



City of Chicago



O2017-924

Office of the City Clerk

Document Tracking Sheet

| | |
|---------------------------------|---|
| Meeting Date: | 2/22/2017 |
| Sponsor(s): | O'Shea (19) |
| Type: | Ordinance |
| Title: | Vacation of public alley(s) in area bounded by W 97th St, S Claremont Ave, W 99th St and S Western Ave |
| Committee(s) Assignment: | Committee on Transportation and Public Way |

COMMERCIAL ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of local government pursuant to Article VII, Section 6 (a) of the 1970 constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the properties at 9801-9803 S. Western Avenue, and 9805-9807 S. Western Avenue are owned by ARHC BCCHIL07, LLC a Delaware limited liability company ("Developer"); and

WHEREAS, the Developer proposes to use the portion of the alley to be vacated herein to unify and expand their parking lot; and

WHEREAS, the City Council of the City of Chicago, after due investigation and consideration, has determined that the nature and extent of the public use and the public interest to be subserved is such as to warrant the vacation of that portion of public alley, described in the following ordinance; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: THE NORTH 16.00 FEET OF LOT 38 IN BLOCK 2, DEDICATED FOR PUBLIC ALLEY BY DOCUMENT NUMBER T3519190, IN JOHN JENSEN AND SONS' BEVERLY HIGHLANDS, BEING A SUBDIVISION OF THE SOUTH 9.25 ACRES OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MAY 29, 1925, AS DOCUMENT NUMBER T258206, IN COOK COUNTY, ILLINOIS CONTAINING 1,773 SQUARE FEET or 0.041 ACRES, MORE OR LESS as shaded and legally described by the words "HEREBY VACATED" on the plat hereto attached as Exhibit A, which plat for greater clarity, is hereby made a part of this ordinance, be and the same is hereby vacated and closed, inasmuch as the same is no longer required for public use and the public interest will be subserved by such vacation.


SECTION 2. The vacation herein provided for is made upon the express condition that within 180 days after the passage of this ordinance, the Developer shall pay or cause to be paid to the City of Chicago as compensation for the benefits which will accrue to the owner of the property abutting said part of public alley hereby vacated the sum _____ dollars (\$ _____), which sum in the judgment of this body will be equal to such benefits.

SECTION 3. The vacation herein provided for are made upon the express condition that within one hundred eighty (180) days after the passage of this ordinance, the Developer shall file or cause to be filed for recordation with the Office of the Recorder of Deeds of Cook County, Illinois a

certified copy of this ordinance, together with the associated full sized plat as approved by the Acting Superintendent of Maps and Plats.

SECTION 4. This ordinance shall take effect and be in force from and after its passage. The vacation shall take effect and be in force from and after recording of the approved plat.


Vacation Approved:



Rebekah Scheinfeld
Commissioner of Transportation

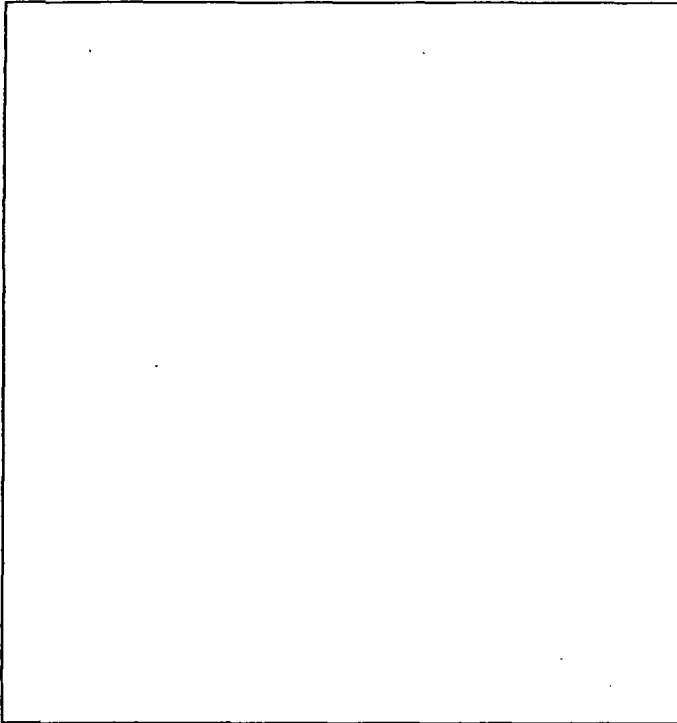
Approved as to Form and Legality



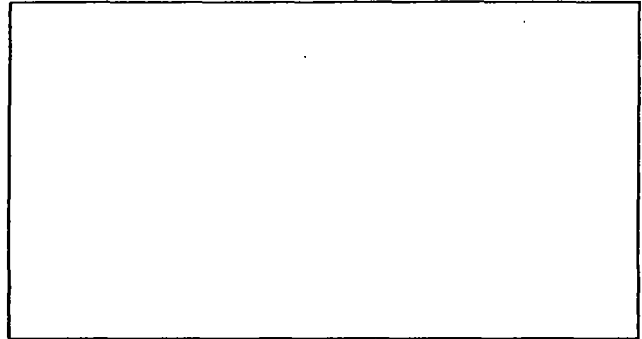
Lisa Misher
Chief Assistant Corporation Counsel

Honorable Matthew O'Shea
Alderman, 19th Ward

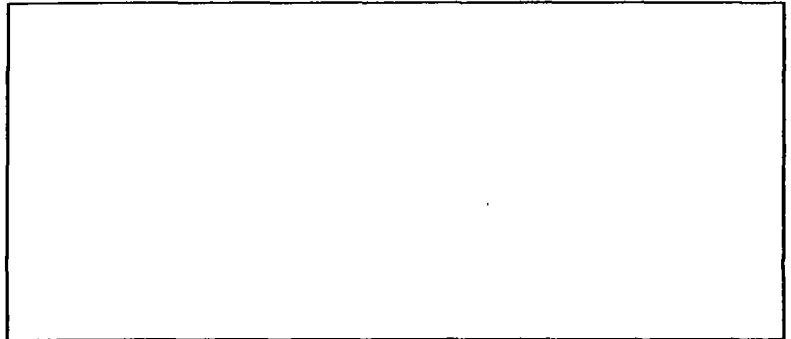
PLAT OF VACATION



C.D.O.T.



CITY - DEPT. OF FINANCE



COOK CO.

PINS

25-07-116-022

25-07-116-023

SURVEY NOTES:

THE "HEREBY VACATED" PROPERTY SHOWN HEREON IS PUBLIC PROPERTY AND IS NOT DELINEATED WITH A ZONING CLASSIFICATION, THE ZONING CLASSIFICATION OF ADJOINING PROPERTY SHOWN HEREON IS B1-1 (BUSINESS1-1) PER THE CITY OF CHICAGO, DEPARTMENT OF ZONING WEBSITE.

Note R. & M. denotes Record and Measured distances respectively. The bearing basis is assumed. All bearings on this survey are measured.

Distances are marked in feet and decimal parts thereof. Compare all points BEFORE building by same and at once report any differences BEFORE damage is done.

For easements, building lines and other restrictions not shown on survey plat refer to your abstract, deed, contract, title policy and local building line regulations.

NO dimensions shall be assumed by scale measurement upon this plat.

Monumentation or witness points were not set at the clients request.

Unless otherwise noted hereon the Bearing Basis, Elevation Datum and Coordinate Datum if used is ASSUMED.

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PREPARED FOR / MAIL TO:
KOLPAK & LERNER
6767 N. MILWAUKEE SUITE 202
NILES IL 60714

CDOT# 07-19-15-3743

| | | |
|--|--------------------------|---------------------------|
| ORDERED BY: KOLPAK & LERNER | CHECKED: [initials] | DRAWN: [initials] |
| ADDRESS: 9831 SOUTH WESTERN AVENUE CHICAGO | | |
| GREMLEY & BIEDERMANN A Division of PLCS CORPORATION LICENSE NO. 184-005322 PROFESSIONAL LAND SURVEYORS 4505 NORTH ELSTON AVENUE CHICAGO, IL 60630 TELEPHONE (773) 685-5002 FAX (773) 286-4184 EMAIL: INFO@PLCS-SURVEY.COM | | |
| ORDER NO. 2012-17109-001 | DATE JANUARY 13, 2017 | PAGE NO. 2 OF 2 |
| SCALE: 1 INCH = 15 FEET | | |

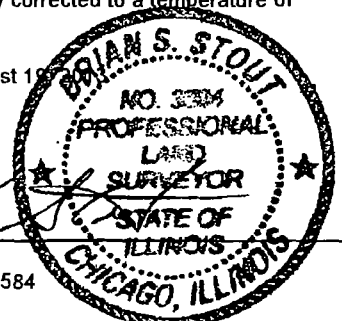
State of Illinois)
County of Cook)ss

We, GREMLEY & BIEDERMANN, INC. hereby certify that we have surveyed the above described property and that the plat hereon drawn is a correct representation of said survey corrected to a temperature of 62° Fahrenheit.

Field measurements completed on August 19, 2016

Signed on JANUARY 20, 2017.

By: [Signature]



Professional Illinois Land Surveyor No. 3584

My license expires November 30, 2018

This professional service conforms to the current Illinois minimum standards for a boundary survey.

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

FORM 10-K

(Mark One)

- ☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2015
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
(State or Other Jurisdiction of
Incorporation or Organization)
353 N. Clark Street, Suite 3300, Chicago, Illinois
(Address of Principal Executive Offices)

61-1055020
(IRS Employer
Identification No.)
60654
(Zip Code)

(877) 483-6827
(Registrant's Telephone Number, Including Area Code)

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

| Title of Each Class | Name of Each Exchange on Which Registered |
|--|---|
| Common Stock, par value \$0.25 per share | New York Stock Exchange |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 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 ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment of this Form 10-K. ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of shares of the Registrant's common stock held by non-affiliates of the Registrant on June 30, 2015, based on a closing price of the common stock of \$62.09 as reported on the New York Stock Exchange, was \$20.4 billion. For purposes of the foregoing calculation only, all directors, executive officers and 10% beneficial owners of the Registrant have been deemed affiliates.

As of February 10, 2016, 336,070,352 shares of the Registrant's common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive Proxy Statement for the Annual Meeting of Stockholders to be held on May 10, 2016 are incorporated by reference into Part III, Items 10 through 14 of this Annual Report on Form 10-K.

CAUTIONARY STATEMENTS

Unless otherwise indicated or except where the context otherwise requires, the terms "we," "us" and "our" and other similar terms in this Annual Report on Form 10-K refer to Ventas, Inc. and its consolidated subsidiaries.

Forward-Looking Statements

This Annual Report on Form 10-K 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"). All statements regarding our or our 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 our expectations. We do not undertake a duty to update these forward-looking statements, which speak only as of the date on which they are made.

Our actual future results and trends may differ materially from expectations depending on a variety of factors discussed in our filings with the Securities and Exchange Commission (the "SEC"). These factors include without limitation:

- 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 success in implementing our business strategy and our ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments;
- 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;
- The nature and extent of future competition, including new construction in the markets in which our seniors housing communities and medical office buildings ("MOBs") are located;
- The extent of 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;
- The ability of our tenants, operators and managers, as applicable, to comply with laws, rules and regulations in the operation of our 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 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 ended December 31, 2015 and for the year ending December 31, 2016;
- 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 (“CPI”) or the UK 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 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 MOB portfolio and operations, including our ability to successfully design, develop and manage MOBs and to retain key personnel;
- The ability of the hospitals on or near whose campuses our 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;
- The impact of market or issuer events on the liquidity or value of our investments in marketable securities;
- Consolidation in the seniors 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; and
- 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.

Many of these factors, some of which are described in greater detail under “Risk Factors” in Part I, Item 1A of this Annual Report on Form 10-K, are beyond our control and the control of our management.

Brookdale Senior Living, Kindred, Atria, Sunrise and Ardent Information

Each of Brookdale Senior Living Inc. (together with its subsidiaries, “Brookdale Senior Living”) and Kindred Healthcare, Inc. (together with its subsidiaries, “Kindred”) 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 and Kindred contained or referred to in this Annual Report on Form 10-K has been derived from SEC filings made by Brookdale Senior Living or Kindred, as the case may be, or other publicly available information or was provided to us by Brookdale Senior Living or Kindred, 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 and Kindred’s publicly available filings, which can be found on the SEC’s website at www.sec.gov.

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 Atria, Sunrise and Ardent contained or referred to in this Annual Report on Form 10-K has been derived from publicly available information or was provided to us by 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.

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PART I

ITEM 1. *Business*

BUSINESS

Overview

Ventas, Inc., an S&P 500 company, is a REIT with a highly diversified portfolio of seniors housing and healthcare properties located throughout the United States, Canada and the United Kingdom. As of December 31, 2015, we owned approximately 1,300 properties (including properties classified as held for sale), consisting of seniors housing communities, MOBs, skilled nursing facilities, specialty hospitals and general acute care hospitals, and we had four properties under development. Our company was originally founded in 1983 and is currently headquartered in Chicago, Illinois.

We primarily invest in seniors housing and healthcare properties through acquisitions and lease our properties to unaffiliated tenants or operate them through independent third-party managers. As of December 31, 2015, we leased a total of 607 properties (excluding MOBs and properties classified as held for sale) 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, and we engaged independent operators, such as Atria and Sunrise, to manage a total of 304 of our seniors housing communities (excluding properties classified as held for sale) for us pursuant to long-term management agreements. Our three largest tenants, Brookdale, Kindred and Ardent leased from us 140 properties (excluding six properties included in investments in unconsolidated real estate entities), 76 properties and ten properties, respectively, as of December 31, 2015.

Through our Lillibridge Healthcare Services, Inc. (“Lillibridge”) subsidiary and our ownership interest in PMB Real Estate Services LLC (“PMBRES”), 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 seniors housing and healthcare operators or properties.

We operate through three reportable business segments: triple-net leased properties, senior living operations and MOB operations. See our Consolidated Financial Statements and the related notes, including “Note 2—Accounting Policies,” included in Part II, Item 8 of this Annual Report on Form 10-K.

Business Strategy

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.

Generating Reliable and Growing Cash Flows

Generating reliable and growing cash flows from our seniors housing and healthcare assets enables us to pay regular cash dividends to stockholders and creates opportunities to increase shareholder value through profitable investments. The combination of steady contractual growth from our long-term triple-net leases, steady, reliable cash flows from our loan investments and stable cash flows from our MOBs with the higher growth potential inherent in our seniors housing operating communities drives our ability to generate sustainable, growing cash flows that are resilient to economic downturns.

Maintaining a Balanced, Diversified Portfolio

We believe that maintaining a balanced portfolio of high-quality assets diversified by investment type, geographic location, asset type, tenant/operator, revenue source and operating model diminishes the risk that any single factor or event could materially harm our business. Portfolio diversification also enhances the reliability of our cash flows by reducing our exposure to any individual tenant, operator or manager and making us less susceptible to single-state regulatory or reimbursement changes, regional climate events and local economic downturns.

Preserving Our Financial Strength, Flexibility and Liquidity

A strong, flexible balance sheet and excellent liquidity position us favorably to capitalize on strategic growth opportunities in the seniors housing and healthcare industries through acquisitions, investments, and development and redevelopment projects. We maintain our financial strength to pursue profitable investment opportunities by actively managing our leverage, improving our cost of capital and preserving our access to multiple sources of liquidity, including unsecured bank debt, mortgage financings and public debt and equity markets.

2015 Highlights and Other Recent Developments

Investments and Dispositions

- In January 2015, we acquired American Realty Capital Healthcare Trust, Inc. ("HCT") in a stock and cash transaction, which added 152 properties to our portfolio, 20 of which were disposed of as part of the CCP Spin-Off. We funded the transaction through the issuance of approximately 28.4 million shares of our common stock at \$78.00 per share and 1.1 million limited partnership units.
- On August 4, 2015, we completed our acquisition of Ardent Medical Services, Inc. ("AMS") and simultaneous separation and sale of the Ardent hospital operating company (Ardent Health Partners, LLC, together with its subsidiaries, "Ardent") to a consortium composed of an entity controlled by Equity Group Investments, Ardent's management team and us. As of the acquisition date, we recorded the estimated fair value of our investment in owned hospital and other real estate of approximately \$1.3 billion. At closing, we paid \$26.3 million for our 9.9% interest in Ardent, which represents our estimate of the acquisition date fair value of this interest. Upon closing, we entered into a long-term triple-net master lease with Ardent to operate hospitals and other real estate we acquired.
- During 2015, we made other investments totaling approximately \$611.7 million, including the acquisition of eleven triple-net leased properties; eleven MOB's; and 12 skilled nursing facilities (all of which were disposed of as part of the CCP Spin-Off (as defined below)).
- During 2015, we sold 39 triple-net leased properties and 26 MOB's for aggregate consideration of \$541.0 million, including a \$6.0 million lease termination fee.
- During 2015, we received aggregate proceeds of \$173.8 million in final repayment of loans receivable and sales of bonds we held, and recognized gains aggregating \$7.7 million.

Capital and Dividends

- In January 2015, we issued and sold 3,750,202 shares of common stock under our previous "at-the-market" ("ATM") equity offering program for aggregate net proceeds of \$285.4 million, after sales agent commissions of \$4.4 million. Through the remainder of 2015 and in the first quarter of 2016 we have issued and sold a total of 5,084,302 shares of our common stock under our ATM equity offering program for aggregate net proceeds of \$297.0 million, after sales agent commissions of \$4.5 million.
- In January 2015, we issued and sold \$1.1 billion of senior notes with a weighted average interest rate below 3.7% and a weighted average maturity of 15 years. The issuances were composed of \$900 million aggregate principal amount of USD senior notes and CAD notes of 250 million.
- In July 2015, we issued and sold \$500.0 million aggregate principal amount of 4.125% senior notes due 2026 at a public offering price equal to 99.218% of par, for total proceeds of \$496.1 million before the underwriting discount and expenses.
- In August 2015, we completed a \$900 million five year term loan having a variable interest rate of LIBOR plus 1.0 basis points (the "Ardent Term Loan"). The term loan matures in 2020.
- In 2015, we repaid \$305.0 million of our unsecured term loan due 2019 and recognized a loss on extinguishment of debt of \$1.6 million representing a write-off of the then unamortized deferred financing fees. Also, in May 2015, we repaid in full, at par, \$234.4 million aggregate principal amount then outstanding of our 6% senior notes due 2015.
- In 2015, we paid an annual cash dividend on our common stock of \$3.04 per share. On August 17, 2015, we also distributed a stock dividend of one Care Capital Properties, Inc. ("CCP") common share for every four shares of Ventas common stock held as of the distribution record date of August 10, 2015. The stock dividend was valued at \$8.51 per Ventas share based on the opening price of CCP stock on its first day of regular-way trading on the New York Stock Exchange.
- In February 2016, we entered into a \$200 million notional amount interest rate swap with a maturity of August 3, 2020 that effectively converts LIBOR-based floating rate debt to fixed rate debt, setting LIBOR at 1.132% through the maturity date of the swap. The maturity date of the Ardent Term Loan is also August 3, 2020.

Spin-Off

- In August 2015, we completed the spin off of most of our post-acute/skilled nursing facility portfolio into an independent, publicly traded REIT named Care Capital Properties, Inc. (the "CCP Spin-Off"). The historical results of operations of the CCP properties as well as the related assets and liabilities are presented as discontinued operations for all periods presented in this Annual Report on Form 10-K.

Portfolio Summary

The following table summarizes our consolidated portfolio of properties and other investments (excluding properties included in discontinued operations during 2015 and properties classified as held for sale as of December 31, 2015) as of and for the year ended December 31, 2015:

| Asset Type | # of Properties(1) | # of Units/ Sq. Ft./Beds (2) | Real Estate Property Investments | | | Revenues (3) | |
|--|--------------------|------------------------------------|---|--|---|--------------|------------------------------|
| | | | Real Estate Property Investment, at Cost | Percent of Total Real Estate Property Investments | Real Estate Property Investment Per Unit/Bed/Sq. Ft. | Revenue | Percent of Total Revenues |
| | | | (Dollars in thousands) | | | | |
| Seniors housing communities | 768 | 66,985 | \$ 16,105,062 | 65.3% | \$ 240.4 | \$2,289,653 | 69.7% |
| MOBs (4) | 361 | 20,062,590 | 5,361,330 | 21.7 | 0.3 | 591,646 | 18.0 |
| Skilled nursing facilities | 53 | 6,279 | 358,329 | 1.5 | 57.1 | 72,820 | 2.2 |
| Specialty hospitals | 46 | 3,857 | 524,084 | 2.1 | 135.9 | 143,776 | 4.4 |
| General acute care hospitals | 12 | 2,034 | 1,453,649 | 5.9 | 714.7 | 59,229 | 1.8 |
| Total properties | 1,240 | | 23,802,454 | 96.5 | | 3,157,124 | 96.1 |
| Secured loans receivable and investments, net | | | 857,112 | 3.5 | | 86,553 | 2.6 |
| Interest and other income | | | — | — | | 1,052 | 0.0 |
| Revenues related to assets classified as held for sale | | | — | — | | 41,669 | 1.3 |
| Total | | | \$ 24,659,566 | 100.0% | | \$ 3,286,398 | 100.0% |

- As of December 31, 2015, we also owned 20 seniors housing communities, 14 skilled nursing facilities and seven MOBs through investments in unconsolidated entities, and we classified one seniors housing community, two skilled nursing facilities, and eight MOBs as held for sale. Our consolidated properties were located in 46 states, the District of Columbia, seven Canadian provinces and the United Kingdom and, excluding MOBs, were operated or managed by 68 unaffiliated healthcare operating companies, including the following publicly traded companies or their subsidiaries: Brookdale (141 properties) (excluding six properties owned through investments in unconsolidated entities); Kindred (76 properties); 21st Century Oncology Holdings, Inc. (12 properties); Capital Senior Living Corporation (12 properties); Spire Healthcare plc (three properties); and HealthSouth Corp. (four properties).
- Seniors housing communities are measured in units; MOBs are measured by square footage; and skilled nursing facilities, specialty hospitals and general acute care hospitals are measured by bed count.
- Total revenues exclude revenues attributable to properties included in discontinued operations during 2015.
- As of December 31, 2015, we leased 67 of our consolidated MOBs pursuant to triple-net leases, Lillibridge or PMBRES managed 282 of our consolidated MOBs and 30 of our consolidated MOBs were managed by eleven unaffiliated managers. Through Lillibridge and PMBRES, we also provided management and leasing services for 79 MOBs owned by third parties as of December 31, 2015.

Seniors Housing and Healthcare Properties

As of December 31, 2015, we owned a total of 1,281 seniors housing and healthcare properties (excluding properties classified as held for sale), including through our investments in unconsolidated entities, as follows:

| | Consolidated (100% interest) | Consolidated (<100% interest) | Unconsolidated (5-25% interest) | Total |
|------------------------------|---------------------------------|----------------------------------|------------------------------------|-------|
| Seniors housing communities | 753 | 15 | 20 | 788 |
| MOBs | 327 | 34 | 7 | 368 |
| Skilled nursing facilities | 53 | — | 14 | 67 |
| Specialty hospitals | 45 | 1 | — | 46 |
| General acute care hospitals | 12 | — | — | 12 |
| Total | 1,190 | 50 | 41 | 1,281 |

Seniors Housing Communities

Our seniors housing communities include independent and assisted living communities, continuing care retirement communities and communities providing care for individuals with Alzheimer's disease and other forms of dementia or memory loss. These communities offer studio, one bedroom and two bedroom residential units on a month-to-month basis primarily to elderly individuals requiring various levels of assistance. Basic services for residents of these communities include housekeeping, meals in a central dining area and group activities organized by the staff with input from the residents. More extensive care and personal supervision, at additional fees, are also available for such needs as eating, bathing, grooming, transportation, limited therapeutic programs and medication administration, which allow residents certain conveniences and enable them to live as independently as possible according to their abilities. These services are often met by home health providers, close coordination with the resident's physician and skilled nursing facilities. Charges for room, board and services are generally paid from private sources.

Medical Office Buildings

Typically, our MOB's are multi-tenant properties leased to several unrelated medical practices, although in many cases they may be associated with a large single specialty or multi-specialty group. Tenants include physicians, dentists, psychologists, therapists and other healthcare providers, who require space devoted to patient examination and treatment, diagnostic imaging, outpatient surgery and other outpatient services. MOB's are similar to commercial office buildings, although they require greater plumbing, electrical and mechanical systems to accommodate physicians' requirements such as sinks in every room, brighter lights and specialized medical equipment. As of December 31, 2015, we owned or managed for third parties approximately 24 million square feet of MOB's that are predominantly located on or near an acute care hospital campus ("on campus").

Skilled Nursing Facilities

Our skilled nursing facilities provide rehabilitative, restorative, skilled nursing and medical treatment for patients and residents who do not require the high technology, care-intensive, high cost setting of an acute care or rehabilitation hospital. Treatment programs include physical, occupational, speech, respiratory and other therapies, including sub-acute clinical protocols such as wound care and intravenous drug treatment. Charges for these services are generally paid from a combination of government reimbursement and private sources.

Long-Term Acute Care Hospitals

38 of our properties are operated as long-term acute care hospitals ("LTACs"). LTACs have a Medicare average length of stay of greater than 25 days and serve medically complex, chronically ill patients who require a high level of monitoring and specialized care, but whose conditions do not necessitate the continued services of an intensive care unit. The operators of these LTACs have the capability to treat patients who suffer from multiple systemic failures or conditions such as neurological disorders, head injuries, brain stem and spinal cord trauma, cerebral vascular accidents, chemical brain injuries, central nervous system disorders, developmental anomalies and cardiopulmonary disorders. Chronic patients often depend on technology for continued life support, such as mechanical ventilators, total parenteral nutrition, respiration or cardiac monitors and dialysis machines, and, due to their severe medical conditions, generally are not clinically appropriate for admission to a nursing facility or rehabilitation hospital. All of our LTACs are freestanding facilities, and we do not own any "hospitals within hospitals." We also own two LTACs focused on providing children's care and five rehabilitation LTACs devoted to the rehabilitation of patients with various neurological, musculoskeletal, orthopedic and other medical conditions following stabilization of their acute medical issues.

General Acute Care Hospitals

12 of our properties are operated as general acute care hospitals. General acute care hospitals provide medical and surgical services, including inpatient care, intensive care, cardiac care, diagnostic services and emergency services. These hospitals also provide outpatient services such as outpatient surgery, laboratory, radiology, respiratory therapy, cardiology and physical therapy. In the United States, these hospitals receive payments for patient services from the federal government primarily under the Medicare program, state governments under their respective Medicaid or similar programs, health maintenance organizations, preferred provider organizations, other private insurers, and directly from patients.

Geographic Diversification of Properties

Our portfolio of seniors housing and healthcare properties is broadly diversified by geographic location throughout the United States, Canada and the United Kingdom, with properties in only one state (California) accounting for more than 10% of our total revenues and total net operating income ("NOI," which is defined as total revenues, excluding interest and other

income, less property-level operating expenses and medical office building services costs), in each case excluding amounts in discontinued operations, for the year ended December 31, 2015.

The following table shows our rental income and resident fees and services by geographic location for the year ended December 31, 2015:

| Geographic Location | Rental Income and Resident Fees and Services (1) | Percent of Total Revenues (1) |
|--|--|----------------------------------|
| | (Dollars in thousands) | |
| California | \$ 505,702 | 15.4% |
| New York | 289,081 | 8.8 |
| Texas | 199,428 | 6.1 |
| Illinois | 160,468 | 4.9 |
| Florida | 150,572 | 4.6 |
| Pennsylvania | 118,226 | 3.6 |
| Georgia | 114,857 | 3.5 |
| Arizona | 98,296 | 3.0 |
| New Jersey | 93,608 | 2.9 |
| Colorado | 89,228 | 2.7 |
| Other (36 states and the District of Columbia) | 1,137,927 | 34.5 |
| Total U.S. | 2,957,393 | 90.0% |
| Canada (7 provinces) | 173,737 | 5.3 |
| United Kingdom | 26,171 | 0.8 |
| Total | \$ 3,157,301 | 96.1% (2) |

(1) This presentation excludes revenues from properties included in discontinued operations during 2015.

(2) The remainder of our total revenues is medical office building and other services revenue, income from loans and investments and interest and other income.

The following table shows our NOI by geographic location for the year ended December 31, 2015:

| Geographic Location | NOI (1) | Percent of Total NOI (1) |
|--|------------------------|--------------------------|
| | (Dollars in thousands) | |
| California | \$ 276,044 | 14.7% |
| Texas | 126,217 | 6.7 |
| New York | 112,966 | 6.0 |
| Illinois | 103,599 | 5.5 |
| Florida | 90,131 | 4.8 |
| Pennsylvania | 81,072 | 3.3 |
| Arizona | 54,441 | 2.9 |
| North Carolina | 52,217 | 2.8 |
| Indiana | 51,100 | 2.7 |
| Wisconsin | 50,917 | 2.7 |
| Other (36 states and the District of Columbia) | 786,695 | 41.9 |
| Total U.S. | 1,765,399 | 94.0% |
| Canada (7 provinces) | 83,571 | 4.5 |
| United Kingdom | 26,171 | 1.4 |
| Total | \$ 1,875,141 | 99.9% |

(1) This presentation excludes NOI from properties included in discontinued operations during 2015.

See "Note 20—Segment Information" of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K for more information regarding the geographic diversification of our portfolio.

Certificates of Need

Our skilled nursing facilities and hospitals are generally subject to federal, state and local licensure statutes and statutes that may require regulatory approval, in the form of a certificate of need ("CON") issued by a governmental agency with jurisdiction over healthcare facilities, prior to the expansion of existing facilities, construction of new facilities, addition of beds, acquisition of major equipment or introduction of new services. CON requirements, which are not uniform throughout the United States, may restrict our or our operators' ability to expand our properties in certain circumstances.

The following table shows the percentages of our rental income (excluding amounts in discontinued operations) for the year ended December 31, 2015 that are derived by skilled nursing facilities and hospitals in states with and without CON requirements:

| | Skilled Nursing Facilities | Hospitals | Total |
|---------------------------------|----------------------------|-----------|--------|
| States with CON requirements | 57.5% | 144.4% | 96.5% |
| States without CON requirements | 42.5 | (44.4) | 3.5 |
| Total | 100.0% | 100.0% | 100.0% |

Loans and Investments

As of December 31, 2015, we had \$895.0 million of net loans receivable and investments relating to seniors housing and healthcare operators or properties. Our loans receivable and investments provide us with interest income, principal amortization and transaction fees and are typically secured by mortgage liens or leasehold mortgages on the underlying properties and corporate or personal guarantees by affiliates of the borrowing entity. In some cases, the loans are secured by a pledge of ownership interests in the entity or entities that own the related seniors housing or healthcare properties. From time to time, we also make investments in mezzanine loans, which are subordinated to senior secured loans held by other investors that

encumber the same real estate. See “Note 6—Loans Receivable and Investments” of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Development and Redevelopment Projects

We are party to certain agreements that obligate us to develop seniors housing or healthcare properties funded through capital that we and, in certain circumstances, our joint venture partners provide. As of December 31, 2015, we had four properties under development pursuant to these agreements. In addition, from time to time, we engage in redevelopment projects with respect to our existing seniors housing communities to maximize the value, increase NOI, maintain a market-competitive position, achieve property stabilization or change the primary use of the property.

Segment Information

We evaluate our operating performance and allocate resources based on three reportable business segments: triple-net leased properties; senior living operations; and MOB operations. Non-segment assets, classified as “all other,” consist primarily of corporate assets, including cash, restricted cash, deferred financing costs, loans receivable and investments, and miscellaneous accounts receivable. For further information regarding our business segments, see “Note 20—Segment Information” of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Significant Tenants, Operators and Managers

The following table summarizes certain information regarding our tenant, operator and manager concentration as of and for the year ended December 31, 2015 (excluding properties classified as held for sale as of December 31, 2015 and properties owned through investments in unconsolidated entities):

| | Number of Properties Leased or Managed | Percent of Total Real Estate Investments (1) | Percent of Total Revenues | Percent of NOI |
|-----------------------------|---|---|------------------------------|----------------|
| Senior living operations | 304 | 34.4% | 55.1% | 32.1% |
| Brookdale Senior Living (2) | 140 | 8.5 | 5.3 | 9.3 |
| Kindred | 76 | 2.1 | 5.6 | 9.8 |
| Ardent | 10 | 5.3 | 1.3 | 2.3 |

(1) Based on gross book value.

(2) Excludes six properties owned through investments in unconsolidated entities and one property managed by Brookdale Senior Living pursuant to a long-term management agreement.

Triple-Net Leased Properties

Each of our leases with Brookdale Senior Living, Kindred and Ardent 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, Kindred and Ardent leases has a corporate guaranty. Brookdale Senior Living and Kindred have multiple leases with us and those leases contain cross-default provisions tied to each other, as well as bundled lease renewals (as described in more detail below).

The properties we lease to Brookdale Senior Living, Kindred and Ardent accounted for a significant portion of our triple-net leased properties segment revenues and NOI for the year ended December 31, 2015. If any of Brookdale Senior Living, Kindred or Ardent 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, Kindred and Ardent 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, Kindred or Ardent to do so could have a material adverse effect on our business, financial condition, results of operations or liquidity and our ability to service our indebtedness and other obligations and 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, Kindred and Ardent 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. See “Risks Factors—Risks Arising from Our Business—Our leases with Brookdale Senior Living, Kindred and Ardent account for a significant portion of our triple-net leased properties segment revenues and operating income; Any failure, inability or unwillingness by Brookdale Senior Living, Kindred or Ardent

to satisfy its obligations under our agreements could have a Material Adverse Effect on us" included in Item 1A of this Annual Report on Form 10-K.

Brookdale Senior Living Leases

As of December 31, 2015, we leased 140 properties (excluding six properties owned through investments in unconsolidated entities and one property managed by Brookdale Senior Living pursuant to a long-term management agreement) to Brookdale Senior Living pursuant to multiple lease agreements.

Pursuant to our lease agreements, Brookdale Senior Living is obligated to pay base rent, which escalates annually at a specified rate over the prior period base rent. As of December 31, 2015, the aggregate 2016 contractual cash rent due to us from Brookdale Senior Living, excluding variable interest that Brookdale Senior Living is obligated to pay as additional rent based on certain floating rate mortgage debt, was approximately \$170.9 million, and the current aggregate contractual base rent (computed in accordance with U.S. generally accepted accounting principles ("GAAP")) due to us from Brookdale Senior Living, excluding the variable interest, was approximately \$160.6 million (in each case, excluding six properties owned through investments in unconsolidated entities as of December 31, 2015). See "Note 3—Concentration of Credit Risk" and "Note 14—Commitments and Contingencies" of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Kindred Leases

As of December 31, 2015, we leased 76 properties to Kindred pursuant to multiple lease agreements. The properties leased pursuant to our Kindred master leases are grouped into bundles, or "renewal groups," with each renewal group containing a varying number of geographically diversified properties. All properties within a single renewal group have the same current lease term of five to 12 years, and each renewal group is currently subject to one or more successive five-year renewal terms at Kindred's option, provided certain conditions are satisfied. Kindred's renewal option is "all or nothing" with respect to the properties contained in each renewal group.

The aggregate annual rent we receive under each Kindred master lease is referred to as "base rent." Base rent escalates annually at a specified rate over the prior period base rent, contingent, in the case of the remaining three original Kindred master leases, upon the satisfaction of specified facility revenue parameters. The annual rent escalator under two Kindred master leases is 2.7%, and the annual rent escalator under the other two Kindred master leases is based on year-over-year changes in CPI, subject to floors and caps.

In December 2014, we entered into favorable agreements with Kindred to transition or sell the operations of nine licensed healthcare assets, make modifications to the master leases governing 34 leased assets, and reimburse us for certain deferred capital expenditures at skilled nursing facilities previously transferred to new operators. In January 2015, Kindred paid us \$37 million in connection with these agreements, which is being amortized over the remaining lease term for the 34 assets governed by the modified master leases. We own or have the rights to all licenses and CONs at the nine properties to be transitioned or sold, and Kindred has extensive and detailed obligations to cooperate and ensure an orderly transition of the properties to another operator. As of December 31, 2015, four of the nine properties have been sold and three of the nine properties were disposed of as part of the CCP Spin-Off.

Ardent Lease

As of December 31, 2015, we leased ten hospital campuses to Ardent pursuant to a single, triple-net master lease agreement. Pursuant to our master lease agreement, Ardent is obligated to pay base rent, which escalates annually by the lesser of four times the increase in the consumer price index for the relevant period and 2.5%. The initial term of the master lease expires on August 31, 2035 and Ardent has one ten-year renewal option.

As of December 31, 2015, the aggregate 2016 contractual cash rent due to us from Ardent, was approximately \$105.0 million, and the current aggregate contractual base rent (computed in accordance with GAAP) due to us from Ardent was approximately \$105.0 million.

Senior Living Operations

As of December 31, 2015, Atria and Sunrise, collectively, provided comprehensive property management and accounting services with respect to 268 seniors housing communities included in our senior living operations reportable business segment, for which we pay annual management fees pursuant to long-term management agreements. Most of our management agreements with Atria have initial terms expiring either July 31, 2024 or December 31, 2027, with successive automatic ten-year renewal periods. The management fees payable to Atria under most of the Atria management agreements range from 4.5% to 5% of revenues generated by the applicable properties, and Atria can earn up to an additional 1% of revenues based on the achievement of specified performance targets. Most of our management agreements with Sunrise have terms ranging from 25

to 30 years (which commenced as early as 2004 and as recently as 2012). The management fees payable to Sunrise under the Sunrise management agreements range from 5% to 7% of revenues generated by the applicable properties. See “Note 3—Concentration of Credit Risk” of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

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. However, 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 to otherwise operate our seniors 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 those 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 and affairs or financial condition could have a Material Adverse Effect on us. See “Risk Factors—Risks Arising from Our Business—The properties managed by Atria and Sunrise account for a significant portion of our revenues and operating income; Adverse developments in Atria’s or Sunrise’s business and affairs or financial condition could have a Material Adverse Effect on us” and “—We have rights to terminate our management agreements with Atria and Sunrise in whole or with respect to specific properties under certain circumstances, and we may be unable to replace Atria or Sunrise if our management agreements are terminated or not renewed” included in Item 1A of this Annual Report on Form 10-K.

Our 34% ownership interest in Atria entitles us to certain rights and minority protections, as well as the right to appoint two of five members on the Atria board of directors.

Competition

We generally compete for investments in seniors housing and healthcare assets with publicly traded, private and non-listed healthcare REITs, real estate partnerships, healthcare providers, healthcare lenders and other investors, including developers, banks, insurance companies, pension funds, government-sponsored entities and private equity firms, some of whom may have greater financial resources and lower costs of capital than we do. Increased competition challenges our ability to identify and successfully capitalize on opportunities that meet our objectives, which is affected by, among other factors, the availability of suitable acquisition or investment targets, our ability to negotiate acceptable transaction terms and our access to and cost of capital. See “Risk Factors—Risks Arising from Our Business—Our pursuit of investments in and acquisitions of, or our development or redevelopment of, seniors housing and healthcare assets may be unsuccessful or fail to meet our expectations” included in Item 1A of this Annual Report on Form 10-K and “Note 10—Borrowing Arrangements” of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Our tenants, operators and managers also compete on a local and regional basis with other healthcare operating companies that provide comparable services. Seniors housing community, skilled nursing facility and hospital operators compete to attract and retain residents and patients to our properties based on scope and quality of care, reputation and financial condition, price, location and physical appearance of the properties, services offered, qualified personnel, physician referrals and family preferences. With respect to MOBs, we and our third-party managers compete to attract and retain tenants based on many of the same factors, in addition to quality of the affiliated health system, physician preferences and proximity to hospital campuses. The ability of our tenants, operators and managers to compete successfully could be affected by private, federal and state reimbursement programs and other laws and regulations. See “Risk Factors—Risks Arising from Our Business—Our tenants, operators and managers may be adversely affected by healthcare regulation and enforcement” and “—Changes in the reimbursement rates or methods of payment from third-party payors, including the Medicare and Medicaid programs, could have a material adverse effect on certain of our tenants and operators and on us” included in Item 1A of this Annual Report on Form 10-K.

Employees

As of December 31, 2015, we had 466 employees, including 258 employees associated with our MOB operations reportable business segment, but excluding 1,319 employees at our Canadian seniors housing communities under the supervision and control of our independent managers. Although the applicable manager is responsible for hiring and maintaining the labor force at each of our Canadian seniors housing communities, we bear many of the costs and risks generally borne by employers, particularly with respect to those properties with unionized labor. None of our employees is subject to a collective bargaining agreement, other than those employees in the Canadian seniors housing communities managed by Sunrise or Atria. We believe that relations with our employees are positive. See “Risk Factors—Risks Arising from Our Business—

Our operating assets expose us to various operational risks, liabilities and claims that could adversely affect our ability to generate revenues or increase our costs and could have a Material Adverse Effect on us" included in Item 1A of this Annual Report on Form 10-K.

Insurance

We maintain or require in our lease, management and other agreements that our tenants, operators and managers maintain all applicable lines of insurance on our properties and their operations. We believe that the amount and scope of insurance coverage provided by our policies and the policies required to be maintained by our tenants, operators and managers are customary for similarly situated companies in our industry. Although we regularly monitor our tenants', operators' and managers' compliance with their respective insurance requirements, we cannot assure you that they will maintain the required insurance coverages, and any failure, inability or unwillingness by our tenants, operators and managers to do so could have a Material Adverse Effect on us. We also cannot assure you that we will continue to require the same levels of insurance coverage under our lease, management and other agreements, that such insurance coverage will be available at a reasonable cost in the future or that the policies maintained will fully cover all losses related to our properties upon the occurrence of a catastrophic event, nor can we assure you of the future financial viability of the insurers.

We maintain the property insurance for all of our senior living operations, as well as the general and professional liability insurance for our seniors housing communities and related operations managed by Atria. However, Sunrise maintains the general and professional liability insurance for our seniors housing communities and related operations that it manages in accordance with the terms of our management agreements. Under our management agreements with Sunrise, we may elect, on an annual basis, whether we or Sunrise will bear responsibility for maintaining the required insurance coverage for the applicable properties, but the costs of such insurance are facility expenses paid from the revenues of those properties, regardless of who maintains the insurance.

Through our MOB operations, we provide engineering, construction and architectural services in connection with new development projects, and any design, construction or systems failures related to the properties we develop could result in substantial injury or damage to our clients or third parties. Any such injury or damage claims may arise in the ordinary course and may be asserted with respect to ongoing or completed projects. Although we maintain liability insurance to protect us against these claims, if any claim results in a loss, we cannot assure you that our policy limits would be adequate to cover the loss in full. If we sustain losses in excess of our insurance coverage, we may be required to pay the difference and we could lose our investment in, or experience reduced profits and cash flows from, the affected MOB, which could have a Material Adverse Effect on us.

For various reasons, including to reduce and manage costs, many healthcare companies utilize different organizational and corporate structures coupled with self-insurance trusts or captive programs that may provide less coverage than a traditional insurance policy. As a result, companies that self-insure could incur large funded and unfunded general and professional liability expenses, which could have a material adverse effect on their liquidity, financial condition and results of operations. The implementation of a trust or captive by any of our tenants, operators or managers could adversely affect such person's ability to satisfy its obligations under, or otherwise comply with the terms of, its respective lease, management and other agreements with us, which could have a Material Adverse Effect on us. Likewise, if we decide to implement a captive or self-insurance program, any large funded and unfunded general and professional liability expenses that we incur could have a Material Adverse Effect on us.

Additional Information

We maintain a website at www.ventasreit.com. The information on our website is not incorporated by reference in this Annual Report on Form 10-K, and our web address is included as an inactive textual reference only.

We make available, free of charge, through our website our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13 or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. In addition, our Guidelines on Governance, our Global Code of Ethics and Business Conduct (including waivers from and amendments to that document) and the charters for each of our Audit and Compliance, Nominating and Corporate Governance and Executive Compensation Committees are available on our website, and we will mail copies of the foregoing documents to stockholders, free of charge, upon request to our Corporate Secretary at Ventas, Inc., 353 North Clark Street, Suite 3300, Chicago, Illinois 60654.

GOVERNMENTAL REGULATION

Healthcare Regulation

Overview

Our tenants, operators and managers are typically subject to extensive and complex federal, state and local laws and regulations relating to quality of care, licensure and certificate of need, government reimbursement, fraud and abuse practices, qualifications of personnel, adequacy of plant and equipment, and other laws and regulations governing the operation of healthcare facilities. We expect that the healthcare industry will, in general, continue to face increased regulation and pressure in these areas. The applicable rules are wide-ranging and can subject our tenants, operators and managers to civil, criminal, and administrative sanctions, including: the possible loss of accreditation or license; denial of reimbursement; imposition of fines; suspension, decertification, or exclusion from federal and state healthcare programs; or facility closure. Changes in laws or regulations, reimbursement policies, enforcement activity and regulatory non-compliance by tenants, operators and managers can all have a significant effect on their operations and financial condition, which in turn may adversely impact us, as detailed below and set forth under “Risk Factors” in Part I, Item 1A of this Annual Report on Form 10-K.

