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News Release

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Ventas Reaches Mutually Beneficial Agreements with Brookdale Senior Living

- Ventas intends to convert forty-four select large-scale senior housing communities in attractive markets to the Company's SHOP platform with proven operators and meaningfully expand its SHOP footprint and expected growth rate; Communities represent a majority of the units covered by the current Master Lease
- Agreements enable the Company to accelerate conversion of these communities into its SHOP portfolio in 2025 and apply Ventas Operational InsightsTM tools and its playbook to drive performance
- Brookdale has extended the lease on sixty-five senior housing communities averaging sixty-two units for a 10-year term at a 38% cash rent increase over current rent
- Eleven communities are intended to be sold in 2025

CHICAGO--(BUSINESS WIRE)-- Ventas, Inc. (NYSE: VTR) ("Ventas" or the "Company") today announced that it has reached mutually beneficial agreements with Brookdale Senior Living ("Brookdale") regarding all assets under the current Master Lease (the "Master Lease") between Ventas and Brookdale. The agreements provide a comprehensive, clear outcome for Ventas as it executes its strategy to drive profitable growth in its senior housing business. The Master Lease was previously set to expire on December 31, 2025.

"We are pleased to have reached agreements with Brookdale that give Ventas a meaningful growth opportunity applying our proven Ventas OI™ playbook to forty-four select large-scale senior housing communities located in favorable markets, while also providing a 38% cash rent increase on sixty-five communities averaging sixty-two units with a 10-year lease extension," said J. Justin Hutchens, Ventas Executive Vice President, Senior Housing and Chief Investment Officer. "These mutually beneficial agreements allow for more certainty and successful execution, benefit residents and their families and enable Ventas to expand our participation in the unprecedented opportunity in senior housing.

"The forty-four SHOP conversion communities will increase our SHOP footprint and expected growth rate by adding assets in markets that should support strong net absorption during the next few years. As we have in previous transitions, we expect to capture significant occupancy and NOI upside."

<u>Overview of the Agreements</u>

1. The agreements enable Ventas to accelerate the conversion of forty-four select large-scale senior housing communities with significant upside potential (the "SHOP Communities") to its Senior Housing Operating Portfolio ("SHOP") starting September 1, 2025, to grow its SHOP footprint in attractive markets and to increase its expected SHOP growth rate. Brookdale has agreed to cooperate in the transition process. The SHOP Communities represent a majority of the units covered by the current Master Lease.

    - The Company intends to leverage Ventas OI™ and deploy its active asset management playbook to reach, and then exceed, market levels of occupancy and double the NOI over time.

The playbook is expected to include engaging aligned, proven, local market-focused operators and refreshing the communities.

2. Sixty-five senior housing communities containing sixty-two units on average (the “Leased Communities”), which represent approximately 40% of the Master Lease units, will remain in the Master Lease with Brookdale for an extended 10-year term commencing January 1, 2026 with initial cash rent of $64 million, a 38% increase above current cash rent. Cash rent for the Leased Communities will escalate 3% annually over the remaining term. Brookdale is obligated to pay annual contractual cash rent of $48 million on these assets in 2025. Brookdale’s obligations under the Master Lease will continue to be guaranteed by its parent company through the extended term.

- Ventas has agreed to invest $35 million in capital expenditures, at an expected return of approximately 8%, in Ventas’s master lease communities over three years commencing in 2025. These investments are intended to improve performance, position the communities better in their respective markets and further enhance the environments for residents and their families.

3. The remaining eleven senior housing communities covered by the Master Lease (the “Sale Communities”) are intended to be sold in 2025. Ventas will retain the proceeds from the sales. Brookdale will continue to pay full contractual rent on substantially all of these assets through the end of 2025.

Ventas currently expects that the 2025 cash and GAAP rent/NOI impacts of the transactions will be materially consistent with the Company’s previous disclosure of the expected impacts of a non-renewal of the Ventas-Brookdale Master Lease. The anticipated cash and GAAP rent/NOI impacts in 2024 are expected to be immaterial.

