



Ventas Reaches Favorable Agreements With Kindred Healthcare on Lease Renewals

October 1, 2013

Ventas Launches Re-Leasing Program for 60 Skilled Nursing Facilities

CHICAGO--(BUSINESS WIRE)--Oct. 1, 2013-- Ventas, Inc. (NYSE: VTR) ("Ventas" or the "Company") announced today that it has entered into favorable agreements with its tenant Kindred Healthcare, Inc. (NYSE: KND) to extend the leases on 48 of the 108 licensed healthcare assets whose lease term was scheduled to expire on April 30, 2015 (the "2015 Renewal Assets"). Annual rent on these 48 assets will increase by \$15 million effective October 1, 2014. Additionally, Kindred has agreed to pay Ventas \$20 million in connection with the execution of these agreements.

"These agreements create certainty for two-thirds of the existing rent for the 2015 renewals and provide an immediate path for Ventas to re-lease the remaining assets," Ventas Chairman and Chief Executive Officer Debra A. Cafaro said. "Ventas and Kindred worked expeditiously and cooperatively to craft mutually beneficial arrangements that will enhance value for both companies' shareholders and reinforce the positive long-term relationship between the companies," she added.

The 2015 Renewal Assets consist of 86 skilled nursing facilities ("SNFs") and 22 long-term acute care hospitals ("LTACs").

(\$ in millions)	Cash Rent	Contractual Rent Increase
Facilities	2013	10/1/14
Renewed (26 SNFs and 22 LTACs)	\$78	\$15
60 SNFs	60	N/A
Total	138	N/A
Total Rent Renewed as a % of Total 2013 Annual Rent		67%

Ventas stated that it is immediately launching its re-leasing program for the remaining 60 SNFs in the 2015 Renewal Assets (the "Re-leasing Assets"). As part of their agreements, Ventas and Kindred agreed to accelerate the expiration of the lease term for the Re-leasing Assets to September 30, 2014. Kindred has also agreed that Ventas will be entitled to transition the Re-leasing Assets to new operators prior to September 30, 2014, at no financial detriment to Ventas.

Ventas's current annualized net operating income ("NOI") approximates \$1.6 billion. Because the new lease arrangements will take effect in the fourth quarter of 2014, the Company does not expect them to have a material impact on 2013 or 2014 normalized Funds From Operations ("FFO"). Ventas expects the transactions described in this Press Release to result in a net \$3 million to (\$9 million), or \$0.01 to (\$0.03) per share, impact on Ventas's normalized FFO in 2015.

Although the Company expects to successfully re-tenant all of the Re-leasing Assets prior to the end of 2014, there can be no assurance that the Company will be able to reposition these assets on a timely basis, if at all, or that expected normalized FFO and NOI results will be achieved.

Ventas, Inc., an S&P 500 company, is a leading real estate investment trust. Its diverse portfolio of more than 1,400 assets in 47 states (including the District of Columbia) and two Canadian provinces consists of seniors housing communities, skilled nursing facilities, hospitals, medical office buildings and other properties. Through its Lillibridge subsidiary, Ventas provides management, leasing, marketing, facility development and advisory services to highly rated hospitals and health systems throughout the United States. More information about Ventas and Lillibridge can be found at www.ventasreit.com and www.lillibridge.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 the Company's or its tenants', operators', borrowers' or managers' expected future financial condition, results of operations, cash flows, funds from operations, dividends and dividend plans, financing opportunities and plans, capital markets transactions, business strategy, budgets, projected costs, operating metrics, capital expenditures, competitive positions, acquisitions, investment opportunities, dispositions, merger integration, growth opportunities, expected lease income, continued qualification as a real estate investment trust ("REIT"), plans and objectives of management for future operations and statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will" and other similar expressions are forward-looking statements. These forward-looking statements are inherently uncertain, and actual results may differ from the Company's expectations. The Company does not undertake a duty to update these 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 from expectations depending on a variety of factors discussed in the Company's filings with the Securities and Exchange Commission. These factors include without limitation: (a) the ability and willingness of the Company's tenants,

operators, borrowers, managers and other third parties to satisfy their obligations under their respective contractual arrangements with the Company, including, in some cases, their obligations to indemnify, defend and hold harmless the Company from and against various claims, litigation and liabilities; (b) the ability of the Company's 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; (c) the Company's success in implementing its business strategy and the Company's ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments, including investments in different asset types and outside the United States; (d) macroeconomic conditions such as a disruption of or lack of access to the capital markets, changes in the debt rating on U.S. government securities, default or delay in payment by the United States of its obligations, and changes in the federal budget resulting in the reduction or nonpayment of Medicare or Medicaid reimbursement rates; (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 borrowing costs as a result of changes in interest rates and other factors; (h) the ability of the Company's operators and managers, as applicable, to comply with laws, rules and regulations in the operation of the Company's properties, to deliver high-quality services, to attract and retain qualified personnel and to attract residents and patients; (i) changes in general economic conditions or economic conditions in the markets in which the Company may, from time to time, compete, and the effect of those changes on the Company's revenues, earnings and funding sources; (j) the Company's ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (k) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; (l) final determination of the Company's taxable net income for the year ended December 31, 2012 and for the year ending December 31, 2013; (m) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases, the Company's ability to reposition its properties on the same or better terms in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations, including indemnification obligations, the Company may incur in connection with the replacement of an existing tenant; (n) risks associated with the Company's senior living operating portfolio, such as factors that can cause volatility in the Company's operating income and earnings generated by those properties, including without limitation national and regional economic conditions, 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; (o) changes in U.S. and Canadian currency exchange rates; (p) year-over-year changes in the Consumer Price Index and the effect of those changes on the rent escalators contained in the Company's leases, including the rent escalators for two of the Company's master lease agreements with Kindred Healthcare, Inc., and the Company's earnings; (q) the Company's ability and the ability of its tenants, operators, borrowers and managers to obtain and maintain adequate property, liability and other insurance from reputable, financially stable providers; (r) the impact of increased operating costs and uninsured professional liability claims on the Company's liquidity, financial condition and results of operations or that of the Company's tenants, operators, borrowers and managers, and the ability of the Company and the Company's tenants, operators, borrowers and managers to accurately estimate the magnitude of those claims; (s) risks associated with the Company's medical office building ("MOB") portfolio and operations, including the Company's ability to successfully design, develop and manage MOBs, to accurately estimate its costs in fixed fee-for-service projects and to retain key personnel; (t) the ability of the hospitals on or near whose campuses the Company's MOBs are located and their affiliated health systems to remain competitive and financially viable and to attract physicians and physician groups; (u) the Company's ability to build, maintain and expand its relationships with existing and prospective hospital and health system clients; (v) risks associated with the Company's investments in joint ventures and unconsolidated entities, including its lack of sole decision-making authority and its reliance on its joint venture partners' financial condition; (w) the impact of market or issuer events on the liquidity or value of the Company's investments in marketable securities; (x) merger and acquisition activity in the healthcare and seniors housing industries resulting in a change of control of, or a competitor's investment in, one or more of the Company's tenants, operators, borrowers or managers or significant changes in the senior management of the Company's tenants, operators, borrowers or managers; and (y) the impact of litigation or any financial, accounting, legal or regulatory issues that may affect the Company or its tenants, operators, borrowers or managers. Many of these factors are beyond the control of the Company and its management.

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