Although the properties within our portfolio may be subject to varying levels of governmental scrutiny, we expect that the healthcare industry, in general, will continue to face increased regulation and pressure in the areas of fraud, waste and abuse, cost control, healthcare management and provision of services, among others. We also expect that efforts by third-party payors, such as the federal Medicare program, state Medicaid programs and private insurance carriers (including health maintenance organizations and other health plans), to impose greater discounts and more stringent cost controls upon operators (through changes in reimbursement rates and methodologies, discounted fee structures, the assumption by healthcare providers of all or a portion of the financial risk or otherwise) will intensify and continue. A significant expansion of applicable federal, state or local laws and regulations, existing or future healthcare reform measures, new interpretations of existing laws and regulations, changes in enforcement priorities, or significant limits on the scope of services reimbursed or reductions in reimbursement rates could have a material adverse effect on certain of our operators’ liquidity, financial condition and results of operations and, in turn, their ability to satisfy their contractual obligations, including making rental payments under and otherwise complying with the terms of our leases.

Licensure, Certification and CONs

In general, the operators of our skilled nursing facilities and hospitals must be licensed and periodically certified through various regulatory agencies that determine compliance with federal, state and local laws to participate in the Medicare and Medicaid programs. Legal requirements pertaining to such licensure and certification relate to the quality of medical care provided by the operator, qualifications of the operator’s administrative personnel and clinical staff, adequacy of the physical plant and equipment and continuing compliance with applicable laws and regulations. A loss of licensure or certification could adversely affect a skilled nursing facility or hospital operator’s ability to receive payments from the Medicare and Medicaid programs, which, in turn, could adversely affect its ability to satisfy its obligations to us.

In addition, many of our skilled nursing facilities and hospitals are subject to state CON laws that require governmental approval prior to the development or expansion of healthcare facilities and services. The approval process in these states generally requires a facility to demonstrate the need for additional or expanded healthcare facilities or services. CONs, where applicable, are also sometimes necessary for changes in ownership or control of licensed facilities, addition of beds, investment in major capital equipment, introduction of new services or termination of services previously approved through the CON process. CON laws and regulations may restrict an operator’s ability to expand our properties and grow its business in certain circumstances, which could have an adverse effect on the operator’s revenues and, in turn, its ability to make rental payments under and otherwise comply with the terms of our leases. See “Risk Factors-Risks Arising from Our Business-If we must replace any of our tenants or operators, we might be unable to reposition the properties on as favorable terms, or at all, and we could be subject to delays, limitations and expenses, which could have a Material Adverse Effect on us” included in Part I, Item 1A of this Annual Report on Form 10-K.

Compared to skilled nursing facilities and hospitals, seniors housing communities (other than those that receive Medicaid payments) do not receive significant funding from governmental healthcare programs and are subject to relatively few, if any, federal regulations. Instead, to the extent they are regulated, such regulation consists primarily of state and local laws governing licensure, provision of services, staffing requirements and other operational matters, which vary greatly from one jurisdiction to another. Although recent growth in the U.S. seniors housing industry has attracted the attention of various federal agencies that believe more federal regulation of these properties is necessary, Congress thus far has deferred to state regulation of seniors housing communities. However, as a result of this growth and increased federal scrutiny, some states have revised and strengthened their regulation of seniors housing communities, and more states are expected to do the same in the future.

Fraud and Abuse Enforcement

Skilled nursing facilities, hospitals and senior housing communities that receive Medicaid payments are subject to various complex federal, state and local laws and regulations that govern healthcare providers' relationships and arrangements and prohibit fraudulent and abusive business practices. These laws and regulations include, among others:

- Federal and state false claims acts, which, among other things, prohibit healthcare providers from filing false claims or making false statements to receive payment from Medicare, Medicaid or other governmental healthcare programs;
- Federal and state anti-kickback and fee-splitting statutes, including the Medicare and Medicaid anti-kickback statute, which prohibit the payment, receipt or solicitation of any remuneration to induce referrals of patients for items or services covered by a governmental healthcare program, including Medicare and Medicaid;
- Federal and state physician self-referral laws, including the federal Stark Law, which generally prohibits physicians from referring patients enrolled in certain governmental healthcare programs to providers of certain designated health services in which the referring physician or an immediate family member of the referring physician has an ownership or other financial interest;
- The federal Civil Monetary Penalties Law, which authorizes the U.S. Department of Health and Human Services ("HHS") to impose civil penalties administratively for fraudulent acts; and
- State and federal data privacy and security laws, including the privacy and security rules of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which provide for the privacy and security of certain individually identifiable health information.

Violating these healthcare fraud and abuse laws and regulations may result in criminal and civil penalties, such as punitive sanctions, damage assessments, monetary penalties, imprisonment, denial of Medicare and Medicaid payments, and exclusion from the Medicare and Medicaid programs. The responsibility for enforcing these laws and regulations lies with a variety of federal, state and local governmental agencies, however they can also be enforced by private litigants through federal and state false claims acts and other laws that allow private individuals to bring whistleblower suits known as *qui tam* actions.

Congress has significantly increased funding to the governmental agencies charged with enforcing the healthcare fraud and abuse laws to facilitate increased audits, investigations and prosecutions of providers suspected of healthcare fraud. As a result, government investigations and enforcement actions brought against healthcare providers have increased significantly in recent years and are expected to continue. A violation of federal or state anti-fraud and abuse laws or regulations by an operator of our properties could have a material adverse effect on the operator's liquidity, financial condition or results of operations, which could adversely affect its ability to satisfy its contractual obligations, including making rental payments under and otherwise complying with the terms of our leases.

Reimbursement

The majority of skilled nursing facilities reimbursement, and a significant percentage of hospital reimbursement, is through Medicare and Medicaid. Medical buildings and other healthcare related properties have provider tenants that participate in Medicare and Medicaid. These programs are often their largest source of funding. Seniors housing communities generally do not receive funding from Medicare or Medicaid, but their ability to retain their residents is impacted by policy decisions and initiatives established by the administrators of Medicare and Medicaid. The passage of the Affordable Care Act ("ACA") in 2010 allowed formerly uninsured Americans to acquire coverage and utilize additional health care services. In addition, the ACA gave the Centers for Medicare and Medicaid Services new authorities to implement Medicaid waiver and pilot programs that impact healthcare and long term custodial care reimbursement by Medicare and Medicaid. These activities promote "aging in place", allowing senior citizens to stay longer in seniors housing communities, and diverting or delaying their admission into skilled nursing facilities. The potential risks that accompany these regulatory and market changes are discussed below.

- As a result of the ACA, and specifically Medicaid expansion and establishment of Health Insurance Exchanges providing subsidized health insurance, an estimated seventeen million more Americans have health insurance. These newly-insured Americans utilize services delivered by providers at medical buildings and other healthcare facilities. The ACA remains controversial and continued attempts to repeal or reverse aspects of the law could result in insured individuals losing coverage, and consequently foregoing services offered by provider tenants in medical buildings and other healthcare facilities.

- Enabled by the Medicare Modernization Act (2003) and subsequent laws, Medicare and Medicaid have implemented pilot programs (officially termed demonstrations or models) to “divert” elderly from skilled nursing facilities and promote “aging in place” in “the least restrictive environment.” Several states have implemented Home and Community-based Medicaid waiver programs that increase the support services available to senior citizens in senior housing, lengthening the time that many seniors can live outside of a skilled nursing facility. These Medicaid waiver programs are subject to re-approval and pilots are time-limited. Roll-back or expiration of these programs could have an adverse effect on the senior housing market.
- The Centers for Medicare and Medicaid Services is currently in the midst of transitioning Medicare from a traditional fee for service reimbursement model to capitated, value-based, and bundled payment approaches in which the government pays a set amount for each beneficiary for a defined period of time, based on that person’s underlying medical needs, rather than the actual services provided. The result is increasing use of management tools to oversee individual providers and coordinate their services. This puts downward pressure on the number and expense of services provided. Roughly eight million Medicare beneficiaries now receive care via Accountable Care Organizations, and Medicare Advantage health plans now provide care for roughly seventeen million Medicare beneficiaries. The continued trend toward capitated, value-based, and bundled payment approaches has the potential diminish the market for certain healthcare providers, particularly specialist physicians and providers of particular diagnostic technologies such as Medical Resonance Imaging services. This could adversely impact the medical properties that house these physicians and medical technology providers.
- The majority of Medicare payments continue to be made through traditional Medicare Part A and Part B fee-for-service schedules. The Medicare and CHIP Reauthorization Act of 2015 (“MACRA”) addresses the risk of a Sustainable Growth Rate cut in Medicare payments for physician services. However, other annual Medicare payment regulations, particularly with respect to certain hospitals, skilled nursing care, and home health services have resulted in lower net pay increases than providers of those services have often expected. In addition, MACRA establishes a multi-year transition into pay-for-quality approaches for Medicare physicians and other providers. This will include payment reductions for providers who do not meet government quality standards. The implementation of pay-for-quality models is expected to produce funding disparities that could adversely impact some provider tenants in medical buildings and other health care properties.

For the year ended December 31, 2015, approximately 11% of our total revenues and 19% of our total NOI (in each case excluding amounts in discontinued operations) were attributable to skilled nursing facilities and hospitals in which our third-party tenants receive reimbursement for their services under governmental healthcare programs, such as Medicare and Medicaid. We are neither a participant in, nor a direct recipient of, any reimbursement under these programs with respect to those leased facilities.

Environmental Regulation

As an owner of real property, we are subject to various federal, state and local laws and regulations regarding environmental, health and safety matters.

These laws and regulations address, among other things, asbestos, polychlorinated biphenyls, fuel oil management, wastewater discharges, air emissions, radioactive materials, medical wastes, and hazardous wastes, and, in certain cases, the costs of complying with these laws and regulations and the penalties for non-compliance can be substantial. With respect to our properties that are operated or managed by third parties, we may be held primarily or jointly and severally liable for costs relating to the investigation and clean-up of any property from which there is or has been an actual or threatened release of a regulated material and any other affected properties, regardless of whether we knew of or caused the release. Such costs typically are not limited by law or regulation and could exceed the property’s value. In addition, we may be liable for certain other costs, such as governmental fines and injuries to persons, property or natural resources, as a result of any such actual or threatened release. See “Risk Factors-Risks Arising from Our Business-We could incur substantial liabilities and costs if any of our properties are found to be contaminated with hazardous substances or we become involved in any environmental disputes” included in Item 1A of this Annual Report on Form 10-K.

Under the terms of our lease, management and other agreements, we generally have a right to indemnification by the tenants, operators and managers of our properties for any contamination caused by them. However, we cannot assure you that our tenants, operators and managers will have the financial capability or willingness to satisfy their respective indemnification obligations to us, and any failure, inability or unwillingness to do so may require us to satisfy the underlying environmental claims.

In general, we have also agreed to indemnify our tenants and operators against any environmental claims (including penalties and clean-up costs) resulting from any condition arising in, on or under, or relating to, the leased properties at any time before the applicable lease commencement date. With respect to our senior living operating portfolio, we have agreed to indemnify our managers against any environmental claims (including penalties and clean-up costs) resulting from any condition on those properties, unless the manager caused or contributed to that condition.

We did not make any material capital expenditures in connection with environmental, health, and safety laws, ordinances and regulations in 2015 and do not expect that we will be required to make any such material capital expenditures during 2016.

Canada

In Canada, seniors housing communities are currently generally subject to significantly less regulation than skilled nursing facilities and hospitals, and the regulation of such facilities is principally a matter of provincial and municipal jurisdiction. As a result, the regulatory regimes that apply to seniors housing communities vary depending on the province (and in certain circumstances, the city) in which a facility is located. Recently, certain Canadian provinces have taken steps to implement regulatory measures that could result in enhanced regulation for seniors housing communities in such provinces.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion summarizes certain U.S. federal income tax considerations that may be relevant to you as a holder of our stock. It is not tax advice, nor does it purport to address all aspects of U.S. federal income taxation that may be important to particular stockholders in light of their personal circumstances or to certain types of stockholders, such as insurance companies, tax-exempt organizations (except to the extent discussed below under “-Treatment of Tax-Exempt Stockholders”), financial institutions, pass-through entities (or investors in such entities) or broker-dealers, and non-U.S. individuals and entities (except to the extent discussed below under “-Special Tax Considerations for Non-U.S. Stockholders”), that may be subject to special rules.

The statements in this section are based on the Internal Revenue Code of 1986, as amended (the “Code”), U.S. Treasury Regulations, Internal Revenue Service (“IRS”) rulings, and judicial decisions now in effect, all of which are subject to change or different interpretation, possibly with retroactive effect. The laws governing the U.S. federal income tax treatment of REITs and their stockholders are highly technical and complex, and this discussion is qualified in its entirety by the authorities listed above. We cannot assure you that new laws, interpretations of law or court decisions will not cause any statement herein to be inaccurate.

Federal Income Taxation of Ventas

We elected REIT status beginning with the year ended December 31, 1999. We believe that we have satisfied the requirements to qualify as a REIT for federal income tax purposes for all tax years starting in 1999, and we intend to continue to do so. By qualifying for taxation as a REIT, we generally are not subject to federal income tax on net income that we currently distribute to stockholders, which substantially eliminates the “double taxation” (i.e., taxation at both the corporate and stockholder levels) that results from investment in a C corporation (i.e., a corporation generally subject to full corporate-level tax).

Notwithstanding such qualification, we are subject to federal income tax on any undistributed taxable income, including undistributed net capital gains, at regular corporate rates. In addition, we are subject to a 4% excise tax if we do not satisfy specific REIT distribution requirements. See “-Requirements for Qualification as a REIT-Annual Distribution Requirements.” Under certain circumstances, we may be subject to the “alternative minimum tax” on our undistributed items of tax preference. If we have net income from the sale or other disposition of “foreclosure property” (as described below) held primarily for sale to customers in the ordinary course of business or certain other non-qualifying income from foreclosure property, we are subject to tax at the highest corporate rate on that income. See “-Requirements for Qualification as a REIT-Foreclosure Property.” In addition, if we have net income from “prohibited transactions” (which are, in general, certain sales or other dispositions of property (other than foreclosure property) held primarily for sale to customers in the ordinary course of business), that income is subject to a 100% tax.

We also may be subject to “Built-in Gains Tax” on any appreciated asset that we own or acquire that was previously owned by a C corporation. If we dispose of any such asset and recognize gain on the disposition during the five-year period immediately after the asset was owned by a C corporation (either prior to our REIT election, or through stock acquisition or merger), then we generally are subject to regular corporate income tax on the gain equal to the lesser of the recognized gain at the time of disposition or the built-in gain in that asset as of the date it became a REIT asset.

If we fail to satisfy either of the gross income tests for qualification as a REIT (as discussed below), but maintain such qualification under the relief provisions of the Code, we will be subject to a 100% tax on the gross income attributable to the amount by which we failed the applicable test, multiplied by a fraction intended to reflect our profitability. In addition, if we violate one or more of the REIT asset tests (as discussed below), we may avoid a loss of our REIT status if we qualify under certain relief provisions and, among other things, pay a tax equal to the greater of \$50,000 or the highest corporate tax rate multiplied by the net income generated by the non-qualifying asset during a specified period. If we fail to satisfy any requirement for REIT qualification, other than the gross income or assets tests mentioned above, but maintain such qualification by meeting certain other requirements, we may be subject to a \$50,000 penalty for each failure. Finally, we will incur a 100% excise tax on the income derived from certain transactions with a taxable REIT subsidiary (including rental income derived from leasing properties to a taxable REIT subsidiary) that are not conducted on an arm's-length basis.

See “-Requirements for Qualification as a REIT” below for other circumstances in which we may be required to pay federal taxes.

Requirements for Qualification as a REIT

To qualify as a REIT, we must meet the requirements discussed below relating to our organization, sources of income, nature of assets and distributions of income to our stockholders.

Organizational Requirements

The Code defines a REIT as a corporation, trust or association: (i) that is managed by one or more directors or trustees; (ii) the beneficial ownership of which is evidenced by transferable shares or by transferable certificates of beneficial interest; (iii) that would be taxable as a domestic corporation but for Sections 856 through 859 of the Code; (iv) that is neither a financial institution nor an insurance company subject to certain provisions of the Code; (v) the beneficial ownership of which is held by 100 or more persons during at least 335 days of a taxable year of 12 months, or during a proportionate part of a shorter taxable year (the “100 Shareholder Rule”); (vi) not more than 50% in value of the outstanding stock of which is owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of each taxable year (the “5/50 Rule”); (vii) that makes an election to be a REIT (or has made such election for a prior taxable year) and satisfies all relevant filing and other administrative requirements established by the IRS that must be met in order to elect and to maintain REIT status; (viii) that uses a calendar year for federal income tax purposes; and (ix) that meets certain other tests, described below, regarding the nature of its income and assets.

We believe, but cannot assure you, that we have satisfied and will continue to satisfy the organizational requirements for qualification as a REIT. Although our certificate of incorporation contains certain limits on the ownership of our stock that are intended to prevent us from failing the 5/50 Rule or the 100 Shareholder Rule, we cannot assure you as to the effectiveness of those limits.

To qualify as a REIT, a corporation also may not have (as of the end of the taxable year) any earnings and profits that were accumulated in periods before it elected REIT status or that are from acquired non-REIT corporations. We believe that we have not had any accumulated earnings and profits that are attributable to non-REIT periods or from acquired corporations that were not REITs, although the IRS is entitled to challenge that determination.

Gross Income Tests

We must satisfy two annual gross income requirements to qualify as a REIT:

- At least 75% of our gross income (excluding gross income from prohibited transactions) for each taxable year must consist of defined types of income derived directly or indirectly from investments relating to real property or mortgages on real property (including pledges of equity interest in certain entities holding real property and also including “rents from real property” (as defined in the Code)) and, in certain circumstances, interest on certain types of temporary investment income; and
- At least 95% of our gross income (excluding gross income from prohibited transactions) for each taxable year must be derived from such real property or temporary investments, dividends, interest and gain from the sale or disposition of stock or securities, or from any combination of the foregoing.

We believe, but cannot assure you, that we have been and will continue to be in compliance with these gross income tests. If we fail to satisfy one or both tests for any taxable year, we nevertheless may qualify as a REIT for that year if we qualify

under certain relief provisions of the Code, in which case we would be subject to a 100% tax on the gross income attributable to the amount by which we failed the applicable test. If we fail to satisfy one or both tests and do not qualify under the relief provisions for any taxable year, we will not qualify as a REIT for that year, which would have a Material Adverse Effect on us.

Asset Tests

At the close of each quarter of our taxable year, we must satisfy the following tests relating to the nature of our assets:

- At least 75% of the value of our total assets must be represented by cash or cash items (including certain receivables), government securities, "real estate assets" (including interests in real property and in mortgages on real property and shares in other qualifying REITs) (for taxable years beginning after December 31, 2015, the term "real estate assets" also includes (i) unsecured debt instruments of REITs that are required to file annual and periodic reports with the SEC under the Exchange Act ("Publicly Offered REITs") (ii) personal property securing a mortgage secured by both real property and personal property if the fair market value of such personal property does not exceed 15% of the combined fair market value of all such personal and real property and (iii) personal property leased in connection with a lease of real property for which the rent attributable to personal property is not greater than 15% of the total rent received under the lease) or, in cases where we raise new capital through stock or long-term (i.e., having a maturity of at least five years) debt offerings, temporary investments in stock or debt instruments during the one-year period following our receipt of such capital (the "75% asset test"); and
- Of the investments not meeting the requirements of the 75% asset test, the value of any single issuer's debt and equity securities that we own (other than our equity interests in any entity classified as a partnership for federal income tax purposes, the stock or debt of a taxable REIT subsidiary or the stock or debt of a qualified REIT subsidiary or other disregarded entity subsidiary) may not exceed 5% of the value of our total assets (the "5% asset test"), and we may not own more than 10% of any single issuer's outstanding voting securities (the "10% voting securities test") or more than 10% of the value of any single issuer's outstanding securities (the "10% value test"), subject to limited "safe harbor" exceptions.
- No more than 25% (20% for taxable years beginning after December 31, 2017) of the value of our total assets can be represented by securities of taxable REIT subsidiaries (the "25% TRS Test" or after December 31, 2017, the "20% TRS Test").
- For taxable years beginning after December 31, 2015, the aggregate value of all unsecured debt instruments of Publicly Offered REITs that we hold may not exceed 25% of the value of our total assets."

We believe, but cannot assure you, that we have been and will continue to be in compliance with the asset tests described above. If we fail to satisfy one or more asset tests at the end of any quarter, we nevertheless may continue to qualify as a REIT if we satisfied all of the asset tests at the close of the preceding calendar quarter and the discrepancy between the value of our assets and the asset test requirements is due to changes in the market values and not caused in any part by our acquisition of non-qualifying assets.

Furthermore, if we fail to satisfy any of the asset tests at the end of any calendar quarter without curing that failure within 30 days after quarter end, we would fail to qualify as a REIT unless we qualified under certain relief provisions enacted as part of the American Jobs Creation Act of 2004. Under one relief provision, we would continue to qualify as a REIT if our failure to satisfy the 5% asset test, the 10% voting securities test or the 10% value test is due to our ownership of assets having a total value not exceeding the lesser of 1% of our assets at the end of the relevant quarter or \$10 million and we disposed of those assets (or otherwise met such asset tests) within six months after the end of the quarter in which the failure was identified. If we fail to satisfy any of the asset tests for a particular quarter but do not qualify under the relief provision described in the preceding sentence, then we would be deemed to have satisfied the relevant asset test if: (i) following identification of the failure, we filed a schedule containing a description of each asset that caused the failure; (ii) the failure was due to reasonable cause and not willful neglect; (iii) we disposed of the non-qualifying asset (or otherwise met the relevant asset test) within six months after the end of the quarter in which the failure was identified; and (iv) we paid a penalty tax equal to the greater of \$50,000 or the highest corporate tax rate multiplied by the net income generated by the non-qualifying asset during the period beginning on the first date of the failure and ending on the date we disposed of the asset (or otherwise cured the asset test failure). We cannot predict whether in all circumstances we would be entitled to the benefit of these relief provisions, and if we fail to satisfy any of the asset tests and do not qualify for the relief provisions, we will lose our REIT status, which would have a Material Adverse Effect on us.

Foreclosure Property

The foreclosure property rules permit us (by our election) to foreclose or repossess properties without being disqualified as a REIT as a result of receiving income that does not qualify under the gross income tests. However, in such a case, we would be subject to a corporate tax on the net non-qualifying income from "foreclosure property," and the after-tax amount would increase the dividends we would be required to distribute to stockholders. See "-Annual Distribution Requirements". The corporate tax imposed on non-qualifying income would not apply to income that qualifies as "good REIT income," such as a lease of qualified healthcare property to a taxable REIT subsidiary, where the taxable REIT subsidiary engages an "eligible independent contractor" to manage and operate the property.

Foreclosure property treatment will end on the first day on which we enter into a lease of the applicable property that will give rise to income that does not constitute "good REIT income" under Section 856(c)(3) of the Code, but will not end if the lease will give rise only to good REIT income. Foreclosure property treatment also will end if any construction takes place on the property (other than completion of a building or other improvement that was more than 10% complete before default became imminent). Foreclosure property treatment (other than for qualified healthcare property) is available for an initial period of three years and may, in certain circumstances, be extended for an additional three years. Foreclosure property treatment for qualified healthcare property is available for an initial period of two years and may, in certain circumstances, be extended for an additional four years.

Taxable REIT Subsidiaries

A taxable REIT subsidiary, or "TRS," is a corporation subject to tax as a regular C corporation. Generally, a TRS can own assets that cannot be owned by a REIT directly and can perform tenant services (excluding the direct or indirect operation or management of a lodging or healthcare facility) that would otherwise disqualify the REIT's rental income under the gross income tests. Notwithstanding general restrictions on related party rent, a REIT can lease healthcare properties to a TRS if the TRS does not manage or operate the properties and instead engages an eligible independent contractor to manage them. We are permitted to own up to 100% of a TRS, subject to the 25% TRS Test (or 20% TRS Test, as applicable) but the Code imposes certain limits on the ability of the TRS to deduct interest payments made to us. In addition, we are subject to a 100% penalty tax on any excess payments received by us or any excess expenses deducted by the TRS if the economic arrangements between the REIT, the REIT's tenants and the TRS are not comparable to similar arrangements among unrelated parties.

Annual Distribution Requirements

In order to be taxed as a REIT, we are required to distribute dividends (other than capital gain dividends) to our stockholders in an amount at least equal to the sum of (i) 90% of our "REIT taxable income" (computed without regard to the dividends paid deduction and our net capital gain) and (ii) 90% of the net income (after tax), if any, from foreclosure property, minus the sum of certain items of non-cash income. These dividends must be paid in the taxable year to which they relate, but may be paid in the following taxable year if (i) they are declared in October, November or December, payable to stockholders of record on a specified date in one of those months and actually paid during January of such following year or (ii) they are declared before we timely file our tax return for such year and paid on or before the first regular dividend payment after such declaration, and we elect on our federal income tax return for the prior year to have a specified amount of the subsequent dividend treated as paid in the prior year. To the extent we do not distribute all of our net capital gain or at least 90%, but less than 100%, of our REIT taxable income, as adjusted, we will be subject to tax on the undistributed amount at regular capital gains and ordinary corporate tax rates, except to the extent of our net operating loss or capital loss carryforwards. If we pay any Built-in Gains Taxes, those taxes will be deductible in computing REIT taxable income. Moreover, if we fail to distribute during each calendar year (or, in the case of distributions with declaration and record dates falling in the last three months of the calendar year, by the end of January following such year) at least the sum of 85% of our REIT ordinary income for such year, 95% of our REIT capital gain net income for such year (other than long-term capital gain we elect to retain and treat as having been distributed to stockholders), and any undistributed taxable income from prior periods, we will be subject to a 4% nondeductible excise tax on the excess of such required distribution over the amounts actually distributed.

We believe, but cannot assure you, that we have satisfied the annual distribution requirements for the year of our initial REIT election and each subsequent year through the year ended December 31, 2015. Although we intend to satisfy the annual distribution requirements to continue to qualify as a REIT for the year ending December 31, 2016 and thereafter, economic, market, legal, tax or other considerations could limit our ability to meet those requirements.

We have net operating loss carryforwards that we may use to reduce our annual distribution requirements. See "Note 13-Income Taxes" of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Failure to Continue to Qualify

If we fail to satisfy one or more requirements for REIT qualification, other than by violating a gross income or asset test for which relief is available under the circumstances described above, we would retain our REIT qualification if the failure is due to reasonable cause and not willful neglect and if we pay a penalty of \$50,000 for each such failure. We cannot predict whether in all circumstances we would be entitled to the benefit of this relief provision.

If our election to be taxed as a REIT is revoked or terminated in any taxable year (e.g., due to a failure to meet the REIT qualification tests without qualifying for any applicable relief provisions), we would be subject to tax (including any applicable alternative minimum tax) on our taxable income at regular corporate rates (for all open tax years beginning with the year our REIT election is revoked or terminated), and we would not be required to make distributions to stockholders, nor would we be entitled to deduct any such distributions. All distributions to stockholders (to the extent of our current and accumulated earnings and profits) would be taxable as ordinary income, except to the extent such dividends are eligible for the qualified dividends rate generally available to non-corporate holders, and, subject to certain limitations, corporate stockholders would be eligible for the dividends received deduction. In addition, we would be prohibited from re-electing REIT status for the four taxable years following the year during which we ceased to qualify as a REIT, unless certain relief provisions of the Code applied. We cannot predict whether we would be entitled to such relief.

New Partnership Audit Rules

The recently enacted Bipartisan Budget Act of 2015 changes the rules applicable to U.S. federal income tax audits of partnerships. Under the new rules (which are generally effective for taxable years beginning after December 31, 2017), among other changes and subject to certain exceptions, any audit adjustment to items of income, gain, loss, deduction, or credit of a partnership (and any partner's distributive share thereof) is determined, and taxes, interest, or penalties attributable thereto are assessed and collected, at the partnership level. Although it is uncertain how these new rules will be implemented, it is possible that they could result in partnerships in which we directly or indirectly invest being required to pay additional taxes, interest and penalties as a result of an audit adjustment, and we, as a direct or indirect partner of these partnerships, could be required to bear the economic burden of those taxes, interest, and penalties even though we, as a REIT, may not otherwise have been required to pay additional corporate-level taxes had we owned the assets of the partnership directly. The changes created by these new rules are sweeping and in many respects dependent on the promulgation of future regulations or other guidance by the U.S. Treasury. You should consult with your tax advisors with respect to these changes and their potential impact on your investment in our common stock.

Federal Income Taxation of U.S. Stockholders

As used in this discussion, the term "U.S. Stockholder" refers to any beneficial owner of our stock that is, for U.S. federal income tax purposes, an individual who is a citizen or resident of the United States, a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia, an estate the income of which must be included in gross income for U.S. federal income tax purposes regardless of its source, or a trust if (i) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have authority to control all substantial decisions of the trust or (ii) the trust has elected under applicable U.S. Treasury Regulations to retain its pre-August 20, 1996 classification as a U.S. person. If an entity treated as a partnership for U.S. federal income tax purposes holds our stock, the tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partners in partnerships holding our stock should consult their tax advisors. This section assumes the U.S. Stockholder holds our stock as a capital asset (that is, for investment).

Provided we qualify as a REIT, distributions made to our taxable U.S. Stockholders out of current or accumulated earnings and profits (and not designated as capital gain dividends) generally will be taxable to such U.S. Stockholders as ordinary income and will not be eligible for the qualified dividends rate generally available to non-corporate holders or for the dividends received deduction generally available to corporations. Distributions that are designated as capital gain dividends will be taxed as a long-term capital gain (to the extent such distributions do not exceed our actual net capital gain for the taxable year) without regard to the period for which the stockholder has held our stock. The distributions we designate as capital gain dividends may not exceed our dividends paid for the taxable year, including dividends paid the following year that we treated as paid in the current year. Distributions in excess of current and accumulated earnings and profits will not be taxable to a U.S. Stockholder to the extent they do not exceed the U.S. Stockholder's adjusted basis of our stock (determined on a share-by-share basis), but rather will reduce the U.S. Stockholder's adjusted basis of our stock. To the extent that distributions in excess of current and accumulated earnings and profits exceed the U.S. Stockholder's adjusted basis of our stock, such distributions will be included in income as capital gains and taxable at a rate that will depend on the U.S. Stockholder's holding period for our stock. Any distribution declared by us and payable to a stockholder of record on a specified date in October, November or

December of any year will be treated as both paid by us and received by the stockholder on December 31 of that year, provided that we actually pay the distribution during January of the following calendar year.

We may elect to treat all or a part of our undistributed net capital gain as if it had been distributed to our stockholders. If we so elect, our U.S. Stockholders would be required to include in their income as long-term capital gain their proportionate share of our undistributed net capital gain, as designated by us. Each U.S. Stockholder would be deemed to have paid its proportionate share of the income tax imposed on us with respect to such undistributed net capital gain, and this amount would be credited or refunded to the U.S. Stockholder. In addition, the U.S. Stockholder's tax basis of our stock would be increased by its proportionate share of undistributed net capital gains included in its income, less its proportionate share of the income tax imposed on us with respect to such gains.

U.S. Stockholders may not include in their individual income tax returns any of our net operating losses or net capital losses. Instead, we may carry over those losses for potential offset against our future income, subject to certain limitations. Taxable distributions from us and gain from the disposition of our stock will not be treated as passive activity income, and, therefore, U.S. Stockholders generally will not be able to apply any "passive activity losses" (such as losses from certain types of limited partnerships in which the U.S. Stockholder is a limited partner) against such income. In addition, taxable distributions from us generally will be treated as investment income for purposes of the investment interest limitations.

We will notify stockholders after the close of our taxable year as to the portions of the distributions attributable to that year that constitute ordinary income, return of capital and capital gain. To the extent that a portion of the distribution is designated as a capital gain dividend, we will notify stockholders as to the portion that is a "20% rate gain distribution" and the portion that is an unrecaptured Section 1250 distribution. A 20% rate gain distribution is a capital gain distribution to U.S. Stockholders that are individuals, estates or trusts that is taxable at a maximum rate of 20%. An unrecaptured Section 1250 gain distribution is taxable to U.S. Stockholders that are individuals, estates or trusts at a maximum rate of 25%.

Taxation of U.S. Stockholders on the Disposition of Shares of Stock

In general, a U.S. Stockholder must treat any gain or loss realized upon a taxable disposition of our stock as long-term capital gain or loss if the U.S. Stockholder has held the stock for more than one year, and otherwise as short-term capital gain or loss. However, a U.S. Stockholder must treat any loss upon a sale or exchange of shares of our stock held for six months or less as a long-term capital loss to the extent of capital gain dividends and any other actual or deemed distributions from us which the U.S. Stockholder treats as long-term capital gain. All or a portion of any loss that a U.S. Stockholder realizes upon a taxable disposition of our stock may be disallowed if the U.S. Stockholder purchases other shares of our stock (or certain options to acquire our stock) within 30 days before or after the disposition.

Medicare Tax on Investment Income

Certain U.S. Stockholders who are individuals, estates or trusts and whose income exceeds certain thresholds are required to pay a 3.8% Medicare tax on dividends and certain other investment income, including capital gains from the sale or other disposition of our stock.

Treatment of Tax-Exempt Stockholders

Tax-exempt organizations, including qualified employee pension and profit sharing trusts and individual retirement accounts (collectively, "Exempt Organizations"), generally are exempt from U.S. federal income taxation but are subject to taxation on their unrelated business taxable income ("UBTI"). While many investments in real estate generate UBTI, a ruling published by the IRS states that dividend distributions by a REIT to an exempt employee pension trust do not constitute UBTI, provided that the shares of the REIT are not otherwise used in an unrelated trade or business of the exempt employee pension trust. Based on that ruling, and subject to the exceptions discussed below, amounts distributed by us to Exempt Organizations generally should not constitute UBTI. However, if an Exempt Organization finances its acquisition of our stock with debt, a portion of its income from us will constitute UBTI pursuant to the "debt-financed property" rules. Social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans that are exempt from taxation under paragraphs (7), (9), (17) and (20), respectively, of Section 501(c) of the Code are subject to different UBTI rules, which generally require them to characterize distributions from us as UBTI, and in certain circumstances, a pension trust that owns more than 10% of our stock is required to treat a percentage of the dividends from us as UBTI.

Special Tax Considerations for Non-U.S. Stockholders

As used herein, the term "Non-U.S. Stockholder" refers to any beneficial owner of our stock that is, for U.S. federal income tax purposes, a nonresident alien individual, foreign corporation, foreign estate or foreign trust, but does not include any foreign stockholder whose investment in our stock is "effectively connected" with the conduct of a trade or business in the United States. Such a foreign stockholder, in general, is subject to U.S. federal income tax with respect to its investment in our stock in the same manner as a U.S. Stockholder (subject to applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals). In addition, a foreign corporation receiving income that is treated as effectively connected with a U.S. trade or business also may be subject to an additional 30% "branch profits tax" on its effectively connected earnings and profits (subject to adjustments) unless an applicable tax treaty provides a lower rate or an exemption. Certain certification requirements must be satisfied in order for effectively connected income to be exempt from withholding.

Distributions to Non-U.S. Stockholders that are not attributable to gain from sales or exchanges by us of U.S. real property interests and are not designated by us as capital gain dividends (or deemed distributions of retained capital gains) are treated as dividends of ordinary income to the extent that they are made out of our current or accumulated earnings and profits. Such distributions ordinarily are subject to a withholding tax equal to 30% of the gross amount of the distribution unless an applicable tax treaty reduces or eliminates that tax. Distributions in excess of our current and accumulated earnings and profits are not taxable to a Non-U.S. Stockholder to the extent that such distributions do not exceed the Non-U.S. Stockholder's adjusted basis of our stock (determined on a share-by-share basis), but rather reduce the Non-U.S. Stockholder's adjusted basis of our stock. To the extent that distributions in excess of current and accumulated earnings and profits exceed the Non-U.S. Stockholder's adjusted basis of our stock, such distributions will give rise to tax liability if the Non-U.S. Stockholder would otherwise be subject to tax on any gain from the sale or disposition of our stock, as described below.

We expect to withhold U.S. tax at the rate of 30% on the gross amount of any dividends, other than dividends treated as attributable to gain from sales or exchanges of U.S. real property interests and capital gain dividends, paid to a Non-U.S. Stockholder, unless (i) a lower treaty rate applies and the required IRS Form W-8BEN or IRS Form W-8BEN-E evidencing eligibility for that reduced rate is filed with us or the appropriate withholding agent or (ii) the Non-U.S. Stockholder files an IRS Form W-8ECI or a successor form with us or the appropriate withholding agent properly claiming that the distributions are effectively connected with the Non-U.S. Stockholder's conduct of a U.S. trade or business.

For any year in which we qualify as a REIT, distributions to a Non-U.S. Stockholder that owns more than 10% of our shares at any time during the one-year period ending on the date of distribution and that are attributable to gain from sales or exchanges by us of U.S. real property interests will be taxed to the Non-U.S. Stockholder under the provisions of the Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA") as if such gain were effectively connected with a U.S. business. Accordingly, a Non-U.S. Stockholder that owns more than 10% of our shares will be taxed at the normal capital gain rates applicable to a U.S. Stockholder (subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals) and would be required to file a U.S. federal income tax return. Distributions subject to FIRPTA also may be subject to a branch profits tax equal to 30% of its effectively connected earnings and profits (subject to adjustments) if the recipient is a corporate Non-U.S. Stockholder not entitled to treaty relief or exemption. Under FIRPTA, we are required to withhold 35% (which is higher than the maximum rate on long-term capital gains of non-corporate persons) of any distribution to a Non-U.S. Stockholder that owns more than 10% of our shares which is or could be designated as a capital gain dividend attributable to U.S. real property interests. Moreover, if we designate previously made distributions as capital gain dividends attributable to U.S. real property interests, subsequent distributions (up to the amount of such prior distributions) will be treated as capital gain dividends subject to FIRPTA withholding. This amount is creditable against the Non-U.S. Stockholder's FIRPTA tax liability.

Distributions by us to a "qualified foreign pension fund," within the meaning of Section 897(l) of the Code ("Qualified Foreign Pension Fund"), or any entity all of the interests of which are held by a Qualified Foreign Pension Fund, is exempt from FIRPTA, but may nonetheless be subject to U.S. federal dividend withholding tax unless an applicable tax treaty or Section 892 of the Code provides an exemption from such dividend withholding tax. Non-U.S. Stockholders who are Qualified Foreign Pension Funds should consult their tax advisors regarding the application of these rules.

If a Non-U.S. Stockholder does not own more than 10% of our shares at any time during the one-year period ending on the date of a distribution, any capital gain distributions, to the extent attributable to sales or exchanges by us of U.S. real property interests, will not be considered to be effectively connected with a U.S. business, and the Non-U.S. Stockholder would not be required to file a U.S. federal income tax return solely as a result of receiving such a distribution. In that case, the distribution will be treated as an ordinary dividend to that Non-U.S. Stockholder and taxed as an ordinary dividend that is not a capital gain distribution (and subject to withholding), as described above. In addition, the branch profits tax will not apply to the

distribution. Any capital gain distribution, to the extent not attributable to sales or exchanges by us of U.S. real property interests, generally will not be subject to U.S. federal income taxation (regardless of the amount of our shares owned by a Non-U.S. Stockholder).

For so long as our stock continues to be regularly traded on an established securities market, the sale of such stock by any Non-U.S. Stockholder who is not a Ten Percent Non-U.S. Stockholder (as defined below) generally will not be subject to U.S. federal income tax (unless the Non-U.S. Stockholder is a nonresident alien individual who was present in the United States for more than 182 days during the taxable year of the sale and certain other conditions apply, in which case such gain (net of certain sources within the U.S., if any) will be subject to a 30% tax on a gross basis). A "Ten Percent Non-U.S. Stockholder" is a Non-U.S. Stockholder who, at some time during the five-year period preceding such sale or disposition, beneficially owned (including under certain attribution rules) more than 10% of the total fair market value of our stock (as outstanding from time to time).

In general, the sale or other taxable disposition of our stock by a Ten Percent Non-U.S. Stockholder also will not be subject to U.S. federal income tax if we are a "domestically controlled REIT." A REIT is a "domestically controlled REIT" if, at all times during the five-year period preceding the disposition in question, less than 50% in value of its shares is held directly or indirectly by Non-U.S. Stockholders. For purposes of determining whether a REIT is a domestically controlled qualified REIT, certain special rules apply including the rule that a person who at all applicable times holds less than 5 percent of a class of stock that is "regularly traded" is treated as a U.S. person unless the REIT has actual knowledge that such person is not a U.S. person. Because our common stock is publicly traded, we believe, but cannot assure you, that we currently qualify as a domestically controlled REIT, nor can we assure you that we will so qualify at any time in the future. If we do not constitute a domestically controlled REIT, a Ten Percent Non-U.S. Stockholder generally will be taxed in the same manner as a U.S. Stockholder with respect to gain on the sale of our stock (subject to applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals). The sale or other taxable disposition of our stock by a Qualified Foreign Pension Fund, or any entity all of the interests of which are held by a Qualified Foreign Pension Fund, is exempt from U.S. tax irrespective of the level of its shareholding in us and of whether we are a domestically controlled REIT.

Special rules apply to certain collective investment funds that are "qualified shareholders" as defined in Section 897(k)(3) of the Code of a REIT. Such investors, which include publicly traded vehicles that meet certain requirements, should consult with their own tax advisors prior to making an investment in our shares.

A 30% withholding tax will currently be imposed on dividends paid on our stock and will be imposed on gross proceeds from a sale or redemption of our stock paid after December 31, 2018 to (i) foreign financial institutions including non-U.S. investment funds, unless they agree to collect and disclose to the IRS information regarding their direct and indirect U.S. account holders and (ii) certain other foreign entities, unless they certify certain information regarding their direct and indirect U.S. owners. To avoid withholding, foreign financial institutions will need to (i) enter into agreements with the IRS that state that they will provide the IRS information, including the names, addresses and taxpayer identification numbers of direct and indirect U.S. account holders, comply with due diligence procedures with respect to the identification of U.S. accounts, report to the IRS certain information with respect to U.S. accounts maintained, agree to withhold tax on certain payments made to non-compliant foreign financial institutions or to account holders who fail to provide the required information, and determine certain other information as to their account holders, or (ii) in the event that an applicable intergovernmental agreement and implementing legislation are adopted, provide local revenue authorities with similar account holder information or otherwise comply with the terms of the intergovernmental agreement and implementing legislation. Other foreign entities will need to either provide the name, address, and taxpayer identification number of each substantial U.S. owner or certifications of no substantial U.S. ownership unless certain exceptions apply or agree to provide certain information to other revenue authorities for transmittal to the IRS.

Information Reporting Requirements and Backup Withholding

Information returns may be filed with the IRS and backup withholding (at a rate of 28%) may be collected in connection with distributions paid or required to be treated as paid during each calendar year and payments of the proceeds of a sale or other disposition of our stock by a stockholder, unless such stockholder is a corporation, non-U.S. person or comes within certain other exempt categories and, when required, demonstrates this fact or provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding and otherwise complies with the applicable requirements of the backup withholding rules. A stockholder who does not provide us with its correct taxpayer identification number also may be subject to penalties imposed by the IRS.

Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability of persons subject to backup withholding will be offset by the amount of tax withheld. If backup withholding results in an overpayment of U.S. federal income taxes, a refund or credit may be obtained from the IRS, provided the required information is furnished timely thereto.

As a general matter, backup withholding and information reporting will not apply to a payment of the proceeds of a sale of our stock by or through a foreign office of a foreign broker. Information reporting (but not backup withholding) will apply, however, to a payment of the proceeds of a sale of our stock by a foreign office of a broker that is a U.S. person, a foreign partnership that engaged during certain periods in the conduct of a trade or business in the United States or more than 50% of whose capital or profit interests are owned during certain periods by U.S. persons, any foreign person that derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States, or a "controlled foreign corporation" for U.S. tax purposes, unless the broker has documentary evidence in its records that the holder is a Non-U.S. Stockholder and certain other conditions are satisfied, or the stockholder otherwise establishes an exemption. Payment to or through a U.S. office of a broker of the proceeds of a sale of our stock is subject to both backup withholding and information reporting unless the stockholder certifies under penalties of perjury that the stockholder is a Non-U.S. Stockholder or otherwise establishes an exemption. A stockholder may obtain a refund of any amounts withheld under the backup withholding rules in excess of its U.S. federal income tax liability by timely filing the appropriate claim for a refund with the IRS.

Other Tax Consequences

State and Local Taxes

We and our stockholders may be subject to taxation by various states and localities, including those in which we or a stockholder transact business, own property or reside. State and local tax treatment may differ from the U.S. federal income tax treatment described above. Consequently, stockholders should consult their own tax advisers regarding the effect of state and local tax laws, in addition to federal, foreign and other tax laws, in connection with an investment in our stock.