About the 44 SHOP Communities

Key characteristics of the selected SHOP Communities, making them appropriate for the SHOP conversion, are:

a. Current third quarter 2024 annualized NOI (after taking into account a 5% of revenue management fee) of approximately $54 million
b. Favorable market locations, primarily in markets supporting potential net absorption of approximately 1,000 basis points in the next few years
c. Average size of 129 units
d. Average occupancy of ~76%, with a double upside opportunity to reach and go beyond market level occupancy
e. Predominantly combination communities, offering independent living, assisted living and memory care
f. Significant affordability
g. Market overlap where Ventas has existing relationships with experienced, high-performing operators who have successfully transitioned operations for Ventas previously

Upon transition of each SHOP Community to a new operator, which is expected to occur beginning September 1, 2025, no further rent will be payable by Brookdale, and Ventas will receive the NOI from that community going forward.

About Ventas

Ventas, Inc. (NYSE: VTR) is a leading S&P 500 real estate investment trust enabling exceptional environments that benefit a large and growing aging population. With approximately 1,350 properties in North America and the United Kingdom, Ventas occupies an essential role in the longevity economy. The Company’s growth is fueled by its over 800 senior housing communities, which provide valuable services to residents and enable them to thrive in supported environments. The Ventas portfolio also includes outpatient medical buildings, research centers and healthcare facilities. The Company aims to deliver outsized performance by leveraging its unmatched operational expertise, data-driven insights from its Ventas OI™ platform, extensive relationships and strong financial position. Ventas's seasoned team of talented professionals shares a commitment to excellence, integrity and a common purpose of helping people live longer, healthier, happier lives.

Cautionary Statements

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. 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. Forward-looking statements include, among other things, statements regarding our and our officers' intent, belief or expectation as identified by the use of words such as "assume," "may," "will," "project," "expect," "believe," "intend," "anticipate," "seek," "target," "forecast," "plan," "potential," "opportunity," "estimate," "could," "would," "should" and other comparable and derivative terms or the negatives thereof.

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. We urge you to carefully review the disclosures we make concerning risks and uncertainties that may affect our business and future financial performance, including those made below and in our filings with the Securities and Exchange Commission, such as in the sections titled "Cautionary Statements — Summary Risk Factors," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2023 and our subsequent Quarterly Reports on Form 10-Q.

