Court Grants Ventas Motion and Again Orders Kindred to Disclose Inter-Company Pharmacy Profit Information to Ventas

September 27, 2006

Kindred Failed to Comply With Court's Prior Orders

LOUISVILLE, Ky., Sept. 27 /PRNewswire-FirstCall/ -- Ventas, Inc. (NYSE: VTR) ("Ventas" or the "Company") said today that the Supreme Court of the State of New York, County of New York (the "Court") has once again ordered its tenant Kindred Healthcare, Inc. (NYSE: KND) ("Kindred") to produce sufficient information to determine inter-company pharmacy profits at Ventas facilities.

The Court previously ordered Kindred to provide the inter-company pharmacy information to Ventas. However, in contravention of the Court orders, Kindred has not yet produced the information. Rejecting Kindred's argument that it does not have the pharmacy information, the Court found it "inconceivable" that Kindred does not have the inter-company pharmacy information it previously ordered Kindred to produce.

"We are pleased with another Court ruling in favor of Ventas. We have always advocated -- and the Court has ordered -- 'full transparency' from Kindred as part of the Rent Reset process. Yet Kindred has repeatedly chosen to withhold information and contravene the Court directives," Ventas Chairman, President and CEO Debra A. Cafaro said.

In June, Kindred sued Ventas to prevent it from exercising remedies such as termination under the four Master Leases between the two companies (the "Master Leases") because of Kindred's refusal to turn over certain reports in Kindred's possession or control regarding Ventas's 225 healthcare facilities leased by Ventas to Kindred. Since then, the Court has granted Ventas's motion to dismiss Kindred's complaint, refused to grant Kindred's request for injunctive relief, and retained jurisdiction to insure compliance by Kindred with the Court's orders regarding disclosure of information. Both parties have filed appeals of various aspects of the Court's decisions.

The Court did not further order Kindred to turn over to Ventas information about Kindred's leases and properties with other third party landlords. A substantial portion of this information has already been provided by Kindred.

Ventas initiated the Rent Reset process under the four Master Leases on May 9 by delivering notices to Kindred. On August 8, Ventas and Kindred announced that they had agreed upon the Final Appraisers to complete the Fair Market Rental determinations under the Master Leases. Under the Master Leases, the Final Appraisers should deliver their determinations of Fair Market Rental for Ventas's properties, including a market escalation provision, in early October 2006.

After receiving that determination, Ventas will have 30 days to decide, on a Master Lease-by-Master Lease basis, whether to opt in to the new rent and escalation schedule provided by the applicable Final Appraiser, or whether to retain its current base rent schedule and 3.5 percent annual rent escalation. If Ventas does not make an election to adopt the new Fair Market Rental schedule for a particular Master Lease, then the existing terms and provisions of that Master Lease, including base rent and 3.5 percent annual rent escalations, will remain in place. If Ventas elects the new Fair Market Rental schedule for any Master Lease, the increased base rent will be retroactive to July 19, 2006 and any revised rent escalation will take effect May 1, 2007. In addition, Ventas will pay Kindred a pro rata portion of a $4.6 million aggregate reset fee applicable to all of the Master Leases. Currently, aggregate annual base rent under all Master Leases is $206 million and annual rent escalation is 3.5 percent.

The determination of Fair Market Rental under the Rent Reset is dependent on and may be influenced by a variety of factors including market conditions, reimbursement rates and cash flow to rent coverages applicable to healthcare facilities. It is highly speculative and there can be no assurances (and Ventas is expressing no views) regarding the final determination of the Fair Market Rental. If Fair Market Rental is determined by the appraisal process in the Master Leases, it is subject to the inherent risks, uncertainties, subjectivity and judgment contained in any appraisal process. The Final Appraiser's determination regarding Fair Market Rental amounts or escalations for Ventas's 225 healthcare facilities that are covered by the Master Leases could materially differ from Ventas's estimates, analysis or proposals.

Ventas, Inc. is a leading healthcare real estate investment trust that is the nation's largest owner of seniors housing and long-term care assets. Its diverse portfolio of properties located in 42 states includes independent and assisted living facilities, skilled nursing facilities, hospitals and medical office buildings. More information about Ventas can be found on its website at http://www.ventasreit.com .

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements regarding Ventas, Inc.'s ("Ventas" or the "Company") and its subsidiaries' expected future financial position, results of operations, cash flows, funds from operations, dividends and dividend plans, financing plans, business strategy, budgets, projected costs, capital expenditures, competitive positions, growth opportunities, expected lease income, continued qualification as a real estate investment trust ("REIT"), plans and objectives of management for future operations and statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will" and other similar expressions are forward-looking statements. Such forward-looking statements are inherently uncertain, and security holders must recognize that actual results may differ from the Company's expectations. The Company does not undertake a duty to update such forward-looking statements, which speak only as of the date on which they are made.

The Company's actual future results and trends may differ materially depending on a variety of factors discussed in the Company's filings with the Securities and Exchange Commission. Factors that may affect the Company's plans or results include without limitation: (a) the ability and willingness of the Company's operators, tenants, borrowers and other third parties to meet and/or perform the obligations under their various contractual arrangements with the Company; (b) the ability and willingness of Kindred Healthcare, Inc. (together with its subsidiaries, "Kindred"), Brookdale Living Communities, Inc. (together with its subsidiaries, "Brookdale") and Alterra Healthcare Corporation (together with its subsidiaries, "Alterra") to meet

and/or perform their obligations to indemnify, defend and hold the Company harmless from and against various claims, litigation and liabilities under the Company's respective contractual arrangements with Kindred, Brookdale and Alterra; (c) the ability of the Company's operators, tenants and borrowers to maintain the financial strength and liquidity necessary to satisfy their respective obligations and liabilities, including without limitation obligations under their existing credit facilities; (d) the Company's success in implementing its business strategy and the Company's ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions or investments, including those in different asset types and outside the United States; (e) the nature and extent of future competition; (f) the extent of future or pending healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates; (g) increases in the Company's cost of borrowing; (h) the ability of the Company's operators to deliver high quality care and to attract patients; (i) the results of litigation affecting the Company; (j) changes in general economic conditions and/or economic conditions in the markets in which the Company may, from time to time, compete; (k) the Company's ability to pay down, refinance, restructure and/or extend its indebtedness as it becomes due; (l) the movement of interest rates and the resulting impact on the value of and the accounting for the Company's interest rate swap agreement; (m) the Company's ability and willingness to maintain its qualification as a REIT due to economic, market, legal, tax or other considerations; (n) final determination of the Company's taxable net income for the year ended December 31, 2005 and for the year ending December 31, 2006; (o) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases and the Company's ability to relet its properties on the same or better terms in the event such leases expire and are not renewed by the existing tenants; (p) the impact on the liquidity, financial condition and results of operations of the Company's operators, tenants and borrowers resulting from increased operating costs and uninsured liabilities for professional liability claims, and the ability of the Company's operators, tenants and borrowers and to accurately estimate the magnitude of such liabilities; and (q) the value of the Company's rental reset right with Kindred, which is dependent on a variety of factors and is highly speculative. Many of such factors are beyond the control of the Company and its management.

SOURCE Ventas, Inc.
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(VTR KND)

CO: Ventas, Inc.; Kindred Healthcare, Inc.; Supreme Court of the State of New York, County of New York
ST: Kentucky
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