Possible Legislative or Other Actions Affecting Tax Consequences

You should recognize that future legislative, judicial and administrative actions or decisions, which may be retroactive in effect, could adversely affect our federal income tax treatment or the tax consequences of an investment in shares of our stock. The rules dealing with U.S. federal income taxation are continually under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department, resulting in statutory changes as well as promulgation of new, or revisions to existing, regulations and revised interpretations of established concepts. We cannot predict the likelihood of passage of any new tax legislation or other provisions, either directly or indirectly, affecting us or our stockholders or the value of an investment in our stock. Changes to the tax laws, such as the Protecting Americans From Tax Hikes Act of 2015 enacted on December 18, 2015 or the Bipartisan Budget Act of 2015 enacted on November 2, 2015, or interpretations thereof by the IRS and the Treasury, with or without retroactive application, could materially and adversely affect us or our stockholders.

ITEM 1A. Risk Factors

This section discusses the most significant factors that affect our business, operations and financial condition. It does not describe all risks and uncertainties applicable to us, our industry or ownership of our securities. If any of the following risks, or any other risks and uncertainties that are not addressed below or that we have not yet identified, actually occur, we could be materially adversely affected and the value of our securities could decline.

We have grouped these risk factors into three general categories:

- Risks arising from our business;
- Risks arising from our capital structure; and
- Risks arising from our status as a REIT.

Risks Arising from Our Business

The properties managed by Atria and Sunrise account for a significant portion of our revenues and operating income; adverse developments in Atria's or Sunrise's business and affairs or financial condition could have a Material Adverse Effect on us.

As of December 31, 2015, Atria and Sunrise, collectively, managed 268 of our seniors housing communities pursuant to long-term management agreements. These properties represent a substantial portion of our portfolio, based on their gross book

value, and account for a significant portion of our revenues and NOI. Although we have various rights as the property owner under our management agreements, we rely on Atria's and Sunrise's 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 Atria and Sunrise to set appropriate resident fees, to provide accurate property-level financial results for our properties in a timely manner and to otherwise operate our seniors housing communities in compliance with the terms of our management agreements and all applicable laws and regulations. For example, we depend on Atria's and Sunrise's ability to attract and retain skilled management personnel who are responsible for the day-to-day operations of our seniors housing communities. A shortage of nurses or other trained personnel or general inflationary pressures may force Atria or Sunrise to enhance its pay and benefits package to compete effectively for such personnel, but it may not be able to offset these added costs by increasing the rates charged to residents. Any increase in labor costs and other property operating expenses, any failure by Atria or Sunrise to attract and retain qualified personnel, or significant changes in Atria's or Sunrise's senior management or equity ownership could adversely affect the income we receive from our seniors housing communities and have a Material Adverse Effect on us.

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. However, any adverse developments in Atria's or Sunrise's business and affairs or financial condition could impair its ability to manage our properties efficiently and effectively and could have a Material Adverse Effect on us. If Atria or Sunrise experiences any significant financial, legal, accounting or regulatory difficulties due to a weak economy or otherwise, such difficulties could result in, among other adverse events, acceleration of its indebtedness, impairment of its continued access to capital, the enforcement of default remedies by its counterparties, or the commencement of insolvency proceedings by or against it under the U.S. Bankruptcy Code, any one or a combination of which indirectly could have a Material Adverse Effect on us.

Our leases with Brookdale Senior Living, Kindred and Ardent account for a significant portion of our triple-net leased properties segment revenues and operating income; any failure, inability or unwillingness by Brookdale Senior Living, Kindred or Ardent to satisfy its obligations under our agreements could have a Material Adverse Effect on us.

The properties we lease to Brookdale Senior Living, Kindred and Ardent account for a significant portion of our triple-net leased properties segment revenues and NOI, and because our leases with Brookdale Senior Living and Ardent and the Kindred Master Leases are triple-net leases, we depend on Brookdale Senior Living, Kindred and Ardent to pay all insurance, taxes, utilities and maintenance and repair expenses in connection with the leased properties. We cannot assure you that Brookdale Senior Living, Kindred and Ardent 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, Kindred or Ardent to do so could have a Material Adverse Effect on us. In addition, any failure by Brookdale Senior Living, Kindred or Ardent to effectively conduct its operations or to maintain and improve our properties could adversely affect its business reputation and its ability to attract and retain patients and residents in our properties, which could have a Material Adverse Effect on us. Brookdale Senior Living, Kindred and Ardent have agreed to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities arising in connection with their respective businesses, and we cannot assure you that Brookdale Senior Living, Kindred and Ardent will have sufficient assets, income, access to financing and insurance coverage to enable them to satisfy their respective indemnification obligations.

We face potential adverse consequences of bankruptcy or insolvency by our tenants, operators, borrowers, managers and other obligors.

We are exposed to the risk that our tenants, operators, borrowers, managers or other obligors may become bankrupt or insolvent. Although our lease, loan and management agreements give us the right to exercise certain remedies in the event of default on the obligations owing to us or upon the occurrence of certain insolvency events, federal laws afford certain rights to a party that has filed for bankruptcy or reorganization. For example, a debtor-lessee may reject our lease in a bankruptcy proceeding, in which case our claim against the debtor-lessee for unpaid and future rents would be limited by the statutory cap of the U.S. Bankruptcy Code. This statutory cap could be substantially less than the remaining rent actually owed under the lease, and any claim we have for unpaid rent might not be paid in full. In addition, a debtor-lessee may assert in a bankruptcy proceeding that our lease should be re-characterized as a financing agreement, in which case our rights and remedies as a lender, compared to a landlord, generally would be more limited. If a debtor-manager seeks bankruptcy protection, the automatic stay provisions of the U.S. Bankruptcy Code would preclude us from enforcing our remedies against the manager unless relief is first obtained from the court having jurisdiction over the bankruptcy case. In any of these events, we also may be required to fund certain expenses and obligations (e.g., real estate taxes, debt costs and maintenance expenses) to preserve the value of our properties, avoid the imposition of liens on our properties or transition our properties to a new tenant, operator or manager.

We have rights to terminate our management agreements with Atria and Sunrise in whole or with respect to specific properties under certain circumstances, and we may be unable to replace Atria or Sunrise if our management agreements are terminated or not renewed.

We are parties to long-term management agreements pursuant to which Atria and Sunrise, collectively, provided comprehensive property management and accounting services with respect to 268 of our seniors housing communities as of December 31, 2015. Most of our management agreements with Atria have terms expiring either July 31, 2024 or December 31, 2027, with successive automatic ten-year renewal periods, and our management agreements with Sunrise have terms ranging from 25 to 30 years (which commenced as early as 2004 and as recently as 2012). Our ability to terminate these long-term management agreements is limited to specific circumstances set forth in the agreements and may relate to all properties or a specific property or group of properties.

We may terminate any of our Atria management agreements upon the occurrence of an event of default by Atria in the performance of a material covenant or term thereof (including, in certain circumstances, the revocation of any license or certificate necessary for operation), subject in most cases to Atria's right to cure such default, or upon the occurrence of certain insolvency events relating to Atria. In addition, we may terminate our management agreements with Atria based on the failure to achieve certain NOI targets or upon the payment of a fee.

Similarly, we may terminate any of our Sunrise management agreements upon the occurrence of an event of default by Sunrise in the performance of a material covenant or term thereof (including, in certain circumstances, the revocation of any license or certificate necessary for operation), subject in most cases to Sunrise's right to cure such default, or upon the occurrence of certain insolvency events relating to Sunrise. We also may terminate most of our management agreements with Sunrise based on the failure to achieve certain NOI targets or to comply with certain expense control covenants, subject to certain rights of Sunrise to make cure payments to us, and upon the occurrence of certain other events or the existence of certain other conditions.

We continually monitor and assess our contractual rights and remedies under our management agreements with Atria and Sunrise. When determining whether to pursue any existing or future rights or remedies under those agreements, including termination rights, we consider numerous factors, including legal, contractual, regulatory, business and other relevant considerations. In the event that we exercise our rights to terminate the Atria or Sunrise management agreements for any reason or such agreements are not renewed upon expiration of their terms, we would attempt to reposition the affected properties with another manager. Although we believe that many qualified national and regional seniors housing operators would be interested in managing our seniors housing communities, we cannot assure you that we would be able to locate another suitable manager or, if we are successful in locating such a manager, that it would manage the properties effectively. Moreover, the transition to a replacement manager would require approval by the applicable regulatory authorities and, in most cases, the mortgage lenders for the properties, and we cannot assure you that such approvals would be granted on a timely basis, if at all. Any inability to replace, or a lengthy delay in replacing, Atria or Sunrise as the manager of our seniors housing communities following termination or non-renewal of the applicable management agreements could have a Material Adverse Effect on us.

If we must replace any of our tenants or operators, we might be unable to reposition the properties on as favorable terms, or at all, and we could be subject to delays, limitations and expenses, which could have a Material Adverse Effect on us.

We cannot predict whether our tenants will renew existing leases beyond their current term. If our leases with Brookdale Senior Living or Ardent, the Kindred Master Leases or any of our other triple-net leases are not renewed, we would attempt to reposition those properties with another tenant or operator. In case of non-renewal, we generally have one year prior to expiration of the lease term to arrange for repositioning of the properties and our tenants are required to continue to perform all of their obligations (including the payment of all rental amounts) for the non-renewed assets until such expiration. However, following expiration of a lease term or if we exercise our right to replace a tenant or operator in default, rental payments on the related properties could decline or cease altogether while we reposition the properties with a suitable replacement tenant or operator. We also might not be successful in identifying suitable replacements or entering into leases or other arrangements with new tenants or operators on a timely basis or on terms as favorable to us as our current leases, if at all, and we may be required to fund certain expenses and obligations (e.g., real estate taxes, debt costs and maintenance expenses) to preserve the value of, and avoid the imposition of liens on, our properties while they are being repositioned. In addition, we may incur certain obligations and liabilities, including obligations to indemnify the replacement tenant or operator, which could have a Material Adverse Effect on us.

In the event of non-renewal or a tenant default, our ability to reposition our properties with a suitable replacement tenant or operator could be significantly delayed or limited by state licensing, receivership, CON or other laws, as well as by the Medicare and Medicaid change-of-ownership rules, and we could incur substantial additional expenses in connection with any licensing, receivership or change-of-ownership proceedings. Our ability to locate and attract suitable replacement tenants also

could be impaired by the specialized healthcare uses or contractual restrictions on use of the properties, and we may be forced to spend substantial amounts to adapt the properties to other uses. Any such delays, limitations and expenses could adversely impact our ability to collect rent, obtain possession of leased properties or otherwise exercise remedies for tenant default and could have a Material Adverse Effect on us.

Moreover, in connection with certain of our properties, we have entered into intercreditor agreements with the tenants' lenders or tri-party agreements with our lenders. Our ability to exercise remedies under the applicable leases or management agreements or to reposition the applicable properties may be significantly delayed or limited by the terms of the intercreditor agreement or tri-party agreement. Any such delay or limit on our rights and remedies could adversely affect our ability to mitigate our losses and could have a Material Adverse Effect on us.

Merger and acquisition activity or consolidation in the seniors housing and healthcare industries resulting in a change of control of, or a competitor's investment in, one or more of our tenants, operators or managers could have a Material Adverse Effect on us.

The seniors housing and healthcare industries have recently experienced increased consolidation, including among owners of real estate and care providers. We compete with other healthcare REITs, healthcare providers, healthcare lenders, real estate partnerships, banks, insurance companies, private equity firms and other investors that pursue a variety of investments, which may include investments in our tenants, operators or managers. A competitor's investment in one of our tenants, operators or managers could enable our competitor to influence that tenant's, operator's or manager's business and strategy in a manner that impairs our relationship with the tenant, operator or manager or is otherwise adverse to our interests. Depending on our contractual agreements and the specific facts and circumstances, we may have the right to consent to, or otherwise exercise rights and remedies, including termination rights, on account of, a competitor's investment in, a change of control of, or other transactions impacting a tenant, operator or manager. In deciding whether to exercise our rights and remedies, including termination rights, we assess numerous factors, including legal, contractual, regulatory, business and other relevant considerations. In addition, in connection with any change of control of a tenant, operator or manager, the tenant's, operator's or manager's management team may change, which could lead to a change in the tenant's, operator's or manager's strategy or adversely affect the business of the tenant, operator or manager, either of which could have a Material Adverse Effect on us.

Market conditions, including, but not limited to, interest rates and credit spreads, the availability of credit and the actual and perceived state of the real estate markets and public capital markets generally could negatively impact our business, results of operations, and financial condition.

The markets in which we operate are affected by a number of factors that are largely beyond our control but may nevertheless have a significant negative impact on us. These factors include, but are not limited to:

- Interest rates and credit spreads;
- The availability of credit, including the price, terms and conditions under which it can be obtained; and
- The actual and perceived state of the real estate market, the market for dividend-paying stocks and public capital markets in general.

In addition, increased inflation may have a pronounced negative impact on the interest expense we pay in connection with our outstanding indebtedness and our general and administrative expenses, as these costs could increase at a rate higher than our rents.

Deflation may result in a decline in general price levels, often caused by a decrease in the supply of money or credit. The predominant effects of deflation are high unemployment, credit contraction and weakened consumer demand. Restricted lending practices may impact our ability to obtain financing for our properties, which could adversely impact our growth and profitability.

Our ongoing strategy depends, in part, upon future investments in and acquisitions of, or our development or redevelopment of, seniors housing and healthcare assets, and we may not be successful in identifying and consummating these transactions.

An important part of our business strategy is to continue to expand and diversify our portfolio through accretive acquisition, investment, development and redevelopment opportunities in domestic and international seniors housing and healthcare properties. Our execution of this strategy by successfully identifying, securing and consummating beneficial transactions is made more challenging by increased competition and can be affected by many factors, including our relationships with current and prospective clients, our ability to obtain debt and equity capital at costs comparable to or better than our competitors and lower than the yield we earn on our acquisitions or investments, and our ability to negotiate favorable terms with property owners seeking to sell and other contractual counterparties. Our competitors for these opportunities

include other healthcare REITs, real estate partnerships, healthcare providers, healthcare lenders and other investors, including developers, banks, insurance companies, pension funds, government-sponsored entities and private equity firms, some of whom may have greater financial resources and lower costs of capital than we do. See "Business—Competition" included in Item 1 of this Annual Report on Form 10-K. If we are unsuccessful at identifying and capitalizing on investment, acquisition, development and redevelopment opportunities, our growth and profitability may be adversely affected.

Investments in and acquisitions of seniors housing and healthcare properties entail risks associated with real estate investments generally, including risks that the investment will not achieve expected returns, that the cost estimates for necessary property improvements will prove inaccurate or that the tenant, operator or manager will fail to meet performance expectations. Investments outside the United States raise legal, economic and market risks associated with doing business in foreign countries, such as currency exchange fluctuations, costly regulatory requirements and foreign tax risks. Domestic and international real estate development and redevelopment projects present additional risks, including construction delays or cost overruns that increase expenses, the inability to obtain required zoning, occupancy and other governmental approvals and permits on a timely basis, and the incurrence of significant costs prior to completion of the project. Furthermore, healthcare properties are often highly customized and the development or redevelopment of such properties may require costly tenant-specific improvements. As a result, we cannot assure you that we will achieve the economic benefit we expect from acquisition, investment, development and redevelopment opportunities.

Our significant acquisition and investment activity presents certain risks to our business and operations.

We have made and expect to continue to make significant acquisitions and investments as part of our overall business strategy. Our significant acquisition and investment activity presents certain risks to our business and operations, including, among other things, that:

- We may be unable to successfully integrate the operations, personnel or systems of acquired companies, maintain consistent standards, controls, policies and procedures, or realize the anticipated benefits of acquisitions and other investments within the anticipated time frame or at all;
- We may be unable to effectively monitor and manage our expanded portfolio of properties, retain key employees or attract highly qualified new employees;
- Projections of estimated future revenues, costs savings or operating metrics that we develop during the due diligence and integration planning process might be inaccurate;
- Our leverage could increase or our per share financial results could decline if we incur additional debt or issue equity securities to finance acquisitions and investments;
- Acquisitions and other new investments could divert management's attention from our existing assets;
- The value of acquired assets or the market price of our common stock may decline; and
- We may be unable to continue paying dividends at the current rate.

We cannot assure you that we will be able to integrate acquisitions and investments without encountering difficulties or that any such difficulties will not have a Material Adverse Effect on us.

If the liabilities we assume in connection with acquisitions, including indemnification obligations in favor of third parties, are greater than expected, or if there are unknown liabilities, our business could be materially and adversely affected.

We may assume or incur liabilities in connection with our acquisitions, including, in some cases, contingent liabilities. As we integrate these acquisitions, we may learn additional information about the sellers, the properties, their operations and their liabilities that adversely affects us, such as:

- Liabilities relating to the clean-up or remediation of undisclosed environmental conditions;
- Unasserted claims of vendors or other persons dealing with the sellers;
- Liabilities, claims and litigation, including indemnification obligations, whether or not incurred in the ordinary course of business, relating to periods prior to or following our acquisition;
- Claims for indemnification by general partners, directors, officers and others indemnified by the sellers; and
- Liabilities for taxes relating to periods prior to our acquisition.

As a result, we cannot assure you that our past or future acquisitions will be successful or will not, in fact, harm our business. Among other things, if the liabilities we assume in connection with acquisitions are greater than expected, or if we

discover obligations relating to the acquired properties or businesses of which we were not aware at the time of acquisition, our business and results of operations could be materially adversely affected.

In addition, we have now, and may have in the future, certain surviving indemnification obligations in favor of third parties under the terms of acquisition agreements to which we are a party. Most of these indemnification obligations will be capped as to amount and survival period, and we do not believe that these obligations will be material in the aggregate. However, there can be no assurances as to the ultimate amount of such obligations or whether such obligations will have a Material Adverse Effect on us.

Our future results will suffer if we do not effectively manage the expansion of our hospital portfolio and operations following the acquisition of AHS.

As a result of our acquisition of AHS, we entered into the general acute care hospital sector. Part of our long-term business strategy involves expanding our hospital portfolio through additional acquisitions. Both the asset management of our existing general acute care hospital portfolio and such additional acquisitions may involve complex challenges. Our future success will depend, in part, upon our ability to manage our expansion opportunities, integrate new investments into our existing business in an efficient and timely manner, successfully monitor the operations, costs, regulatory compliance and service quality of our operators and leverage our relationships with Ardent and other operators of hospitals. It is possible that our expansion or acquisition opportunities within the general acute care hospital sector will not be successful, which could adversely impact our growth and future results.

Our investments are concentrated in seniors housing and healthcare real estate, making us more vulnerable economically to adverse changes in the real estate market and the seniors housing and healthcare industries than if our investments were diversified.

We invest primarily in seniors housing and healthcare properties and are constrained by the terms of our existing indebtedness from making investments outside those industries. This investment focus exposes us to greater economic risk than if our portfolio were to include real estate assets in other industries or assets unrelated to real estate.

The healthcare industry is highly regulated, and changes in government regulation and reimbursement can have material adverse consequences on its participants, some of which may be unintended. The healthcare industry is also highly competitive, and our operators and managers may encounter increased competition for residents and patients, including with respect to the scope and quality of care and services provided, reputation and financial condition, physical appearance of the properties, price and location. If our tenants, operators and managers are unable to successfully compete with other operators and managers by maintaining profitable occupancy and rate levels, their ability to meet their respective obligations to us may be materially adversely affected. We cannot assure you that future changes in government regulation will not adversely affect the healthcare industry, including our seniors housing and healthcare operations, tenants and operators, nor can we be certain that our tenants, operators and managers will achieve and maintain occupancy and rate levels that will enable them to satisfy their obligations to us. Any adverse changes in the regulation of the healthcare industry or the competitiveness of our tenants, operators and managers could have a more pronounced effect on us than if we had investments outside the seniors housing and healthcare industries.

Real estate investments are relatively illiquid, and our ability to quickly sell or exchange our properties in response to changes in economic or other conditions is limited. In the event we market any of our properties for sale, the value of those properties and our ability to sell at prices or on terms acceptable to us could be adversely affected by a downturn in the real estate industry or any economic weakness in the seniors housing and healthcare industries. In addition, transfers of healthcare properties may be subject to regulatory approvals that are not required for transfers of other types of commercial properties. We cannot assure you that we will recognize the full value of any property that we sell for liquidity or other reasons, and the inability to respond quickly to changes in the performance of our investments could adversely affect our business, results of operations and financial condition.

Our operating assets expose us to various operational risks, liabilities and claims that could adversely affect our ability to generate revenues or increase our costs and could have a Material Adverse Effect on us.

Our senior living operating assets and MOBs expose us to various operational risks, liabilities and claims that could increase our costs or adversely affect our ability to generate revenues, thereby reducing our profitability. These operational risks include fluctuations in occupancy levels, the inability to achieve economic resident fees (including anticipated increases in those fees), increases in the cost of food, materials, energy, labor (as a result of unionization or otherwise) or other services, rent control regulations, national and regional economic conditions, the imposition of new or increased taxes, capital expenditure requirements, professional and general liability claims, and the availability and cost of professional and general liability

insurance. Any one or a combination of these factors could result in operating deficiencies in our senior living operations or MOB operations reportable business segments, which could have a Material Adverse Effect on us.

Our ownership of properties outside the United States exposes us to different risks than those associated with our domestic properties.

Our current or future ownership of properties outside the United States subjects us to risks that may be different or greater than those we face with our domestic properties. These risks include, but are not limited to:

- Challenges with respect to repatriation of foreign earnings and cash;
- Foreign ownership restrictions with respect to operations in countries in which we own properties;
- Regional or country-specific business cycles and economic instability;
- Challenges of complying with a wide variety of foreign laws and regulations, including those relating to real estate, corporate governance, operations, taxes, employment and legal proceedings;
- Differences in lending practices and the willingness of domestic or foreign lenders to provide financing; and
- Failure to comply with applicable laws and regulations in the United States that affect foreign operations, including, but not limited to, the U.S. Foreign Corrupt Practices Act.

Increased construction and development in the markets in which our seniors housing communities and MOBs are located could adversely affect our future occupancy rates, operating margins and profitability.

Limited barriers to entry in the seniors housing and MOB industries could lead to the development of new seniors housing communities or MOBs that outpaces demand. In particular, data published by the National Investment Center for Seniors Housing & Care has indicated that seniors housing construction starts have been increasing and deliveries on seniors housing communities will accelerate in 2016, especially in certain geographic markets. If development outpaces demand for those assets in the markets in which our properties are located, those markets may become saturated and we could experience decreased occupancy, reduced operating margins and lower profitability, which could have a Material Adverse Effect on us.

We have now, and may have in the future, exposure to contingent rent escalators, which could hinder our growth and profitability.

We derive a significant portion of our revenues from leasing properties pursuant to long-term triple-net leases that generally provide for fixed rental rates, subject to annual escalations. In certain cases, the annual escalations are contingent upon the achievement of specified revenue parameters or based on changes in CPI, with caps and floors. If, as a result of weak economic conditions or other factors, the properties subject to these leases do not generate sufficient revenue to achieve the specified rent escalation parameters or CPI does not increase, our growth and profitability may be hindered. If strong economic conditions result in significant increases in CPI, but the escalations under our leases are capped, our growth and profitability also may be limited.

We own certain properties subject to ground lease, air rights or other restrictive agreements that limit our uses of the properties, restrict our ability to sell or otherwise transfer the properties and expose us to loss of the properties if such agreements are breached by us or terminated.

Our investments in MOBs and other properties may be made through leasehold interests in the land on which the buildings are located, leases of air rights for the space above the land on which the buildings are located, or other similar restrictive arrangements. Many of these ground lease, air rights and other restrictive agreements impose significant limitations on our uses of the subject properties, restrict our ability to sell or otherwise transfer our interests in the properties or restrict the leasing of the properties. These restrictions may limit our ability to timely sell or exchange the properties, impair the properties' value or negatively impact our ability to find suitable tenants for the properties. In addition, we could lose our interests in the subject properties if the ground lease, air rights or other restrictive agreements are breached by us or terminated.

We may be unable to successfully foreclose on the collateral securing our loans and other investments, and even if we are successful in our foreclosure efforts, we may be unable to successfully sell any acquired equity interests or reposition any acquired properties, which could adversely affect our ability to recover our investments.

If a borrower defaults under mortgage or other secured loans for which we are the lender, we may attempt to foreclose on the collateral securing those loans, including by acquiring any pledged equity interests or acquiring title to the subject properties, to protect our investment. In response, the defaulting borrower may contest our enforcement of foreclosure or other available remedies, seek bankruptcy protection against our exercise of enforcement or other available remedies, or bring claims against us for lender liability. If a defaulting borrower seeks bankruptcy protection, the automatic stay provisions of the U.S.

Bankruptcy Code would preclude us from enforcing foreclosure or other available remedies against the borrower unless relief is first obtained from the court with jurisdiction over the bankruptcy case. In addition, we may be subject to intercreditor or tri-party agreements that delay, impact, govern or limit our ability to foreclose on a lien securing a loan or otherwise delay or limit our pursuit of our rights and remedies. Any such delay or limit on our ability to pursue our rights or remedies could have a Material Adverse Effect on us.

Even if we successfully foreclose on the collateral securing our mortgage loans and other investments, costs related to enforcement of our remedies, high loan-to-value ratios or declines in the value of the collateral could prevent us from realizing the full amount of our secured loans, and we could be required to record a valuation allowance for such losses. Moreover, the collateral may include equity interests that we are unable to sell due to securities law restrictions or otherwise, or properties that we are unable to reposition with new tenants or operators on a timely basis, if at all, or without making improvements or repairs. Any delay or costs incurred in selling or repositioning acquired collateral could adversely affect our ability to recover our investments.

Some of our loan investments are subordinated to loans held by third parties.

Our mezzanine loan investments are subordinated to senior secured loans held by other investors that encumber the same real estate. If a senior secured loan is foreclosed, that foreclosure would extinguish our rights in the collateral for our mezzanine loan. In order to protect our economic interest in that collateral, we would need to be prepared, on an expedited basis, to advance funds to the senior lenders in order to cure defaults under the senior secured loans and prevent such a foreclosure. If a senior secured loan has matured or has been accelerated, then in order to protect our economic interest in the collateral, we would need to be prepared, on an expedited basis, to purchase or pay off that senior secured loan, which could require an infusion of fresh capital as large or larger than our initial investment. Our ability to sell or syndicate a mezzanine loan could be limited by transfer restrictions in the intercreditor agreement with the senior secured lenders. Our ability to negotiate modifications to the mezzanine loan documents with our borrowers could be limited by restrictions on modifications in the intercreditor agreement. Since mezzanine loans are typically secured by pledges of equity rather than direct liens on real estate, our mezzanine loan investments are more vulnerable than our mortgage loan investments to losses caused by competing creditor claims, unauthorized transfers, or bankruptcies.

Our tenants, operators and managers may be adversely affected by healthcare regulation and enforcement.

Regulation of the long-term healthcare industry generally has intensified over time both in the number and type of regulations and in the efforts to enforce those regulations. This is particularly true for large for-profit, multi-facility providers like Atria, Sunrise, Brookdale Senior Living, Kindred and Ardent. Federal, state and local laws and regulations affecting the healthcare industry include those relating to, among other things, licensure, conduct of operations, ownership of facilities, addition of facilities and equipment, allowable costs, services, prices for services, qualified beneficiaries, quality of care, patient rights, fraudulent or abusive behavior, and financial and other arrangements that may be entered into by healthcare providers. In addition, changes in enforcement policies by federal and state governments have resulted in an increase in the number of inspections, citations of regulatory deficiencies and other regulatory sanctions, including terminations from the Medicare and Medicaid programs, bars on Medicare and Medicaid payments for new admissions, civil monetary penalties and even criminal penalties. See “Governmental Regulation—Healthcare Regulation” included in Item 1 of this Annual Report on Form 10-K. We are unable to predict the scope of future federal, state and local regulations and legislation, including the Medicare and Medicaid statutes and regulations, or the intensity of enforcement efforts with respect to such regulations and legislation, and any changes in the regulatory framework could have a material adverse effect on our tenants, operators and managers, which, in turn, could have a Material Adverse Effect on us.

If our tenants, operators and managers fail to comply with the extensive laws, regulations and other requirements applicable to their businesses and the operation of our properties, they could become ineligible to receive reimbursement from governmental and private third-party payor programs, face bans on admissions of new patients or residents, suffer civil or criminal penalties or be required to make significant changes to their operations. Our tenants, operators and managers also could face increased costs related to healthcare regulation, such as the Affordable Care Act, or be forced to expend considerable resources in responding to an investigation or other enforcement action under applicable laws or regulations. In such event, the results of operations and financial condition of our tenants, operators and managers and the results of operations of our properties operated or managed by those entities could be adversely affected, which, in turn, could have a Material Adverse Effect on us.

Changes in the reimbursement rates or methods of payment from third-party payors, including insurance companies and the Medicare and Medicaid programs, could have a material adverse effect on certain of our tenants and operators and on us.

Certain of our tenants and operators rely on reimbursement from third-party payors, including the Medicare (both traditional Medicare and "managed" Medicare/Medicare Advantage) and Medicaid programs, for substantially all of their revenues. Federal and state legislators and regulators have adopted or proposed various cost-containment measures that would limit payments to healthcare providers, and budget crises and financial shortfalls have caused states to implement or consider Medicaid rate freezes or cuts. See "Governmental Regulation—Healthcare Regulation" included in Item 1 of this Annual Report on Form 10-K. Private third-party payors also have continued their efforts to control healthcare costs. We cannot assure you that our tenants and operators who currently depend on governmental or private payor reimbursement will be adequately reimbursed for the services they provide. Significant limits by governmental and private third-party payors on the scope of services reimbursed or on reimbursement rates and fees, whether from legislation, administrative actions or private payor efforts, could have a material adverse effect on the liquidity, financial condition and results of operations of certain of our tenants and operators, which could affect adversely their ability to comply with the terms of our leases and have a Material Adverse Effect on us.

The healthcare industry trend away from a traditional fee for service reimbursement model towards value-based payment approaches may negatively impact certain of our tenants' revenues and profitability

Certain of our tenants, specifically those providers in the post-acute and general acute care hospital space, are subject to the broad trend in the healthcare industry toward value-based purchasing of healthcare services. These value-based purchasing programs include both public reporting of quality data and preventable adverse events tied to the quality and efficiency of care provided by facilities. Medicare and Medicaid require healthcare facilities, including hospitals and skilled nursing facilities, to report certain quality data to receive full reimbursement updates. In addition Medicare does not reimburse for care related to certain preventable adverse events (also called "never events"). Many large commercial payors currently require healthcare facilities to report quality data, and several commercial payors do not reimburse hospitals for certain preventable adverse events.

Recently, HHS indicated that it is particularly focused on tying Medicare payments to quality or value through alternative payment models, which generally aim to make providers attentive to the total costs of treatment. Examples of alternative payment models include bundled-payment arrangements. It is unclear whether such models will successfully coordinate care and reduce costs or whether they will decrease reimbursement. The value-based purchasing trend is not limited to the public sector. Several of the nation's largest commercial payors have also expressed an intent to increase reliance on value-based reimbursement arrangements. Further, many large commercial payors require hospitals to report quality data, and several commercial payors do not reimburse hospitals for certain preventable adverse events.

We expect value-based purchasing programs, including programs that condition reimbursement on patient outcome measures, to become more common and to involve a higher percentage of reimbursement amounts. We are unable at this time to predict how this trend will affect the revenues and profitability of those of our tenants who are providers of healthcare services; however, if this trend significantly and adversely affects their profitability, it could in turn negatively affect their ability and willingness to comply with the terms of their leases with us and or renew those leases upon expiration, which could have a Material Adverse Effect on us.

If controls imposed on certain of our tenants who provide healthcare services that are reimbursed by Medicare, Medicaid and other third-party payors to reduce admissions and length of stay affect inpatient volumes at our healthcare facilities, the financial condition or results of operations of those tenants could be adversely affected.

Controls imposed by Medicare, Medicaid and commercial third-party payors designed to reduce admissions and lengths of stay, commonly referred to as "utilization reviews," have affected and are expected to continue to affect certain of our healthcare facilities, specifically our acute care hospitals and post-acute facilities. Utilization review entails the review of the admission and course of treatment of a patient by managed care plans. Inpatient utilization, average lengths of stay and occupancy rates continue to be negatively affected by payor-required preadmission authorization and utilization review and by payor pressures to maximize outpatient and alternative healthcare delivery services for less acutely ill patients. Efforts to impose more stringent cost controls and reductions are expected to continue, which could negatively impact the financial condition of our tenants who provide healthcare services in our hospitals and post-acute facilities. If so, this could adversely affect these tenants' ability and willingness to comply with the terms of their leases with us and or renew those leases upon expiration, which could have a Material Adverse Effect on us.

The implementation of new patient criteria for LTACs will change the basis upon which certain of our tenants are reimbursed by Medicare, which could adversely affect those tenants' revenues and profitability.

As part of the Pathway for SGR Reform Act of 2013 enacted on December 26, 2013, Congress adopted various legislative changes impacting LTACs. These legislative changes create new Medicare criteria and payment rules for LTACs, and could have a material adverse impact on the revenues and profitability of the tenants of our LTACs. This material adverse impact could, in turn, negatively affect those tenants' ability and willingness to comply with the terms of their leases with us or renew those leases upon expiration, which could have a Material Adverse Effect on us.

The hospitals on or near whose campuses our MOB's are located and their affiliated health systems could fail to remain competitive or financially viable, which could adversely impact their ability to attract physicians and physician groups to our MOB's.

Our MOB operations depend on the competitiveness and financial viability of the hospitals on or near whose campuses our MOB's are located and their ability to attract physicians and other healthcare-related clients to our MOB's. The viability of these hospitals, in turn, depends on factors such as the quality and mix of healthcare services provided, competition for patients, physicians and physician groups, demographic trends in the surrounding community, market position and growth potential, as well as the ability of the affiliated health systems to provide economies of scale and access to capital. If a hospital on or near whose campus one of our MOB's is located fails or becomes unable to meet its financial obligations, and if an affiliated health system is unable to support that hospital, the hospital may be unable to compete successfully or could be forced to close or relocate, which could adversely impact its ability to attract physicians and other healthcare-related clients. Because we rely on proximity to and affiliations with hospitals to create leasing demand in our MOB's, a hospital's inability to remain competitive or financially viable, or to attract physicians and physician groups, could materially adversely affect our MOB operations and have a Material Adverse Effect on us.

Our development and redevelopment projects, including projects undertaken through our joint ventures, may not yield anticipated returns.

We consider and, when appropriate, invest in various development and redevelopment projects. In deciding whether to make an investment in a particular project, we make certain assumptions regarding the expected future performance of the property. Our assumptions are subject to risks generally associated with development and redevelopment projects, including, among others, that:

- We may be unable to obtain financing for the project on favorable terms or at all;
- We may not complete the project on schedule or within budgeted amounts;
- We may encounter delays in obtaining or fail to obtain all necessary zoning, land use, building, occupancy, environmental and other governmental permits and authorizations, or underestimate the costs necessary to develop or redevelop the property to market standards;
- Construction or other delays may provide tenants or residents the right to terminate preconstruction leases or cause us to incur additional costs;
- Volatility in the price of construction materials or labor may increase our project costs;
- In the case of our MOB developments, hospitals or health systems may maintain significant decision-making authority with respect to the development schedule;
- Our builders may fail to perform or satisfy the expectations of our clients or prospective clients;
- We may incorrectly forecast risks associated with development in new geographic regions;
- Tenants may not lease space at the quantity or rental rate levels or on the schedule projected;
- Demand for our project may decrease prior to completion, including due to competition from other developments; and
- Lease rates and rents at newly developed or redeveloped properties may fluctuate based on factors beyond our control, including market and economic conditions.

If any of the risks described above occur, our development and redevelopment projects, including projects undertaken through our joint ventures, may not yield anticipated returns, which could have a Material Adverse Effect on us.

Our investments in joint ventures and unconsolidated entities could be adversely affected by our lack of sole decision-making authority, our reliance on our joint venture partners' financial condition, any disputes that may arise between us and our joint venture partners, and our exposure to potential losses from the actions of our joint venture partners.

As of December 31, 2015, we owned 34 MOBs, 15 seniors housing communities and one LTAC through consolidated joint ventures, and we had ownership interests ranging between 5% and 25% in seven MOBs, 20 seniors housing communities and 14 skilled nursing facilities through investments in unconsolidated entities. In addition, we had a 34% ownership interest in Atria and a 9.9% interest in Ardent as of December 31, 2015. These joint ventures and unconsolidated entities involve risks not present with respect to our wholly owned properties, including the following:

- We may be unable to take actions that are opposed by our joint venture partners under arrangements that require us to share decision-making authority over major decisions affecting the ownership or operation of the joint venture and any property owned by the joint venture, such as the sale or financing of the property or the making of additional capital contributions for the benefit of the property;
- For joint ventures in which we have a noncontrolling interest, our joint venture partners may take actions that we oppose;
- Our ability to sell or transfer our interest in a joint venture to a third party may be restricted if we fail to obtain the prior consent of our joint venture partners;
- Our joint venture partners may become bankrupt or fail to fund their share of required capital contributions, which could delay construction or development of a property or increase our financial commitment to the joint venture;
- Our joint venture partners may have business interests or goals with respect to a property that conflict with our business interests and goals, including with respect to the timing, terms and strategies for investment, which could increase the likelihood of disputes regarding the ownership, management or disposition of the property;
- Disagreements with our joint venture partners could result in litigation or arbitration that increases our expenses, distracts our officers and directors, and disrupts the day-to-day operations of the property, including by delaying important decisions until the dispute is resolved; and
- We may suffer losses as a result of actions taken by our joint venture partners with respect to our joint venture investments.

Events that adversely affect the ability of seniors and their families to afford daily resident fees at our seniors housing communities could cause our occupancy rates, resident fee revenues and results of operations to decline.

Assisted and independent living services generally are not reimbursable under government reimbursement programs, such as Medicare and Medicaid. A large majority of the resident fee revenues generated by our senior living operations, therefore, are derived from private pay sources consisting of the income or assets of residents or their family members. In light of the significant expense associated with building new properties and staffing and other costs of providing services, typically only seniors with income or assets that meet or exceed the comparable region median can afford the daily resident and care fees at our seniors housing communities, and a weak economy, depressed housing market or changes in demographics could adversely affect their continued ability to do so. If the managers of our seniors housing communities are unable to attract and retain seniors that have sufficient income, assets or other resources to pay the fees associated with assisted and independent living services, the occupancy rates, resident fee revenues and results of operations of our senior living operations could decline, which, in turn, could have a Material Adverse Effect on us.

The amount and scope of insurance coverage provided by our policies and policies maintained by our tenants, operators and managers may not adequately insure against losses.

We maintain or require in our lease, management and other agreements that our tenants, operators and managers maintain all applicable lines of insurance on our properties and their operations. Although we regularly review the amount and scope of insurance provided by our policies and required to be maintained by our tenants, operators and managers and believe the coverage provided to be customary for similarly situated companies in our industry, we cannot assure you that we or our tenants, operators and managers will continue to be able to maintain adequate levels of insurance. We also cannot assure you that we or our tenants, operators and managers will maintain the required coverages, that we will continue to require the same levels of insurance under our lease, management and other agreements, that such insurance will be available at a reasonable cost in the future or that the policies maintained will fully cover all losses on our properties upon the occurrence of a catastrophic event, nor can we make any guaranty as to the future financial viability of the insurers that underwrite our policies and the policies maintained by our tenants, operators and managers.

For various reasons, including to reduce and manage costs, many healthcare companies utilize different organizational and corporate structures coupled with self-insurance trusts or captive programs that may provide less insurance coverage than a traditional insurance policy. Companies that insure any part of their general and professional liability risks through their own captive limited purpose entities generally estimate the future cost of general and professional liability through actuarial studies that rely primarily on historical data. However, due to the rise in the number and severity of professional claims against healthcare providers, these actuarial studies may underestimate the future cost of claims, and reserves for future claims may not be adequate to cover the actual cost of those claims. As a result, the tenants and operators of our properties who self-insure could incur large funded and unfunded general and professional liability expenses, which could materially adversely affect their liquidity, financial condition and results of operations and, in turn, their ability to satisfy their obligations to us. If we or the managers of our senior living operations decide to implement a captive or self-insurance program, any large funded and unfunded general and professional liability expenses incurred could have a Material Adverse Effect on us.

Should an uninsured loss or a loss in excess of insured limits occur, we could incur substantial liability or lose all or a portion of the capital we have invested in a property, as well as the anticipated future revenues from the property. Following the occurrence of such an event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the property. We cannot assure you that material uninsured losses, or losses in excess of insurance proceeds, will not occur in the future.

Significant legal actions or regulatory proceedings could subject us or our tenants, operators and managers to increased operating costs and substantial uninsured liabilities, which could materially adversely affect our or their liquidity, financial condition and results of operations.

From time to time, we may be subject to claims brought against us in lawsuits and other legal or regulatory proceedings arising out of our alleged actions or the alleged actions of our tenants, operators and managers for which such tenants, operators and managers may have agreed to indemnify, defend and hold us harmless. An unfavorable resolution of any such litigation or proceeding could materially adversely affect our or their liquidity, financial condition and results of operations and have a Material Adverse Effect on us.

In certain cases, we and our tenants, operators and managers may be subject to professional liability claims brought by plaintiffs' attorneys seeking significant punitive damages and attorneys' fees. Due to the historically high frequency and severity of professional liability claims against seniors housing and healthcare providers, the availability of professional liability insurance has decreased and the premiums on such insurance coverage remain costly. As a result, insurance protection against such claims may not be sufficient to cover all claims against us or our tenants, operators or managers, and may not be available at a reasonable cost. If we or our tenants, operators and managers are unable to maintain adequate insurance coverage or are required to pay punitive damages, we or they may be exposed to substantial liabilities.

The occurrence of cyber incidents could disrupt our operations, result in the loss of confidential information and/or damage our business relationships and reputation.

As our reliance on technology has increased, our business is subject to greater risk from cyber incidents, including attempts to gain unauthorized access to our or our managers' systems to disrupt operations, corrupt data or steal confidential information, and other electronic security breaches. While we and our managers have implemented measures to help mitigate these threats, such measures cannot guarantee that we will be successful in preventing a cyber incident. The occurrence of a cyber incident could disrupt our operations, or the operations of our managers, compromise the confidential information of our employees or the residents in our seniors housing communities, and/or damage our business relationships and reputation.

Reductions in federal government spending, tax reform initiatives or other federal legislation to address the federal government's projected operating deficit could have a material adverse effect on our operators' liquidity, financial condition or results of operations.

President Obama and members of the U.S. Congress have approved or proposed various spending cuts and tax reform initiatives that have resulted or could result in changes (including substantial reductions in funding) to Medicare, Medicaid or Medicare Advantage Plans. Any such existing or future federal legislation relating to deficit reduction that reduces reimbursement payments to healthcare providers could have a material adverse effect on certain of our operators' liquidity, financial condition or results of operations, which could adversely affect their ability to satisfy their obligations to us and could have a Material Adverse Effect on us.

Our operators may be sued under a federal whistleblower statute.

Our operators who engage in business with the federal government may be sued under a federal whistleblower statute designed to combat fraud and abuse in the healthcare industry. See "Governmental Regulation—Healthcare Regulation" included in Item 1 of this Annual Report on Form 10-K. These lawsuits can involve significant monetary damages and award

bounties to private plaintiffs who successfully bring these suits. If any of these lawsuits were brought against our operators, such suits combined with increased operating costs and substantial uninsured liabilities could have a material adverse effect on our operators' liquidity, financial condition and results of operations and on their ability to satisfy their obligations under our leases, which, in turn, could have a Material Adverse Effect on us.

We could incur substantial liabilities and costs if any of our properties are found to be contaminated with hazardous substances or we become involved in any environmental disputes.

Under federal and state environmental laws and regulations, a current or former owner of real property may be liable for costs related to the investigation, removal and remediation of hazardous or toxic substances or petroleum that are released from or are present at or under, or that are disposed of in connection with such property. Owners of real property may also face other environmental liabilities, including government fines and penalties imposed by regulatory authorities and damages for injuries to persons, property or natural resources. Environmental laws and regulations often impose liability without regard to whether the owner was aware of, or was responsible for, the presence, release or disposal of hazardous or toxic substances or petroleum. In certain circumstances, environmental liability may result from the activities of a current or former operator of the property. Although we generally have indemnification rights against the current operators of our properties for contamination caused by them, such indemnification may not adequately cover all environmental costs. See "Governmental Regulation—Environmental Regulation" included in Item 1 of this Annual Report on Form 10-K.

Our success depends, in part, on our ability to attract and retain talented employees, and the loss of any one of our key personnel could adversely impact our business.

The success of our business depends, in part, on the leadership and performance of our executive management team and key employees, and our ability to attract, retain and motivate talented employees could significantly impact our future performance. Competition for these individuals is intense, and we cannot assure you that we will retain our key officers and employees or that we will be able to attract and retain other highly qualified individuals in the future. Losing any one or more of these persons could have a Material Adverse Effect on us.

Failure to maintain effective internal controls could harm our business, results of operations and financial condition.