Certain factors that could affect our future results and our ability to achieve our stated goals include, but are not limited to: (a) our ability to achieve the anticipated benefits and synergies from, and effectively integrate, our completed or anticipated acquisitions and investments; (b) our exposure and the exposure of our tenants, managers and borrowers to complex healthcare and other regulations, including evolving laws and regulations regarding data privacy, cybersecurity and environmental matters, and the challenges and expense associated with complying with such regulation; (c) the potential for significant general and commercial claims, legal actions, investigations, regulatory proceedings and enforcement actions that could subject us or our tenants, managers or borrowers to increased operating costs, uninsured liabilities, including fines and other penalties, reputational harm or significant operational limitations, including the loss or suspension of or moratoriums on accreditations, licenses or certificates of need, suspension of or nonpayment for new admissions, denial of reimbursement, suspension, decertification or exclusion from federal, state or foreign healthcare programs or the closure of facilities or communities; (d) our reliance on third-party managers and tenants to operate or exert substantial control over properties they manage for, or rent from, us, which limits our control and influence over such properties, their operations and their performance; (e) the impact of market and general economic conditions on us, our tenants, managers and borrowers and in areas in which our properties are geographically concentrated, including macroeconomic trends and financial market events, such as bank failures and other events affecting financial institutions, market volatility, increases in inflation, changes in or elevated interest and exchange rates, tightening of lending standards and reduced availability of credit or capital, geopolitical conditions, supply chain pressures, rising labor costs and historically low unemployment, events that affect consumer confidence, our occupancy rates and resident fee revenues, and the actual and perceived state of the real estate markets, labor markets and public and private capital markets; (f) our reliance and the reliance of our tenants, managers and borrowers on the financial, credit and capital markets and the risk that those markets may be disrupted or become constrained; (g) our ability, and the ability of our tenants, managers and borrowers, to navigate the trends impacting our or their businesses and the industries in which we or they operate, and the financial condition or business prospect of our tenants, managers and borrowers; (h) the risk of bankruptcy, inability to obtain benefits from governmental programs, insolvency or financial deterioration of our tenants, managers, borrowers and other obligors which may, among other things, have an adverse impact on the ability of such parties to make payments or meet their other obligations to us, which could have an adverse impact on our results of operations and financial condition; (i) the risk that the borrowers under our loans or other investments default or that, to the extent we are able to foreclose or otherwise acquire the collateral securing our loans or other investments, we will be required to incur additional expense or indebtedness in connection therewith, that the assets will underperform expectations or that we may not be able to subsequently dispose of all or part of such assets on favorable terms; (j) our current and future amount of outstanding indebtedness, and our ability to access capital and to incur additional debt which is subject to our compliance with covenants in instruments governing our and our subsidiaries' existing indebtedness; (k) risks related to the recognition of reserves, allowances, credit losses or impairment charges which are inherently uncertain and may increase or decrease in the future and may not represent or reflect the ultimate value of, or loss that we ultimately realize with respect to, the relevant assets, which could have an adverse impact on our results of operations and financial condition; (l) the risk that our leases or management agreements are not renewed or are renewed on less favorable terms, that our tenants or managers default under those agreements or that we are unable to replace tenants or managers on a timely basis or on favorable terms, if at all; (m) our ability to identify and consummate future investments in, or dispositions of, healthcare assets and effectively manage our portfolio opportunities and our investments in co-investment vehicles, joint ventures and minority interests, including our ability to dispose of such assets on favorable terms as a result of rights of first offer or rights of first refusal in favor of third parties; (n) risks related to development, redevelopment and construction projects, including costs associated with inflation, rising or elevated interest rates, labor conditions and supply chain pressures, and risks related to increased construction and development in markets in which our properties are located, including adverse effect on our future occupancy rates; (o) our ability to attract and retain talented employees; (p) the limitations and significant requirements imposed upon our business as a result of our status as a REIT and the adverse consequences (including the possible loss of our status as a REIT) that would result if we are not able to comply with such requirements; (q) the ownership limits contained in our certificate of incorporation with respect to our capital stock in order to preserve our qualification as a REIT, which may delay, defer or prevent a change of control of our company; (r) the risk of changes in healthcare law or regulation or in tax laws, guidance and interpretations, particularly as applied to REITs, that could adversely affect us or our tenants, managers or borrowers; (s) increases in our borrowing costs as a result of becoming more leveraged, including in connection with acquisitions or other investment activity and rising or elevated interest rates; (t) our exposure to various operational risks, liabilities and claims from our operating assets; (u) our dependency on a limited number of tenants and managers for a significant portion of our revenues and operating income; (v) our exposure to particular risks due to our specific asset classes and operating markets, such as adverse changes affecting our specific asset classes and the real estate industry, the competitiveness or financial viability of hospitals on or near the campuses where our outpatient medical buildings are located, our relationships with universities, the level of expense and uncertainty of our research tenants, and the limitation of our uses of some properties we own that are subject to ground lease, air rights or other restrictive agreements; (w) the risk of damage to our reputation; (x) the availability, adequacy and pricing of insurance coverage provided by our policies and policies maintained by our tenants, managers or other counterparties; (y) the risk of exposure to unknown liabilities from our investments in properties or businesses; (z) the occurrence of cybersecurity threats and incidents that could disrupt our or our tenants', managers' or borrower's operations, result in the loss of confidential or personal information or damage our business relationships and reputation; (aa) the failure to maintain effective internal controls, which could harm our business, results of operations and financial condition; (bb) the impact of merger, acquisition and investment activity in the healthcare industry or otherwise affecting our tenants, managers or borrowers; (cc) disruptions to the management and operations of our business and the uncertainties caused by activist investors; (dd) the risk of catastrophic or extreme weather and other natural events and the physical effects of climate change; (ee) the risk of potential dilution resulting from future sales or issuances of our equity securities; and (ff) the other factors set forth in our periodic filings with the Securities and Exchange Commission.

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