



Ventas Completes Investment in High Quality Canadian Senior Housing Portfolio in Partnership with Le Groupe Maurice

September 4, 2019

- **Further Diversifies Ventas's Portfolio, Business Model, Geographic and Operator Base**
- **High Quality Portfolio of Apartment-Like Senior Housing Communities in Attractive Quebec Market**
- **Growth Expected from Lease-Up Assets, In-Progress Developments and Exclusive Rights to Future Developments**
- **Establishes New Platform for Growth with Le Groupe Maurice Building on Ventas's Successful Strategy with Leading Operators**
- **Expected to be Accretive to Normalized FFO in 2020**

CHICAGO--(BUSINESS WIRE)--Sep. 4, 2019-- Ventas, Inc. (NYSE: VTR) ("Ventas" or the "Company") announced today that it has completed its investment in a Class A portfolio of apartment-like senior housing assets in the attractive Quebec market through an equity partnership with Le Groupe Maurice ("LGM"). LGM is a best-in-class, fully integrated designer, developer and operator of senior housing. LGM will continue to manage the portfolio under the Le Groupe Maurice brand, maintaining its vision for service, quality and innovation.

"We are pleased to complete our compelling investment with Le Groupe Maurice in its outstanding portfolio, with stable cash flows, strong occupancy and built-in growth from existing and new developments," said Debra A. Cafaro, Ventas Chairman and Chief Executive Officer. "We are delighted to partner with Luc Maurice and his outstanding team as we enter the attractive Quebec seniors market," Cafaro added.

The President and Founder of Le Groupe Maurice, Luc Maurice, said: "We are very excited about our new partnership with Ventas and look forward to growing our business together as we continue to meet the needs of seniors for an outstanding lifestyle. We expect to embrace the many opportunities we have to create value."

The high quality portfolio is valued at USD \$1.8 billion, consisting of a highly occupied stabilized portfolio, together with communities in lease-up and assets currently in development. Ventas also has rights to fund and own all additional developments under an exclusive pipeline agreement with LGM, creating a new platform for growth.

The LGM investment diversifies Ventas's portfolio, business model and operator base. Upon completion of the investment, on a pro forma basis:

- Net operating income ("NOI") from the Company's Canadian senior housing operating property ("SHOP") portfolio is expected to total 22 percent of the Company's total annualized SHOP NOI, an increase of 10 percentage points;
- Ventas's Canadian assets will represent 8 percent of the Company's NOI; and
- LGM will represent 4 percent of Ventas's NOI.

As previously announced, as a result of an attractive valuation with embedded growth, Ventas expects its LGM investment to be neutral to 2019 normalized Funds from Operations ("FFO") per share and accretive to 2020 normalized FFO by approximately \$0.03 per share. In connection with the closing, Ventas's bridge loan to LGM, which was the first phase of the transaction and funded in July 2019, was repaid in full. Ventas has acquired 87 percent of 34 communities (26 stable, three lease-up and five in-process developments), rather than acquiring 85 percent of 35 communities (28 stable, three lease-up and four in-process developments), due to tax and legal structuring considerations, which represents a slight modification to the originally announced transaction. The financial and other aspects of the transaction, including the cap rate, remain consistent with the originally announced transaction.

About Le Groupe Maurice

LGM is a market leader in the design, development and management of progressive apartment like, independent living senior housing residences in Quebec. Founded in 1998, LGM has over 2,000 employees, a seasoned, high-quality management team with deep industry knowledge and a strong track record of development and operating success. LGM has grown from one property in 2000 to 36 communities, all purpose-built and maintained to the highest industry standard. LGM has a leading 9 percent market share in Quebec with a highly regarded and recognized brand.

Ventas, an S&P 500 company, is a leading real estate investment trust. Its diverse portfolio of approximately 1,200 assets in the United States, Canada and the United Kingdom consists of senior housing communities, medical office buildings, university-based research and innovation centers, inpatient rehabilitation and long-term acute care facilities, and health systems. 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. References to "Ventas" or the "Company" mean Ventas, Inc. and its consolidated subsidiaries unless otherwise expressly noted. More information about Ventas and Lillibridge can be found at www.ventasreit.com and www.lillibridge.com.

The Company routinely announces material information to investors and the marketplace using press releases, Securities and Exchange Commission ("SEC") filings, public conference calls, webcasts and the Company's website at www.ventasreit.com/investor-relations. The information that the Company posts to its website may be deemed to be material. Accordingly, the Company encourages investors and others interested in the Company

to routinely monitor and review the information that the Company posts on its website, in addition to following the Company's press releases, SEC filings and public conference calls and webcasts. Supplemental information regarding the Company can be found on the Company's website under the "Investor Relations" section or at www.ventasreit.com/investor-relations/annual-reports---supplemental-information. A comprehensive listing of the Company's properties is available at www.ventasreit.com/our-portfolio/properties-by-stateprovince.

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 or acquisition 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; (d) the accuracy of estimates and assumptions that the Company used to underwrite its acquisition of the interests in the partnership with LGM and to determine the projected impact and benefits (including financial) of the transaction, and the potential for the Company's estimates or assumptions, as well as the expected impact and benefits, to change as additional information becomes available; (e) macroeconomic conditions such as a disruption of or lack of access to the capital markets, changes in the debt rating on U.S. government securities, default or delay in payment by the United States of its obligations, and changes in the federal or state budgets resulting in the reduction or nonpayment of Medicare or Medicaid reimbursement rates; (f) the nature and extent of future competition, including new construction in the markets in which the Company's senior housing communities and office buildings are located; (g) the extent and effect of future or pending healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates; (h) increases in the Company's borrowing costs as a result of changes in interest rates and other factors, including the potential phasing out of the London Inter-bank Offered Rate after 2021; (i) the ability of the Company's tenants, 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; (j) 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; (k) the Company's ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (l) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; (m) final determination of the Company's taxable net income for the year ending December 31, 2019; (n) 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; (o) 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; (p) changes in exchange rates for any foreign currency in which the Company may, from time to time, conduct business; (q) year-over-year changes in the Consumer Price Index or the UK Retail Price Index and the effect of those changes on the rent escalators contained in the Company's leases and the Company's earnings; (r) 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; (s) the impact of damage to the Company's properties for catastrophic weather and other natural events and the physical effects of climate change; (t) 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; (u) risks associated with the Company's office building portfolio and operations, including the Company's ability to successfully design, develop and manage office buildings and to retain key personnel; (v) the ability of the hospitals on or near whose campuses the Company's medical office buildings are located and their affiliated health systems to remain competitive and financially viable and to attract physicians and physician groups; (w) 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; (x) the Company's ability to obtain the financial results expected from its development and redevelopment projects; (y) the impact of market or issuer events on the liquidity or value of the Company's investments in marketable securities; (z) consolidation activity in the senior housing and healthcare 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; (aa) the impact of litigation or any financial, accounting, legal or regulatory issues that may affect the Company or its tenants, operators, borrowers or managers; and (bb) changes in accounting principles, or their application or interpretation, and the Company's ability to make estimates and the assumptions underlying the estimates, which could have an effect on the Company's earnings.

Source: Ventas, Inc.

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