Pursuant to the Sarbanes-Oxley Act of 2002, we are required to provide a report by management on internal control over financial reporting, including management's assessment of the effectiveness of such control. Because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud, effective internal controls over financial reporting may not prevent or detect misstatement and can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls over financial reporting and our operating internal controls, including any failure to implement required new or improved controls as a result of changes to our business or otherwise, or if we experience difficulties in their implementation, our business, results of operations and financial condition could be materially adversely harmed and we could fail to meet our reporting obligations.

Economic and other conditions that negatively affect geographic locations to which a greater percentage of our NOI is attributed could adversely affect our financial results.

For the year ended December 31, 2015, approximately 37.7% of our total NOI (excluding amounts in discontinued operations) was derived from properties located in California (14.7%), Texas (6.7%), New York (6.0%), Illinois (5.5%), and Florida (4.8%). As a result, we are subject to increased exposure to adverse conditions affecting these regions, including downturns in the local economies or changes in local real estate conditions, increased construction and competition or decreased demand for our properties, regional climate events and changes in state-specific legislation, which could adversely affect our business and results of operations.

We may be adversely affected by fluctuations in currency exchange rates.

Our ownership of properties in Canada and the United Kingdom currently subjects us to fluctuations in the exchange rates between U.S. dollars and Canadian dollars or the British pound, which may, from time to time, impact our financial condition and results of operations. If we continue to expand our international presence through investments in, or acquisitions or development of, seniors housing or healthcare assets outside the United States, Canada or the United Kingdom, we may transact business in other foreign currencies. Although we may pursue hedging alternatives, including borrowing in local currencies, to protect against foreign currency fluctuations, we cannot assure you that such fluctuations will not have a Material Adverse Effect on us.

Risks Arising from Our Capital Structure

We may become more leveraged.

As of December 31, 2015, we had approximately \$11.2 billion of outstanding indebtedness. The instruments governing our existing indebtedness permit us to incur substantial additional debt, including secured debt, and we may satisfy our capital and liquidity needs through additional borrowings. A high level of indebtedness would require us to dedicate a substantial portion of our cash flow from operations to the payment of debt service, thereby reducing the funds available to implement our business strategy and make distributions to stockholders. A high level of indebtedness could also have the following consequences:

- Potential limits on our ability to adjust rapidly to changing market conditions and vulnerability in the event of a downturn in general economic conditions or in the real estate or healthcare industries;
- Potential impairment of our ability to obtain additional financing to execute on our business strategy; and
- Potential downgrade in the rating of our debt securities by one or more rating agencies, which could have the effect of, among other things, limiting our access to capital and increasing our cost of borrowing.

In addition, from time to time, we mortgage certain of our properties to secure payment of indebtedness. If we are unable to meet our mortgage payments, then the encumbered properties could be foreclosed upon or transferred to the mortgagee with a resulting loss of income and asset value.

We are exposed to increases in interest rates, which could reduce our profitability and adversely impact our ability to refinance existing debt, sell assets or engage in acquisition, investment, development and redevelopment activity, and our decision to hedge against interest rate risk might not be effective.

We receive a significant portion of our revenues by leasing assets under long-term triple-net leases that generally provide for fixed rental rates subject to annual escalations, while certain of our debt obligations are floating rate obligations with interest and related payments that vary with the movement of LIBOR, Bankers' Acceptance or other indexes. The generally fixed rate nature of a significant portion of our revenues and the variable rate nature of certain of our debt obligations create interest rate risk. Although our operating assets provide a partial hedge against interest rate fluctuations, if interest rates rise, the costs of our existing floating rate debt and any new debt that we incur would increase. These increased costs could reduce our profitability, impair our ability to meet our debt obligations, or increase the cost of financing our acquisition, investment, development and redevelopment activity. An increase in interest rates also could limit our ability to refinance existing debt upon maturity or cause us to pay higher rates upon refinancing, as well as decrease the amount that third parties are willing to pay for our assets, thereby limiting our ability to promptly reposition our portfolio in response to changes in economic or other conditions.

We may seek to manage our exposure to interest rate volatility with hedging arrangements that involve additional risks, including the risks that counterparties may fail to honor their obligations under these arrangements, that these arrangements may not be effective in reducing our exposure to interest rate changes, that the amount of income we earn from hedging transactions may be limited by federal tax provisions governing REITs, and that these arrangements may cause us to pay higher interest rates on our debt obligations than otherwise would be the case. Moreover, no amount of hedging activity can fully insulate us from the risks associated with changes in interest rates. Failure to hedge effectively against interest rate risk, if we choose to engage in such activities, could adversely affect our results of operations and financial condition.

Limitations on our ability to access capital could have an adverse effect on our ability to make required payments on our debt obligations, make distributions to our stockholders or make future investments necessary to implement our business strategy.

We cannot assure you that we will be able to raise the capital necessary to meet our debt service obligations, make distributions to our stockholders or make future investments necessary to implement our business strategy, if our cash flow from operations is insufficient to satisfy these needs, and the failure to do so could have a Material Adverse Effect on us. Although we believe that we have sufficient access to capital and other sources of funding to meet our expected liquidity needs, we cannot assure you that conditions in the capital markets will not deteriorate or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings and our results of operation and financial condition. If we cannot access capital at an acceptable cost or at all, we may be required to liquidate one or more investments in properties at times that may not permit us to maximize the return on those investments or that could result in adverse tax consequences to us.

As a public company, our access to debt and equity capital depends, in part, on the trading prices of our senior notes and common stock, which, in turn, depend upon market conditions that change from time to time, such as the market's perception

of our financial condition, our growth potential and our current and expected future earnings and cash distributions. Our failure to meet the market's expectation with regard to future earnings and cash distributions or a significant downgrade in the ratings assigned to our long-term debt could impact our ability to access capital or increase our borrowing costs. We also rely on the financial institutions that are parties to our unsecured revolving credit facility. If these institutions become capital constrained, tighten their lending standards or become insolvent or if they experience excessive volumes of borrowing requests from other borrowers within a short period of time, they may be unable or unwilling to honor their funding commitments to us, which would adversely affect our ability to draw on our unsecured revolving credit facility and, over time, could negatively impact our ability to consummate acquisitions, repay indebtedness as it matures, fund capital expenditures or make distributions to our stockholders.

Covenants in the instruments governing our existing indebtedness limit our operational flexibility, and a covenant breach could materially adversely affect our operations.

The terms of the instruments governing our existing indebtedness require us to comply with certain customary financial and other covenants, such as maintaining debt service coverage, leverage ratios and minimum net worth requirements. Our continued ability to incur additional debt and to conduct business in general is subject to our compliance with these covenants, which limit our operational flexibility. Breaches of these covenants could result in defaults under the applicable debt instruments and could trigger defaults under any of our other indebtedness that is cross-defaulted against such instruments, even if we satisfy our payment obligations. Financial and other covenants that limit our operational flexibility, as well as defaults resulting from our breach of any of these covenants, could have a Material Adverse Effect on us.

Risks Arising from Our Status as a REIT

Loss of our status as a REIT would have significant adverse consequences for us and the value of our common stock.

If we lose our status as a REIT (currently or with respect to any tax years for which the statute of limitations has not expired), we will face serious tax consequences that will substantially reduce the funds available to satisfy our obligations, to implement our business strategy and to make distributions to our stockholders for each of the years involved because:

- We would not be allowed a deduction for distributions to stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates;
- We could be subject to the federal alternative minimum tax and increased state and local taxes; and
- Unless we are entitled to relief under statutory provisions, we could not elect to be subject to tax as a REIT for four taxable years following the year during which we were disqualified.

In addition, in such event we would no longer be required to pay dividends to maintain REIT status, which could adversely affect the value of our common stock.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which there are only limited judicial and administrative interpretations. The determination of factual matters and circumstances not entirely within our control, as well as new legislation, regulations, administrative interpretations or court decisions, may adversely affect our investors or our ability to remain qualified as a REIT for tax purposes. Although we believe that we currently qualify as a REIT, we cannot assure you that we will continue to qualify for all future periods.

The 90% distribution requirement will decrease our liquidity and may limit our ability to engage in otherwise beneficial transactions.

To comply with the 90% distribution requirement applicable to REITs and to avoid the nondeductible excise tax, we must make distributions to our stockholders. See "Certain U.S. Federal Income Tax Considerations—Requirements for Qualification as a REIT—Annual Distribution Requirements" included in Item 1 of this Annual Report on Form 10-K. Such distributions reduce the funds we have available to finance our investment, acquisition, development and redevelopment activity and may limit our ability to engage in transactions that are otherwise in the best interests of our stockholders.

Although we do not anticipate any inability to satisfy the REIT distribution requirement, from time to time, we may not have sufficient cash or other liquid assets to do so. For example, timing differences between the actual receipt of income and actual payment of deductible expenses, on the one hand, and the inclusion of that income and deduction of those expenses in arriving at our taxable income, on the other hand, or non-deductible expenses such as principal amortization or repayments or capital expenditures in excess of non-cash deductions may prevent us from having sufficient cash or liquid assets to satisfy the 90% distribution requirement.

In the event that timing differences occur or we decide to retain cash or to distribute such greater amount as may be necessary to avoid income and excise taxation, we may seek to borrow funds, issue additional equity securities, pay taxable

stock dividends, distribute other property or securities or engage in a transaction intended to enable us to meet the REIT distribution requirements. Any of these actions may require us to raise additional capital to meet our obligations; however, see “—Risks Arising from Our Capital Structure—Limitations on our ability to access capital could have an adverse effect on our ability to make required payments on our debt obligations, make distributions to our stockholders or make future investments necessary to implement our business strategy.” The terms of the instruments governing our existing indebtedness restrict our ability to engage in certain of these transactions.

To preserve our qualification as a REIT, our certificate of incorporation contains ownership limits with respect to our capital stock that may delay, defer or prevent a change of control of our company.

To assist us in preserving our qualification as a REIT, our certificate of incorporation provides that if a person acquires beneficial ownership of more than 9.0% of our outstanding common stock or more than 9.9% of our outstanding preferred stock, the shares that are beneficially owned in excess of the applicable limit are considered “excess shares” and are automatically deemed transferred to a trust for the benefit of a charitable institution or other qualifying organization selected by our Board of Directors. The trust is entitled to all dividends with respect to the excess shares and the trustee may exercise all voting power over the excess shares. In addition, we have the right to purchase the excess shares for a price equal to the lesser of (i) the price per share in the transaction that created the excess shares or (ii) the market price on the day we purchase the shares, but if we do not purchase the excess shares, the trustee of the trust is required to transfer the shares at the direction of our Board of Directors. These ownership limits could delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or might otherwise be in the best interests of our stockholders.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

Seniors Housing and Healthcare Properties

As of December 31, 2015, we owned approximately 1,300 properties (including properties classified as held for sale), consisting of seniors housing communities, MOBs, skilled nursing facilities, specialty hospitals and general acute care hospitals, and we had four properties under development. We believe that maintaining a balanced portfolio of high-quality assets diversified by investment type, geographic location, asset type, tenant/operator, revenue source and operating model makes us less susceptible to single-state regulatory or reimbursement changes, regional climate events and local economic downturns and diminishes the risk that any single factor or event could materially harm our business.

As of December 31, 2015, we had \$2.0 billion aggregate principal amount of mortgage loan indebtedness outstanding, secured by 157 of our properties. Excluding those portions attributed to our joint venture and operating partners, our share of mortgage loan indebtedness outstanding was \$1.9 billion.

The following table provides additional information regarding the geographic diversification of our portfolio of properties as of December 31, 2015 (including properties owned through investments in unconsolidated entities, but excluding properties classified as held for sale):

| Geographic Location | Seniors Housing Communities | | Skilled Nursing Facilities | | MOBs | | Specialty Hospitals | | General Acute Care | |
|----------------------|-----------------------------|--------|----------------------------|---------------|----------------------|-------------|----------------------|---------------|----------------------|---------------|
| | Number of Properties | Units | Number of Properties | Licensed Beds | Number of Properties | Square Feet | Number of Properties | Licensed Beds | Number of Properties | Licensed Beds |
| Alabama | 6 | 3,719 | — | — | 4 | 468,887 | — | — | — | — |
| Arizona | 28 | 2,608 | — | — | 13 | 829,451 | 3 | 169 | — | — |
| Arkansas | 4 | 262 | — | — | 1 | 4,596 | — | — | — | — |
| California | 86 | 9,650 | 4 | 483 | 25 | 2,126,221 | 6 | 503 | — | — |
| Colorado | 19 | 1,723 | 2 | 190 | 13 | 890,907 | 1 | 68 | — | — |
| Connecticut | 14 | 1,623 | — | — | — | — | — | — | — | — |
| District of Columbia | 2 | 153 | — | — | 2 | 101,580 | — | — | — | — |
| Florida | 51 | 4,772 | — | — | 19 | 583,081 | 6 | 511 | — | — |
| Georgia | 20 | 1,743 | 1 | 162 | 19 | 1,495,644 | — | — | — | — |
| Idaho | 1 | 70 | 6 | 513 | — | — | — | — | — | — |
| Illinois | 25 | 2,938 | 1 | 82 | 37 | 1,543,686 | 4 | 430 | — | — |
| Indiana | 11 | 964 | 8 | 1,109 | 22 | 1,556,964 | 1 | 59 | — | — |
| Kansas | 9 | 540 | — | — | 1 | 32,540 | — | — | — | — |
| Kentucky | 10 | 919 | 3 | 377 | 4 | 172,977 | 1 | 384 | — | — |
| Louisiana | 1 | 58 | — | — | 5 | 361,372 | 1 | 168 | — | — |
| Maine | 6 | 445 | — | — | — | — | — | — | — | — |
| Maryland | 5 | 360 | — | — | 2 | 82,663 | — | — | — | — |
| Massachusetts | 19 | 2,104 | 9 | 1,045 | — | — | 2 | 109 | — | — |
| Michigan | 24 | 1,560 | — | — | 14 | 599,339 | — | — | — | — |
| Minnesota | 18 | 1,017 | — | — | 5 | 353,200 | — | — | — | — |
| Mississippi | 2 | 153 | — | — | 1 | 50,575 | — | — | — | — |
| Missouri | 2 | 153 | — | — | 20 | 1,096,009 | 2 | 227 | — | — |
| Montana | 2 | 209 | — | 276 | — | — | — | — | — | — |
| Nebraska | 1 | 135 | — | — | — | — | — | — | — | — |
| Nevada | 4 | 462 | — | — | 5 | 415,629 | 1 | 52 | — | — |
| New Hampshire | 1 | 125 | 1 | 290 | — | — | — | — | — | — |
| New Jersey | 13 | 1,184 | 1 | 153 | 3 | 36,664 | — | — | — | — |
| New Mexico | 5 | 589 | — | — | — | — | 2 | 123 | 4 | 544 |
| New York | 42 | 4,630 | — | — | 4 | 243,535 | — | — | — | — |
| North Carolina | 23 | 2,242 | 3 | 297 | 20 | 759,422 | 1 | 124 | — | — |
| North Dakota | 2 | 115 | — | — | 1 | 114,000 | — | — | — | — |
| Ohio | 22 | 1,417 | 6 | 907 | 28 | 1,221,287 | 1 | 50 | — | — |
| Oklahoma | 8 | 463 | — | — | — | — | 1 | 59 | 4 | 924 |
| Oregon | 29 | 2,574 | — | — | 1 | 105,375 | — | — | — | — |
| Pennsylvania | 32 | 2,455 | 4 | 620 | 10 | 877,878 | 2 | 115 | — | — |
| Rhode Island | 6 | 596 | — | — | — | — | — | — | — | — |
| South Carolina | 5 | 388 | — | — | 20 | 1,103,828 | — | — | — | — |
| South Dakota | 4 | 182 | — | — | — | — | — | — | — | — |
| Tennessee | 18 | 1,467 | — | — | 11 | 404,511 | 1 | 49 | — | — |
| Texas | 52 | 4,014 | — | — | 22 | 1,330,987 | 10 | 657 | 1 | 445 |
| Utah | 3 | 321 | — | — | — | — | — | — | — | — |
| Vermont | — | — | 1 | 144 | — | — | — | — | — | — |
| Virginia | 8 | 658 | 3 | 432 | 5 | 231,463 | — | — | — | — |
| Washington | 25 | 2,441 | 8 | 737 | 10 | 578,975 | — | — | — | — |
| West Virginia | 2 | 117 | 4 | 326 | — | — | — | — | — | — |
| Wisconsin | 69 | 2,958 | — | — | 21 | 1,104,558 | — | — | — | — |
| Wyoming | 2 | 168 | — | — | — | — | — | — | — | — |
| Total U.S. | 737 | 63,790 | 67 | 8,143 | 368 | 20,877,804 | 46 | 3,857 | 9 | 1,913 |
| Canada | 41 | 4,493 | — | — | — | — | — | — | — | — |
| United Kingdom | 10 | 663 | — | — | — | — | — | — | 3 | 121 |
| Total | 788 | 68,946 | 67 | 8,143 | 368 | 20,877,804 | 46 | 3,857 | 12 | 2,034 |

Corporate Offices

Our headquarters are located in Chicago, Illinois, and we have additional corporate offices in: Louisville, Kentucky; Plano, Texas; and Irvine, California. We lease all of our corporate offices.

ITEM 3. Legal Proceedings

The information contained in “Note 16—Litigation” of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K is incorporated by reference into this Item 3. Except as set forth therein, we are not a party to, nor is any of our property the subject of, any material pending legal proceedings.

As previously disclosed, in July 2014, we voluntarily contacted the SEC to advise it of the determination by our former registered public accounting firm, Ernst & Young LLP (“EY”), that it was not independent of us due solely to an inappropriate personal relationship between an EY partner, who until June 30, 2014 was the lead audit partner on our 2014 audit and quarterly review and was previously an audit engagement partner on our 2013 and 2012 audits, and an individual in a financial reporting oversight role at our company. We have cooperated with the SEC and intend to continue to do so with respect to its inquiries related to this matter. At this time, the matter is ongoing and we cannot reasonably assess its timing or outcome.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock, par value \$0.25 per share, is listed and traded on the New York Stock Exchange (the “NYSE”) under the symbol “VTR.” The following table sets forth, for the periods indicated, the high and low sales prices of our common stock as reported on the NYSE and the dividends declared per share.

| | Sales Price of Common Stock | | | Dividends Declared |
|----------------|--------------------------------|----------|----------|-----------------------|
| | | | | |
| | High | Low | | |
| 2014 | | | | |
| First Quarter | \$ 63.67 | \$ 56.79 | \$ 0.725 | |
| Second Quarter | 68.40 | 61.29 | 0.725 | |
| Third Quarter | 66.04 | 60.70 | 0.725 | |
| Fourth Quarter | 74.44 | 62.48 | 0.79 | |
| 2015 | | | | |
| First Quarter | \$ 80.95 | \$ 69.12 | \$ 0.79 | |
| Second Quarter | 76.90 | 61.82 | 0.79 | |
| Third Quarter | 68.52 | 52.66 | 0.73 | |
| Fourth Quarter | 58.38 | 49.68 | 0.73 | |

As of February 10, 2016, we had 336,070,352 shares of our common stock outstanding held by approximately 5,102 stockholders of record.

Dividends and Distributions

We pay regular quarterly dividends to holders of our common stock to comply with the provisions of the Code governing REITs. On February 12, 2016, our Board of Directors declared the first quarterly installment of our 2016 dividend on our common stock in the amount of \$0.73 per share, payable in cash on March 31, 2016 to stockholders of record on March 7, 2015. We expect to distribute at least 100% of our taxable net income, after the use of any net operating loss carryforwards, to our stockholders for 2016. See “Certain U.S. Federal Income Tax Considerations—Requirements for Qualification as a REIT --Annual Distribution Requirements” included in Part I, Item 1 of this Annual Report on Form 10-K.

In general, our Board of Directors makes decisions regarding the nature, frequency and amount of our dividends on a quarterly basis. Because the Board considers many factors when making these decisions, including our present and future liquidity needs, our current and projected financial condition and results of operations and the performance and credit quality of our tenants, operators, borrowers and managers, we cannot assure you that we will maintain the practice of paying regular quarterly dividends to continue to qualify as a REIT. Please see "Cautionary Statements" and the risk factors included in Part I, Item 1A of this Annual Report on Form 10-K for a description of other factors that may affect our distribution policy.

Prior to its suspension in July 2014, our stockholders were entitled to reinvest all or a portion of any cash distribution on their shares of our common stock by participating in our Distribution Reinvestment and Stock Purchase Plan ("DRIP"), subject to the terms of the plan. See "Note 17—Permanent and Temporary Equity" of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K. We may determine whether or not to reinstate the DRIP at any time, in our sole discretion.

Director and Employee Stock Sales

Certain of our directors, executive officers and other employees have adopted and, from time to time in the future, may adopt non-discretionary, written trading plans that comply with Rule 10b5-1 under the Exchange Act, or otherwise monetize, gift or transfer their equity-based compensation. These transactions typically are conducted for estate, tax and financial planning purposes and are subject to compliance with our Amended and Restated Securities Trading Policy and Procedures ("Securities Trading Policy"), the minimum stock ownership requirements contained in our Guidelines on Governance and all applicable laws and regulations.

Our Securities Trading Policy expressly prohibits our directors, executive officers and employees from buying or selling derivatives with respect to our securities or other financial instruments that are designed to hedge or offset a decrease in the market value of our securities and from engaging in short sales with respect to our securities. In addition, our Securities Trading Policy prohibits our directors and executive officers from holding our securities in margin accounts or pledging our securities to secure loans without the prior approval of our Audit and Compliance Committee. Each of our executive officers has advised us that he or she is in compliance with the Securities Trading Policy and has not pledged any of our equity securities to secure margin or other loans.

Stock Repurchases

The table below summarizes repurchases of our common stock made during the quarter ended December 31, 2015:

| | Number of Shares Repurchased (1) | Average Price Per Share |
|--------------------------------|-------------------------------------|----------------------------|
| October 1 through October 31 | — | \$ — |
| November 1 through November 30 | 1,023 | \$ 49.68 |
| December 1 through December 31 | 164 | \$ 56.43 |

- (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 the exercise, as the case may be.

Unregistered Sales of Equity Securities

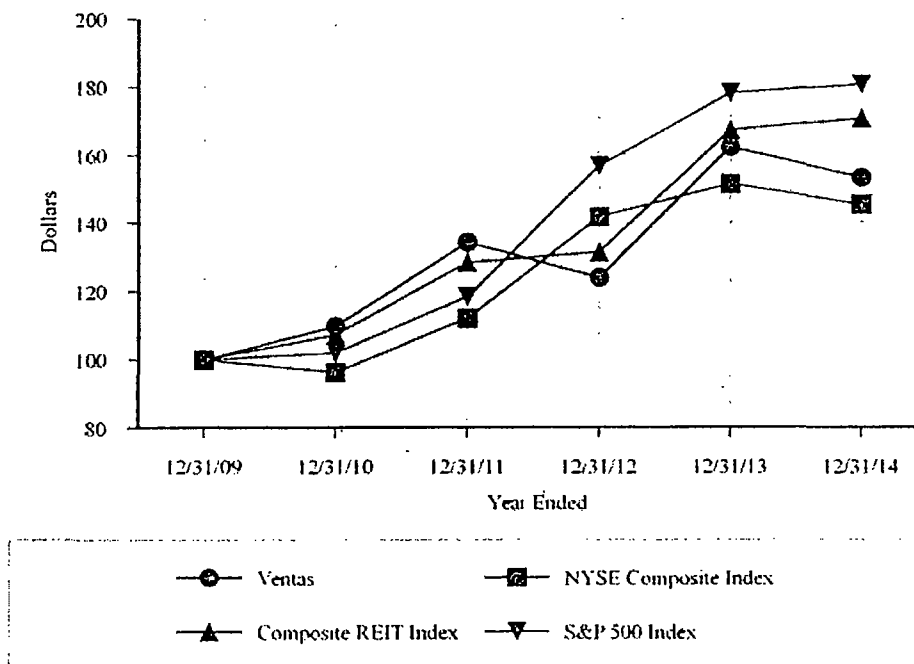
On January 16, 2015, in connection with our acquisition of HCT, each of the 7,057,271 issued and outstanding limited partnership units of American Realty Capital Healthcare Trust Operating Partnership, L.P. (subsequently renamed Ventas Realty Capital Healthcare Trust Operating Partnership, L.P.), a limited partnership in which HCT was the sole general partner prior to the acquisition, was converted into a newly created class of limited partnership units ("Class C Units") at the 0.1688 exchange ratio payable to HCT stockholders in the acquisition, net of any Class C Units withheld to pay taxes. The Class C Units may be redeemed at the election of the holder for one share of our common stock per unit or, at our option, an equivalent amount in cash, subject to adjustment in certain circumstances. The Class C Units were issued solely to "accredited investors" (as such term is defined in Rule 501 under the Securities Act) in reliance on the exemption from registration provided by Section 4(2) of the Securities Act.

Stock Performance Graph

The following performance graph compares the cumulative total return (including dividends) to the holders of our common stock from December 31, 2010 through December 31, 2015, with the cumulative total returns of the NYSE Composite Index, the FTSE NAREIT Composite REIT Index (the "Composite REIT Index") and the S&P 500 Index over the same period. The comparison assumes \$100 was invested on December 31, 2010 in our common stock and in each of the foregoing indexes and assumes reinvestment of dividends, as applicable. We have included the NYSE Composite Index in the performance graph because our common stock is listed on the NYSE, and we have included the S&P 500 Index because we are a member of the S&P 500. We have included the Composite REIT Index because we believe that it is most representative of the industries in which we compete, or otherwise provides a fair basis for comparison with us, and is therefore particularly relevant to an assessment of our performance. The figures in the table below are rounded to the nearest dollar.

| | 12/31/2010 | 12/31/2011 | 12/31/2012 | 12/31/2013 | 12/31/2014 | 12/31/2015 |
|----------------------|------------|------------|------------|------------|------------|------------|
| Ventas | \$100 | \$109.77 | \$134.26 | \$124.00 | \$162.35 | \$153.33 |
| NYSE Composite Index | \$100 | \$96.43 | \$112.11 | \$141.71 | \$151.44 | \$145.40 |
| Composite REIT Index | \$100 | \$107.30 | \$128.47 | \$131.48 | \$167.28 | \$170.71 |
| S&P 500 Index | \$100 | \$102.11 | \$118.44 | \$156.78 | \$178.22 | \$180.67 |

Ventas Total Return Performance



ITEM 6. Selected Financial Data

You should read the following selected financial data in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Item 7 of this Annual Report on Form 10-K and our Consolidated Financial Statements and the notes thereto included in Item 8 of this Annual Report on Form 10-K, as acquisitions, dispositions, changes in accounting policies and other items may impact the comparability of the financial data.

| | As of and For the Years Ended December 31, | | | | |
|---|---|---------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| | (Dollars in thousands, except per share data) | | | | |
| Operating Data | | | | | |
| Rental income | \$ 1,346,046 | \$ 1,138,457 | \$ 1,036,356 | \$ 894,495 | \$ 596,445 |
| Resident fees and services | 1,811,255 | 1,552,951 | 1,406,005 | 1,227,124 | 865,800 |
| Interest expense | 367,114 | 292,065 | 249,009 | 199,801 | 114,492 |
| Property-level operating expenses | 1,383,640 | 1,195,388 | 1,109,925 | 966,812 | 645,082 |
| General, administrative and professional fees | 128,035 | 121,738 | 115,083 | 98,489 | 74,529 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | 406,740 | 376,032 | 374,338 | 202,159 | 323,007 |
| Discontinued operations | 11,103 | 99,735 | 79,171 | 160,641 | 41,486 |
| Net income attributable to common stockholders | 417,843 | 475,767 | 453,509 | 362,800 | 364,493 |
| Per Share Data | | | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | | | | | |
| Basic | \$ 1.23 | \$ 1.28 | \$ 1.28 | \$ 0.69 | \$ 1.42 |
| Diluted | \$ 1.22 | \$ 1.26 | \$ 1.27 | \$ 0.68 | \$ 1.40 |
| Net income attributable to common stockholders | | | | | |
| Basic | \$ 1.26 | \$ 1.62 | \$ 1.55 | \$ 1.24 | \$ 1.60 |
| Diluted | \$ 1.25 | \$ 1.60 | \$ 1.54 | \$ 1.23 | \$ 1.58 |
| Dividends declared per common share | \$ 3.04 | \$ 2.965 | \$ 2.74 | \$ 2.48 | \$ 2.30 |
| Other Data | | | | | |
| Net cash provided by operating activities | \$ 1,391,767 | \$ 1,254,845 | \$ 1,194,755 | \$ 992,816 | \$ 773,197 |
| Net cash used in investing activities | (2,423,692) | (2,055,040) | (1,282,760) | (2,169,689) | (997,439) |
| Net cash provided by (used in) financing activities | 1,030,122 | 758,057 | 114,996 | 1,198,914 | 248,282 |
| FFO (1) | 1,365,408 | 1,273,680 | 1,208,458 | 1,024,567 | 824,851 |
| Normalized FFO (1) | 1,493,683 | 1,330,018 | 1,220,709 | 1,120,225 | 776,963 |
| Balance Sheet Data | | | | | |
| Real estate investments, at cost | \$ 23,802,454 | \$ 20,196,770 | \$ 19,798,805 | \$ 19,745,607 | \$ 17,830,262 |
| Cash and cash equivalents | 53,023 | 55,348 | 57,690 | 67,908 | 45,807 |
| Total assets | 22,261,918 | 21,165,913 | 18,706,921 | 18,980,000 | 17,271,910 |
| Senior notes payable and other debt | 11,206,996 | 10,844,351 | 8,295,908 | 8,413,646 | 6,429,116 |

- (1) We believe that net income, as defined by U.S. generally accepted accounting principles ("GAAP"), is the most appropriate earnings measurement. However, we consider Funds From Operations ("FFO") and normalized FFO to be

appropriate 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 unanticipated items and other 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 statements.

We use the National Association of Real Estate Investment Trusts ("NAREIT") definition of FFO. NAREIT defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of real estate property, including gain 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 our 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 and derivative transactions that have non-cash mark-to-market impacts on our Consolidated Statements of Income; (d) the impact of future acquisitions, divestitures (including pursuant to tenant options to purchase) and capital transactions; (e) the financial impact of contingent consideration, severance-related costs, charitable donations made to the Ventas Charitable Foundation, gains and losses for non-operational foreign currency hedge agreements and changes in the fair value of financial instruments; and (f) expenses related to the re-audit and re-review in 2014 of our historical financial statements and related matters.

FFO and normalized FFO presented in this Annual Report on Form 10-K, or otherwise disclosed by us, may not be comparable to FFO and normalized FFO presented by other real estate companies due to the fact that not all real estate companies use the same definitions. FFO and normalized FFO (or either measure adjusted for non-cash items) should not be considered as alternatives to net income (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 FFO and normalized FFO (or either measure adjusted for non-cash items) necessarily indicative of sufficient cash flow to fund all of our needs. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Funds From Operations and Normalized Funds from Operations" included in Item 7 of this Annual Report on Form 10-K for a reconciliation of FFO and normalized FFO to our GAAP earnings.

ITEM 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

The following discussion provides information that management believes is relevant to an understanding and assessment of the consolidated financial condition and results of operations of Ventas, Inc. (together with its subsidiaries, unless otherwise indicated or except where the context otherwise requires, "we," "us" or "our"). You should read this discussion in conjunction with our Consolidated Financial Statements and the notes thereto included in Item 8 of this Annual Report on Form 10-K, as it will help you understand:

- Our company and the environment in which we operate;
- Our 2015 highlights and other recent developments;
- Our critical accounting policies and estimates;
- Our results of operations for the last three years;
- How we manage our assets and liabilities;
- Our liquidity and capital resources;
- Our cash flows; and
- Our future contractual obligations.

Corporate and Operating Environment

We are a real estate investment trust ("REIT") with a highly diversified portfolio of seniors housing and healthcare properties located throughout the United States, Canada and the United Kingdom. As of December 31, 2015, we owned approximately 1,300 properties (including properties classified as held for sale), consisting of seniors housing communities,

medical office buildings ("MOBs"), skilled nursing facilities, specialty hospitals and general acute care hospitals, and we had four properties under development. We are an S&P 500 company and currently headquartered in Chicago, Illinois.

We primarily invest in seniors housing and healthcare properties through acquisitions and lease our properties to unaffiliated tenants or operate them through independent third-party managers. As of December 31, 2015, we leased a total of 607 properties (excluding MOBs and properties classified as held for sale) 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, and we engaged independent operators, such as Atria Senior Living, Inc. ("Atria") and Sunrise Senior Living, LLC (together with its subsidiaries, "Sunrise"), to manage 304 of our seniors housing communities (excluding properties classified as held for sale) for us pursuant to long-term management agreements. Our three largest tenants, Brookdale Senior Living Inc. (together with its subsidiaries, "Brookdale Senior Living"), Kindred Healthcare, Inc. (together with its subsidiaries, "Kindred") and Ardent Health Partners, LLC (together with its subsidiaries, "Ardent"), leased from us 140 properties (excluding six properties owned through investments in unconsolidated entities and one property managed by Brookdale Senior Living pursuant to a long-term management agreement), 76 properties and ten properties, respectively, as of December 31, 2015.

Through our Lillibridge Healthcare Services, Inc. ("Lillibridge") subsidiary and our ownership interest in PMB Real Estate Services LLC ("PMBRES"), 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 seniors housing and healthcare operators or properties.

We conduct our operations through three reportable business segments: triple-net leased properties; senior living operations; and MOB operations. See "Note 20—Segment Information" of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

As of December 31, 2015, our consolidated portfolio included 100% ownership interests in 1,190 properties and controlling joint venture interests in 50 properties, and we had non-controlling ownership interests in 41 properties through investments in unconsolidated entities. Through Lillibridge and PMBRES, we provided management and leasing services to third parties with respect to 79 MOBs as of December 31, 2015.

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. At December 31, 2015, 19.3% of our consolidated debt (excluding debt related to properties classified as held for sale) was variable rate debt.

2015 Highlights and Other Recent Developments

Investments and Dispositions

- In January 2015, we acquired American Realty Capital Healthcare Trust, Inc. ("HCT") in a stock and cash transaction, which added 152 properties to our portfolio. We funded the transaction through the issuance of approximately 28.4 million shares of our common stock at \$78.00 per share and 1.1 million limited partnership units.
- On August 4, 2015, we completed our acquisition of Ardent Medical Services, Inc. ("AHS") and simultaneous separation and sale of the Ardent hospital operating company (Ardent Health Partners, LLC, together with its subsidiaries "Ardent") to a consortium composed of an entity controlled by Equity Group Investments, Ardent's management team and us. As of the acquisition date, we recorded the estimated fair value of our investment in owned hospital and other real estate of approximately \$1.3 billion. At closing, we paid \$26.3 million for our 9.9% interest in Ardent, which represents our estimate of the acquisition date fair value of this interest. Upon closing, we entered into a long-term triple-net master lease with Ardent to operate hospitals and other real estate we acquired.
- During 2015, we made other investments totaling approximately \$611.7 million, including the acquisition of eleven triple-net leased properties; eleven MOBs; and 12 skilled nursing facilities (all of which were disposed of as part of the CCP Spin-Off (as defined below)).

- During 2015, we sold 39 triple-net leased properties and 26 MOB's for aggregate consideration of \$541.0 million, including a \$6.0 million lease termination fee
- During 2015, we received aggregate proceeds of \$173.8 million in final repayment of loans receivable and sales of bonds we held, and recognized gains aggregating \$7.7 million.

Capital and Dividends

- In January 2015, we issued and sold 3,750,202 shares of common stock under our previous "at-the-market" ("ATM") equity offering program for aggregate net proceeds of \$285.4 million, after sales agent commissions of \$4.4 million. Through the remainder of 2015 and in the first quarter of 2016 we have issued and sold a total of 5,084,302 shares of our common stock under our ATM equity offering program for aggregate net proceeds of \$297.0 million, after sales agent commissions of \$4.5 million.
- In January 2015, we issued and sold \$1.1 billion of senior notes with a weighted average interest rate below 3.7% and a weighted average maturity of 15 years. The issuances were composed of \$900 million aggregate principal amount of USD senior notes and CAD notes of 250 million.
- In July 2015, we issued and sold \$500.0 million aggregate principal amount of 4.125% senior notes due 2026 at a public offering price equal to 99.218% of par, for total proceeds of \$496.1 million before the underwriting discount and expenses.
- In August 2015, we completed a \$900 million five year term loan having a variable interest rate of LIBOR plus 1.0 basis points (the "Ardent Term Loan"). The term loan matures in 2020.
- In 2015, we repaid \$305.0 million of our unsecured term loan due 2019 and recognized a loss on extinguishment of debt of \$1.6 million representing a write-off of the then unamortized deferred financing fees. Also, in May 2015, we repaid in full, at par, \$234.4 million aggregate principal amount then outstanding of our 6% senior notes due 2015.
- In 2015, we paid an annual cash dividend on our common stock of \$3.04 per share. On August 17, 2015, we also distributed a stock dividend of one Care Capital Properties, Inc. ("CCP") common share for every four shares of Ventas common stock held as of the distribution record date of August 10, 2015. The stock dividend was valued at \$8.51 per Ventas share based on the opening price of CCP stock on its first day of regular-way trading on the New York Stock Exchange.
- In February 2016, we entered into a \$200 million notional amount interest rate swap with a maturity of August 3, 2020 that effectively converts LIBOR-based floating rate debt to fixed rate debt, setting LIBOR at 1.132% through the maturity date of the swap. The maturity date of the Ardent Term Loan is also August 3, 2020.

Spin-Off

- In August 2015, we completed the spin off of most of our post-acute/skilled nursing facility portfolio into an independent, publicly traded REIT named Care Capital Properties, Inc. (the "CCP Spin-Off"). The historical results of operations of the CCP properties as well as the related assets and liabilities are presented as discontinued operations for all periods presented in this Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

Our Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") set forth in the Accounting Standards Codification ("ASC"), as published by the Financial Accounting Standards Board ("FASB"). 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. We believe that the critical accounting policies described below, among others, affect our more significant

estimates and judgments used in the preparation of our financial statements. For more information regarding our critical accounting policies, see “Note 2—Accounting Policies” of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Principles of Consolidation

The Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K 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(s). We assess limited partners’ rights and their impact on the presumption of control of the limited partnership by the sole general partner when an investor becomes the sole general partner, and we perform a reassessment when 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 interests, or there is an increase or decrease in the number of outstanding limited partnership interests. We also apply this guidance to managing member interests in limited liability companies.

Business Combinations

We account for acquisitions using the acquisition method and record the cost of the businesses acquired among tangible and recognized intangible assets and liabilities based upon their estimated fair values as of the acquisition date. Recognized intangibles primarily include the value of in-place leases, acquired lease contracts, tenant and customer relationships, trade names/trademarks and goodwill. We do not amortize goodwill, which represents the excess of the purchase price paid over the fair value of the net assets of the acquired business and is included in other assets on our Consolidated Balance Sheets.

Our method for recording the purchase price to acquired investments in real estate requires us to make subjective assessments for determining fair value of the assets acquired and liabilities assumed. This includes determining the value of the buildings, land and improvements, construction in progress, ground leases, tenant improvements, in-place leases, above and/or below market leases, purchase option intangible assets and/or liabilities, and any debt assumed. These estimates require significant judgment and in some cases involve complex calculations. These assessments directly impact our results of operations, as amounts estimated for certain assets and liabilities have different depreciation or amortization lives. In addition, we amortize the value assigned to above and/or below market leases as a component of revenue, unlike in-place leases and other intangibles, which we include in depreciation and amortization in our Consolidated Statements of Income.

We estimate the fair value of buildings acquired on an as-if-vacant basis, or replacement cost basis, and depreciate the building value over the estimated remaining life of the building, generally not to exceed 35 years. We determine the fair value of other fixed assets, such as site improvements and furniture, fixtures and equipment, based upon the replacement cost and depreciate such value over the assets’ estimated remaining useful lives as determined at the applicable acquisition date. We determine the value of land either by considering the sales prices of similar properties in recent transactions or based on internal analysis of recently acquired and existing comparable properties within our portfolio. We generally determine the value of construction in progress based upon the replacement cost. However, for certain acquired properties that are part of a ground-up development, we determine fair value by using the same valuation approach as for all other properties and deducting the estimated cost to complete the development. During the remaining construction period, we capitalize interest expense until the

development has reached substantial completion. Construction in progress, including capitalized interest, is not depreciated until the development has reached substantial completion.

The fair value of acquired lease-related intangibles, if any, reflects: (i) the estimated value of any above and/or below market leases, determined by discounting the difference between the estimated market rent and in-place lease rent; and (ii) the estimated value of in-place leases related to the cost to obtain tenants, including leasing commissions, and an estimated value of the absorption period to reflect the value of the rent and recovery costs foregone during a reasonable lease-up period as if the acquired space was vacant. We amortize any acquired lease-related intangibles to revenue or amortization expense over the remaining life of the associated lease plus any assumed bargain renewal periods. If a lease is terminated prior to its stated expiration or not renewed upon expiration, we recognize all unamortized lease-related intangibles associated with that lease in operations at that time.

We estimate the fair value of purchase option intangible assets and liabilities by discounting the difference between the applicable property's acquisition date fair value and an estimate of its future option price. We do not amortize the resulting intangible asset or liability over the term of the lease, but rather adjust the recognized value of the asset or liability upon sale.

We estimate the fair value of tenant or other customer relationships acquired, if any, by considering the nature and extent of existing business relationships with the tenant or customer, growth prospects for developing new business with the tenant or customer, the tenant's credit quality, expectations of lease renewals with the tenant, and the potential for significant, additional future leasing arrangements with the tenant, and we amortize that value over the expected life of the associated arrangements or leases, including the remaining terms of the related leases and any expected renewal periods. We estimate the fair value of trade names and trademarks using a royalty rate methodology and amortize that value over the estimated useful life of the trade name or trademark.

In connection with a business combination, we may assume rights and obligations under certain lease agreements pursuant to which we become the lessee of a given property. We assume the lease classification previously determined by the prior lessee absent a modification in the assumed lease agreement. We assess assumed operating leases, including ground leases, to determine whether the lease terms are favorable or unfavorable to us given current market conditions on the acquisition date. To the extent the lease terms are favorable or unfavorable relative to market conditions on the acquisition date, we recognize an intangible asset or liability, as applicable, at fair value and amortize that asset or liability (excluding purchase option intangibles) to interest or rental expense in our Consolidated Statements of Income over the applicable lease term. We include all lease-related intangible assets and liabilities within acquired lease intangibles and accounts payable and other liabilities, respectively, on our Consolidated Balance Sheets.

We determine the fair value of loans receivable acquired in connection with a business combination by discounting the estimated future cash flows using current interest rates at which similar loans on the same terms with the same length to maturity would be made to borrowers with similar credit ratings. We do not establish a valuation allowance at the acquisition date because the estimated future cash flows already reflect our judgment regarding their uncertainty. We recognize the difference between the acquisition date fair value and the total expected cash flows as interest income using an effective interest method over the life of the applicable loan. Subsequent to the acquisition date, we evaluate changes regarding the uncertainty of future cash flows and the need for a valuation allowance, as appropriate.

We estimate the fair value of noncontrolling interests assumed consistent with the manner in which we value all of the underlying assets and liabilities.

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 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.

We calculate the fair value of long-term debt by discounting the remaining contractual cash flows on each instrument at the current market rate for those borrowings, which we approximate based on the rate at which we would expect to incur a replacement instrument on the date of acquisition, and recognize any fair value adjustments related to long-term debt as effective yield adjustments over the remaining term of the instrument.

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 the two-step approach to evaluating impairment. First, we estimate the fair value of the reporting unit and compare it to the reporting unit's carrying value. If the carrying value exceeds fair value, we proceed with the second step, which requires us to assign the fair value of the reporting unit to all of the assets and liabilities of the reporting unit as if it had been acquired in a business combination at the date of the impairment test. The excess fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied value of goodwill and is used to determine the amount of impairment. We recognize an impairment loss to the extent the carrying value of goodwill exceeds the implied value in the current period.

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. Our ability to accurately predict future operating results and cash flows and to estimate and allocate 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.

Loans Receivable

We record loans receivable, other than those acquired in connection with a business combination, on our Consolidated Balance Sheets (either in secured loans receivable and investments, net or other assets, in the case of non-mortgage loans receivable) at the unpaid principal balance, net of any deferred origination fees, purchase discounts or premiums and valuation allowances. We amortize net deferred origination fees, which are comprised of loan fees collected from the borrower net of certain direct costs, and purchase discounts or premiums over the contractual life of the loan using the effective interest method and immediately recognize in income any unamortized balances if the loan is repaid before its contractual maturity.

We regularly evaluate the collectibility of loans receivable based on factors such as corporate and facility-level financial and operational reports, compliance with financial covenants set forth in the applicable loan agreement, the financial strength of the borrower and any guarantor, the payment history of the borrower and current economic conditions. If our evaluation of these factors indicates it is probable that we will be unable to collect all amounts due under the terms of the applicable loan agreement, we provide a reserve against the portion of the receivable that we estimate may not be collected.

Fair Value

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 consist of 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, as 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.

