| Unsecured term loans | 3.1 | 3.1 | 3.1 |
| Commercial paper notes | — | 4.7 | 2.5 |
| Secured revolving construction credit facility | 1.4 | — | — |
| Mortgage loans and other | 5.6 | 5.5 | 6.1 |
| Total | 100.0 % | 100.0 % | 100.0 % |
| **Weighted average interest rate at end of period:** | | | |
| Fixed rate: | | | |
| Senior notes | 3.7 % | 3.7 % | 3.7 % |
| Unsecured term loans | 3.6 | 2.0 | 2.0 |
| Secured revolving construction credit facility | — | 4.5 | 4.5 |
| Mortgage loans and other | 3.6 | 3.7 | 3.8 |
| Variable rate: | | | |
| Senior notes | 1.1 | 2.5 | — |
| Unsecured revolving credit facility | 1.1 | 2.4 | 2.8 |
| Unsecured term loans | 1.4 | 2.9 | 2.9 |
| Commercial paper notes | — | 2.0 | 2.3 |
| Secured revolving construction credit facility | 1.9 | — | — |
| Mortgage loans and other | 1.9 | 3.4 | 3.4 |
| Total | 3.5 | 3.5 | 3.5 |

The variable rate debt in the table above reflects, in part, the effect of $147.5 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 $306.6 million and C$146.5 million notional amount of interest rate swaps with maturities ranging from January 2023 to December 2029 in each case that effectively convert variable rate debt to fixed rate debt.

The decrease in our outstanding variable rate debt at September 30, 2020 compared to December 31, 2019 is primarily attributable to repayments of our commercial paper program, partially offset by the change in presentation of the secured revolving construction credit facility to variable rate debt. The secured revolving construction credit facility was previously reflected as fixed rate debt due to an interest rate swap which had effectively converted the associated interest expense from variable to fixed until its expiration in August 2020.

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 September 30, 2020, interest expense on an annualized basis would increase by approximately $13.8 million, or $0.04 per diluted common share.

As of September 30, 2020 and December 31, 2019, our joint venture partners' aggregate share of total debt was $260.0 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 $120.8 million and $60.6 million as of September 30, 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 nine months ended September 30, 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 and nine months ended September 30, 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 September 30, 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 September 30, 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 third 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.

## PART II—OTHER INFORMATION

### 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/A 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 SEC on February 24, 2020 (the “2019 Form 10-K”) and Part II, Item 1A. “Risk Factors” of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 filed with the SEC on April 8, 2020 (the “Q1 2020 Form 10-Q”) based on information currently known to us and recent developments since the date of the Q1 2020 Form 10-Q. The matters discussed below should be read in conjunction with the risk factors set forth in the 2019 Form 10-K and the Q1 2020 Form 10-Q. 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 and the Q1 2020 Form 10-Q. 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.

***There is a high degree of uncertainty regarding the implementation and impact of the CARES Act and future stimulus or other COVID-19 relief legislation, if any. There can be no assurance as to the total amount of financial assistance we will receive or that we will be able to comply with the applicable terms and conditions to retain such assistance.***

The CARES Act was signed into law on March 27, 2020, in response to the COVID-19 pandemic. The PPPHCE Act, an expansion of the CARES Act that includes additional emergency appropriations, was signed into law on April 24, 2020. Together, the CARES Act and PPPHCE Act authorize $175 billion in funding to be distributed to healthcare providers through the Provider Relief Fund administered by HHS. These funds must be used to prevent, prepare for and respond to COVID-19 and reimburse healthcare-related expenses or lost revenues attributable to COVID-19. Under current guidance, which could change, distributions from the Provider Relief Fund are not subject to repayment, provided that the recipient uses the funds first for expenses attributable to COVID-19 and then for lost revenue attributable to COVID-19, and is able to attest to and comply with certain terms and conditions, including not using funds received from the Provider Relief Fund to reimburse expenses or losses that other sources are obligated to reimburse, providing detailed reporting to HHS, maintaining records in accordance with law and submitting to government audit and investigation. HHS has paid or allocated a portion of the total Provider Relief Fund, but may change the existing guidelines, and has not yet announced the precise method by which some future payments from the Provider Relief Fund will be determined or allocated.