Revenue Recognition

Triple-Net Leased Properties and MOB Operations

Certain of our triple-net leases and most of our MOB 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 collectibility is reasonably assured. 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.

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.

Senior Living Operations

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. Our lease agreements with residents generally have terms of 12 to 18 months and are cancelable by the resident upon 30 days' notice.

Other

We recognize interest income from loans and investments, including discounts and premiums, using the effective interest method when collectibility 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 recognize interest income on an impaired loan to the extent our estimate of the fair value of the collateral is sufficient to support the balance of the loan, other receivables and all related accrued interest. When the balance of the loan, other receivables and all related accrued interest is equal to our estimate of the fair value of the collateral, we recognize interest income on a cash basis. We provide a reserve against an impaired loan to the extent our total investment in the loan exceeds our estimate of the fair value of the loan collateral.

We recognize income from rent, lease termination fees, development services, management advisory services, and all other income when all of the following criteria are met in accordance with Securities and Exchange Commission ("SEC") Staff Accounting Bulletin 104: (i) the applicable agreement has been fully executed and delivered; (ii) services have been rendered; (iii) the amount is fixed or determinable; and (iv) collectibility is reasonably assured.

Allowances

We assess the collectibility of our rent receivables, including straight-line rent receivables. We base our assessment of the collectibility of rent receivables (other than straight-line rent receivables) on several factors, including, among other things, payment history, the financial strength of the tenant and any guarantors, the value of the underlying collateral, if any, and current economic conditions. If our evaluation of these factors indicates it is probable that we will be unable to recover the full value of the receivable, we provide a reserve against the portion of the receivable that we estimate may not be recovered. We also base our assessment of the collectibility of straight-line rent receivables on several factors, including, among other things, 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 and the type of property. If our evaluation of these factors indicates it is probable that we will be unable to receive the rent payments due in the future, we provide a reserve against the recognized straight-line rent receivable asset for the portion, up to its full value, that we estimate may not be recovered. If we change our assumptions or

estimates regarding the collectibility of future rent payments required by a lease, we may adjust our reserve to increase or reduce the rental revenue recognized in the period we make such change in our assumptions or estimates

Federal Income Tax

We have elected to be treated as a REIT under the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), for every year beginning with the year ended December 31, 1999. Accordingly, we generally are not subject to federal income tax on net income that we distribute to our stockholders, provided that we continue to qualify as a REIT. However, with respect to certain of our subsidiaries that have elected to be treated as "taxable REIT subsidiaries" ("TRSs"), we record income tax expense or benefit, as those entities are subject to federal income tax similar to regular corporations. Certain foreign subsidiaries are subject to foreign income tax, although they did not elect to be treated as TRSs.

We account for deferred income taxes using the asset and liability method and recognize deferred tax assets and liabilities for the expected future tax consequences of events that have been included in our financial statements or tax returns. Under this method, we determine deferred tax assets and liabilities based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Any increase or decrease in the deferred tax liability that results from a change in circumstances, and that causes us to change our judgment about expected future tax consequences of events, is included in the tax provision when such changes occur. Deferred income taxes also reflect the impact of operating loss and tax credit carryforwards. A valuation allowance is provided if we believe it is more likely than not that all or some portion of the deferred tax asset will not be realized. Any increase or decrease in the valuation allowance that results from a change in circumstances, and that causes us to change our judgment about the realizability of the related deferred tax asset, is included in the tax provision when such changes occur.

We recognize the tax benefit from an uncertain tax position claimed or expected to be claimed on a tax return only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. We recognize interest and penalties, if applicable, related to uncertain tax positions as part of income tax benefit (expense).

Recently Issued or Adopted Accounting Standards

In April 2015, the FASB issued Accounting Standards Update ("ASU") 2015-03, *Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"), which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected. Also in August 2015, the FASB issues ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated With Line-of-Credit Arrangements* ("ASU 2015-15") which clarifies the SEC staff's position not objecting to an entity deferring and presenting debt issuance costs as an asset and subsequently amortizing such costs, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. We adopted ASU 2015-03 and 2015-15 for the quarter ended September 30, 2015. There were deferred financing costs of \$69.1 million and \$60.3 million as of December 31, 2015 and 2014, respectively that are now classified within senior notes payable and other debt on our Consolidated Balance Sheets.

In September 2015, the FASB issued ASU 2015-16, *Simplifying the Accounting for Measurement-Period Adjustments* ("ASU 2015-16") to simplify the accounting for business combinations, specifically as it relates to measurement-period adjustments. Acquiring entities in a business combination must recognize measurement-period adjustments in the reporting period in which the adjustment amounts are determined. Also, ASU 2015-16 requires entities to present separately on the face of the income statement (or disclose in the notes to the financial statements) the portion of the amount recorded in the current period earnings, by line item, that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. ASU 2015-16 is effective for the Company beginning January 1, 2016 and is to be applied prospectively to measurement-period adjustments that occur after the effective date. We do not expect the adoption of this ASU to have a significant impact on our consolidated financial statements.

In 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, *Revenue From Contracts With Customers* ("ASU 2014-09"), which outlines a comprehensive model for entities to use in accounting for revenue arising from contracts with customers. ASU 2014-09 states that "an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." While ASU 2014-09 specifically references contracts with customers, it may apply to certain other transactions such as the sale of real estate or equipment. In 2015, the FASB provided for a one-year deferral of the effective date for ASU 2014-09 which is now effective for us beginning January 1, 2018. We are continuing to evaluate this guidance; however, we do

not expect its adoption to have a significant impact on our consolidated financial statements, as a substantial portion of our revenue consists of rental income from leasing arrangements, which are specifically excluded from ASU 2014-09.

In February 2015, the FASB issued ASU 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis* ("ASU 2015-02"), which makes certain changes to both the variable interest model and the voting model, including changes to (1) the identification of variable interests (fees paid to a decision maker or service provider), (2) the variable interest entity characteristics for a limited partnership or similar entity and (3) the primary beneficiary determination. ASU 2015-02 is effective for us beginning January 1, 2016. We are continuing to evaluate this guidance; however, we do not expect its adoption to have a significant impact on our consolidated financial statements.

Results of Operations

As of December 31, 2015, we operated through three reportable business segments: triple-net leased properties, senior living operations and MOB operations. In our triple-net leased properties segment, we acquire and own seniors 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 seniors housing communities throughout the United States and Canada and engage independent operators, such as Atria and Sunrise, to manage those communities. In our MOB operations segment, we primarily acquire, own, develop, lease, and manage MOBs. 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.

The historical results of operations of the CCP properties as well as the related assets and liabilities are presented as discontinued operations in the accompanying results of operations. Throughout this discussion, "continuing operations" does not include properties disposed of as part of the CCP Spin-Off.

Years Ended December 31, 2015 and 2014

The table below shows our results of operations for the years ended December 31, 2015 and 2014 and the effect of changes in those results from period to period on our net income attributable to common stockholders.

| | For the Year Ended December 31, | | Increase (Decrease) to Net Income | |
|--|------------------------------------|------------|-----------------------------------|--------|
| | 2015 | 2014 | \$ | % |
| (Dollars in thousands) | | | | |
| Segment NOI: | | | | |
| Triple-Net Leased Properties | \$ 784,234 | \$ 679,112 | \$ 105,122 | 15.5 % |
| Senior Living Operations | 601,840 | 516,395 | 85,445 | 16.5 |
| MOB Operations | 399,891 | 310,515 | 89,376 | 28.8 |
| All Other | 89,176 | 54,048 | 35,128 | 65.0 |
| Total segment NOI | 1,875,141 | 1,560,070 | 315,071 | 20.2 |
| Interest and other income | 1,052 | 4,263 | (3,211) | (75.3) |
| Interest expense | (367,114) | (292,065) | (75,049) | (25.7) |
| Depreciation and amortization | (894,057) | (725,216) | (168,841) | (23.3) |
| General, administrative and professional fees | (128,035) | (121,738) | (6,297) | (5.2) |
| Loss on extinguishment of debt, net | (14,411) | (5,564) | (8,847) | (8.1) |
| Merger-related expenses and deal costs | (102,944) | (43,304) | (59,640) | (>100) |
| Other | (17,957) | (25,743) | 7,786 | 30.2 |
| Income before loss from unconsolidated entities, income taxes, discontinued operations, real estate dispositions and noncontrolling interest | 351,675 | 350,703 | 972 | 0.3 |
| Loss from unconsolidated entities | (1,420) | (139) | (1,281) | (>100) |
| Income tax benefit | 39,284 | 8,732 | 30,552 | >100 |
| Income from continuing operations | 389,539 | 359,296 | 30,243 | 8.4 |
| Discontinued operations | 11,103 | 99,735 | (88,632) | (88.9) |
| Gain on real estate dispositions | 18,580 | 17,970 | 610 | 3.4 |
| Net income | 419,222 | 477,001 | (57,779) | (12.1) |
| Net income attributable to noncontrolling interest | 1,379 | 1,234 | (145) | (11.8) |
| Net income attributable to common stockholders | \$ 417,843 | \$ 475,767 | (57,924) | (12.2) |

Segment NOI—Triple-Net Leased Properties

NOI for our triple-net leased properties reportable business segment equals the rental income and other services revenue earned from our triple-net assets. We incur no direct operating expenses for this segment.

The following table summarizes results of continuing operations in our triple-net leased properties reportable business segment:

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|--|------------------------------------|------------|------------------------------------|--------|
| | 2015 | 2014 | \$ | % |
| (Dollars in thousands) | | | | |
| Segment NOI—Triple-Net Leased Properties: | | | | |
| Rental income | \$ 779,801 | \$ 674,547 | \$ 105,254 | 15.6 % |
| Other services revenue | 4,433 | 4,565 | (132) | (2.9) |
| Segment NOI | \$ 784,234 | \$ 679,112 | 105,122 | 15.5 |

Triple-net leased properties segment NOI increased in 2015 over the prior year primarily due to rent from the properties we acquired during 2015 and 2014, contractual escalations in rent pursuant to the terms of our leases, and increases in base and other rent under certain of our leases.

In our triple-net leased properties 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 and do not vary based on the underlying operating performance of the properties. Therefore, while occupancy rates may affect the profitability of our tenants' operations, they do not have a direct impact on our revenues or financial results. The following table sets forth average continuing occupancy rates related to the triple-net leased properties we owned at December 31, 2015 for the trailing 12 months ended September 30, 2015 (which is the most recent information available to us from our tenants) and average continuing occupancy rates related to the triple-net leased properties we owned at December 31, 2014 for the trailing 12 months ended September 30, 2014.

| | Number of Properties at December 31, 2015 (1) | Average Occupancy for the Trailing 12 Months Ended September 30, 2015 (1) | Number of Properties at December 31, 2014 (1) | Average Occupancy for the Trailing 12 Months Ended September 30, 2014 (1) |
|------------------------------|--|--|--|--|
| Seniors Housing Communities | 453 | 88.2% | 448 | 88.3% |
| Skilled Nursing Facilities | 53 | 81.4 | 281 | 79.6 |
| Specialty Hospitals | 46 | 57.8 | 47 | 56.6 |
| General Acute Care Hospitals | 12 | 50.6 | — | — |

(1) Excludes properties included in discontinued operations during 2015 and properties classified as held for sale as of December 31, 2015, non-stabilized properties, properties owned through investments in unconsolidated entities and certain properties for which we do not receive occupancy information. Also excludes properties acquired during the years ended December 31, 2015 and 2014, respectively, including properties acquired as part of the 2015 AHS acquisition, and properties that transitioned operators for which we do not have eight full quarters of results subsequent to the transition.

The following table compares results of continuing operations for our 507 same-store triple-net leased properties. Throughout this discussion, "same-store" refers to properties that we owned for the full period in both comparison periods.

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|---|------------------------------------|-------------------|---------------------------------------|------------|
| | 2015 | 2014 | \$ | % |
| | (Dollars in thousands) | | | |
| Same-Store Segment NOI—Triple-Net Leased Properties: | | | | |
| Rental income | \$ 646,426 | \$ 617,886 | \$ 28,540 | 4.6 % |
| Other services revenue | 4,433 | 4,565 | (132) | (2.9) |
| Segment NOI | <u>\$ 650,859</u> | <u>\$ 622,451</u> | <u>28,408</u> | <u>4.6</u> |

Segment NOI—Senior Living Operations

The following table summarizes results of continuing operations in our senior living operations reportable business segment:

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|--|------------------------------------|-------------------|------------------------------------|-------------|
| | 2015 | 2014 | \$ | % |
| | (Dollars in thousands) | | | |
| Segment NOI—Senior Living Operations: | | | | |
| Total revenues | \$ 1,811,255 | \$ 1,552,951 | \$ 258,304 | 16.6 % |
| Less: | | | | |
| Property-level operating expenses | (1,209,415) | (1,036,556) | (172,859) | (16.7) |
| Segment NOI | <u>\$ 601,840</u> | <u>\$ 516,395</u> | <u>85,445</u> | <u>16.5</u> |

Revenues attributed to our senior living operations segment consist of resident fees and services, which include all amounts earned from residents at our seniors housing communities, such as rental fees related to resident leases, extended health care fees and other ancillary service income. Our senior living operations segment revenues increased in 2015 over the prior year primarily due to seniors housing communities we acquired during 2015 and 2014, including the 2015 HCT acquisition and the 2014 acquisition of 29 seniors housing communities located in Canada from Holiday Retirement (the "Holiday Canada Acquisition").

Property-level operating expenses related to our senior living operations segment include labor, food, utilities, marketing, management and other costs of operating the properties. Property-level operating expenses also increased year over year primarily due to the acquired properties described above, increases in salaries, repairs & maintenance costs, real estate taxes and higher management fees primarily due to increased revenues, partially offset by decreased incentive fees and property insurance costs.

The following table compares results of continuing operations for our 236 same-store senior living operating communities.

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|---|------------------------------------|--------------|------------------------------------|-------|
| | 2015 | 2014 | \$ | % |
| (Dollars in thousands) | | | | |
| Same-Store Segment NOI—Senior Living Operations: | | | | |
| Total revenues | \$ 1,523,421 | \$ 1,485,146 | \$ 38,275 | 2.6 % |
| Less: Property-level operating expenses | (1,028,996) | (998,166) | (30,830) | (3.1) |
| Segment NOI | \$ 494,425 | \$ 486,980 | \$ 7,445 | 1.5 % |

The following table sets forth average unit occupancy rates and the average monthly revenue per occupied room related to continuing operations in our senior living operations segment for the years ended December 31, 2015 and 2014:

| | Number of Properties at December 31, | | Average Unit Occupancy for the Year Ended December 31, | | Average Monthly Revenue Per Occupied Room for the Year Ended December 31, | |
|--|--|------|--|-------|--|----------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Total seniors housing communities | 305 | 270 | 91.2% | 91.1% | \$ 5,255 | \$ 5,407 |
| Same-store seniors housing communities | 236 | 236 | 91.1 | 91.0 | 5,718 | 5,579 |

Segment NOI—MOB Operations

The following table summarizes results of continuing operations in our MOB operations reportable business segment:

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|--|------------------------------------|------------|------------------------------------|--------|
| | 2015 | 2014 | \$ | % |
| | (Dollars in thousands) | | | |
| Segment NOI—MOB Operations: | | | | |
| Rental income | \$ 566,245 | \$ 463,910 | \$ 102,335 | 22.1 % |
| Medical office building services revenue | 34,436 | 22,529 | 11,907 | 52.9 |
| Total revenues | 600,681 | 486,439 | 114,242 | 23.5 |
| Less: | | | | |
| Property-level operating expenses | (174,225) | (158,832) | (15,393) | (9.7) |
| Medical office building services costs | (26,565) | (17,092) | (9,473) | (55.4) |
| Segment NOI | \$ 399,891 | \$ 310,515 | \$ 89,376 | 28.8 |

The increase in our MOB operations segment rental income in 2015 over the prior year is attributed primarily to the MOBs we acquired during 2015 and 2014 as well as same-store revenue growth and an increase in lease termination fees. The increase in our MOB property-level operating expenses is due primarily to those acquired MOBs and increases in cleaning, administrative wages and real estate tax expenses, partially offset by decreases in operating costs resulting from expense controls.

Medical office building services revenue and costs both increased in 2015 over the prior year primarily due to increased construction activity during 2015 compared to 2014. Management fee revenue also increased due to insourcing completed during 2014 and 2015.

The following table compares results of continuing operations for our 275 same-store MOBs.

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|---|------------------------------------|------------|------------------------------------|------|
| | 2015 | 2014 | \$ | % |
| | (Dollars in thousands) | | | |
| Same-Store Segment NOI—MOB Operations: | | | | |
| Rental income | \$ 450,463 | \$ 447,437 | \$ 3,026 | 0.7% |
| Less: | | | | |
| Property-level operating expenses | (152,533) | (152,680) | 147 | 0.1 |
| Segment NOI | \$ 297,930 | \$ 294,757 | \$ 3,173 | 1.1 |

The following table sets forth occupancy rates and the annualized average rent per occupied square foot related to continuing operations in our MOB operations segment at and for the years ended December 31, 2015 and 2014:

| | Number of Properties at December 31, | | Occupancy at December 31, | | Annualized Average Rent Per Occupied Square Foot for the Year Ended December 31, | |
|-----------------|--|------|------------------------------|-------|--|------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Total MOBs | 361 | 277 | 91.7% | 90.2% | \$30 | \$30 |
| Same-store MOBs | 275 | 275 | 90.8 | 91.2 | 31 | 31 |

Segment NOI—All Other

All other NOI consists solely of income from loans and investments. Income from loans and investments increased in 2015 over the prior year due primarily to higher investment balances and prepayment income during 2015, partially offset by lower weighted average interest rates on loan balances in 2015 compared to 2014.

Interest Expense

The \$49.0 million increase in total interest expense, including interest allocated to discontinued operations of \$60.4 million and \$86.5 million for the years ended December 31, 2015 and 2014, respectively, is attributed primarily to \$53.6 million of additional interest due to higher debt balances, partially offset by a \$6.5 million reduction in interest due to lower effective interest rates, including the amortization of any fair value adjustments. Our effective interest rate was 3.6% for 2015, compared to 3.7% for 2014.

Depreciation and Amortization

Depreciation and amortization expense increased \$168.8 million in 2015 primarily due to the real estate acquisitions we made in 2014 and 2015.

General, Administrative and Professional Fees

General, administrative and professional fees increased \$6.3 million in 2015 primarily due to our increased employee head count as a result of organizational growth, partially offset by savings related to the CCP Spin-Off.

Loss on Extinguishment of Debt, Net

The loss on extinguishment of debt, net in 2015 and 2014 resulted primarily from various debt repayments we made to improve our credit profile. The 2015 repayments were made primarily with proceeds from the distribution paid to us at the time of the CCP Spin-Off.

Merger-Related Expenses and Deal Costs

Merger-related expenses and deal costs in both years consist of transition, integration, deal and severance-related expenses primarily related to pending and consummated transactions required by GAAP to be expensed rather than capitalized into the asset value. The \$59.6 million increase in merger-related expenses and deal costs in 2015 over the prior year is primarily due to increased 2015 investment activity and costs related to CCP Spin-Off.

Other

Other primarily includes building rent expense paid to lease certain of our senior living operating communities, as well as certain unreimbursable expenses related to our triple-net leased portfolio and expenses related to the re-audit and re-review of our historical financial statements.

Income Tax Benefit

Income tax benefit for 2015 was due primarily to the income tax benefit of ordinary losses of certain taxable REIT subsidiaries ("TRS" or "TRS entities"). These losses were mainly attributable to the depreciation and amortization of fixed and intangible assets recorded as deferred tax liabilities in purchase accounting. Income tax benefit for 2014 was due primarily to the income tax benefit of ordinary losses and restructuring related to one of our TRS entities.

Discontinued Operations

Discontinued operations primarily relates to the operations of assets and liabilities disposed of as part of the CCP Spin-Off. The decrease in income from discontinued operations for 2015 compared to 2014 is primarily the result of \$46.4 million of transaction and separation costs associated with the spin. Also, 2014 includes a full year of net income for the CCP operations whereas 2015 only includes net income through August 17, 2015, the date of the CCP Spin-Off.

Gain on Real Estate Dispositions

The gain on real estate dispositions in 2015 and 2014 primarily relates to the sale of 45 and ten properties, respectively.

Years Ended December 31, 2014 and 2013

The table below shows our results of operations for the years ended December 31, 2014 and 2013 and the effect of changes in those results from period to period on our net income attributable to common stockholders.

| | For the Year Ended December 31, | | Increase (Decrease) to Net Income | |
|--|------------------------------------|------------|-----------------------------------|--------|
| | 2014 | 2013 | \$ | % |
| | (Dollars in thousands) | | | |
| Segment NOI: | | | | |
| Triple-Net Leased Properties | \$ 679,112 | \$ 590,485 | \$ 88,627 | 15.0 % |
| Senior Living Operations | 516,395 | 449,321 | 67,074 | 14.9 |
| MOB Operations | 310,515 | 300,861 | 9,654 | 3.2 |
| All Other | 54,048 | 55,688 | (1,640) | (2.9) |
| Total segment NOI | 1,560,070 | 1,396,355 | 163,715 | 11.7 |
| Interest and other income | 4,263 | 2,022 | 2,241 | >100 |
| Interest expense | (292,065) | (249,009) | (43,056) | (17.3) |
| Depreciation and amortization | (725,216) | (629,908) | (95,308) | (15.1) |
| General, administrative and professional fees | (121,738) | (115,083) | (6,655) | (5.8) |
| Loss on extinguishment of debt, net | (5,564) | (1,201) | (4,363) | (>100) |
| Merger-related expenses and deal costs | (43,304) | (21,634) | (21,670) | (>100) |
| Other | (25,743) | (17,364) | (8,379) | (48.3) |
| Income before loss from unconsolidated entities, income taxes, discontinued operations, real estate dispositions and noncontrolling interest | 350,703 | 364,178 | (13,475) | (3.7) |
| Loss from unconsolidated entities | (139) | (508) | 369 | 72.6 |
| Income tax benefit | 8,732 | 11,828 | (3,096) | (26.2) |
| Income from continuing operations | 359,296 | 375,498 | (16,202) | (4.3) |
| Discontinued operations | 99,735 | 79,171 | 20,564 | 26.0 |
| Gain on real estate dispositions | 17,970 | — | 17,970 | nm |
| Net income | 477,001 | 454,669 | 22,332 | 4.9 |
| Net income attributable to noncontrolling interest | 1,234 | 1,160 | (74) | (6.4) |
| Net income attributable to common stockholders | \$ 475,767 | \$ 453,509 | 22,258 | 4.9 |

nm—not meaningful

Segment NOI—Triple-Net Leased Properties

The following table summarizes results of continuing operations in our triple-net leased properties reportable business segment:

| | For the Year Ended December 31, | | Increase to Segment NOI | |
|--|------------------------------------|------------|-------------------------|-------|
| | 2014 | 2013 | \$ | % |
| | (Dollars in thousands) | | | |
| Segment NOI—Triple-Net Leased Properties: | | | | |
| Rental income | \$ 674,547 | \$ 586,016 | \$ 88,531 | 15.1% |
| Other services revenue | 4,565 | 4,469 | 96 | 2.1 |
| Segment NOI | \$ 679,112 | \$ 590,485 | 88,627 | 15.0 |

Triple-net leased properties segment NOI increased in 2014 over the prior year primarily due to rent from the properties we acquired during 2014 and 2013, contractual escalations in rent pursuant to the terms of our leases, and increases in base and other rent under certain of our leases.

The following table compares results of continuing operations for our 477 same-store triple-net leased properties.

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|---|------------------------------------|------------|------------------------------------|------|
| | 2014 | 2013 | \$ | % |
| (Dollars in thousands) | | | | |
| Same-Store Segment NOI—Triple-Net Leased Properties: | | | | |
| Rental income | \$ 546,301 | \$ 524,676 | \$ 21,625 | 4.1% |
| Other services revenue | 4,565 | 4,469 | 96 | 2.1 |
| Segment NOI | \$ 550,866 | \$ 529,145 | 21,721 | 4.1 |

Segment NOI—Senior Living Operations

The following table summarizes results of continuing operations in our senior living operations reportable business segment:

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|--|------------------------------------|--------------|------------------------------------|--------|
| | 2014 | 2013 | \$ | % |
| (Dollars in thousands) | | | | |
| Segment NOI—Senior Living Operations: | | | | |
| Total revenues | \$ 1,552,951 | \$ 1,406,005 | \$ 146,946 | 10.5 % |
| Less: | | | | |
| Property-level operating expenses | (1,036,556) | (956,684) | (79,872) | (8.3) |
| Segment NOI | \$ 516,395 | \$ 449,321 | \$ 67,074 | 14.9 |

Our senior living operations segment revenues increased in 2014 over the prior year primarily due to the Holiday Canada Acquisition and other seniors housing communities we acquired during 2014 and 2013.

Property-level operating expenses also increased year over year primarily due to the acquired properties described above.

The following table compares results of continuing operations for our 219 same-store senior living operating communities.

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|---|------------------------------------|--------------|------------------------------------|-------|
| | 2014 | 2013 | \$ | % |
| (Dollars in thousands) | | | | |
| Same-Store Segment NOI—Senior Living Operations: | | | | |
| Total revenues | \$ 1,384,878 | \$ 1,357,088 | \$ 27,790 | 2.0 % |
| Less: | | | | |
| Property-level operating expenses | (937,671) | (925,478) | (12,193) | (1.3) |
| Segment NOI | \$ 447,207 | \$ 431,610 | \$ 15,597 | 3.6 |

The following table sets forth average unit occupancy rates and the average monthly revenue per occupied room related to continuing operations in our senior living operations segment for the years ended December 31, 2014 and 2013:

| | Number of Properties at December 31, | | Average Unit Occupancy for the Year Ended December 31, | | Average Monthly Revenue Per Occupied Room for the Year Ended December 31, | |
|--|--|------|--|-------|--|---------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Total seniors housing communities | 270 | 239 | 91.1% | 91.1% | \$5,407 | \$5,470 |
| Same-store seniors housing communities | 219 | 219 | 91.1 | 91.2 | 5,673 | 5,553 |

Segment NOI—MOB Operations

The following table summarizes results of continuing operations in our MOB operations reportable business segment:

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|--|------------------------------------|------------|------------------------------------|---------|
| | 2014 | 2013 | \$ | % |
| (Dollars in thousands) | | | | |
| Segment NOI—MOB Operations: | | | | |
| Rental income | \$ 463,910 | \$ 450,340 | \$ 13,570 | 3.0 % |
| Medical office building services revenue | 22,529 | 12,077 | 10,452 | 86.5 |
| Total revenues | 486,439 | 462,417 | 24,022 | 5.2 |
| Less: | | | | |
| Property-level operating expenses | (158,832) | (153,241) | (5,591) | (3.6) |
| Medical office building services costs | (17,092) | (8,315) | (8,777) | (105.6) |
| Segment NOI | \$ 310,515 | \$ 300,861 | 9,654 | 3.2 |

The increase in our MOB operations segment rental income in 2014 over the prior year is attributed primarily to the MOBs we acquired during 2014 and 2013 and slightly higher base rents. The increase in our MOB property-level operating expenses is due primarily to those acquired MOBs and increases in utilities, snow removal, payroll and insurance expenses, partially offset by decreases in operating costs resulting from expense controls.

Medical office building services revenue and costs both increased in 2014 over the prior year primarily due to increased construction activity during 2014 compared to 2013.

The following table compares results of continuing operations for our 297 same-store MOB.

| | For the Year Ended December 31, | | Increase (Decrease) to Segment NOI | |
|---|------------------------------------|------------|---------------------------------------|-------|
| | 2014 | 2013 | \$ | % |
| (Dollars in thousands) | | | | |
| Same-Store Segment NOI—MOB Operations: | | | | |
| Rental income | \$ 440,755 | \$ 435,786 | \$ 4,969 | 1.1 % |
| Less: | | | | |
| Property-level operating expenses | (150,585) | (147,987) | (2,598) | (1.8) |
| Segment NOI | \$ 290,170 | \$ 287,799 | \$ 2,371 | 0.8 |

The following table sets forth occupancy rates and the annualized average rent per occupied square foot related to continuing operations in our MOB operations segment at and for the years ended December 31, 2014 and 2013:

| | Number of Properties at December 31, | | Occupancy at December 31, | | Annualized Average Rent Per Occupied Square Foot for the Year Ended December 31, | |
|----------------|--|------|------------------------------|-------|--|------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Total MOB | 311 | 309 | 89.8% | 90.1% | \$31 | \$29 |
| Same-store MOB | 297 | 297 | 89.8 | 90.0 | 30 | 29 |

Segment NOI—All Other

All other NOI consists solely of income from loans and investments. Income from loans and investments decreased in 2014 over the prior year due primarily to final repayments and sales of portions of certain loans receivable throughout 2013.

Interest Expense

The \$38.2 million increase in total interest expense, including interest allocated to discontinued operations of \$86.5 million and \$91.4 million for the years ended December 31, 2014 and 2013, respectively, is attributed primarily to \$50.9

million of additional interest due to higher debt balances, partially offset by a \$15.6 million reduction in interest due to lower effective interest rates, including the amortization of any fair value adjustments. Our effective interest rate was 3.7% for 2014, compared to 3.8% for 2013.

Depreciation and Amortization

Depreciation and amortization expense increased \$95.3 million in 2014 primarily due to real estate acquisitions we made in 2013 and 2014.

General, Administrative and Professional Fees

General, administrative and professional fees increased \$6.7 million in 2014 primarily due to our continued organizational growth.

Loss on Extinguishment of Debt, Net

The loss on extinguishment of debt, net in 2014 resulted primarily from various debt repayments. The loss on extinguishment of debt, net in 2013 resulted primarily from the write-off of unamortized deferred financing fees as a result of replacing our previous \$2.0 billion unsecured revolving credit facility with a new \$3.0 billion unsecured credit facility and the repayment of certain mortgage debt.

Merger-Related Expenses and Deal Costs

Merger-related expenses and deal costs in both years consist of transition, integration, deal and severance-related expenses primarily related to pending and consummated transactions required by GAAP to be expensed rather than capitalized into the asset value. The \$21.7 million increase in merger-related expenses and deal costs in 2014 over the prior year is primarily due to increased 2014 investment activity.

Other

Other primarily includes building rent expense paid to lease certain of our senior living operating communities, as well as certain unreimbursable expenses related to our triple-net leased portfolio. For the year ended December 31, 2014, other also includes expenses related to the re-audit and re-review of our historical financial statements.

Income Tax Benefit

Income tax benefit for 2014 was due primarily to the income tax benefit of ordinary losses and restructuring related to one of our TRS entities. Income tax benefit for 2013 was due primarily to the release of valuation allowances against certain deferred tax assets related to one of our TRS entities.

Discontinued Operations

Discontinued operations primarily relates to the operations of assets and liabilities disposed of as part of the CCP Spin-Off, and impairments of \$1.5 million and \$39.7 million recorded in 2014 and 2013, respectively.

Gain on Real Estate Dispositions

The gain on real estate dispositions in 2014 resulted primarily from the sale of ten properties that are not classified as discontinued operations in accordance with ASU 2014-08, resulting in a net gain of \$18.0 million. Gains on real estate dispositions in 2013 are classified in discontinued operations.

Non-GAAP Financial Measures

We believe that net income, as defined by GAAP, is the most appropriate earnings measurement. However, 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 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 Annual Report on Form 10-K 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 (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 as presented in our Consolidated Financial Statements and other financial data included elsewhere in this Annual Report on Form 10-K.

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 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 unanticipated items and other 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 (computed in accordance with GAAP), excluding gains (or losses) from sales of real estate property, including gain 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 our 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 and derivative transactions that have non-cash mark-to-market impacts on our Consolidated Statements of Income; (d) the impact of future acquisitions, divestitures (including pursuant to tenant options to purchase) and capital transactions; (e) the financial impact of contingent consideration, severance-related costs, charitable donations made to the Ventas Charitable Foundation, gains and losses for non-operational foreign currency hedge agreements and changes in the fair value of financial instruments; and (f) expenses related to the re-audit and re-review in 2014 of our historical financial statements and related matters.

The following table summarizes our FFO and normalized FFO for each of the five years ended December 31, 2015. Our normalized FFO for the year ended December 31, 2015 increased over the prior year due primarily to accretive acquisitions and increases in property NOI, partially offset by increased interest expense and a partial year's results from the properties that were transferred to CCP on August 17, 2015 in connection with the CCP Spin-Off.

| For the Year Ended December 31, | | | | | |
|--|--------------|--------------|--------------|--------------|------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| (In thousands) | | | | | |
| Net income attributable to common stockholders | \$ 417,843 | \$ 475,767 | \$ 453,509 | \$ 362,800 | \$ 364,493 |
| Adjustments: | | | | | |
| Real estate depreciation and amortization | 887,126 | 718,649 | 624,245 | 616,095 | 390,995 |
| Real estate depreciation related to noncontrolling interest | (7,906) | (10,314) | (10,512) | (8,503) | (3,471) |
| Real estate depreciation related to unconsolidated entities | 7,353 | 5,792 | 6,543 | 7,516 | 16,552 |
| Loss (gain) on re-measurement of equity interest upon acquisition, net | 176 | — | (1,241) | (16,645) | — |
| Gain on real estate dispositions | (18,580) | (17,970) | — | — | — |
| Discontinued operations: | | | | | |
| Gain on real estate dispositions | (212) | (1,494) | (4,059) | (80,952) | — |
| Depreciation on real estate assets | 79,608 | 103,250 | 139,973 | 144,256 | 66,282 |
| FFO | 1,365,408 | 1,273,680 | 1,208,458 | 1,024,567 | 824,851 |
| Adjustments: | | | | | |
| Litigation proceeds, net | — | — | — | — | (202,259) |
| Change in fair value of financial instruments | 460 | 5,121 | 449 | 99 | 2,959 |
| Income tax benefit | (42,384) | (9,431) | (11,828) | (6,286) | (31,137) |
| Loss on extinguishment of debt, net | 15,797 | 5,013 | 1,048 | 37,640 | 27,604 |
| Merger-related expenses, deal costs and re-audit costs | 152,344 | 54,389 | 21,560 | 63,183 | 153,923 |
| Amortization of other intangibles | 2,058 | 1,246 | 1,022 | 1,022 | 1,022 |
| Normalized FFO | \$ 1,493,683 | \$ 1,330,018 | \$ 1,220,709 | \$ 1,120,225 | \$ 776,963 |

Adjusted EBITDA

We consider Adjusted EBITDA an important supplemental measure to net income because it provides another manner in which to evaluate our operating performance and serves as another indicator of our ability to service debt. We define Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization (including non-cash stock-based compensation expense), excluding gains or losses on extinguishment of debt, merger-related expenses and deal costs, expenses related to the re-audit and re-review of our historical financial statements, net gains on real estate activity and changes in the fair value of financial instruments (including amounts in discontinued operations). The following table sets forth a reconciliation of our net income attributable to common stockholders to Adjusted EBITDA (including amounts in discontinued operations) for the years ended December 31, 2015, 2014 and 2013:

| | For the Year Ended December 31, | | |
|--|---------------------------------|--------------|--------------|
| | 2015 | 2014 | 2013 |
| | (In thousands) | | |
| Net income attributable to common stockholders | \$ 417,843 | \$ 475,767 | \$ 453,509 |
| Adjustments: | | | |
| Interest | 427,542 | 378,556 | 340,381 |
| Loss on extinguishment of debt, net | 14,411 | 5,564 | 1,048 |
| Taxes (including amounts in general, administrative and professional fees) | (37,112) | (4,770) | (7,166) |
| Depreciation and amortization | 973,665 | 828,466 | 769,881 |
| Non-cash stock-based compensation expense | 19,537 | 20,994 | 20,653 |
| Merger-related expenses, deal costs and re-audit costs | 150,290 | 53,847 | 21,634 |
| Net income attributable to noncontrolling interest | 1,499 | 1,419 | 1,380 |
| Gain on real estate dispositions | (18,811) | (19,183) | (3,617) |
| Changes in fair value of financial instruments | 460 | 5,121 | 449 |
| Gain on re-measurement of equity interest upon acquisition, net | 176 | — | (1,241) |
| Adjusted EBITDA | \$ 1,949,500 | \$ 1,745,781 | \$ 1,596,911 |

NOI

We also consider NOI an important supplemental measure to net income because it allows investors, analysts and our management to assess our unlevered property-level operating results and to compare our operating results with the operating results 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 medical office building services costs (including amounts in discontinued operations). 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 NOI to net income attributable to common stockholders (including amounts in discontinued operations) for the years ended December 31, 2015, 2014 and 2013:

| | For the Year Ended December 31, | | |
|--|---------------------------------|--------------|--------------|
| | 2015 | 2014 | 2013 |
| | (In thousands) | | |
| Net income attributable to common stockholders | \$ 417,843 | \$ 475,767 | \$ 453,509 |
| Adjustments: | | | |
| Interest and other income | (1,115) | (5,017) | (2,047) |
| Interest | 427,542 | 378,556 | 340,381 |
| Depreciation and amortization | 973,665 | 828,466 | 876,981 |
| General, administrative and professional fees | 128,044 | 121,746 | 115,109 |
| Loss on extinguishment of debt, net | 14,411 | 5,564 | 1,048 |
| Merger-related expenses and deal costs | 149,346 | 45,051 | 21,634 |
| Other | 19,577 | 39,337 | 18,325 |
| Net income attributable to noncontrolling interest | 1,499 | 1,419 | 1,380 |
| Loss from unconsolidated entities | 1,420 | 139 | 508 |
| Income tax benefit | (39,284) | (8,732) | (11,828) |
| Gain on real estate dispositions | (18,811) | (19,183) | (3,617) |
| NOI | 2,074,137 | 1,863,113 | 1,704,283 |
| Discontinued operations | (198,996) | (303,043) | (307,928) |
| NOI (excluding amounts in discontinued operations) | \$ 1,875,141 | \$ 1,560,070 | \$ 1,396,355 |

Asset/Liability Management

Asset/liability management, a key element of enterprise risk management, is designed to support the achievement of our business strategy, while ensuring that we maintain appropriate and tolerable levels of market risk (primarily interest rate risk and foreign currency exchange risk) and credit risk. Effective management of these risks is a contributing factor to the absolute levels and variability of our FFO and net worth. The following discussion addresses our integrated management of assets and liabilities, including the use of derivative financial instruments.

Market Risk

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 marketable debt 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.

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

| | As of December 31, | | |
|---|------------------------|----------------------|---------------------|
| | 2015 | 2014 | 2013 |
| | (Dollars in thousands) | | |
| Balance: | | | |
| Fixed rate: | | | |
| Senior notes and other | \$ 7,534,459 | \$ 6,677,875 | \$ 5,418,543 |
| Mortgage loans and other (1) | 1,554,062 | 1,810,716 | 2,155,155 |
| Variable rate: | | | |
| Unsecured revolving credit facilities | 180,683 | 919,099 | 376,343 |
| Unsecured term loans | 1,568,477 | 990,634 | 1,000,702 |
| Mortgage loans and other | 433,339 | 474,047 | 369,734 |
| Total | \$ 11,271,020 | \$ 10,872,371 | \$ 9,320,477 |
| Percent of total debt: | | | |
| Fixed rate: | | | |
| Senior notes and other | 66.9% | 61.4% | 58.1% |
| Mortgage loans and other (1) | 13.8 | 16.6 | 23.3 |
| Variable rate: | | | |
| Unsecured revolving credit facilities | 1.6 | 8.5 | 4.0 |
| Unsecured term loans | 13.9 | 9.1 | 10.7 |
| Mortgage loans and other | 3.8 | 4.4 | 3.9 |
| Total | 100.0% | 100.0% | 100.0% |
| Weighted average interest rate at end of period: | | | |
| Fixed rate: | | | |
| Senior notes and other | 3.5% | 3.5% | 3.7% |
| Mortgage loans and other (1) | 5.7 | 5.9 | 6.0 |
| Variable rate: | | | |
| Unsecured revolving credit facilities | 1.4 | 1.4 | 1.2 |
| Unsecured term loans | 1.4 | 1.3 | 1.3 |
| Mortgage loans and other | 2.0 | 2.3 | 1.7 |
| Total | 3.5 | 3.5 | 3.8 |

(1) Excludes mortgage debt of \$22.9 million, \$27.6 million and \$13.1 million related to real estate assets classified as held for sale as of December 31, 2015, 2014 and 2013, respectively. All amounts were included in liabilities related to assets held for sale on our Consolidated Balance Sheets.

The variable rate debt in the table above reflects, in part, the effect of \$150.5 million notional amount of interest rate swaps with a maturity of March 21, 2018 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 \$48.1 million notional amount of interest rate swaps with maturities ranging from October 1, 2016 to April 1, 2019, in each case that effectively convert variable rate debt to fixed rate debt.

In February 2016, we entered into a \$200 million notional amount interest rate swap with a maturity of August 3, 2020 that effectively converts LIBOR-based floating rate debt to fixed rate debt, setting LIBOR at 1.132% through the maturity date of the swap. The maturity date of the Ardent Term Loan is also August 3, 2020.

The decrease in our outstanding variable rate debt at December 31, 2015 compared to December 31, 2014 is primarily attributable to the repayment of borrowings under our unsecured revolving credit facility and our unsecured term loan due 2019, partially offset by borrowings under our unsecured term loan due 2020.

Pursuant to the terms of certain leases with one of our tenants, if interest rates increase on certain variable rate debt that we have totaling \$80.0 million as of December 31, 2015, our tenant is required to pay us additional rent (on a dollar-for-dollar

basis) in an amount equal to the increase in interest expense resulting from the increased interest rates. Therefore, the increase in interest expense related to this debt is equally offset by an increase in additional rent due to us from the tenant. 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 December 31, 2015, interest expense for 2016 would increase by approximately \$21.9 million, or \$0.07 per diluted common share.

As of December 31, 2015 and 2014, our joint venture and operating partners' aggregate share of total debt was \$132.6 million and \$141.4 million, respectively, with respect to certain properties we owned through consolidated joint ventures and an operating partnership. Total debt does not include our portion of debt related to investments in unconsolidated entities, which was \$90.1 million and \$97.5 million as of December 31, 2015 and 2014, 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 December 31, 2015 and 2014:

| | As of December 31, | |
|---|--------------------|-------------|
| | 2015 | 2014 |
| | (In thousands) | |
| Gross book value | \$9,088,521 | \$8,488,591 |
| Fair value (1) | 9,170,508 | 8,817,982 |
| Fair value reflecting change in interest rates (1): | | |
| -100 basis points | 9,674,423 | 9,256,492 |
| +100 basis points | 8,708,963 | 8,406,735 |

- (1) The change in fair value of our fixed rate debt from December 31, 2014 to December 31, 2015 was due primarily to 2015 senior note issuances, net of repayments, and mortgage loan repayments.

As of December 31, 2015 and 2014, the fair value of our secured and non-mortgage loans receivable, based on our estimates of currently prevailing rates for comparable loans, was \$855.7 million and \$767.9 million, respectively. See "Note 6—Loans Receivable and Investments" and "Note 11—Fair Values of Financial Instruments" of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

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 year ended December 31, 2015 (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 year ended December 31, 2015 would decrease or increase, as applicable, by approximately \$0.01 per share or less than 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.

Concentration and Credit 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 December 31, | |
|--|-----------------------|-------|
| | 2015 | 2014 |
| Investment mix by asset type (1): | | |
| Seniors housing communities | 65.2% | 73.4% |
| MOBs | 21.7 | 18.1 |
| Skilled nursing facilities | 1.6 | 2.1 |
| Specialty hospitals | 2.1 | 1.8 |
| General acute care hospitals | 5.9 | 0.8 |
| Secured loans receivable and investments, net | 3.5 | 3.8 |
| Investment mix by tenant, operator and manager (1): | | |
| Atria | 22.5% | 26.8% |
| Sunrise | 11.7 | 13.9 |
| Brookdale Senior Living | 8.5 | 11.5 |
| Kindred | 2.1 | 2.3 |
| All other | 55.2 | 45.5 |

(1) Ratios are based on the gross book value of real estate investments (excluding assets classified as held for sale) as of each reporting date.

For the Year Ended
December 31,

| | 2015 | 2014 | 2013 |
|--|-------|-------|-------|
| Operations mix by tenant and operator and business model: | | | |
| Revenues (1): | | | |
| Senior living operations | 55.1% | 56.0% | 56.1% |
| Kindred | 5.6 | 5.9 | 6.2 |
| Brookdale Senior Living (2) | 53.3 | 61.3 | 62.2 |
| All others | 34.0 | 32.0 | 31.5 |
| Adjusted EBITDA (3): | | | |
| Senior living operations | 29.8% | 28.4% | 26.0% |
| Kindred | 8.8 | 10.1 | 16.1 |
| Brookdale Senior Living (2) | 8.2 | 9.2 | 10.9 |
| All others | 53.2 | 52.3 | 47.0 |
| NOI (4): | | | |
| Senior living operations | 32.1% | 33.1% | 32.2% |
| Kindred | 9.8 | 10.6 | 11.2 |
| Brookdale Senior Living (2) | 9.9 | 10.9 | 11.2 |
| All others | 48.8 | 45.4 | 45.4 |
| Operations mix by geographic location (5): | | | |
| California | 15.4% | 15.4% | 15.4% |
| New York | 8.8 | 8.8 | 8.8 |
| Texas | 6.1 | 6.1 | 6.1 |
| Illinois | 4.9 | 4.9 | 4.9 |
| Florida | 4.6 | 4.6 | 4.6 |
| All others | 60.2 | 60.2 | 60.2 |

- (1) Total revenues include medical office building and other services revenue, revenue from loans and investments and interest and other income (excluding amounts in discontinued operations).
- (2) Excludes one seniors housing community included in senior living operations.
- (3) Includes amounts in discontinued operations.
- (4) Excludes amounts in discontinued operations.
- (5) Ratios are based on total revenues (excluding amounts in discontinued operations) for each period presented.

See "Non-GAAP Financial Measures" included elsewhere in this Annual Report on Form 10-K for additional disclosure and reconciliations of net income attributable to common stockholders to Adjusted EBITDA and NOI as computed in accordance with GAAP.

We derive a significant portion of our revenues by leasing assets under long-term triple-net leases in which the rental rate is generally fixed with annual escalators, subject to certain limitations. Some of our triple-net lease escalators are contingent upon the satisfaction of specified facility revenue parameters or based on increases in the Consumer Price Index ("CPI"), with caps, floors or collars. We also earn revenues directly from individual residents in our seniors housing communities that are managed by independent operators, such as Atria and Sunrise, and tenants in our MOBs. For the year ended December 31, 2015, 29.8% of our Adjusted EBITDA (including amounts in discontinued operations) was derived from our senior living operations and MOB operations, for which rental rates may fluctuate more frequently upon lease rollovers and renewals due to shorter term leases and changing economic or market conditions.

The concentration of our triple-net leased properties segment revenues and operating income that are attributed to Brookdale Senior Living, Kindred and Ardent creates credit risk. If either Brookdale Senior Living, Kindred or Ardent 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 limited. We cannot assure you that Brookdale Senior Living, Kindred and Ardent 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, Kindred or Ardent to do so could have a Material Adverse Effect on us. In addition, any failure, inability or unwillingness by Brookdale Senior Living, Kindred or Ardent to effectively conduct its operations or to maintain and improve our properties could adversely affect its business reputation and its ability to attract and retain patients and residents in our properties, which could have an indirect Material Adverse Effect on us. See “Risk Factors—Risks Arising from Our Business—Our leases with Brookdale Senior Living, Kindred and Ardent account for a significant portion of our triple-net leased properties segment revenues and operating income; Any failure, inability or unwillingness by Brookdale Senior Living, Kindred or Ardent to satisfy its obligations under our agreements could have a Material Adverse Effect on us” included in Part I, Item 1A of this Annual Report on Form 10-K and “Note 3—Concentration of Credit Risk” of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

We regularly monitor and assess any changes in the relative credit risk of our significant tenants, and in particular those tenants that have recourse obligations under our triple-net leases. The ratios and metrics we use to evaluate a significant tenant’s liquidity and creditworthiness depend on facts and circumstances specific to that tenant and the industry or industries in which it operates, including without limitation the tenant’s credit history and economic conditions related to the tenant, its operations and the markets in which the tenant operates, that may vary over time. Among other things, we may (i) review and analyze information regarding the real estate, seniors housing and healthcare industries generally, publicly available information regarding the significant tenant, and information required to be provided by the tenant under the terms of its lease agreements with us, (ii) examine monthly and/or quarterly financial statements of the significant tenant to the extent publicly available or otherwise provided under the terms of our lease agreements, and (iii) participate in periodic discussions and in-person meetings with representatives of the significant tenant. Using this information, we calculate multiple financial ratios (which may, but do not necessarily, include net debt to EBITDAR or EBITDARM, fixed charge coverage and tangible net worth), after making certain adjustments based on our judgment, and assess other metrics we deem relevant to an understanding of the significant tenant’s credit risk.

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. However, 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 to otherwise operate our seniors 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 and affairs or financial condition could have a Material Adverse Effect on us. See “Risk Factors—Risks Arising from Our Business—The properties managed by Atria and Sunrise account for a significant portion of our revenues and operating income; Adverse developments in Atria’s or Sunrise’s business and affairs or financial condition could have a Material Adverse Effect on us” and “—We have rights to terminate our management agreements with Atria and Sunrise in whole or with respect to specific properties under certain circumstances, and we may be unable to replace Atria or Sunrise if our management agreements are terminated or not renewed” included in Part I, Item 1A of this Annual Report on Form 10-K.

In December 2012, we acquired a 34% ownership interest in Atria, which entitles us to certain rights and minority protections as well as the right to appoint two of five members on the Atria board of directors.

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 us. During the year ended December 31, 2015, 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. See “Risk Factors—Risks Arising from Our Business—If we must replace any of our tenants or operators, we might be unable to reposition the properties on as favorable terms, or at all, and we could be subject to delays, limitations and expenses, which could have a Material Adverse Effect on us” included in Part I, Item 1A of this Annual Report on Form 10-K.

The following table summarizes our triple-net lease expirations currently scheduled to occur over the next ten years (excluding leases related to assets classified as held for sale as of December 31, 2015):

| | Number of Properties | 2015 Annual Rental Income | % of 2015 Total Triple-Net Leased Properties Segment Rental Income |
|------|-------------------------|------------------------------|---|
| | | (Dollars in thousands) | |
| 2016 | 23 | \$ 16,944 | 2.2% |
| 2017 | 19 | 51,879 | 6.7% |
| 2018 | 73 | 117,849 | 15.1% |
| 2019 | 64 | 61,243 | 7.9% |
| 2020 | 73 | 65,508 | 8.4% |
| 2021 | 15 | 8,899 | 1.1% |
| 2022 | 14 | 29,264 | 3.8% |
| 2023 | 35 | 22,059 | 2.8% |
| 2024 | 70 | 110,608 | 14.2% |
| 2025 | | | |

In December 2014, we entered into favorable agreements with Kindred to transition or sell the operations of nine licensed healthcare assets, make modifications to the master leases governing 34 leased assets, and reimburse us for certain deferred capital expenditures at skilled nursing facilities previously transferred to new operators. In January 2015, Kindred paid us \$37 million in connection with these agreements, which is being amortized over the remaining lease term for the 34 assets governed by the modified master leases. We own or have the rights to all licenses and CONs at the nine properties to be transitioned or sold, and Kindred has extensive and detailed obligations to cooperate and ensure an orderly transition of the properties to another operator. As of December 31, 2015, four of the nine properties have been sold and three of the nine properties were disposed of as part of the CCP Spin-Off.

Liquidity and Capital Resources

As of December 31, 2015, we had a total of \$53.0 million of unrestricted cash and cash equivalents, operating cash and cash related to our senior living operations and MOB operations reportable business segments that is deposited and held in property-level accounts. Funds maintained in the property-level accounts are used primarily for the payment of property-level expenses, debt service payments and certain capital expenditures. As of December 31, 2015, we also had escrow deposits and restricted cash of \$77.9 million and \$1.8 billion of unused borrowing capacity available under our unsecured revolving credit facility.

During 2015, our principal sources of liquidity were cash flows from operations, borrowings under our unsecured revolving credit facility and CAD unsecured term loan, proceeds from the issuance of debt and equity securities, 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, including \$550.0 million of senior notes; (iv) fund capital expenditures; (v) fund acquisitions, investments and commitments, including development and redevelopment activities; and (vi) make distributions to our stockholders and unitholders, as required for us to continue to qualify as a REIT. In addition, we may elect to prepay outstanding indebtedness prior to maturity based on our analysis of various factors. 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 unsecured revolving credit facility. However, an inability to access liquidity through multiple capital sources concurrently could have a Material Adverse Effect on us. See "Risk Factors—Risks Arising from Our Capital Structure—Limitations on our ability to access capital could have an adverse effect on our ability to make required payments on our debt obligations, make distributions to our stockholders or make future investments necessary to implement our business strategy" included in Part I, Item 1A of this Annual Report on Form 10-K.

In January 2015, we funded the HCT Acquisition through the issuance of approximately 28.4 million shares of our common stock and 1.1 million limited partnership units that are redeemable for shares of our common stock, the payment of

approximately \$11 million in cash (excluding cash in lieu of fractional shares) and the assumption or repayment of debt, net of HCT cash on hand.

Beginning on January 16, 2016 and as of February 10, 2016, third party investors executed redemption right exercise notices for Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. to redeem 303,136 Class C Units. We expect that the Class C Units will be redeemed through the issuance of 303,136 shares of Ventas common stock on or before April 1, 2016, but we have the right to redeem the Class C Units for a cash amount.

Unsecured Credit Facility and Unsecured Term Loans

Our unsecured credit facility is comprised of a \$2.0 billion revolving credit facility priced at LIBOR plus 1.0% as of December 31, 2015, and a \$200.0 million fully funded term loan and an \$800.0 million term loan (with \$468.5 million outstanding), each priced at LIBOR plus 1.05% as of December 31, 2015. The revolving credit facility matures in January 2018, but may be extended, at our option subject to the satisfaction of certain conditions, for an additional period of one year. The \$200.0 million and \$800.0 million term loans mature in January 2018 and January 2019, respectively. The unsecured credit facility also includes an accordion feature that permits us to increase our aggregate borrowing capacity thereunder to up to \$3.5 billion.

As of December 31, 2015, we had \$180.7 million of borrowings outstanding, \$14.9 million of letters of credit outstanding and \$1.8 billion of unused borrowing capacity available under our unsecured revolving credit facility.

In August 2015, we completed a \$900 million five year term loan having a variable interest rate of LIBOR plus 97.5 basis points. The term loan matures in 2020.

Also in August 2015, we repaid \$305.0 million of our \$800.0 million unsecured term loan due 2019 and recognized a loss on extinguishment of debt of \$1.6 million representing a write-off of the then unamortized deferred financing fees.

The agreement governing our unsecured credit facility requires us to comply with various financial and other restrictive covenants. See "Note 10—Borrowing Arrangements" of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K. We were in compliance with all of these covenants at December 31, 2015.

Senior Notes

As of December 31, 2015, we had \$6.8 billion aggregate principal amount of senior notes issued by our subsidiary, Ventas Realty, Limited Partnership ("Ventas Realty"), and guaranteed by Ventas, Inc. outstanding as follows:

- \$550.0 million principal amount of 1.55% senior notes due 2016;
- \$300.0 million principal amount of 1.250% senior notes due 2017;
- \$700.0 million principal amount of 2.00% senior notes due 2018;
- \$600.0 million principal amount of 4.00% senior notes due 2019;
- \$500.0 million principal amount of 2.700% senior notes due 2020;
- \$700.0 million principal amount of 4.750% senior notes due 2021;
- \$600.0 million principal amount of 4.25% senior notes due 2022;
- \$500.0 million principal amount of 3.25% senior notes due 2022;
- \$400.0 million principal amount of 3.750% senior notes due 2024;
- \$600.0 million principal amount of 3.500% senior notes due 2025;
- \$500.0 million principal amount of 4.125% senior notes due 2026;
- \$258.8 million principal amount of 5.45% senior notes due 2043;
- \$300.0 million principal amount of 5.70% senior notes due 2043; and
- \$300.0 million principal amount of 4.375% senior notes due 2045.

With the exception of the senior notes due 2016, the senior notes due 2017, the senior notes due 2024, the senior notes due 2025, the senior notes due 2026, the 5.70% senior notes due 2043, and the senior notes due 2045, all of these senior notes were co-issued with Ventas Realty's wholly owned subsidiary, Ventas Capital Corporation.

As of December 31, 2015, we had \$75.4 million aggregate principal amount of senior notes of our subsidiary, Nationwide Health Properties, LLC ("NHP LLC"), as successor to NHP, outstanding as follows:

- \$52.4 million principal amount of 6.90% senior notes due 2037 (subject to earlier repayment at the option of the holder); and
- \$23.0 million principal amount of 6.59% senior notes due 2038 (subject to earlier repayment at the option of the holder).

In addition, as of December 31, 2015, we had \$650.3 million aggregate principal amount of senior notes of our wholly owned subsidiary, Ventas Canada Finance Limited, and guaranteed by Ventas, Inc. outstanding as follows:

- \$289.0 million (CAD 400.0 million) principal amount of 3.00% senior notes, series A due 2019;
- \$180.6 million (CAD 250.0 million) principal amount of 3.300% senior notes due 2022; and
- \$180.6 million (CAD 250.0 million) principal amount of 4.125% senior notes, series B due 2024.

In January 2015, we issued and sold \$600.0 million aggregate principal amount of 3.500% senior notes due 2025 at a public offering price equal to 99.663% of par, for total proceeds of \$598.0 million before the underwriting discount and expenses, and \$300.0 million aggregate principal amount of 4.375% senior notes due 2045 at a public offering price equal to 99.500% of par, for total proceeds of \$298.5 million before the underwriting discount and expenses.

Also in January 2015, Ventas Canada Finance Limited, issued and sold CAD 250.0 million aggregate principal amount of 3.30% senior notes, series C due 2022 at an offering price equal to 99.992% of par, for total proceeds of CAD 250.0 million before the agent fees and expenses. The notes were offered on a private placement basis in Canada.

In May 2015, we repaid in full, at par, \$234.4 million aggregate principal amount then outstanding of our 6% senior notes due 2015 upon maturity.

In July 2015, we issued and sold \$500.0 million aggregate principal amount of 4.125% senior notes due 2026 at a public offering price equal to 99.218% of par, for total proceeds of \$496.1 million before the underwriting discount and expenses.

In September 2015, we redeemed all \$400.0 million principal amount then outstanding of our 3.125% senior notes due November 2015 at a redemption price equal to 100.7% of par, plus accrued and unpaid interest to the redemption date, and recognized a loss on extinguishment of debt of \$2.9 million.

2014 Activity

In April 2014, Ventas Realty issued and sold \$300.0 million aggregate principal amount of 1.250% senior notes due 2017 at a public offering price equal to 99.815% of par, for total proceeds of \$299.4 million before the underwriting discount and expenses, and \$400.0 million aggregate principal amount of 3.750% senior notes due 2024 at a public offering price equal to 99.304% of par, for total proceeds of \$397.2 million before the underwriting discount and expenses.

In September 2014, Ventas Canada Finance Limited issued and sold CAD 400.0 million aggregate principal amount of 3.00% senior notes, series A due 2019 at an offering price equal to 99.713% of par, for total proceeds of CAD 398.9 million before the agent fees and expenses, and CAD 250.0 million aggregate principal amount of 4.125% senior notes, series B due 2024 at an offering price equal to 99.601% of par, for total proceeds of CAD 249.0 million before the agent fees and expenses. The notes were offered on a private placement basis in Canada.

2013 Activity

In February 2013, we repaid in full, at par, \$270.0 million principal amount then outstanding of our 6.25% senior notes due 2013 upon maturity.

In March 2013, we issued and sold: \$258.8 million aggregate principal amount of 5.45% senior notes due 2043 at a public offering price equal to par, for total proceeds of \$258.8 million before the underwriting discounts and expenses; and \$500.0 million aggregate principal amount of 2.700% senior notes due 2020 at a public offering price equal to 99.942% of par, for total proceeds of \$499.7 million before the underwriting discount and expenses.

In September 2013, we issued and sold: \$550.0 million aggregate principal amount of 1.55% senior notes due 2016 at a public offering price equal to 99.910% of par, for total proceeds of \$549.5 million before the underwriting discount and expenses; and \$300.0 million aggregate principal amount of 5.70% senior notes due 2043 at a public offering price equal to 99.628% of par, for total proceeds of \$298.9 million before the underwriting discount and expenses.

We may, from time to time, seek to retire or purchase our outstanding senior notes for cash or in exchange for equity securities in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions, prospects for future access to capital and other factors. The amounts involved may be material.

The indentures governing our outstanding senior notes require us to comply with various financial and other restrictive covenants. See “Note 10—Borrowing Arrangements” of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K. We were in compliance with all of these covenants at December 31, 2015.

Mortgage Loan Obligations

As of December 31, 2015 and 2014, our consolidated aggregate principal amount of mortgage debt outstanding was \$2.0 billion and \$2.3 billion, respectively, of which our share was \$1.9 billion and \$2.2 billion, respectively.

During 2015, we repaid in full mortgage loans in the aggregate principal amount of \$461.9 million and a weighted average maturity of 2.1 years and recognized a loss on extinguishment of debt of \$9.9 million in connection with these repayments.

During 2014, we assumed or incurred mortgage debt of \$246.8 million and repaid in full mortgage loans outstanding in the aggregate principal amount of \$398.0 million. We recognized a net loss on extinguishment of debt of \$2.3 million in connection with these repayments.

During 2013, we assumed or incurred mortgage debt of \$178.8 million in connection with our \$1.8 billion of gross investments, and we repaid in full mortgage loans outstanding in the aggregate principal amount of \$493.7 million. We recognized a net gain on extinguishment of debt of \$0.5 million in connection with these repayments.

See “Note 4—Acquisitions of Real Estate Property” and “Note 10—Borrowing Arrangements” of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Dividends

In order to continue to qualify as a REIT, we must make annual distributions to our stockholders of at least 90% of our REIT taxable income (excluding net capital gain). In 2015, our Board of Directors declared and we paid cash dividends on our common stock aggregating \$3.04 per share, which exceeds 100% of our 2015 estimated taxable income after the use of any net operating loss carryforwards. We intend to pay dividends greater than 100% of our taxable income, after the use of any net operating loss carryforwards, for 2016. On August 17, 2015, we also distributed a stock dividend of one CCP common share for every four shares of Ventas common stock held as of the distribution record date of August 10, 2015. The stock dividend was valued at \$8.51 per Ventas share based on the opening price of CCP stock on its first day of regular-way trading on the New York Stock Exchange.

We expect that our cash flows will exceed our REIT taxable income due to depreciation and other non-cash deductions in computing REIT taxable income and that we will be able to satisfy the 90% distribution requirement. However, from time to time, we may not have sufficient cash on hand or other liquid assets to meet this requirement or we may decide to retain cash or distribute such greater amount as may be necessary to avoid income and excise taxation. If we do not have sufficient cash on hand or other liquid assets to enable us to satisfy the 90% distribution requirement, or if we desire to retain cash, we may borrow funds, issue additional equity securities, pay taxable stock dividends, if possible, distribute other property or securities or engage in a transaction intended to enable us to meet the REIT distribution requirements or any combination of the foregoing. See “Certain U.S. Federal Income Tax Considerations—Requirements for Qualification as a REIT—Annual Distribution Requirements” included in Part I, Item 1 of this Annual Report on Form 10-K.

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 to the tenants or advances, which may increase the amount of rent payable with respect to the properties in certain cases. We expect to fund any 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 with cash flows from operations or through additional borrowings.

We also expect to fund capital expenditures related to our senior living operations and MOB operations reportable business segments with the cash flows from the properties or through additional borrowings. 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 seniors housing or healthcare properties funded through capital that we and, in certain circumstances, our joint venture partners provide. As of December 31, 2015, we had four properties under development pursuant to these agreements, including two properties that are owned by an unconsolidated real estate entity. Through December 31, 2015, we have funded \$15.5 million of our share of estimated total commitment over the projected development period (\$69.0 million to \$72.9 million) toward these projects. In addition, from time to time, we engage in redevelopment projects with respect to our existing seniors housing communities to maximize the value, increase NOI, maintain a market-competitive position, achieve property stabilization or change the primary use of the property.

Equity Offerings and Related Events

In March 2013, we established an “at-the-market” (“ATM”) equity offering program through which we could sell from time to time up to an aggregate of \$750 million of our common stock. In January 2015, we issued and sold 3,750,202 shares of common stock under our previous ATM equity offering program for aggregate net proceeds of \$285.4 million, after sales agent commissions of \$4.4 million. In March 2015, we replaced our previous shelf registration statement that was scheduled to expire in accordance with the SEC’s rules with a new universal shelf registration statement, rendering our previous ATM program inaccessible. In connection with our new universal shelf registration statement, we established a new ATM program pursuant to which we may sell, from time to time, up to an aggregate of \$1.0 billion of our common stock. Through the remainder of 2015 and in the first quarter of 2016 we have issued and sold a total of 5,084,302 shares of our common stock under our ATM equity offering program for aggregate net proceeds of \$297.0 million, after sales agent commissions of \$4.5 million.

Other

We received proceeds of \$6.4 million and \$26.2 million for the years ended December 31, 2015 and 2014, respectively, from the exercises of outstanding stock options. Future proceeds from the exercises of stock options will be affected primarily by the future trading price of our common stock and the number of options outstanding. The number of options outstanding increased to 3,051,729 as of December 31, 2015, from 2,460,628 as of December 31, 2014. The weighted average exercise price was \$52.62 as of December 31, 2015.

We issued approximately 19,000 shares of common stock under our Distribution Reinvestment and Stock Purchase Plan (“DRIP”) for net proceeds of \$1.2 million for the year ended December 31, 2014. The DRIP was suspended effective July 3, 2014. We may determine whether or not to reinstate the DRIP at any time, in our sole discretion.

Cash Flows

The following table sets forth our sources and uses of cash flows for the years ended December 31, 2015 and 2014:

| | For the Year Ended December 31, | | Increase (Decrease) to Cash | |
|---|------------------------------------|-------------|--------------------------------|---------|
| | 2015 | 2014 | \$ | % |
| (Dollars in thousands) | | | | |
| Cash and cash equivalents at beginning of period | \$ 55,348 | \$ 94,816 | \$ (39,468) | (41.6)% |
| Net cash provided by operating activities | 1,391,767 | 1,254,845 | 136,922 | 10.9 |
| Net cash used in investing activities | (2,423,692) | (2,055,040) | (368,652) | (17.9) |
| Net cash provided by financing activities | 1,030,122 | 758,057 | 272,065 | 35.9 |
| Effect of foreign currency translation on cash and cash equivalents | (522) | 2,670 | (3,192) | nm |
| Cash and cash equivalents at end of period | \$ 53,023 | \$ 55,348 | (2,325) | (4.2) |

nm—not meaningful

Cash Flows from Operating Activities

Cash flows from operating activities increased in 2015 over the prior year primarily due to 2014 and 2015 acquisitions, payments received from tenants in 2015 and increases in fee income, partially offset by increased merger-related expenses and deal costs and a full year’s results in 2014 from the properties that were spun off to CCP.

Cash Flows from Investing Activities

Cash used in investing activities during 2015 and 2014 consisted primarily of cash paid for our investments in real estate (\$2.7 billion and \$1.5 billion in 2015 and 2014, respectively), investments in loans receivable (\$171.1 million and \$499.0 million in 2015 and 2014, respectively), purchase of marketable securities (\$96.7 million in 2014), capital expenditures (\$107.5 million and \$87.5 million in 2015 and 2014, respectively), development project expenditures (\$119.7 million and \$107.0 million in 2015 and 2014, respectively) and investment in unconsolidated operating entity (\$26.3 million in 2015). These uses were partially offset by proceeds from loans receivable (\$109.2 million and \$73.6 million in 2015 and 2014, respectively), proceeds from the sale or maturity of marketable debt securities (\$76.8 million and \$21.7 million in 2015 and 2014, respectively), and proceeds from real estate dispositions (\$492.4 million and \$118.2 million in 2015 and 2014, respectively).

Cash Flows from Financing Activities

Cash provided by financing activities during 2015 and 2014 consisted primarily of net borrowings under our unsecured revolving credit facility (\$540.2 million in 2014), net proceeds from the issuance of debt (\$2.5 billion and \$2.0 billion in 2015 and 2014, respectively), proceeds of debt related to the CCP Spin-Off (\$1.4 billion in 2015) and net proceeds from the issuance of common stock (\$491.0 million and \$242.1 million in 2015 and 2014, respectively). These cash inflows were partially offset by debt repayments (\$1.4 billion and \$1.2 billion in 2015 and 2014, respectively), cash distributions to common stockholders, unitholders and noncontrolling interest parties (\$1.0 billion and \$890.9 million in 2015 and 2014, respectively), net payments made on our unsecured revolving credit facility (\$723.5 million in 2015), net cash impact of the CCP Spin-Off (\$128.7 million in 2015) and payments for deferred financing costs (\$24.7 million and \$14.2 million in 2015 and 2014, respectively).

Contractual Obligations

The following table summarizes the effect that minimum debt (which includes principal and interest payments) and other material noncancelable commitments are expected to have on our cash flow in future periods as of December 31, 2015:

| | Total | Less than 1 year (4) | 1 - 3 years (5) | 3 - 5 years (6) | More than 5 years (7) |
|---|----------------------|-------------------------|---------------------|---------------------|--------------------------|
| | (In thousands) | | | | |
| Long-term debt obligations (1) (2) (3) | \$ 14,603,925 | \$ 1,020,977 | \$ 2,770,287 | \$ 3,867,824 | \$ 6,944,837 |
| Operating obligations, including ground lease obligations | 629,512 | 31,346 | 44,840 | 33,372 | 519,954 |
| Total | <u>\$ 15,233,437</u> | <u>\$ 1,052,323</u> | <u>\$ 2,815,127</u> | <u>\$ 3,901,196</u> | <u>\$ 7,464,791</u> |

(1) Amounts represent contractual amounts due, including interest.

(2) Interest on variable rate debt was based on forward rates obtained as of December 31, 2015.

(3) Excludes \$22.9 million of mortgage debt related to real estate assets classified as held for sale as of December 31, 2015 that is scheduled to mature in 2016 and 2017.

(4) Includes \$550.0 million outstanding principal amount of our 1.55% senior notes due 2016.

(5) Includes \$300.0 million outstanding principal amount of our 1.250% senior notes due 2017, \$180.7 million of borrowings outstanding on our unsecured revolving credit facility, \$700.0 million outstanding principal amount of our 2.00% senior notes due 2018 and \$200.0 million of borrowings under our unsecured term loan due 2018.

(6) Includes \$468.5 million of borrowings under our unsecured term loan due 2019, \$600.0 million outstanding principal amount of our 4.00% senior notes due 2019, \$289.0 million outstanding principal amount of our 3.00% senior notes, series A due 2019, \$500.0 million outstanding principal amount of our 2.700% senior notes due 2020 and \$900.0 million of borrowings under our unsecured term loan due 2020.

(7) Includes \$4.6 billion aggregate principal amount outstanding of our senior notes maturing between 2021 and 2045. \$52.4 million aggregate principal amount outstanding of our 6.90% senior notes due 2037 are subject to repurchase, at the option of the holders, on October 1 in each of 2017 and 2027, and \$23.0 million aggregate principal amount outstanding of our 6.59% senior notes due 2038 are subject to repurchase, at the option of the holders, on July 7 in each of 2018, 2023 and 2028.

As of December 31, 2015, we had \$24.1 million of unrecognized tax benefits that are excluded from the table above, as we are unable to make a reasonable reliable estimate of the period of cash settlement, if any, with the respective tax authority.

ITEM 7A. *Quantitative and Qualitative Disclosures About Market Risk*

The information set forth in Item 7 of this Annual Report on Form 10-K under “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Asset/Liability Management” is incorporated by reference into this Item 7A.

ITEM 8. Financial Statements and Supplementary Data

Ventas, Inc.

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MANAGEMENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act of 1934. This system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with U.S. GAAP. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, conducted an assessment of the effectiveness of the Company's internal control over financial reporting based on the criteria set forth in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management has concluded that our internal control over financial reporting was effective at the reasonable assurance level as of December 31, 2015.

The effectiveness of our internal control over financial reporting as of December 31, 2015 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Stockholders and Board of Directors
Ventas, Inc.:

We have audited the accompanying consolidated balance sheets of Ventas, Inc. and subsidiaries (the Company) as of December 31, 2015 and 2014, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2015. In connection with our audits of the consolidated financial statements, we also have audited the information in financial statement schedules II, III and IV. These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ventas, Inc. and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules II, III and IV, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

As discussed in Note 2 to the consolidated financial statements, the Company has changed its method of accounting for discontinued operations in 2014 due to the adoption of Accounting Standards Update 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Ventas, Inc.'s internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 12, 2016 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

February 12, 2016

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Stockholders and Board of Directors
Ventas, Inc.:

We have audited Ventas, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management Report on the Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Ventas Inc. and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of the Company as of December 31, 2015 and 2014, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2015, respectively, and our report dated February 12, 2016 expressed an unqualified opinion on those consolidated financial statements. Our report refers to a change in the method of accounting for discontinued operations.

/s/ KPMG LLP

Chicago, Illinois
February 12, 2016

VENTAS, INC.
CONSOLIDATED BALANCE SHEETS
As of December 31, 2015 and 2014
(In thousands, except per share amounts)

| | 2015 | 2014 |
|--|--|----------------------|
| | (In thousands, except per share amounts) | |
| Assets | | |
| Real estate investments: | | |
| Land and improvements | \$ 2,056,428 | \$ 1,711,654 |
| Buildings and improvements | 20,309,599 | 17,420,392 |
| Construction in progress | 92,005 | 109,689 |
| Acquired lease intangibles | 1,344,422 | 955,035 |
| | <u>23,802,454</u> | <u>20,196,770</u> |
| Accumulated depreciation and amortization | (4,177,234) | (3,423,780) |
| Net real estate property | 19,625,220 | 16,772,990 |
| Secured loans receivable and investments, net | 857,112 | 802,881 |
| Investments in unconsolidated real estate entities | 95,707 | 91,872 |
| Net real estate investments | 20,578,039 | 17,667,743 |
| Cash and cash equivalents | 53,023 | 55,348 |
| Escrow deposits and restricted cash | 77,896 | 71,771 |
| Goodwill | 1,047,497 | 363,971 |
| Assets held for sale | 93,060 | 2,555,322 |
| Other assets | 412,403 | 451,758 |
| Total assets | <u>\$ 22,261,918</u> | <u>\$ 21,165,913</u> |
| Liabilities and equity | | |
| Liabilities: | | |
| Senior notes payable and other debt | \$ 11,206,996 | \$ 10,844,351 |
| Accrued interest | 80,864 | 62,182 |
| Accounts payable and other liabilities | 779,380 | 750,657 |
| Liabilities related to assets held for sale | 34,340 | 237,973 |
| Deferred income taxes | 338,382 | 344,337 |
| Total liabilities | 12,439,962 | 12,239,500 |
| Redeemable OP unitholder and noncontrolling interests | 196,529 | 172,016 |
| 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, 334,386 and 298,478 shares issued at December 31, 2015 and 2014, respectively | 83,579 | 74,656 |
| Capital in excess of par value | 11,602,838 | 10,119,306 |
| Accumulated other comprehensive income | (7,565) | 13,121 |
| Retained earnings (deficit) | (2,111,958) | (1,526,388) |
| Treasury stock, 44 and 7 shares at December 31, 2015 and 2014, respectively | (2,567) | (511) |
| Total Ventas stockholders' equity | 9,564,327 | 8,680,184 |
| Noncontrolling interest | 61,100 | 74,213 |
| Total equity | 9,625,427 | 8,754,397 |
| Total liabilities and equity | <u>\$ 22,261,918</u> | <u>\$ 21,165,913</u> |

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF INCOME
For the Years Ended December 31, 2015, 2014 and 2013

| | 2015 | 2014 | 2013 |
|--|--|-------------------|-------------------|
| | (In thousands, except per share amounts) | | |
| Revenues: | | | |
| Rental income: | | | |
| Triple-net leased | \$ 779,801 | \$ 674,547 | \$ 586,016 |
| Medical office buildings | 566,245 | 463,910 | 450,340 |
| | <u>1,346,046</u> | <u>1,138,457</u> | <u>1,036,356</u> |
| Resident fees and services | 1,811,255 | 1,552,951 | 1,406,005 |
| Medical office building and other services revenue | 241,492 | 29,364 | 17,809 |
| Income from loans and investments | 86,553 | 51,778 | 54,425 |
| Interest and other income | 1,052 | 4,263 | 2,022 |
| Total revenues | 3,286,398 | 2,776,813 | 2,516,617 |
| Expenses: | | | |
| Interest | 367,114 | 292,065 | 249,009 |
| Depreciation and amortization | 894,057 | 725,216 | 629,908 |
| Property-level operating expenses: | | | |
| Senior living | 1,209,415 | 1,036,556 | 956,684 |
| Medical office buildings | 174,225 | 158,832 | 153,241 |
| | <u>1,383,640</u> | <u>1,195,388</u> | <u>1,109,925</u> |
| Medical office building services costs | 26,565 | 17,092 | 8,315 |
| General, administrative and professional fees | 128,035 | 121,738 | 115,083 |
| Loss on extinguishment of debt, net | 14,411 | 5,564 | 1,201 |
| Merger-related expenses and deal costs | 102,944 | 43,904 | 21,634 |
| Other | 17,957 | 25,743 | 17,364 |
| Total expenses | 2,934,723 | 2,426,110 | 2,152,439 |
| Income before loss from unconsolidated entities, income taxes, discontinued operations, real estate dispositions and noncontrolling interest | 351,675 | 350,703 | 364,178 |
| Loss from unconsolidated entities | (1,420) | (139) | (508) |
| Income tax benefit | 39,284 | 8,732 | 11,828 |
| Income from continuing operations | 389,539 | 359,296 | 375,498 |
| Discontinued operations | 11,103 | 99,735 | 79,171 |
| Gain on real estate dispositions | 18,580 | 17,970 | — |
| Net income | 419,222 | 477,001 | 454,669 |
| Net income attributable to noncontrolling interest | 1,379 | 1,234 | 1,160 |
| Net income attributable to common stockholders | \$ 417,843 | \$ 475,767 | \$ 453,509 |
| Earnings per common share: | | | |
| Basic: | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 1.23 | \$ 1.28 | \$ 1.28 |
| Discontinued operations | 0.03 | 0.34 | 0.27 |
| Net income attributable to common stockholders | \$ 1.26 | \$ 1.62 | \$ 1.55 |
| Diluted: | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 1.22 | \$ 1.26 | \$ 1.27 |
| Discontinued operations | 0.03 | 0.34 | 0.27 |
| Net income attributable to common stockholders | \$ 1.25 | \$ 1.60 | \$ 1.54 |
| Weighted average shares used in computing earnings per common share: | | | |
| Basic | 330,311 | 294,175 | 292,654 |
| Diluted | 334,007 | 296,677 | 295,110 |

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2015, 2014 and 2013

| | 2015 | 2014 | 2013 |
|--|----------------|------------|------------|
| | (In thousands) | | |
| Net income | \$ 419,222 | \$ 477,001 | \$ 454,669 |
| Other comprehensive loss: | | | |
| Foreign currency translation | (14,792) | (17,153) | (5,422) |
| Change in unrealized gain on marketable debt securities | (5,047) | 7,001 | (1,023) |
| Other | (847) | 3,614 | 2,750 |
| Total other comprehensive loss | (20,686) | (6,538) | (3,695) |
| Comprehensive income | 398,536 | 470,463 | 450,974 |
| Comprehensive income attributable to noncontrolling interest | 1,379 | 1,234 | 1,160 |
| Comprehensive income attributable to common stockholders | \$ 397,157 | \$ 469,229 | \$ 449,814 |

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF EQUITY
For the Years Ended December 31, 2015, 2014 and 2013

| | Common Stock Par Value | Capital in Excess of Par Value | Accumulated Other Comprehensive Income | Retained Earnings (Deficit) | Treasury Stock | Total Ventas Stockholders' Equity | Non- controlling Interest | Total Equity |
|--|------------------------------|--------------------------------------|---|-----------------------------------|-------------------|---|------------------------------|--------------|
| (In thousands, except per share amounts) | | | | | | | | |
| Balance at January 1, 2013 | \$ 73,904 | \$ 9,920,962 | \$ 23,354 | \$ (777,927) | \$ (221,165) | \$ 9,019,128 | \$ 70,235 | \$ 9,089,363 |
| Net income (loss) | — | — | — | 453,509 | — | 453,509 | 1,160 | 454,669 |
| Other comprehensive loss | — | — | (3,695) | — | — | (3,695) | — | (3,695) |
| Acquisition-related activity | — | (762) | — | — | — | (762) | 12,717 | 11,955 |
| Net change in noncontrolling interest | — | — | — | — | — | — | (7,982) | (7,982) |
| Dividends to common stockholders— \$2.735 per share | — | — | — | (802,123) | — | (802,123) | — | (802,123) |
| Issuance of common stock | 1,517 | 140,826 | — | — | — | 141,343 | — | 141,343 |
| Issuance of common stock for stock plans | 19 | 5,983 | — | — | 6,638 | 12,640 | — | 12,640 |
| Change in redeemable noncontrolling interest | — | (13,751) | — | — | — | (13,751) | 3,400 | (10,351) |
| Adjust redeemable OP unitholder interests to current fair value | — | 8,683 | — | — | — | 8,683 | — | 8,683 |
| Purchase of OP units | — | (579) | — | — | 502 | (77) | — | (77) |
| Grant of restricted stock, net of forfeitures | 48 | 17,230 | — | — | (7,892) | 9,386 | — | 9,386 |
| Balance at December 31, 2013 | 74,488 | 10,078,592 | 19,659 | (1,126,541) | (221,917) | 8,824,281 | 79,530 | 8,903,811 |
| Net income (loss) | — | — | — | 475,767 | — | 475,767 | 1,234 | 477,001 |
| Other comprehensive income | — | — | (6,538) | — | — | (6,538) | — | (6,538) |
| Retirement of stock | (924) | (220,152) | — | — | 221,076 | — | — | — |
| Acquisition-related activity | 37 | 10,141 | — | — | — | 10,178 | — | 10,178 |
| Net change in noncontrolling interest | — | 1,163 | — | — | — | 1,163 | (8,477) | (7,314) |
| Dividends to common stockholders— \$2.965 per share | — | — | — | (875,614) | — | (875,614) | — | (875,614) |
| Issuance of common stock | 845 | 241,262 | — | — | — | 242,107 | — | 242,107 |
| Issuance of common stock for stock plans | 173 | 29,266 | — | — | 3,858 | 33,297 | — | 33,297 |
| Change in redeemable noncontrolling interest | — | (1,082) | — | — | — | (1,082) | 1,926 | 844 |
| Adjust redeemable OP unitholder interests to current fair value | — | (32,993) | — | — | — | (32,993) | — | (32,993) |
| Purchase of OP units | 1 | (83) | — | — | — | (82) | — | (82) |
| Grant of restricted stock, net of forfeitures | 36 | 13,192 | — | — | (3,528) | 9,700 | — | 9,700 |
| Balance at December 31, 2014 | 74,656 | 10,119,306 | 13,121 | (1,526,388) | (511) | 8,680,184 | 74,213 | 8,754,397 |
| Net income | — | — | — | 417,843 | — | 417,843 | 1,379 | 419,222 |
| Other comprehensive loss | — | — | (20,686) | — | — | (20,686) | — | (20,686) |
| Acquisition-related activity | 7,103 | 2,209,202 | — | — | — | 2,216,305 | 853 | 2,217,158 |
| Impact of CCP Spin-Off | — | (1,247,356) | — | — | — | (1,247,356) | (4,717) | (1,252,073) |
| Net change in noncontrolling interest | — | — | — | — | — | — | (12,530) | (12,530) |
| Dividends to common stockholders— \$3.04 per share | — | — | — | (1,003,413) | — | (1,003,413) | — | (1,003,413) |
| Issuance of common stock | 1,797 | 489,227 | — | — | — | 491,024 | — | 491,024 |
| Issuance of common stock for stock plans | 23 | 6,068 | — | — | 5,945 | 12,036 | — | 12,036 |
| Change in redeemable noncontrolling interest | — | (374) | — | — | — | (374) | 1,902 | 1,528 |
| Adjust redeemable OP unitholder interests to current fair value | — | 7,831 | — | — | — | 7,831 | — | 7,831 |
| Purchase of OP units | — | 1,719 | — | — | — | 1,719 | — | 1,719 |
| Grant of restricted stock, net of forfeitures | — | 17,215 | — | — | (8,001) | 9,214 | — | 9,214 |
| Balance at December 31, 2015 | \$ 83,579 | \$ 11,602,838 | \$ (7,565) | \$ (2,111,958) | \$ (2,567) | \$ 9,564,327 | \$ 61,100 | \$ 9,625,427 |

See accompanying notes.

VENTAS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2015, 2014 and 2013

| | 2015 | 2014 | 2013 |
|---|----------------|-------------|-------------|
| | (In thousands) | | |
| Cash flows from operating activities: | | | |
| Net income | \$ 419,222 | \$ 477,001 | \$ 454,669 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization (including amounts in discontinued operations) | 973,663 | 828,467 | 769,881 |
| Amortization of deferred revenue and lease intangibles, net | (24,129) | (18,871) | (15,793) |
| Other non-cash amortization | 5,448 | (312) | (16,745) |
| Stock-based compensation | 19,537 | 20,994 | 20,653 |
| Straight-lining of rental income, net | (33,792) | (38,687) | (30,540) |
| Loss on extinguishment of debt, net | 14,411 | 5,564 | 1,048 |
| Gain on real estate dispositions (including amounts in discontinued operations) | (18,811) | (19,183) | (3,617) |
| Gain on real estate loan investments | — | (1,455) | (5,056) |
| Gain on sale of marketable securities | (5,800) | — | (856) |
| Income tax benefit (including amounts in discontinued operations) | (42,384) | (9,431) | (11,828) |
| Loss from unconsolidated entities | 1,244 | 139 | 1,748 |
| Loss (gain) on re-measurement of equity interest upon acquisition, net | 176 | — | (1,241) |
| Distributions from unconsolidated entities | 23,462 | 6,508 | 6,641 |
| Other | 6,517 | 9,416 | 1,986 |
| Changes in operating assets and liabilities: | | | |
| Decrease (increase) in other assets | 42,316 | 5,317 | (690) |
| Increase in accrued interest | 19,995 | 7,958 | 6,806 |
| (Decrease) increase in accounts payable and other liabilities | (9,308) | (18,580) | 17,689 |
| Net cash provided by operating activities | 1,391,767 | 1,254,845 | 1,194,755 |
| Cash flows from investing activities: | | | |
| Net investment in real estate property | (2,650,788) | (1,468,286) | (1,437,002) |
| Investment in loans receivable and other | (171,144) | (498,992) | (37,963) |
| Proceeds from real estate disposals | 492,408 | 118,246 | 35,591 |
| Proceeds from loans receivable | 109,176 | 73,557 | 325,518 |
| Purchase of marketable securities | — | (96,689) | — |
| Proceeds from sale or maturity of marketable securities | 76,800 | 21,689 | 5,493 |
| Funds held in escrow for future development expenditures | 4,003 | 4,590 | 19,458 |
| Development project expenditures | (119,674) | (106,988) | (95,741) |
| Capital expenditures | (107,487) | (87,454) | (81,614) |
| Investment in unconsolidated operating entity | (26,282) | — | — |
| Contributions to unconsolidated entities | (30,704) | (5,598) | (2,169) |
| Other | — | (9,115) | (14,331) |
| Net cash used in investing activities | (2,423,692) | (2,055,040) | (1,282,760) |
| Cash flows from financing activities: | | | |
| Net change in borrowings under credit facilities | (723,457) | 540,203 | (164,029) |
| Net cash impact of CCP Spin-Off | (128,749) | — | — |
| Proceeds from debt | 2,512,747 | 2,007,707 | 2,767,546 |
| Proceeds from debt related to CCP Spin-Off | 1,400,000 | — | — |
| Repayment of debt | (1,435,596) | (1,151,395) | (1,792,492) |
| Purchase of noncontrolling interest | (3,819) | — | — |
| Payment of deferred financing costs | (24,665) | (14,220) | (31,277) |
| Issuance of common stock, net | 491,023 | 242,107 | 141,343 |
| Cash distribution to common stockholders | (1,003,413) | (875,614) | (802,123) |
| Cash distribution to redeemable OP unitholders | (15,095) | (5,762) | (5,040) |
| Purchases of redeemable OP units | (33,188) | (503) | (659) |
| Contributions from noncontrolling interest | — | 491 | 2,395 |
| Distributions to noncontrolling interest | (12,649) | (9,559) | (9,286) |
| Other | 6,983 | 24,602 | 8,618 |
| Net cash provided by financing activities | 1,030,122 | 758,057 | 114,996 |
| Net (decrease) increase in cash and cash equivalents | (1,803) | (42,138) | 26,991 |
| Effect of foreign currency translation on cash and cash equivalents | (522) | 2,670 | (83) |

| | | | |
|--|------------------|------------------|------------------|
| Cash and cash equivalents at beginning of period | 55,348 | 94,816 | 67,908 |
| Cash and cash equivalents at end of period | <u>\$ 53,023</u> | <u>\$ 55,348</u> | <u>\$ 94,816</u> |

VENTAS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
For the Years Ended December 31, 2015, 2014 and 2013

| | 2015 | 2014 | 2013 |
|--|----------------|------------|------------|
| | (In thousands) | | |
| Supplemental disclosure of cash flow information: | | | |
| Interest paid including swap payments and receipts | \$ 391,699 | \$ 361,144 | \$ 338,311 |
| Supplemental schedule of non-cash activities: | | | |
| Assets and liabilities assumed from acquisitions: | | | |
| Real estate investments | \$ 2,565,960 | \$ 370,741 | \$ 223,955 |
| Utilization of funds held for an Internal Revenue Code Section 1031 exchange | (8,911) | — | — |
| Other assets acquired | 20,090 | 15,280 | 6,635 |
| Debt assumed | 177,857 | 241,076 | 183,848 |
| Other liabilities | 54,459 | 24,039 | 29,868 |
| Deferred income tax liability | 52,153 | 110,728 | 5,181 |
| Noncontrolling interests | 88,085 | — | 11,693 |
| Equity issued | 2,204,585 | 10,178 | — |
| Non-cash impact of CCP Spin-Off | 1,256,404 | — | — |

See accompanying notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 seniors housing and healthcare properties located throughout the United States, Canada and the United Kingdom. As of December 31, 2015, we owned approximately 1,300 properties (including properties classified as held for sale), consisting of seniors housing communities, medical office buildings (“MOBs”), skilled nursing facilities, specialty hospitals and general acute care hospitals, and we had four properties under development, including two properties that are owned by an unconsolidated real estate entity. Our company was originally founded in 1983 and is currently headquartered in Chicago, Illinois. As further discussed in “Note 5—Dispositions”, in August 2015 we completed the spin-off of most of our post-acute/skilled nursing facility portfolio into an independent, publicly traded REIT named Care Capital Properties, Inc. (“CCP”) (the “CCP Spin-Off”). The historical results of operations of the CCP properties as well as the related assets and liabilities are presented as discontinued operations in the accompanying consolidated financial statements.