We have applied for funding under Phase II and Phase III of the Provider Relief Fund on behalf of the assisted living communities in our senior living operating business and may apply for additional funding in the future. While we have begun to receive amounts under some of our Phase II applications, there can be no assurance that all our applications will be approved or that additional funds will ultimately be received in full or in part. The Company continues to evaluate the terms, conditions and permitted uses associated with the grants, including the requirements and restrictions imposed by HHS, and is in the process of determining what portions of these grants the Company will be able to retain and use. Any funds that are ultimately received and retained by us are not expected to fully offset the losses incurred in the Company’s senior living operating portfolio that are attributable to COVID-19.

We will be required to attest to and comply with the terms and conditions of any funding that we receive under the Provider Relief Fund, and to track our use of the funds in order to demonstrate such compliance. We cannot assure you that we will be in compliance with all requirements related to the payments received under the Provider Relief Fund. If we fail to appropriately comply with all of the terms and conditions, we may be required to repay some or all of these amounts and may be subject to other enforcement action, which could have a material adverse impact.

Due to the recent enactment of the CARES Act, the PPPHCE Act and other enacted legislation, there is still a high degree of uncertainty surrounding the implementation of such legislation. There can be no assurance that the terms and conditions of provider relief funding or other relief programs will not change or be interpreted in ways that affect our ability to comply with such terms and conditions in the future (which could affect our ability to retain any funding that we receive), the amount of total stimulus funding we may ultimately receive or our eligibility to participate in any future stimulus funding. We continue to assess the potential impact of the COVID-19 pandemic and government responses to the pandemic on our business, results of operations, financial position and cash flows.

## 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 September 30, 2020.

| | Number of Shares Repurchased [(1)] | Average Price Per Share |
|---|---|---|
| July 1 through July 31 | 5,263 | $ 37.72 |
| August 1 through August 31 | 308 | 41.13 |
| September 1 through September 30 | 635 | 43.62 |

(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 |
|---|---|
| 22 | List of Guarantors and Issuers of Guaranteed Securities. |
| 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. |
| 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. |
| 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. |
| 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. |
| 101 | The following materials from the Company's Quarterly Report on Form 10-Q/A for the fiscal quarter ended September 30, 2020, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Equity, (v) the Consolidated Statements of Cash Flows and (vi) Notes to the Consolidated Financial Statements. |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL). |

## 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: November 6, 2020

| | |
|---|---|
| VENTAS, INC. | |
| By: | /s/ DEBRA A. CAFARO<br>Debra A. Cafaro<br>Chairman and<br>Chief Executive Officer |
| By: | /s/ ROBERT F. PROBST<br>Robert F. Probst<br>Executive Vice President and<br>Chief Financial Officer |

**Exhibit 22**

**List of Guarantors and Issuers of Guaranteed Securities**

As of September 30, 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 |
| 4.75% 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 |

**Exhibit 31.1**

I, Debra A. Cafaro, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A 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: November 6, 2020

/s/ DEBRA A. CAFARO

Debra A. Cafaro
*Chairman and Chief Executive Officer*

**Exhibit 31.2**

I, Robert F. Probst, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A 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: November 6, 2020

/s/ ROBERT F. PROBST

Robert F. Probst
*Executive Vice President and Chief Financial Officer*

**Exhibit 32.1**

**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/A of Ventas, Inc. (the "Company") for the period ended September 30, 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: November 6, 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.

**Exhibit 32.2**

**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/A of Ventas, Inc. (the "Company") for the period ended September 30, 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: November 6, 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.