We primarily invest in seniors housing and healthcare properties through acquisitions and lease our properties to unaffiliated tenants or operate them through independent third-party managers. As of December 31, 2015, we leased a total of 607 properties (excluding MOBs and properties classified as held for sale) 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, and we engaged independent operators, such as Atria Senior Living, Inc. (“Atria”) and Sunrise Senior Living, LLC (together with its subsidiaries, “Sunrise”), to manage 304 seniors housing communities for us pursuant to long-term management agreements. Our three largest tenants, Brookdale Senior Living Inc. (together with its subsidiaries, “Brookdale Senior Living”), Kindred Healthcare, Inc. (together with its subsidiaries, “Kindred”) and Ardent Health Partners, LLC (together with its subsidiaries, “Ardent”) leased from us 140 properties (excluding six properties owned through investments in unconsolidated entities and one property managed by Brookdale Senior Living pursuant to a long-term management agreement), 76 properties and ten properties, respectively, as of December 31, 2015.

Through our Lillibridge Healthcare Services, Inc. (“Lillibridge”) subsidiary and our ownership interest in PMB Real Estate Services LLC (“PMBRES”), 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 seniors housing and healthcare operators or properties.

Note 2—Accounting Policies

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.

U.S. generally accepted accounting principles (“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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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(s). We assess limited partners' rights and their impact on the presumption of control of the limited partnership by the sole general partner when an investor becomes the sole general partner, 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 interests, or there is an increase or decrease in the number of outstanding limited partnership interests. We also apply this guidance to managing member interests in limited liability companies.

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. Under this method of accounting, our share of the investee's earnings or losses 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 this method, in any given period, we could record more or less income than the joint venture has generated, than actual cash distributions received 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. We consolidate NHP/PMB, as our wholly owned subsidiary is the general partner and exercises control of the partnership. As of December 31, 2015, third party investors owned 2,812,318 Class A limited partnership units in NHP/PMB ("OP Units"), which represented 28.9% of the total units then outstanding, and we owned 6,917,009 Class B limited partnership units in NHP/PMB, representing the remaining 71.1%. 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 unit, as adjusted from 0.7866 shares of common stock per unit in connection with the CCP Spin-Off, and 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.

On January 16, 2015, in connection with our acquisition of American Realty Capital Healthcare Trust, Inc. ("HCT"), each of the 7,057,271 issued and outstanding limited partnership units of American Realty Capital Healthcare Trust Operating Partnership, L.P. (subsequently renamed Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. ("Ventas Realty OP")), a limited partnership in which HCT was the sole general partner prior to the acquisition, was converted into a newly created class of limited partnership units ("Class C Units") at the 0.1688 exchange ratio payable to HCT stockholders in the acquisition, net of any Class C Units withheld to pay taxes. We consolidate Ventas Realty OP, as our wholly owned subsidiary is the general partner and exercises control of the partnership. The Class C Units may be redeemed at the election of the holder for one share of our common stock per unit or, at our option, an equivalent amount in cash, subject to adjustment in certain circumstances. We are party by assumption to a registration rights agreement with the holders of the Class C 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 Class C Units. As of December 31, 2015, third party investors owned 672,984 Class C Units, which represented 2.3% of the total units then outstanding, and we owned

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

28,550,812 Class C Units and 176,374 OP units in Ventas Realty OP, representing the remaining 97.7%. In April 2015, third party investors redeemed 445,541 Class C Units for approximately \$32.6 million.

As redemption rights are outside of our control, the redeemable OP unitholder interests are classified outside of permanent equity on our Consolidated Balance Sheets. We reflect the redeemable OP unitholder interests at the greater of cost or fair value. As of December 31, 2015 and 2014, the fair value of the redeemable OP unitholder interests was \$188.5 million and \$159.1 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 ("EPS") includes the effect of any potential shares outstanding from redemption of the OP Units.

Beginning on January 16, 2016 and as of February 10, 2016, third party investors executed redemption right exercise notices for Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. to redeem 303,136 Class C Units. We expect that the Class C Units will be redeemed through the issuance of 303,136 shares of Ventas common stock on or before April 1, 2016, but we have the right to redeem the Class C Units for a cash amount.

Certain noncontrolling interests of other consolidated joint ventures were also classified as redeemable at December 31, 2015 and 2014. Accordingly, we record the carrying amount of these noncontrolling interests at the greater of their initial carrying amount (increased or decreased for the noncontrolling interest's share of net income or loss and distributions) or the redemption value. 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 carrying value of redeemable noncontrolling interests through capital in excess of par value.

Noncontrolling Interests

Excluding the redeemable noncontrolling interests described above, we present the portion of any equity that we do not own in entities that we control (and thus consolidate) as noncontrolling interests and classify those interests as a component of consolidated equity, separate from total Ventas stockholders' equity, on our Consolidated Balance Sheets. For consolidated joint ventures with pro rata distribution allocations, net income or loss is allocated between the joint venture partners based on their respective stated ownership percentages. In other instances, net income or loss is allocated between the joint venture partners based on the HLBV method. We account for purchases or sales of equity interests that do not result in a change of control as equity transactions, through capital in excess of par value. In addition, we include net income attributable to the noncontrolling interests in net income in our Consolidated Statements of Income.

Accounting Estimates

The preparation of financial statements in accordance with 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 period. Actual results could differ from those estimates.

Business Combinations

We account for acquisitions using the acquisition method and record the cost of the businesses acquired among tangible and recognized intangible assets and liabilities based upon their estimated fair values as of the acquisition date. Recognized intangibles primarily include the value of in-place leases, acquired lease contracts, tenant and customer relationships, trade names/trademarks and goodwill. We do not amortize goodwill, which represents the excess of the purchase price paid over the fair value of the net assets of the acquired business and is included in other assets on our Consolidated Balance Sheets.

We estimate the fair value of buildings acquired on an as-if-vacant basis, or replacement cost basis and depreciate the building value over the estimated remaining life of the building, generally not to exceed 35 years. We determine the fair value of other fixed assets, such as site improvements and furniture, fixtures and equipment, based upon the replacement cost and depreciate such value over the assets' estimated remaining useful lives as determined at the applicable acquisition date. We determine the value of land either by considering the sales prices of similar properties in recent transactions or based on internal analyses of recently acquired and existing comparable properties within our portfolio. We generally determine the value of construction in progress based upon the replacement cost. However, for certain acquired properties that are part of a ground-up development, we determine fair value by using the same valuation approach as for all other properties and deducting the estimated cost to complete the development. During the remaining construction period, we capitalize interest expense until the development has reached substantial completion. Construction in progress, including capitalized interest, is not depreciated until the development has reached substantial completion.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The fair value of acquired lease-related intangibles, if any, reflects: (i) the estimated value of any above and/or below market leases, determined by discounting the difference between the estimated market rent and in-place lease rent; and (ii) the estimated value of in-place leases related to the cost to obtain tenants, including leasing commissions, and an estimated value of the absorption period to reflect the value of the rent and recovery costs foregone during a reasonable lease-up period as if the acquired space was vacant. We amortize any acquired lease-related intangibles to revenue or amortization expense over the remaining life of the associated lease plus any assumed bargain renewal periods. If a lease is terminated prior to its stated expiration or not renewed upon expiration, we recognize all unamortized amounts of lease-related intangibles associated with that lease in operations at that time.

We estimate the fair value of purchase option intangible assets and liabilities, if any, by discounting the difference between the applicable property's acquisition date fair value and an estimate of its future option price. We do not amortize the resulting intangible asset or liability over the term of the lease, but rather adjust the recognized value of the asset or liability upon sale.

We estimate the fair value of tenant or other customer relationships acquired, if any, by considering the nature and extent of existing business relationships with the tenant or customer, growth prospects for developing new business with the tenant or customer, the tenant's credit quality, expectations of lease renewals with the tenant, and the potential for significant, additional future leasing arrangements with the tenant, and we amortize that value over the expected life of the associated arrangements or leases, including the remaining terms of the related leases and any expected renewal periods. We estimate the fair value of trade names and trademarks using a royalty rate methodology and amortize that value over the estimated useful life of the trade name or trademark.

In connection with a business combination, we may assume rights and obligations under certain lease agreements pursuant to which we become the lessee of a given property. We assume the lease classification previously determined by the prior lessee absent a modification in the assumed lease agreement. We assess assumed operating leases, including ground leases, to determine whether the lease terms are favorable or unfavorable to us given current market conditions on the acquisition date. To the extent the lease terms are favorable or unfavorable to us relative to market conditions on the acquisition date, we recognize an intangible asset or liability at fair value and amortize that asset or liability to interest or rental expense in our Consolidated Statements of Income over the applicable lease term. We include all lease-related intangible assets and liabilities within acquired lease intangibles and accounts payable and other liabilities, respectively, on our Consolidated Balance Sheets.

We determine the fair value of loans receivable acquired in connection with a business combination by discounting the estimated 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. We do not establish a valuation allowance at the acquisition date because the estimated future cash flows already reflect our judgment regarding their uncertainty. We recognize the difference between the acquisition date fair value and the total expected cash flows as interest income using an effective interest method over the life of the applicable loan. Subsequent to the acquisition date, we evaluate changes regarding the uncertainty of future cash flows and the need for a valuation allowance, as appropriate.

We estimate the fair value of noncontrolling interests assumed consistent with the manner in which we value all of the underlying assets and liabilities.

We calculate the fair value of long-term debt by discounting the remaining contractual cash flows on each instrument at the current market rate for those borrowings, which we approximate based on the rate at which we would expect to incur a replacement instrument on the date of acquisition, and recognize any fair value adjustments related to long-term debt as effective yield adjustments over the remaining term of the instrument.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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 the two-step approach to evaluating impairment. First, we estimate the fair value of the reporting unit and compare it to the reporting unit's carrying value. If the carrying value exceeds fair value, we proceed with the second step, which requires us to assign the fair value of the reporting unit to all of the assets and liabilities of the reporting unit as if it had been acquired in a business combination at the date of the impairment test. The excess fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied value of goodwill and is used to determine the amount of impairment. We recognize an impairment loss to the extent the carrying value of goodwill exceeds the implied value in the current period.

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. Our ability to accurately predict future operating results and cash flows and to estimate and allocate 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.

Assets Held for Sale and Discontinued Operations

We sell properties from time to time for various reasons, including favorable market conditions or the exercise of purchase options by tenants. We classify certain long-lived assets as held for sale once the criteria, as defined by GAAP, has been met. Long-lived assets to be disposed of are reported at the lower of their carrying amount or fair value minus cost to sell and are no longer depreciated. We report discontinued operations when the following criteria are met: (1) a component of an entity or group of components that has been disposed of or classified as held for sale and represents a strategic shift that has or will have a major effect on an entity's operations and financial results; or (2) an acquired business that is classified as held for sale on the acquisition date. Assets relating to the CCP Spin-Off were reported as discontinued operations once the transaction was completed. The results of operations for assets meeting the definition of discontinued operations are reflected in our Consolidated Statements of Income as discontinued operations for all periods presented. We allocate estimated interest expense to discontinued operations based on property values and our weighted average interest rate or the property's actual mortgage interest.

Loans Receivable

We record loans receivable, other than those acquired in connection with a business combination, on our Consolidated Balance Sheets (either in secured loans receivable and investments, net or other assets, in the case of non-mortgage loans receivable) at the unpaid principal balance, net of any deferred origination fees, purchase discounts or premiums and valuation allowances. We amortize net deferred origination fees, which are comprised of loan fees collected from the borrower net of certain direct costs, and purchase discounts or premiums over the contractual life of the loan using the effective interest method and immediately recognize in income any unamortized balances if the loan is repaid before its contractual maturity.

We regularly evaluate the collectibility of loans receivable based on factors such as corporate and facility-level financial and operational reports, compliance with financial covenants set forth in the applicable loan agreement, the financial strength of the borrower and any guarantor, the payment history of the borrower and current economic conditions. If our evaluation of these factors indicates it is probable that we will be unable to collect all amounts due under the terms of the applicable loan agreement, we provide a reserve against the portion of the receivable that we estimate may not be collected.

Cash Equivalents

Cash equivalents consist of highly liquid investments with a maturity date of three months or less when purchased. These investments are stated at cost, which approximates fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Escrow Deposits and Restricted Cash

Escrow deposits consist of amounts held by us or our lenders to provide for future real estate tax, insurance expenditures and tenant improvements related to our properties and operations. Restricted cash represents amounts paid to us for security deposits and other similar purposes.

Deferred Financing Costs

We amortize deferred financing costs, which are reported within senior notes payable and other debt on our Consolidated Balance Sheets, as a component of interest expense over the terms of the related borrowings using a method that approximates a level yield. Amortized costs of approximately \$18.7 million, \$16.9 million and \$13.5 million were included in interest expense for the years ended December 31, 2015, 2014 and 2013, respectively.

Marketable Debt and Equity Securities

We record marketable debt and equity securities as available-for-sale and classify them as a component of other assets on our Consolidated Balance Sheets (other than our interests in government-sponsored pooled loan investments, which are classified as secured loans receivable and investments, net on our Consolidated Balance Sheets). We record these securities at fair value and include unrealized gains and losses recorded in stockholders' equity as a component of accumulated other comprehensive income on our Consolidated Balance Sheets. We report interest income, including discount or premium amortization, on marketable debt securities and gains or losses on securities sold, which are based on the specific identification method, in income from loans and investments in our Consolidated Statements of Income.

Derivative Instruments

We recognize all derivative instruments in other assets or accounts payable and other liabilities on our Consolidated Balance Sheets at fair value as of the reporting date. We recognize changes in the fair value of derivative instruments in other expenses in our Consolidated Statements of Income or accumulated other comprehensive income on our Consolidated Balance Sheets, depending on the intended use of the derivative and our designation of the instrument.

We do not use our derivative financial instruments, including interest rate caps, interest rate swaps and foreign currency forward contracts, for trading or speculative purposes. Our foreign currency forward contracts and certain of our interest rate swaps (including the interest rate swap contracts of unconsolidated joint ventures) are designated as effectively hedging the variability of expected cash flows related to their underlying securities and, therefore, also are recorded on our Consolidated Balance Sheets at fair value, with changes in the fair value of these instruments recognized in accumulated other comprehensive income on our Consolidated Balance Sheets. We recognize our proportionate share of the change in fair value of swap contracts of our unconsolidated joint ventures in accumulated other comprehensive income on our Consolidated Balance Sheets. Certain of our other interest rate swaps and rate caps were not designated as having a hedging relationship with the underlying securities and therefore do not meet the criteria for hedge accounting under GAAP. Accordingly, these interest rate swaps are recorded on our Consolidated Balance Sheets at fair value, and we recognize changes in the fair value of these instruments in current earnings (in other expenses) in our Consolidated Statements of Income.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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: 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.
- *Marketable debt securities* - We estimate the fair value of corporate bonds 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, default rates and any other applicable criteria.
- *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: for interest rate caps, we observe forward yield curves and other relevant information; for interest rate swaps, we observe alternative financing rates derived from market-based financing rates, forward yield curves and discount rates; and for 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.
- *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.
- *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.

Revenue Recognition

Triple-Net Leased Properties and MOB Operations

Certain of our triple-net leases and most of our MOB 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 is reasonably assured. 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 December 31, 2015 and 2014, this cumulative excess totaled \$219.1 million (net of allowances of \$101.4 million) and \$187.6 million (net of allowances of \$83.5 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.

Senior Living Operations

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. Our lease agreements with residents generally have terms of 12 to 18 months and are cancelable by the resident upon 30 days' notice.

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 recognize interest income on an impaired loan to

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

the extent our estimate of the fair value of the collateral is sufficient to support the balance of the loan, other receivables and all related accrued interest. When the balance of the loan, other receivables and all related accrued interest is equal to or less than our estimate of the fair value of the collateral, we recognize interest income on a cash basis. We provide a reserve against an impaired loan to the extent our total investment in the loan exceeds our estimate of the fair value of the loan collateral.

We recognize income from rent, lease termination fees, development services, management advisory services, and all other income when all of the following criteria are met in accordance with Securities and Exchange Commission ("SEC") Staff Accounting Bulletin 104: (i) the applicable agreement has been fully executed and delivered; (ii) services have been rendered; (iii) the amount is fixed or determinable; and (iv) collectibility is reasonably assured.

Allowances

We assess the collectibility of our rent receivables, including straight-line rent receivables. We base our assessment of the collectibility of rent receivables (other than straight-line rent receivables) on several factors, including, among other things, payment history, the financial strength of the tenant and any guarantors, the value of the underlying collateral, if any, and current economic conditions. If our evaluation of these factors indicates it is probable that we will be unable to recover the full value of the receivable, we provide a reserve against the portion of the receivable that we estimate may not be recovered. We also base our assessment of the collectibility of straight-line rent receivables on several factors, including, among other things, 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 and the type of property. If our evaluation of these factors indicates it is probable that we will be unable to receive the rent payments due in the future, we provide a reserve against the recognized straight-line rent receivable asset for the portion, up to its full value, that we estimate may not be recovered. If we change our assumptions or estimates regarding the collectibility of future rent payments required by a lease, we may adjust our reserve to increase or reduce the rental revenue recognized in the period we make such change in our assumptions or estimates.

Stock-Based Compensation

We recognize share-based payments to employees and directors, including grants of stock options, included in General, administrative and professional fees in our Consolidated Statements of Income generally on a straight-line basis over the requisite service period based on the grant date fair value of the award.

Gain on Sale of Assets

We recognize sales of assets only upon the closing of the transaction with the purchaser. We record payments received from purchasers prior to closing as deposits and classify them as other assets on our Consolidated Balance Sheets. We recognize gains (net of any taxes) on assets sold using the full accrual method upon closing if the collectibility of the sales price is reasonably assured, we are not obligated to perform any significant activities after the sale to earn the profit, we have received adequate initial investment from the purchaser, and other profit recognition criteria have been satisfied. We may defer recognition of gains in whole or in part until: (i) the profit is determinable, meaning that the collectibility of the sales price is reasonably assured or the amount that will not be collectible can be estimated; and (ii) the earnings process is virtually complete, meaning that we are not obliged to perform any significant activities after the sale to earn the profit.

Federal Income Tax

We have elected to be treated as a REIT under the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), for every year beginning with the year ended December 31, 1999. Accordingly, we generally are not subject to federal income tax on net income that we distribute to our stockholders, provided that we continue to qualify as a REIT. However, with respect to certain of our subsidiaries that have elected to be treated as "taxable REIT subsidiaries," we record income tax expense or benefit, as those entities are subject to federal income tax similar to regular corporations. Certain foreign subsidiaries are subject to foreign income tax, although they did not elect to be treated as TRSs.

We account for deferred income taxes using the asset and liability method and recognize deferred tax assets and liabilities for the expected future tax consequences of events that have been included in our financial statements or tax returns. Under this method, we determine deferred tax assets and liabilities based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Any increase or decrease in the deferred tax liability that results from a change in circumstances, and that causes us to change our judgment about expected future tax consequences of events, is included in the tax provision when such changes occur. Deferred income taxes also reflect the impact of operating loss and tax credit carryforwards. A valuation allowance is provided if we believe it is more likely than not that all or some portion of the deferred tax asset will not be realized. Any increase or decrease in the valuation allowance that results from a change in circumstances, and that causes us to change our judgment about the realizability of the related deferred tax asset, is included in the tax provision when such changes occur.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We recognize the tax benefit from an uncertain tax position claimed or expected to be claimed on a tax return only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. We recognize interest and penalties, if applicable, related to uncertain tax positions as part of income tax benefit (expense).

Foreign Currency

Certain of our subsidiaries' functional currencies are the local currencies of their respective foreign jurisdictions. We translate the results of operations of our foreign subsidiaries into U.S. dollars using average rates of exchange in effect during the period, and we translate balance sheet accounts using exchange rates in effect at the end of the period. We record resulting currency translation adjustments in accumulated other comprehensive income, a component of stockholders' equity, on our Consolidated Balance Sheets, and we record foreign currency transaction gains and losses in our Consolidated Statements of Income.

Segment Reporting

As of December 31, 2015, 2014 and 2013, we operated through three reportable business segments: triple-net leased properties; senior living operations; and MOB operations. In our triple-net leased properties segment, we invest in seniors 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 seniors housing communities throughout the United States and Canada and engage independent operators, such as Atria and Sunrise, to manage those communities. In our MOB operations segment, we primarily acquire, own, develop, lease, and manage MOBs throughout the United States. See "Note 20—Segment Information."

Operating Leases

We account for payments made pursuant to operating leases in our Consolidated Statements of Income based on actual rent paid, plus or minus a straight-line rent adjustment for leases that provide for periodic and determinable increases in base rent.

Recently Issued or Adopted Accounting Standards

In April 2015, the FASB issued Accounting Standards Update ("ASU") 2015-03, *Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"), which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected. Also in August 2015, the FASB issues ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated With Line-of-Credit Arrangements* ("ASU 2015-15") which clarifies the SEC staff's position not objecting to an entity deferring and presenting debt issuance costs as an asset and subsequently amortizing such costs, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. We adopted ASU 2015-03 and 2015-15 during 2015. There were deferred financing costs of \$69.1 million and \$60.3 million as of December 31, 2015 and 2014, respectively that are now classified within senior notes payable and other debt on our Consolidated Balance Sheets.

In September 2015, the FASB issued ASU 2015-16, *Simplifying the Accounting for Measurement-Period Adjustments* ("ASU 2015-16") to simplify the accounting for business combinations, specifically as it relates to measurement-period adjustments. Acquiring entities in a business combination must recognize measurement-period adjustments in the reporting period in which the adjustment amounts are determined. Also, ASU 2015-16 requires entities to present separately on the face of the income statement (or disclose in the notes to the financial statements) the portion of the amount recorded in the current period earnings, by line item, that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. ASU 2015-16 is effective for the Company beginning January 1, 2016 and is to be applied prospectively to measurement-period adjustments that occur after the effective date. We do not expect the adoption of this ASU to have a significant impact on our consolidated financial statements.

In 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, *Revenue From Contracts With Customers* ("ASU 2014-09"), which outlines a comprehensive model for entities to use in accounting for revenue arising from contracts with customers. ASU 2014-09 states that "an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." While ASU 2014-09 specifically references contracts with customers, it may apply to certain other transactions such as the sale of real estate or equipment. In 2015, the FASB provided for a one-year deferral of the effective date for ASU

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2014-09 which is now effective for us beginning January 1, 2018. We are continuing to evaluate this guidance; however, we do not expect its adoption to have a significant impact on our consolidated financial statements, as a substantial portion of our revenue consists of rental income from leasing arrangements, which are specifically excluded from ASU 2014-09.

In February 2015, the FASB issued ASU 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis* ("ASU 2015-02"), which makes certain changes to both the variable interest model and the voting model, including changes to (1) the identification of variable interests (fees paid to a decision maker or service provider), (2) the variable interest entity characteristics for a limited partnership or similar entity and (3) the primary beneficiary determination. ASU 2015-02 is effective for us beginning January 1, 2016. We are continuing to evaluate this guidance; however, we do not expect its adoption to have a significant impact on our consolidated financial statements.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 3—Concentration of Credit Risk

As of December 31, 2015, Atria, Sunrise, Brookdale Senior Living, Kindred and Ardent managed or operated approximately 22.5%, 11.7%, 8.5%, 2.1% and 5.3%, respectively, of our real estate investments based on gross book value (excluding properties classified as held for sale as of December 31, 2015). Seniors housing communities constituted approximately 65.2% of our real estate investments based on gross book value (excluding properties classified as held for sale as of December 31, 2015), while MOBs, skilled nursing facilities, specialty hospitals and general acute care hospitals collectively comprised the remaining 34.8%. Our properties were located in 46 states, the District of Columbia, seven Canadian provinces and the United Kingdom as of December 31, 2015, with properties in one state (California) accounting for more than 10% of our total revenues and total net operating income ("NOI," which is defined as total revenues, excluding interest and other income, less property-level operating expenses and medical office building services costs) (in each case excluding amounts in discontinued operations) for each of the years ended December 31, 2015, 2014 and 2013.

Triple-Net Leased Properties

For the years ended December 31, 2015, 2014 and 2013, approximately 5.3%, 6.1% and 6.2%, respectively, of our total revenues and 9.3%, 10.9% and 11.2%, respectively, of our total NOI (in each case excluding amounts in discontinued operations) were derived from our lease agreements with Brookdale Senior Living. For the same periods, approximately 5.6%, 5.9% and 6.2%, respectively, of our total revenues and 9.8%, 10.6% and 11.2%, respectively, of our total NOI (in each case excluding amounts in discontinued operations) were derived from our lease agreements with Kindred. As a result of our 2015 acquisition of Ardent Medical Services, Inc. ("AHS") and simultaneous separation and sale of Ardent, for the year ended December 31, 2015, approximately 1.3% of our total revenues and 2.3% of our total NOI (in each case excluding amounts in discontinued operations) were derived from our lease agreements with Ardent. Each of our leases with Brookdale Senior Living, Kindred and Ardent 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, Kindred and Ardent leases has a corporate guaranty. Brookdale Senior Living and Kindred have multiple leases with us and those leases contain cross-default provisions tied to each other, as well as bundled lease renewals (as described in more detail below).

The properties we lease to Brookdale Senior Living, Kindred and Ardent accounted for a significant portion of our triple-net leased properties segment revenues and NOI for the years ended December 31, 2015, 2014 and 2013. If either Brookdale Senior Living, Kindred or Ardent 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, Kindred and Ardent 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, Kindred or Ardent 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, Kindred and Ardent 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.

In December 2014, we entered into favorable agreements with Kindred to transition or sell the operations of nine licensed healthcare assets, make modifications to the master leases governing 34 leased assets, and reimburse us for certain deferred capital expenditures at skilled nursing facilities previously transferred to new operators. In January 2015, Kindred paid us \$37

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

million in connection with these agreements, which is being amortized over the remaining lease term for the 34 assets governed by the modified master leases. We own or have the rights to all licenses and CONs at the nine properties to be transitioned or sold, and Kindred has extensive and detailed obligations to cooperate and ensure an orderly transition of the properties to another operator. As of December 31, 2015, four of the nine properties have been sold and three of the nine properties were disposed of as part of the CCP Spin-Off, and one property was sold subsequent to December 31, 2015.

The following table sets forth the future contracted minimum rentals, excluding contingent rent escalations, but including straight-line rent adjustments where applicable, for all of our triple-net and MOB leases as of December 31, 2015 (excluding properties owned through investments in unconsolidated entities and properties classified as held for sale as of December 31, 2015):

| | Brookdale Senior Living | Kindred | Other | Total |
|--------------|-------------------------------|---------------------|---------------------|----------------------|
| | (In thousands) | | | |
| 2016 | \$ 160,597 | \$ 186,137 | \$ 889,053 | \$ 1,235,787 |
| 2017 | 160,138 | 186,390 | 830,679 | 1,177,207 |
| 2018 | 159,864 | 152,613 | 772,267 | 1,084,744 |
| 2019 | 149,361 | 135,803 | 727,235 | 1,012,399 |
| 2020 | 33,963 | 14,895 | 688,204 | 837,062 |
| Thereafter | 23,500 | 401,088 | 4,916,928 | 5,341,516 |
| Total | \$ 687,423 | \$ 1,176,926 | \$ 6,824,366 | \$ 10,688,715 |

Senior Living Operations

As of December 31, 2015, Atria and Sunrise, collectively, provided comprehensive property management and accounting services with respect to 268 of our 304 seniors housing communities, for which we pay annual management fees pursuant to long-term management agreements.

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. However, 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 seniors 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 and affairs or financial condition could have a Material Adverse Effect on us.

Our 34% ownership interest in Atria entitles us to certain rights and minority protections, as well as the right to appoint two of five members on the Atria board of directors.

Brookdale Senior Living, Kindred, Atria, Sunrise and Ardent Information

Each of Brookdale Senior Living and Kindred 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 and Kindred contained or referred to in this Annual Report on Form 10-K has been derived from SEC filings made by Brookdale Senior Living or Kindred, as the case may be, or other publicly available information, or was provided to us by Brookdale Senior Living or Kindred, 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 and Kindred's publicly available filings, which can be found at the SEC's website at www.sec.gov.

Atria, Sunrise and Ardent are not currently subject to the reporting requirements of the SEC. The information related to Atria, Sunrise and Ardent contained or referred to in this Annual Report on Form 10-K has been derived from publicly available information or was provided to us by 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—Acquisitions of Real Estate Property

The following summarizes our acquisition and development activities during 2015, 2014 and 2013. We invest in seniors housing and healthcare properties primarily to achieve an expected yield on our investment, to grow and diversify our portfolio and revenue base, and to reduce our dependence on any single tenant, operator or manager, geographic location, asset type, business model or revenue source.

2015 Acquisitions

HCT Acquisition

In January 2015, we acquired HCT in a stock and cash transaction, which added 152 properties to our portfolio. At the effective time of the merger, each share of HCT common stock outstanding (other than shares held by us, HCT or our respective subsidiaries, which shares were canceled) was converted into the right to receive either 0.1688 shares of our common stock (with cash paid in lieu of fractional shares) or \$11.33 per share in cash, at the election of each HCT shareholder. Shares of HCT common stock for which a valid election was not made were converted into the stock consideration. We funded the transaction through the issuance of approximately 28.4 million shares of our common stock and 1.1 million limited partnership units that are redeemable for shares of our common stock and the payment of approximately \$11 million in cash (excluding cash in lieu of fractional shares). In addition, we assumed \$167 million of mortgage debt and repaid approximately \$730 million of debt, net of HCT cash on hand. In August 2015, 20 of the properties that we acquired in the HCT acquisition were disposed of as part of the CCP Spin-Off.

Ardent Health Services Acquisition

On August 4, 2015, we completed our acquisition of Ardent Medical Services, Inc. and simultaneous separation and sale of the Ardent hospital operating company to a consortium composed of an entity controlled by Equity Group Investments, Ardent's management team and us (collectively the "Ardent Transaction"). As of the acquisition date, we recorded the estimated fair value of our investment in owned hospital and other real estate of approximately \$1.3 billion. At closing, we paid \$26.3 million for our 9.9% interest in Ardent which represents our estimate of the acquisition date fair value of this interest. Upon closing, we entered into a long-term triple-net master lease with Ardent to operate the ten hospital campuses and other real estate we acquired.

Other 2015 Acquisitions

In 2015, we made other investments totaling approximately \$612 million, including the acquisition of eleven triple-net leased properties; eleven MOBs (including eight MOBs that we had previously accounted for as investments in unconsolidated entities; see "Note 7—Investments in Unconsolidated Entities.") and 12 skilled nursing facilities (all of which were disposed of as part of the CCP Spin-Off).

Completed Developments

During 2015, we completed the development of one triple-net leased seniors housing community, representing \$9.3 million of net real estate property on our Consolidated Balance Sheets as of December 31, 2015.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Estimated Fair Value

We are accounting for our 2015 acquisitions under the acquisition method in accordance with ASC Topic 805, *Business Combinations* ("ASC 805"). Our initial accounting for the acquisitions completed during 2015 remains subject to further adjustment. The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed, which we determined using level two and level three inputs:

| | Triple-Net Leased Properties | Senior Living Operations | MOB Operations | Total |
|--|---------------------------------|-----------------------------|----------------|--------------|
| (In thousands) | | | | |
| Land and improvements | \$ 190,566 | \$ 270,713 | \$ 173,307 | \$ 434,586 |
| Buildings and improvements | 1,724,812 | 703,080 | 1,214,403 | 3,642,295 |
| Acquired lease intangibles | 169,362 | 83,867 | 184,540 | 437,769 |
| Other assets | 173,232 | 272,888 | 403,046 | 849,166 |
| Total assets acquired | 2,257,972 | 1,330,548 | 1,975,296 | 5,563,816 |
| Notes payable and other debt | — | 77,940 | 99,917 | 177,857 |
| Other liabilities | 43,811 | 45,408 | 46,734 | 135,953 |
| Total liabilities assumed | 43,811 | 123,348 | 146,651 | 313,810 |
| Net assets acquired | 2,214,161 | 1,207,200 | 1,828,645 | 4,961,921 |
| Redeemable OP unitholder interests assumed | | | | 88,085 |
| Cash acquired | | | | 59,584 |
| Equity issued | | | | 2,216,355 |
| Total cash used | | | | \$ 2,685,982 |

For certain acquisitions, the determination of fair values of the assets acquired and liabilities assumed has changed and is subject to further adjustment. We made certain adjustments during 2015, including the fourth quarter, due primarily to reclassification adjustments for presentation and adjustments to our valuation assumptions. The changes to our valuation assumptions were based on more accurate information concerning the subject assets and liabilities. None of these changes had a material impact on our Consolidated Financial Statements.

Included in other assets above is \$746.9 million of goodwill, which represents the excess of the purchase price over the fair value of the assets acquired and liabilities assumed as of the acquisition date. A substantial amount of this goodwill was due to an increase in our stock price between the announcement date and closing dates of the HCT acquisition. Goodwill has been allocated to our reportable business segments based on the respective fair value of the net assets acquired, as follows: triple-net leased properties - \$133.6 million; senior living operations - \$219.1 million; and MOB operations - \$394.2 million.

Aggregate Revenue and NOI

For the year ended December 31, 2015, aggregate revenue and NOI derived from our 2015 real estate acquisitions during our period of ownership were \$327.0 million and \$201.9 million, respectively, excluding revenue and NOI for any assets contributed in the CCP Spin-Off.

Transaction Costs

Transaction costs are expensed as incurred and included in merger-related expenses and deal costs in our Consolidated Statements of Income. For the years ending December 31, 2015 and 2014, we expensed as incurred, \$99.0 million and \$10.8 million, respectively, costs related to our completed 2015 transactions, \$4.1 million and \$1.4 million of which are reported within discontinued operations. These transaction costs exclude any separation costs associated with the CCP Spin-Off (refer to "Note 5 - Dispositions").

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Unaudited Pro Forma

The following table illustrates the effect on net income and earnings per share if we had consummated the HCT acquisition and Ardent Transaction as of January 1, 2014 and excludes assets that were acquired in the HCT acquisition but subsequently disposed of as part of the CCP Spin-Off.

| | For the Years Ended December 31, | |
|---|--|--------------|
| | 2015 | 2014 |
| | (In thousands, except per share amounts) | |
| Revenues | \$ 3,361,658 | \$ 3,164,100 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 475,017 | \$ 465,671 |
| Earnings per common share: | | |
| Basic: | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 1.44 | \$ 1.44 |
| Diluted: | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 1.42 | \$ 1.43 |
| Weighted average shares used in computing earnings per common share: | | |
| Basic | 330,311 | 322,590 |
| Diluted | 334,007 | 326,210 |

Acquisition-related costs related to the HCT acquisition and the Ardent Transaction are not expected to have a continuing impact and therefore have been excluded from these pro forma results. The pro forma results also do not include the impact of any synergies that may be achieved in the HCT acquisition and the Ardent Transaction, any lower costs of borrowing resulting from the acquisition or any strategies that management may consider in order to continue to efficiently manage our operations, nor do they give pro forma effect to any other acquisitions, dispositions or capital markets transactions that we completed during the periods presented. These pro forma results are not necessarily indicative of the operating results that would have been obtained had the HCT acquisition and Ardent Transaction occurred at the beginning of the periods presented, nor are they necessarily indicative of future operating results.

2014 Acquisitions

Holiday Canada Acquisition

In August 2014, we acquired 29 seniors housing communities located in Canada from Holiday Retirement (the "Holiday Canada Acquisition") for a purchase price of CAD 957.0 million. We also paid CAD 26.9 million in costs relating to the early repayment of debt at closing. We funded the Holiday Canada Acquisition initially through borrowings under a CAD 791.0 million unsecured term loan that we incurred in July 2014 (and subsequently repaid primarily through a private placement of senior notes in Canada) and the assumption of CAD 193.7 million of debt.

Other 2014 Acquisitions

During the year ended December 31, 2014, we also acquired three triple-net leased private hospitals (located in the United Kingdom), 26 triple-net leased seniors housing communities and four seniors housing communities that are being operated by independent third-party managers for aggregate consideration of approximately \$812.0 million. We also paid \$18.8 million in costs relating to the early repayment of debt at closing of the applicable transactions. In addition, we acquired a construction design, planning and consulting business to complement our MOB operations through the issuance of 148,241 shares of our common stock.

Completed Developments

During 2014, we completed the development of two MOB's and one seniors housing community, representing \$41.2 million of net real estate property on our Consolidated Balance Sheets as of December 31, 2014.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Estimated Fair Value

We are accounting for our 2014 acquisitions under the acquisition method in accordance with ASC Topic 805, *Business Combinations* ("ASC 805"). The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed in our 2014 real estate acquisitions, which we determined using level two and level three inputs:

| | Triple-Net Leased Properties | Senior Living Operations | Total |
|------------------------------|---------------------------------|-----------------------------|---------------------|
| | (In thousands) | | |
| Land and improvements | \$ 45,586 | \$ 100,281 | \$ 145,867 |
| Buildings and improvements | 546,849 | 1,081,630 | 1,628,479 |
| Acquired lease intangibles | 28,883 | 36,452 | 65,335 |
| Other assets | 227 | 12,394 | 12,621 |
| Total assets acquired | 621,545 | 1,230,757 | 1,852,302 |
| Notes payable and other debt | 12,927 | 228,150 | 241,077 |
| Other liabilities | 18,609 | 124,468 | 133,077 |
| Total liabilities assumed | 21,536 | 352,618 | 374,154 |
| Net assets acquired | 600,009 | 878,139 | 1,478,148 |
| Cash acquired | 227 | 8,704 | 8,931 |
| Total cash used | \$ 599,782 | \$ 869,435 | \$ 1,469,217 |

Aggregate Revenue and NOI

For the year ended December 31, 2014, aggregate revenues and NOI derived from our 2014 real estate acquisitions (for our period of ownership) were \$75.9 million and \$41.5 million, respectively.

Transaction Costs

As of December 31, 2014, we had incurred a total of \$26.2 million of acquisition-related costs related to our completed 2014 acquisitions, all of which were expensed as incurred and included in merger-related expenses and deal costs in our Consolidated Statements of Income for the applicable periods. For the year ended December 31, 2014, we expensed \$23.8 million of these acquisition-related costs related to our completed 2014 acquisitions.

2013 Acquisitions

During the year ended December 31, 2013, we acquired 27 triple-net leased seniors housing communities, 24 seniors housing communities that are being operated by independent third-party managers (eight of which we previously leased pursuant to a capital lease) and 11 MOB for aggregate consideration of approximately \$1.8 billion.

Completed Developments

During the year ended December 31, 2013, we completed the development of two seniors housing communities, one MOB, and one hospital, representing \$65.5 million of net real estate property on our Consolidated Balance Sheets as of December 31, 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Estimated Fair Value

We accounted for our 2013 acquisitions under the acquisition method in accordance with ASC 805. We accounted for the acquisition of the eight seniors housing communities that we previously leased pursuant to a capital lease in accordance with ASC Topic 840, *Leases*. The following table summarizes the acquisition date fair values of the assets acquired and liabilities assumed in our 2013 real estate acquisitions, which we determined using level two and level three inputs:

| | Triple-Net Leased Properties | Senior Living Operations (1) | MOB Operations | Total |
|---------------------------------|---------------------------------|---------------------------------|----------------|--------------|
| | (In thousands) | | | |
| Land and improvements | \$ 51,419 | \$ 45,566 | \$ 3,923 | \$ 100,908 |
| Buildings and improvements | 803,227 | 579,577 | 138,792 | 1,521,596 |
| Acquired lease intangibles | 8,945 | 16,920 | 10,362 | 36,227 |
| Other assets | 3,285 | 2,607 | 2,453 | 8,345 |
| Total assets acquired | 866,876 | 644,670 | 155,530 | 1,667,076 |
| Notes payable and other debt | 36,300 | 5,136 | — | 41,436 |
| Other liabilities | 11,423 | 12,285 | 6,510 | 30,218 |
| Total liabilities assumed | 47,723 | 17,421 | 6,510 | 71,654 |
| Noncontrolling interest assumed | 10,113 | — | 1,672 | 11,785 |
| Net assets acquired | 809,040 | 627,249 | 147,348 | 1,583,637 |
| Cash acquired | 753 | — | 1,397 | 2,150 |
| Total cash used | \$ 808,287 | \$ 627,249 | \$ 145,951 | \$ 1,581,487 |

(1) Includes settlement of a \$142.2 million capital lease obligation related to eight seniors housing communities.

Note 5—Dispositions

CCP Spin-Off

On August 17, 2015, we completed the CCP Spin-Off. In connection with the CCP Spin-Off, we disposed of 355 high-quality triple-net leased skilled nursing facilities and other healthcare assets operated by private regional and local care providers. The CCP Spin-Off was effectuated through a distribution of the common shares of CCP to holders of our common stock as of the distribution record date, and qualified as a tax-free distribution to our stockholders. For every four shares of Ventas common stock held as of the distribution record date of August 10, 2015, Ventas stockholders received one CCP common share on August 17, 2015. On August 17, 2015, just prior to the effective time of the spin-off, CCP (as our then wholly owned subsidiary) received approximately \$1.4 billion of proceeds from a recently completed term loan and revolving credit facility. CCP paid us a distribution of \$1.3 billion from these proceeds. We used this distribution from CCP to pay down our existing debt (\$1.1 billion) and to pay for a portion of our quarterly installment of dividends to our stockholders (\$0.2 billion).

The historical results of operations of the CCP properties as well as the related assets and liabilities have been presented as discontinued operations in the consolidated statements of operations and comprehensive income. Discontinued operations also include separation costs incurred to complete the CCP Spin-Off of \$42.3 million and \$0.2 million for the years ended December 31, 2015 and 2014, respectively. Separation costs for 2015 include \$3.5 million of stock-based compensation expense representing the incremental fair value of previously vested stock-based compensation awards as of the spin date. In addition, the assets and liabilities of CCP are presented separately from assets and liabilities from continuing operations in the accompanying consolidated balance sheets. The accompanying consolidated statements of cash flows include within operating, investing and financing cash flows those activities which related to our period of ownership of the CCP properties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following is a summary of the assets and liabilities of CCP at the CCP Spin-Off date (dollars in thousands):

| | August 17, 2015 | December 31, 2014 |
|---|---------------------|---------------------|
| | (In thousands) | |
| Assets: | | |
| Net real estate investments | \$ 2,588,255 | \$ 2,274,310 |
| Cash and cash equivalents | 1,749 | 2,710 |
| Goodwill | 135,446 | 88,959 |
| Assets held for sale | 7,610 | 8,435 |
| Other assets | 15,089 | 16,596 |
| Total assets | 2,748,149 | 2,391,010 |
| Liabilities: | | |
| Accounts payable and other liabilities | 217,760 | 204,359 |
| Liabilities related to assets held for sale | 985 | 1,288 |
| Total liabilities | 218,745 | 205,647 |
| Net assets | \$ 2,529,404 | \$ 2,185,363 |

Summarized financial information for CCP discontinued operations for the years ended December 31, 2015, 2014 and 2013 respectively is as follows (dollars in thousands):

| | 2015 | 2014 | 2013 |
|---|----------------|------------|------------|
| | (In thousands) | | |
| Revenues: | | | |
| Rental income | \$ 196,848 | \$ 295,767 | \$ 291,524 |
| Income from loans and investments | 2,148 | 3,392 | 3,783 |
| Interest and other income | 63 | — | 25 |
| | 199,059 | 299,161 | 295,332 |
| Expenses: | | | |
| Interest | 61,613 | 87,648 | 89,602 |
| Depreciation and amortization | 79,479 | 101,760 | 94,606 |
| General, administrative and professional fees | 9 | 9 | 25 |
| Merger-related expenses and deal costs | 46,402 | 1,746 | — |
| Other | 1,332 | 13,184 | 1,368 |
| | 188,835 | 204,347 | 185,601 |
| Income before real estate dispositions and noncontrolling interest | 10,224 | 94,814 | 109,731 |
| Gain (loss) on real estate dispositions | — | — | — |
| Net income from discontinued operations | 10,224 | 94,814 | 109,731 |
| Net income attributable to noncontrolling interest | 120 | 185 | 220 |
| Net income from discontinued operations attributable to common stockholders | \$ 10,104 | \$ 94,629 | \$ 109,511 |

Capital and development project expenditures relating to CCP for the years ended December 31, 2015, 2014 and 2013 were \$21.8 million, \$17.2 million and \$10.2 million, respectively. Other than capital and development project expenditures there were no other significant non-cash operating or investing activities relating to CCP.

We and CCP entered into a transition services agreement prior to the CCP Spin-Off pursuant to which we and our subsidiaries provide to CCP, on an interim, transitional basis, various services. The services provided include information

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

technology, accounting and tax services. The overall fee charged by us for such services (the "Service Fee") is \$2.5 million for one year. Through December 31, 2015, we recognized income of \$0.9 million, relating to the Service Fee, which is payable in four quarterly installments. The transition services agreement will terminate on the expiration of the term of the last service provided under the agreement, which will be on or prior to August 31, 2016.

Discontinued Operations - Other than CCP Spin-Off

In addition to the amounts reported within discontinued operations relating to the CCP Spin-Off, we reported net income from discontinued operations attributable to common stockholders of \$1.0 million, \$5.1 million, and \$30.3 million for the years ended December 31, 2015, 2014 and 2013, respectively.

As of December 31, 2015, all properties whose results are presented within discontinued operations have been sold.

2015 Activity

During 2015, we sold 39 triple-net leased properties and 26 MOB's for aggregate consideration of \$541.0 million, including lease termination fees of \$6.0 million (included within triple-net leased rental income in our Consolidated Statements of Income). We recognized a gain on the sales of these assets of \$46.3 million (net of taxes), of which \$27.4 million is being deferred due to one secured loan (\$78.4 million) and one non-mortgage loan (\$20.0 million) we made to the buyers in connection with the sales of certain assets. These deferred gains will be recognized into income as principal payments are made on the loans over their respective terms.

Subsequent to December 31, 2015 we sold one triple-net leased property, one seniors housing community included in our seniors housing operations reportable business segment and one MOB for aggregate consideration of \$54.5 million and we estimate recognizing gains on the sales of these assets of \$26.9 million.

2014 Activity

During 2014, we sold 16 triple-net leased properties, two seniors housing communities included in our seniors housing operations reportable business segment and four properties included in our MOB operations reportable business segment for aggregate consideration of \$118.2 million. We recognized a net gain on the sales of these assets of \$21.3 million, \$1.5 million of which is reported within discontinued operations in our Consolidated Statements of Income.

2013 Activity

During 2013, we sold 19 triple-net leased properties, one seniors housing community included in our senior living operations reportable business segment and two properties included in our MOB operations reportable business segment for aggregate consideration of \$35.1 million, including lease termination fees of \$0.3 million. We recognized a net gain on the sales of these assets of \$5.0 million, all of which is reported within discontinued operations in our Consolidated Statements of Income.

Assets Held for Sale

The table below summarizes our real estate assets classified as held for sale as of December 31, 2015 and 2014, including the amounts reported within other assets and accounts payable and other liabilities on our Consolidated Balance Sheets.

| | December 31, 2015 | | | December 31, 2014 | | |
|---------------------------------|--|-------------------------|------------------------------|---|-------------------------|------------------------------|
| | Number of Properties Held for Sale | Assets Held for Sale | Liabilities Held for Sale | Number of Properties Held for Sale (2) | Assets Held for Sale | Liabilities Held for Sale |
| | (Dollars in thousands) | | | | | |
| Triple-net leased properties | 2 | \$ 4,488 | \$ 44 | 333 | \$ 2,410,840 | \$ 205,931 |
| MOB operations (1) | 8 | 68,619 | 24,759 | 32 | 144,482 | 32,042 |
| Seniors living operations | 1 | 19,953 | 9,537 | — | — | — |
| Total | 11 | \$ 93,060 | \$ 34,340 | 365 | \$ 2,555,322 | \$ 237,973 |

(1) Four MOB's previously reported as held for sale (and discontinued operations) were classified as held and used (and part of continuing operations) as of December 31, 2015 and December 31, 2014.

(2) December 31, 2014 includes 323 properties disposed of as part of the CCP Spin-Off. Also included are loans, goodwill and other assets and liabilities contributed to CCP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Real Estate Impairment

We recognized impairments of \$42.2 million, \$56.6 million and \$51.5 million for the years ended December 31, 2015, 2014 and 2013 respectively, which are recorded primarily as a component of depreciation and amortization and relate primarily to our triple-net leased properties reportable business segment. Of these impairments, \$8.9 million, \$13.2 million and \$41.6 million for the years ended December 31, 2015, 2014 and 2013 respectively were reported in discontinued operations in our Consolidated Statements of Income. Our recorded impairments were primarily the result of a change in our intent to hold the impaired assets. In each case, we recognized an impairment in the periods in which our change in intent was made.

Note 6—Loans Receivable and Investments

As of December 31, 2015 and 2014, we had \$895.0 million and \$896.5 million, respectively, of net loans receivable and investments relating to seniors housing and healthcare operators or properties. The following is a summary of our net loans receivable and investments as of December 31, 2015 and 2014, including amortized cost, fair value and unrealized gains on available-for-sale investments:

| | December 31, 2015 | | | |
|---|-------------------|----------------|------------|------------------------|
| | Carrying Amount | Amortized Cost | Fair Value | Unrealized Gain (Loss) |
| | (In thousands) | | | |
| Secured mortgage loans and other | \$ 793,433 | \$ 793,433 | \$ 816,849 | \$ — |
| Government-sponsored pooled loan investments (1) | 63,679 | 62,130 | 63,679 | 1,549 |
| Total investments reported as Secured loans receivable and investments, net | 857,112 | 855,563 | 880,528 | 1,549 |
| Non-mortgage loans receivable | 37,926 | 37,926 | 38,806 | — |
| Total investments reported as Other assets | 37,926 | 37,926 | 38,806 | — |
| Total net loans receivable and investments | \$ 895,038 | \$ 893,489 | \$ 919,334 | \$ 1,549 |

(1) Investments in government-sponsored pooled loans have contractual maturity dates in 2022 and 2023.

| | December 31, 2014 | | | |
|---|-------------------|----------------|------------|------------------------|
| | Carrying Amount | Amortized Cost | Fair Value | Unrealized Gain (Loss) |
| | (In thousands) | | | |
| Secured mortgage loans and other | \$ 739,766 | \$ 739,766 | \$ 748,842 | \$ — |
| Government-sponsored pooled loan investments | 63,115 | 61,377 | 63,115 | 1,738 |
| Total investments reported as Secured loans receivable and investments, net | 802,881 | 801,143 | 811,957 | 1,738 |
| Non-mortgage loans receivable | 17,620 | 17,620 | 19,058 | — |
| Marketable securities | 76,046 | 71,000 | 76,046 | 5,046 |
| Total investments reported as Other assets | 93,666 | 88,620 | 95,104 | 5,046 |
| Total net loans receivable and investments | \$ 896,547 | \$ 889,763 | \$ 907,061 | \$ 6,784 |

2015 Activity

As discussed in Note 5 - Dispositions, we issued one secured loan (\$78.4 million) and one non-mortgage loan (\$20.0 million) to buyers in connection with the sales of certain assets. In June 2015 we sold our \$71.0 million investment in senior unsecured corporate bonds for \$76.8 million. We recognized a gain of \$5.8 million that is included within income from loans and investments in our Consolidated Statements of Income for the year ended December 31, 2015. This gain includes \$5.0 million that was previously unrealized within accumulated other comprehensive income on our Consolidated Balance Sheets as of December 31, 2014.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

During the year ended December 31, 2015, we received aggregate proceeds of \$97.0 million in final repayment of three secured and one non-mortgage loans receivable. We recognized gains aggregating \$1.9 million on the repayment of these loans receivable that are recorded in income from loans and investments in our Consolidated Statements of Income for the year ended December 31, 2015.

We disposed of two secured and seven non-mortgage loans receivable as part of the CCP Spin-Off having carrying amounts of \$26.9 million and \$4.2 million, respectively, as of the CCP Spin-Off date and carrying amounts of \$26.9 million and \$4.3 million, respectively, as of December 31, 2014. These loans are reported as assets held for sale on our Consolidated Balance Sheets as of December 31, 2014.

2014 Activity

During the year ended December 31, 2014, we made a \$425.0 million secured mezzanine loan investment that has a blended annual interest rate of 8.1% and has contractual maturities ranging between 2016 and 2019, and we purchased \$71.0 million principal amount of senior unsecured corporate bonds, a \$38.7 million interest in a government-sponsored pooled loan investment, and \$21.7 million of marketable equity securities. During the year ended December 31, 2014, we sold all of our marketable equity securities for \$22.3 million and recognized a gain of \$0.6 million.

During the year ended December 31, 2014, we received aggregate proceeds of \$55.9 million in final repayment of three secured and two non-mortgage loans receivable. We recognized aggregate gains of \$5.2 million on the repayment of these loans receivable that are recorded in income from loans and investments in our Consolidated Statements of Income for the year ended December 31, 2014.

Note 7—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 December 31, 2015 and 2014, we had ownership interests (ranging from 5% to 25%) in joint ventures that owned 41 properties and 51 properties, respectively. We account for our interests in real estate joint ventures, as well as our 34% interest in Atria and 9.9% interest in Ardent (which are included within other assets on our Consolidated Balance Sheets), under the equity method of accounting.

With the exception of our interests in Atria and Ardent, we provide various services to each unconsolidated entity in exchange for fees and reimbursements. Total management fees earned in connection with these entities were \$7.8 million, \$8.4 million and \$7.0 million for the years ended December 31, 2015, 2014 and 2013, respectively (which is included in medical office building and other services revenue in our Consolidated Statements of Income).

In October 2015, we acquired the 95% controlling interests in ten MOBs from a joint venture entity in which we have a 5% interest and that we account for as an equity method investment. In connection with this acquisition, we re-measured our previously held equity interest (associated with the acquired MOBs) and recognized a loss of \$0.2 million, which is included in income from unconsolidated entities in our Consolidated Statements of Income. Since the acquisition, operations relating to these properties have been consolidated in our Consolidated Statements of Income.

In March 2013, we acquired two MOBs from a joint venture entity in which we have a 5% interest and that we account for as an equity method investment. In connection with this acquisition, we re-measured our previously held equity interest (associated with the acquired MOBs) and recognized a gain of \$1.3 million, which is included in income from unconsolidated entities in our Consolidated Statements of Income. Since the acquisition, operations relating to these properties have been consolidated in our Consolidated Statements of Income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 8—Intangibles

The following is a summary of our intangibles as of December 31, 2015 and 2014:

| | December 31, 2015 | | December 31, 2014 | |
|--------------------------------------|---------------------|---|-------------------|---|
| | 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 | \$ 155,161 | 7.0 | \$ 150,775 | 6.8 |
| In-place and other lease intangibles | 1,189,261 | 20.9 | 804,260 | 24.5 |
| Goodwill | 1,047,497 | N/A | 363,971 | N/A |
| Other intangibles | 35,736 | 8.6 | 36,030 | 7.9 |
| Accumulated amortization | (655,176) | N/A | (515,603) | N/A |
| Net intangible assets | \$ 1,772,479 | 19.2 | \$ 839,433 | 21.0 |
| Intangible liabilities: | | | | |
| Below market lease intangibles | \$ 256,034 | 14.2 | \$ 229,495 | 14.1 |
| Other lease intangibles | 35,925 | 30.1 | 32,103 | 26.1 |
| Accumulated amortization | (113,647) | N/A | (97,371) | N/A |
| Purchase option intangibles | 3,568 | N/A | 13,549 | N/A |
| Net intangible liabilities | \$ 181,880 | 15.6 | \$ 177,776 | 15.1 |

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. For the years ended December 31, 2015, 2014 and 2013, our net amortization expense related to these intangibles was \$142.7 million, \$74.6 million and \$77.0 million, respectively. The estimated net amortization expense related to these intangibles for each of the next five years is as follows: 2016—\$98.7 million; 2017—\$52.0 million; 2018—\$42.9 million; 2019—\$36.6 million; and 2020—\$33.9 million.

The change in the carrying amount of goodwill, by segment, for 2015 was as follows (in thousands):

| | Triple-Net Leased Properties | Senior Living Operations | MOB Operations | Total |
|--|------------------------------|--------------------------|----------------|--------------|
| Goodwill as of December 31, 2014 (excluding held for sale) | \$ 327,232 | \$ 41,741 | \$ 83,958 | \$ 452,931 |
| Acquisitions | 133,539 | 219,141 | 394,203 | 746,883 |
| Partial disposal of reporting unit | (11,967) | — | (3,861) | (15,828) |
| Goodwill allocated in the CCP Spin-Off | (135,446) | — | — | (135,446) |
| Currency translation adjustments and other | (1,043) | — | — | (1,043) |
| Goodwill as of December 31, 2015 | \$ 312,315 | \$ 260,882 | \$ 474,300 | \$ 1,047,497 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 9—Other Assets

The following is a summary of our other assets as of December 31, 2015 and 2014:

| | 2015 | 2014 |
|-------------------------------------|-------------------|-------------------|
| | (In thousands) | |
| Straight-line rent receivables, net | \$ 219,064 | \$ 187,572 |
| Non-mortgage loans receivable, net | 37,926 | 17,620 |
| Other intangibles, net | 13,224 | 19,122 |
| Marketable securities | — | 76,046 |
| Other | 142,189 | 151,398 |
| Total other assets | <u>\$ 412,403</u> | <u>\$ 451,758</u> |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 10—Borrowing Arrangements

The following is a summary of our senior notes payable and other debt as of December 31, 2015 and 2014:

| | 2015 | 2014 |
|--|----------------------|----------------------|
| | (In thousands) | |
| Unsecured revolving credit facility (1) | \$ 180,683 | \$ 919,099 |
| 3.125% Senior Notes due 2015 | — | 400,000 |
| 6% Senior Notes due 2015 | — | 234,420 |
| 1.55% Senior Notes due 2016 | 550,000 | 550,000 |
| 1.250% Senior Notes due 2017 | 300,000 | 300,000 |
| 2.00% Senior Notes due 2018 | 700,000 | 700,000 |
| Unsecured term loan due 2018 (2) | 200,000 | 200,000 |
| Unsecured term loan due 2019 (2) | 468,477 | 790,634 |
| 4.00% Senior Notes due 2019 | 600,000 | 600,000 |
| 3.00% Senior Notes, Series A due 2019 (3) | 289,038 | 344,204 |
| 2.700% Senior Notes due 2020 | 500,000 | 500,000 |
| Unsecured term loan due 2020 | 900,000 | — |
| 4.750% Senior Notes due 2021 | 700,000 | 700,000 |
| 4.25% Senior Notes due 2022 | 600,000 | 600,000 |
| 3.25% Senior Notes due 2022 | 500,000 | 500,000 |
| 3.300% Senior Notes due 2022 (3) | 180,649 | — |
| 3.750% Senior Notes due 2024 | 400,000 | 400,000 |
| 4.125% Senior Notes, Series B due 2024 (3) | 180,649 | 215,128 |
| 3.500% Senior Notes due 2025 | 600,000 | — |
| 4.125% Senior Notes due 2026 | 500,000 | — |
| 6.90% Senior Notes due 2037 | 52,400 | 52,400 |
| 6.59% Senior Notes due 2038 | 22,973 | 22,973 |
| 5.45% Senior Notes due 2043 | 258,750 | 258,750 |
| 5.70% Senior Notes due 2043 | 300,000 | 300,000 |
| 4.375% Senior Notes due 2045 | 300,000 | — |
| Mortgage loans and other (4) | 1,987,401 | 2,300,687 |
| Total | 11,271,020 | 10,888,295 |
| Deferred financing costs, net | (69,121) | (60,328) |
| Unamortized fair value adjustment | 33,570 | 42,516 |
| Unamortized discounts | (28,473) | (26,132) |
| Senior notes payable and other debt | \$ 11,206,996 | \$ 10,844,351 |

(1) \$9.7 million and \$164.1 million of aggregate borrowings are denominated in Canadian dollars as of December 31, 2015 and 2014, respectively.

(2) These amounts represent in aggregate the \$668 million of unsecured term loan borrowings under our unsecured credit facility, of which \$89.9 million included in the 2019 tranche is in the form of Canadian dollars.

(3) These borrowings are in the form of Canadian dollars.

(4) 2015 and 2014 exclude \$22.9 million and \$27.6 million, respectively, of mortgage debt related to real estate assets classified as held for sale that is included in liabilities related to assets held for sale on our Consolidated Balance Sheets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Unsecured Revolving Credit Facility and Unsecured Term Loans

Our unsecured credit facility is comprised of a \$2.0 billion revolving credit facility priced at LIBOR plus 1.0% as of December 31, 2015, and a \$200.0 million four-year term loan and an \$800.0 million five-year term loan, each priced at LIBOR plus 1.05% as of December 31, 2015. The revolving credit facility matures in January 2018, but may be extended, at our option subject to the satisfaction of certain conditions, for an additional period of one year. The \$200.0 million and \$800.0 million term loans mature in January 2018 and January 2019, respectively. The unsecured credit facility also includes an accordion feature that permits us to increase our aggregate borrowing capacity thereunder to up to \$3.5 billion

Our unsecured credit facility imposes certain customary restrictions on us, including restrictions pertaining to: (i) liens; (ii) investments; (iii) the incurrence of additional indebtedness; (iv) mergers and dissolutions; (v) certain dividend, distribution and other payments; (vi) permitted businesses; (vii) transactions with affiliates; (viii) agreements limiting certain liens; and (ix) the maintenance of certain consolidated total leverage, secured debt leverage, unsecured debt leverage and fixed charge coverage ratios and minimum consolidated adjusted net worth, and contains customary events of default.

As of December 31, 2015, we had \$180.7 million of borrowings outstanding, \$14.9 million of letters of credit outstanding and \$1.8 billion of unused borrowing capacity available under our unsecured revolving credit facility.

In August 2015, we completed a \$900 million five year term loan having a variable interest rate of LIBOR plus 97.5 basis points. The term loan matures in 2020.

Also in August 2015, we repaid \$305.0 million of our unsecured term loan due 2019 and recognized a loss on extinguishment of debt of \$1.6 million representing a write-off of the then unamortized deferred financing fees.

In July 2014, we entered into a new CAD 791.0 million unsecured term loan to initially fund the Holiday Canada Acquisition. The term loan was scheduled to mature on July 30, 2015, but in September 2014, we repaid CAD 660.0 million of the unsecured term loan principally with proceeds from the sale of unsecured senior notes issued by our wholly owned subsidiary, Ventas Canada Finance Limited, and in December 2014, we repaid in full the remaining borrowings outstanding under the term loan.

We recognized a loss on extinguishment of debt of \$1.5 million for the year ended December 31, 2013 representing the write-off of unamortized deferred financing fees as a result of the replacement of our previous unsecured revolving credit facility.

Senior Notes

As of December 31, 2015, we had outstanding \$6.8 billion aggregate principal amount of senior notes issued by our subsidiary, Ventas Realty, Limited Partnership ("Ventas Realty") (\$3.9 billion of which was co-issued by Ventas Realty's wholly owned subsidiary, Ventas Capital Corporation), approximately \$75.4 million aggregate principal amount of senior notes issued by Nationwide Health Properties, Inc. ("NHP") and assumed by our subsidiary, Nationwide Health Properties, LLC ("NHP LLC"), as successor to NHP, in connection with our acquisition of NHP, and CAD 900.0 million aggregate principal amount of senior notes issued by our subsidiary, Ventas Canada Finance Limited. All of the senior notes issued by Ventas Realty and Ventas Canada Finance Limited are unconditionally guaranteed by Ventas, Inc.

In September 2015, we redeemed all \$400.0 million principal amount then outstanding of our 3.125% senior notes due November 2015 at a redemption price equal to 100.7% of par, plus accrued and unpaid interest to the redemption date, and recognized a loss on extinguishment of debt of \$2.9 million.

In July 2015, we issued and sold \$500.0 million aggregate principal amount of 4.125% senior notes due 2026 at a public offering price equal to 99.218% of par, for total proceeds of \$496.1 million before the underwriting discount and expenses.

In May 2015, we repaid in full, at par, \$234.4 million aggregate principal amount then outstanding of our 6% senior notes due 2015 upon maturity.

In January 2015, Ventas Realty issued and sold \$600.0 million aggregate principal amount of 3.500% senior notes due 2025 at a public offering price equal to 99.663% of par, for total proceeds of \$598.0 million before the underwriting discount and expenses, and \$300.0 million aggregate principal amount of 4.375% senior notes due 2045 at a public offering price equal to 99.500% of par, for total proceeds of \$298.5 million before the underwriting discount and expenses.

Also in January 2015, Ventas Canada Finance Limited issued and sold CAD 250.0 million aggregate principal amount of 3.30% senior notes, series C due 2022 at an offering price equal to 99.992% of par, for total proceeds of CAD 250.0 million before the agent fees and expenses. The notes were offered on a private placement basis in Canada.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In September 2014, Ventas Canada Finance Limited issued and sold CAD 400.0 million aggregate principal amount of 3.00% senior notes, series A due 2019 at an offering price equal to 99.713% of par, for total proceeds of CAD 398.9 million before the agent fees and expenses, and CAD 250.0 million aggregate principal amount of 4.125% senior notes, series B due 2024 at an offering price equal to 99.601% of par, for total proceeds of CAD 249.0 million before the agent fees and expenses. The notes were offered on a private placement basis in Canada.

In April 2014, Ventas Realty issued and sold \$300.0 million aggregate principal amount of 1.250% senior notes due 2017 at a public offering price equal to 99.815% of par, for total proceeds of \$299.4 million before the underwriting discount and expenses, and \$400.0 million aggregate principal amount of 3.750% senior notes due 2024 at a public offering price equal to 99.304% of par, for total proceeds of \$397.2 million before the underwriting discount and expenses.

In September 2013, Ventas Realty issued and sold: \$550.0 million aggregate principal amount of 1.55% senior notes due 2016 at a public offering price equal to 99.910% of par, for total proceeds of \$549.5 million before the underwriting discount and expenses; and \$300.0 million aggregate principal amount of 5.70% senior notes due 2043 at a public offering price equal to 99.628% of par, for total proceeds of \$298.9 million before the underwriting discount and expenses.

In March 2013, Ventas Realty issued and sold: \$258.8 million aggregate principal amount of 5.45% senior notes due 2043 at a public offering price equal to par, for total proceeds of \$258.8 million before the underwriting discounts and expenses; and \$500.0 million aggregate principal amount of 2.700% senior notes due 2020 at a public offering price equal to 99.942% of par, for total proceeds of \$499.7 million before the underwriting discount and expenses.

In February 2013, we repaid in full, at par, \$270.0 million principal amount then outstanding of our 6.25% senior notes due 2013 upon maturity.

Ventas Realty's senior notes are part of our and Ventas Realty's general unsecured obligations, ranking equal in right of payment with all of our and Ventas Realty's existing and future senior obligations and ranking senior in right of payment to all of our and Ventas Realty's existing and future subordinated indebtedness. However, Ventas Realty's senior notes are effectively subordinated to our and Ventas Realty's secured indebtedness, if any, to the extent of the value of the assets securing that indebtedness. Ventas Realty's senior notes are also structurally subordinated to the preferred equity and indebtedness, whether secured or unsecured, of our subsidiaries (other than Ventas Realty and, with respect to those senior notes co-issued by Ventas Capital Corporation, Ventas Capital Corporation).

Ventas Canada Finance Limited's senior notes are part of our and Ventas Canada Finance Limited's general unsecured obligations, ranking equal in right of payment with all of Ventas Canada Finance Limited's existing and future subordinated indebtedness. However, Ventas Canada Finance Limited's senior notes are effectively subordinated to our and Ventas Canada Finance Limited's secured indebtedness, if any, to the extent of the value of the assets securing that indebtedness. Ventas Canada Finance Limited's senior notes are also structurally subordinated to the preferred equity and indebtedness, whether secured or unsecured, of our subsidiaries (other than Ventas Canada Finance Limited).

NHP LLC's senior notes are part of NHP LLC's general unsecured obligations, ranking equal in right of payment with all of NHP LLC's existing and future senior obligations and ranking senior to all of NHP LLC's existing and future subordinated indebtedness. However, NHP LLC's senior notes are effectively subordinated to NHP LLC's secured indebtedness, if any, to the extent of the value of the assets securing that indebtedness. NHP LLC's senior notes are also structurally subordinated to the preferred equity and indebtedness, whether secured or unsecured, of its subsidiaries.

Ventas Realty, Ventas Canada Finance Limited and NHP LLC may redeem each series of their respective senior notes (other than NHP LLC's 6.90% senior notes due 2037 and 6.59% senior notes due 2038), in whole at any time or in part from time to time, prior to maturity at the redemption prices set forth in the applicable indenture (which include, in many instances, a make-whole premium), plus, in each case, accrued and unpaid interest thereon to the redemption date.

NHP LLC's 6.90% senior notes due 2037 are subject to repurchase at the option of the holders, at par, on October 1 in each of 2017 and 2027, and its 6.59% senior notes due 2038 are subject to repurchase at the option of the holders, at par, on July 7 in each of 2018, 2023 and 2028.

Mortgages

At December 31, 2015, we had 133 mortgage loans outstanding in the aggregate principal amount of \$2.0 billion and secured by 157 of our properties. Of these loans, 116 loans in the aggregate principal amount of \$1.6 billion bear interest at fixed rates ranging from 3.6% to 8.6% per annum, and 17 loans in the aggregate principal amount of \$433.3 million bear interest at variable rates ranging from 0.9% to 3.2% per annum as of December 31, 2015. At December 31, 2015, the weighted average annual rate on our fixed rate mortgage loans was 5.7%, and the weighted average annual rate on our variable rate mortgage loans was 2.0%. Our mortgage loans had a weighted average maturity of 5.5 years as of December 31, 2015.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

During 2015, we repaid in full mortgage loans in the aggregate principal amount of \$461.9 million and a weighted average maturity of 2.1 years and recognized a loss on extinguishment of debt of \$9.9 million in connection with these repayments.

During 2014, we assumed or incurred mortgage debt of \$246.8 million and repaid in full mortgage loans outstanding in the aggregate principal amount of \$398.0 million, and recognized a net loss on extinguishment of debt of \$2.3 million in connection with these repayments.

During 2013, we assumed or incurred mortgage debt of \$178.8 million and repaid in full mortgage loans outstanding in the aggregate principal amount of \$493.7 million, and recognized a net gain on extinguishment of debt of \$0.5 million in connection with these repayments.

Scheduled Maturities of Borrowing Arrangements and Other Provisions

As of December 31, 2015, our indebtedness had the following maturities:

| | Principal Amount Due at Maturity | Unsecured Revolving Credit Facility(1) | Scheduled Periodic Amortization | Total Maturities |
|-------------------------|--|---|---------------------------------------|----------------------|
| | (In thousands) | | | |
| 2016 (2) | \$ 602,661 | \$ — | \$ 31,124 | \$ 633,785 |
| 2017 (2) | 746,458 | — | 28,500 | 774,958 |
| 2018 | 1,101,879 | 180,683 | 23,486 | 1,306,048 |
| 2019 | 1,900,986 | — | 15,929 | 1,916,915 |
| 2020 | 1,416,913 | — | 11,122 | 1,428,035 |
| Thereafter (3) | 5,085,663 | — | 125,616 | 5,211,279 |
| Total maturities | \$ 10,854,560 | \$ 180,683 | \$ 235,777 | \$ 11,271,020 |

(1) At December 31, 2015, we had \$53.0 million of unrestricted cash and cash equivalents, for \$127.7 million of net borrowings outstanding under our unsecured revolving credit facility.

(2) Excludes \$22.9 million of mortgage debt related to real estate assets classified as held for sale as of December 31, 2015 that is scheduled to mature in 2016 and 2017.

(3) Includes \$52.4 million aggregate principal amount of 6.90% senior notes due 2037 that is subject to repurchase, at the option of the holders, on October 1 in each of 2017 and 2027, and \$23.0 million aggregate principal amount of 6.59% senior notes due 2038 that is subject to repurchase, at the option of the holders, on July 7 in each of 2018, 2023 and 2028.

The instruments governing our outstanding indebtedness contain covenants that limit our ability and the ability of certain of our subsidiaries to, among other things: (i) incur debt; (ii) make certain dividends, distributions and investments; (iii) enter into certain transactions; and/or (iv) merge, consolidate or sell certain assets. Ventas Realty's and Ventas Canada Finance Limited's senior notes also require us and our subsidiaries to maintain total unencumbered assets of at least 150% of our unsecured debt. Our unsecured credit facility also requires us to maintain certain financial covenants pertaining to, among other things, our consolidated total leverage, secured debt, unsecured debt, fixed charge coverage and net worth.

As of December 31, 2015, we were in compliance with all of these covenants.

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.

For interest rate exposures, we use derivatives primarily to fix the rate on our variable rate debt and to manage our borrowing costs. We do not use derivative instruments for trading or speculative purposes, and we have a policy of entering into contracts only with major financial institutions based upon their credit ratings and other factors. When considered together with the underlying exposure that the derivative is designed to hedge, we do not expect that the use of derivatives in this manner would have any material adverse effect on our future financial condition or results of operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As of December 31, 2015, our variable rate debt obligations of \$2.2 billion reflect, in part, the effect of \$150.5 million notional amount of interest rate swaps with a maturity of March 21, 2018 that effectively convert fixed rate debt to variable rate debt. As of December 31, 2015, our fixed rate debt obligations of \$9.1 billion reflect, in part, the effect of \$48.1 million notional amount of interest rate swaps with maturities ranging from October 1, 2016 to April 1, 2019, in each case that effectively convert variable rate debt to fixed rate debt.

In February 2016, we entered into a \$200 million notional amount interest rate swap with a maturity of August 3, 2020 that effectively converts LIBOR-based floating rate debt to fixed rate debt, setting LIBOR at 1.132% through the maturity date of the swap. The maturity date of the Ardent Term Loan is also August 3, 2020.

Unamortized Fair Value Adjustment

As of December 31, 2015, the unamortized fair value adjustment related to the long-term debt we assumed in connection with various acquisitions was \$33.6 million and will be recognized as effective yield adjustments over the remaining terms of the instruments. The estimated aggregate amortization of the fair value adjustment related to long-term debt (which is reflected as a reduction of interest expense) was \$16.2 million for the year ended December 31, 2015 and for each of the next five years will be as follows: 2016—\$11.2 million; 2017—\$6.6 million; 2018—\$2.7 million; 2019—\$2.0 million; and 2020—\$1.5 million.

Note 11—Fair Values of Financial Instruments

As of December 31, 2015 and 2014, the carrying amounts and fair values of our financial instruments were as follows:

| | 2015 | | 2014 | |
|--|-----------------|------------|-----------------|------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| | (In thousands) | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 53,023 | \$ 53,023 | \$ 55,348 | \$ 55,348 |
| Secured loans receivable, net | 793,433 | 816,849 | 739,766 | 748,842 |
| Non-mortgage loans receivable, net | 37,926 | 38,806 | 17,620 | 19,058 |
| Government-sponsored pooled loan investments | 63,679 | 63,679 | 63,115 | 63,115 |
| Marketable securities | — | — | 76,046 | 76,046 |
| Liabilities: | | | | |
| Senior notes payable and other debt, gross | 11,271,020 | 11,384,880 | 10,888,295 | 11,197,131 |
| Derivative instruments and other liabilities | 2,696 | 2,696 | 2,743 | 2,743 |
| Redeemable OP unitholder interests | 188,546 | 188,546 | 159,134 | 159,134 |

Fair value estimates are subjective in nature and based upon several important assumptions, including estimates of future cash flows, risks, discount rates and relevant comparable market information associated with each financial instrument. 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 12—Stock-Based Compensation

Compensation Plans

We currently have five plans under which outstanding options to purchase common stock, shares of restricted stock or restricted stock units have been, or may in the future be, granted to our officers, employees and non-employee directors (the 2000 Incentive Compensation Plan (Employee Plan), the 2004 Stock Plan for Directors, the 2006 Incentive Plan, the 2006 Stock Plan for Directors, and the 2012 Incentive Plan); one plan under which executive officers may receive common stock in lieu of compensation (the Executive Deferred Stock Compensation Plan); and one plan under which certain non-employee directors have received or may receive common stock in lieu of director fees (the Nonemployee Directors' Deferred Stock Compensation Plan). These plans are referred to collectively as the "Plans."

During the year ended December 31, 2015, we were permitted to issue shares and grant options, restricted stock and restricted stock units only under the Executive Deferred Stock Compensation Plan, the Nonemployee Directors' Deferred Stock

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Compensation Plan and the 2012 Incentive Plan. The 2006 Incentive Plan and the 2006 Stock Plan for Directors (collectively, the "2006 Plans") expired on December 31, 2012, and no additional grants were permitted under those Plans after that date.

The number of shares initially reserved for issuance and the number of shares available for future grants or issuance under these Plans as of December 31, 2015 were as follows:

- Executive Deferred Stock Compensation Plan—594,070 shares were reserved initially for issuance to our executive officers in lieu of the payment of all or a portion of their salary, at their option, and 594,070 shares were available for future issuance as of December 31, 2015.
- Nonemployee Directors' Deferred Stock Compensation Plan—594,070 shares were reserved initially for issuance to nonemployee directors in lieu of the payment of all or a portion of their retainer and meeting fees, at their option, and 478,048 shares were available for future issuance as of December 31, 2015.
- 2012 Incentive Plan—10,499,135 shares (plus the number of shares or options outstanding under the 2006 Plans as of December 31, 2012 that were or are subsequently forfeited or expire unexercised) were reserved initially for grants or issuance to employees and non-employee directors, and 7,876,301 shares (plus the number of shares or options outstanding under the 2006 Plans as of December 31, 2015 that were or are subsequently forfeited or expire unexercised) were available for future issuance as of December 31, 2015.

Outstanding options issued under the Plans are exercisable at the market price on the date of grant, expire ten years from the date of grant, and vest or have vested over periods of two or three years. If provided in the applicable Plan or award agreement, the vesting of stock options may accelerate upon a change of control (as defined in the applicable Plan) of Ventas, Inc. and other specified events.

In connection with the NHP acquisition, we assumed certain outstanding options, shares of restricted stock and restricted stock units previously issued to NHP employees pursuant to the Nationwide Health Properties, Inc. 2005 Performance Incentive Plan, as amended (the "NHP Plan"). Any remaining outstanding awards continue to be subject to the terms and conditions of the NHP Plan and the applicable award agreements.

Conversion of Equity Awards at the CCP Spin-Off Date

The Plans were established with anti-dilution provisions, such that in the event of an equity restructuring of Ventas (including spin-off transactions), equity awards would preserve their value post-transaction. In order to achieve an equitable modification of the existing awards following the CCP Spin-Off, we applied the concentration method of converting pre-spin awards to their post-spin value, meaning that Ventas employees remaining at Ventas following the CCP Spin-Off would receive equitably adjusted awards denominated solely in Ventas common stock. The modification assumed a conversion ratio on all awards calculated as the final pre-spin closing price of Ventas common stock divided by the 10-trading day average post-spin closing price of Ventas common stock (the "10 Day Average Price"). The conversion impacted 120 participants, resulted in additional awards being granted (as summarized in the tables below) and an incremental fair value of both vested awards (\$3.5 million) and unvested awards (\$1.6 million) due to the difference between the 10 Day Average Price and the closing price on the CCP Spin-Off date. The vesting periods were unchanged for unvested grants at the CCP Spin-Off date. The incremental fair value of vested awards were recognized immediately and are considered separation costs that are reported in discontinued operations in our Consolidated Statements of Income. The incremental fair value of unvested awards, which are also considered separation costs, will be recognized over the remaining requisite service periods. The number of shares reserved for each of the Plans, as well as the ESPP Plan, were adjusted using the same conversion methodology applied to the outstanding awards.

Stock Options

In determining the estimated fair value of our stock options as of the date of grant, we used the Black-Scholes option pricing model with the following assumptions:

| | 2015 | 2014 | 2013 |
|--|--------------|--------------|------------------|
| Risk-free interest rate | 1.02 - 1.38% | 1.3 - 1.4% | 0.59 - 0.63% |
| Dividend yield | 5.00% | 5.00% | 5.00% |
| Volatility factors of the expected market price for our common stock | 19.0 - 20.0% | 17.8 - 18.0% | 24.2 - 31.7% |
| Weighted average expected life of options | 4.0 years | 4.17 years | 4.25 - 7.0 years |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following is a summary of stock option activity in 2015:

| | Shares | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (years) | Intrinsic Value (\$000's) |
|-------------------------------------|-----------|------------------------------------|---|---------------------------------|
| Outstanding as of December 31, 2014 | 2,460,628 | \$57.45 | | |
| Options granted in 2015 pre-spin | 792,434 | 76.62 | | |
| Options exercised in 2015 pre-spin | 130,273 | 43.30 | | |
| Options forfeited in 2015 pre-spin | 12,058 | 62.47 | | |
| Options expired in 2015 pre-spin | 2,802 | 66.43 | | |
| Options outstanding pre-spin | 3,107,929 | 62.90 | | |
| Options forfeited/expired at spin | 511,832 | 65.51 | | |
| Options issued at spin | 488,360 | 52.51 | | |
| Options outstanding post-spin | 3,084,457 | 52.51 | | |
| Options granted in 2015 post-spin | — | 0.00 | | |
| Options exercised in 2015 post-spin | 20,814 | 35.13 | | |
| Options forfeited in 2015 post-spin | 11,914 | 55.67 | | |
| Options expired in 2015 post-spin | — | 0.00 | | |
| Outstanding as of December 31, 2015 | 3,051,729 | 52.62 | 7.03 | \$ 18,216 |
| Exercisable as of December 31, 2015 | 2,183,113 | 49.73 | 6.36 | \$ 16,815 |

Compensation costs for all share-based awards are based on the grant date fair value and are recognized on a straight-line basis during the requisite service periods. Compensation costs related to stock options for the years ended December 31, 2015, 2014 and 2013 were \$4.2 million, \$4.7 million and \$4.5 million, respectively.

As of December 31, 2015, we had \$1.8 million of total unrecognized compensation cost related to non-vested stock options granted under the Plans. We expect to recognize that cost over a weighted average period of 1.22 years.

The weighted average grant date fair value of options issued during the years ended December 31, 2015, 2014 and 2013 was \$5.89, \$4.37 and \$9.25, respectively.

Aggregate proceeds received from options exercised under the Plans or the NHP Plan for the years ended December 31, 2015, 2014 and 2013 were \$6.4 million, \$26.2 million and \$7.2 million, respectively. The total intrinsic value at exercise of options exercised during the years ended December 31, 2015, 2014 and 2013 was \$4.7 million, \$19.3 million and \$4.0 million, respectively.

Restricted Stock and Restricted Stock Units

We recognize the fair value of shares of restricted stock and restricted stock units on the grant date of the award as stock-based compensation expense over the requisite service period, with charges to general and administrative expenses of approximately \$15.2 million in 2015, \$16.2 million in 2014 and \$16.1 million in 2013. Restricted stock and restricted stock units generally vest over periods ranging from two to five years. If provided in the applicable Plan or award agreement, the vesting of restricted stock and restricted stock units may accelerate upon a change of control (as defined in the applicable Plan) of Ventas and other specified events.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

A summary of the status of our non-vested restricted stock and restricted stock units as of December 31, 2015, and changes during the year ended December 31, 2015 follows:

| | Restricted Stock | Weighted Average Grant Date Fair Value | Restricted Stock Units | Weighted Average Grant Date Fair Value |
|--------------------------------|---------------------|---|---------------------------|---|
| Nonvested at December 31, 2014 | 402,741 | \$ 58.51 | 11,392 | \$ 58.79 |
| Granted in 2015 pre-spin | 190,429 | 75.46 | 7,252 | 71.70 |
| Vested in 2015 pre-spin | 237,461 | 61.69 | 6,856 | 59.79 |
| Forfeited in 2015 pre-spin | 5,602 | 61.12 | 0 | 0.00 |
| Non-vested post-spin | 350,107 | 65.53 | 11,788 | 66.15 |
| Forfeited at spin | 61,166 | 64.94 | 0 | 0.00 |
| Granted at spin | 54,364 | 2.34 | 2,216 | 2.34 |
| Non-vested post-spin | 343,305 | 57.60 | 14,004 | 58.02 |
| Granted in 2015 post-spin | 31,176 | 56.12 | 0 | 0.00 |
| Vested in 2015 post-spin | 3,323 | 50.49 | 0 | 0.00 |
| Forfeited in 2015 post-spin | 8,065 | 52.57 | 0 | 0.00 |
| Nonvested at December 31, 2015 | 363,093 | \$ 57.65 | 25,500 | \$ 58.02 |

As of December 31, 2015, we had \$9.3 million of unrecognized compensation cost related to non-vested restricted stock and restricted stock units under the Plans. We expect to recognize that cost over a weighted average period of 1.51 years. The total fair value at the vesting date for restricted stock and restricted stock units that vested during the years ended December 31, 2015, 2014 and 2013 was \$18.3 million, \$17.7 million and \$16.9 million, respectively.

Employee and Director Stock Purchase Plan

We have in effect an Employee and Director Stock Purchase Plan ("ESPP") under which our employees and directors may purchase shares of our common stock at a discount. Pursuant to the terms of the ESPP, on each purchase date, participants may purchase shares of common stock at a price not less than 90% of the market price on that date (with respect to the employee tax-favored portion of the plan) and not less than 95% of the market price on that date (with respect to the additional employee and director portion of the plan). We initially reserved 2,970,350 shares for issuance under the ESPP. As of December 31, 2015, 79,893 shares had been purchased under the ESPP and 2,890,457 shares were available for future issuance.

Employee Benefit Plan

We maintain a 401(k) plan that allows eligible employees to defer compensation subject to certain limitations imposed by the Code. In 2015, we made contributions for each qualifying employee of up to 3.5% of his or her salary, subject to certain limitations. During 2015, 2014 and 2013, our aggregate contributions were approximately \$1,227,000, \$1,136,000 and \$1,036,000, respectively.

Note 13—Income Taxes

We have elected to be taxed as a REIT under the applicable provisions of the Code 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 13. Certain REIT entities are subject to foreign income tax.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Although we intend to continue to operate in a manner that will enable us to qualify as a REIT, such qualification depends upon our ability to meet, on a continuing basis, various distribution, stock ownership and other tests. During the years ended December 31, 2015, 2014 and 2013, our tax treatment of distributions per common share was as follows:

| | 2015 | 2014 | 2013 |
|---|------------|------------|------------|
| Tax treatment of distributions | | | |
| Ordinary income | \$ 3.02368 | \$ 2.61271 | \$ 2.65787 |
| Qualified ordinary income | 0.01632 | 0.10474 | 0.03718 |
| Long-term capital gain | — | 0.16224 | 0.03995 |
| Unrecaptured Section 1250 gain | — | 0.08531 | — |
| Distribution reported for 1099-DIV purposes | \$ 3.04000 | \$ 2.96500 | \$ 2.73500 |

We believe we have met the annual REIT distribution requirement by payment of at least 90% of our estimated taxable income for 2015, 2014 and 2013. Our consolidated benefit for income taxes for the years ended December 31, 2015, 2014 and 2013 was as follows:

| | 2015 | 2014 | 2013 |
|--------------------|--------------------|-------------------|--------------------|
| | (In thousands) | | |
| Current - Federal | \$ 138 | \$ 878 | \$ 3,145 |
| Current - State | 1,453 | — | (461) |
| Deferred - Federal | (25,962) | (3,338) | (11,860) |
| Deferred - State | (3,054) | (1,772) | (2,396) |
| Current - Foreign | (953) | (327) | — |
| Deferred - Foreign | (12,812) | (4,827) | (256) |
| Total | \$ (39,284) | \$ (8,732) | \$ (11,828) |

The income tax benefit for the year ended December 31, 2015 is due primarily to the income tax benefit of ordinary losses related to certain TRS entities. The income tax benefit for the year ended December 31, 2014 primarily relates to the income tax benefit of ordinary losses and restructuring related to certain TRS entities.

Although the TRS entities have paid minimal cash federal income taxes for the year ended December 31, 2015, their federal income tax liabilities may increase in future years as we exhaust net operating loss ("NOL") carryforwards and as our senior living operations reportable business segment grows. Such increases could be significant.

A reconciliation of income tax expense and benefit, which is computed by applying the federal corporate tax rate for the years ended December 31, 2015, 2014 and 2013, to the income tax benefit is as follows:

| | 2015 | 2014 | 2013 |
|---|--------------------|-------------------|--------------------|
| | (In thousands) | | |
| Tax at statutory rate on earnings from continuing operations before unconsolidated entities, noncontrolling interest and income taxes | \$ 123,086 | \$ 122,746 | \$ 127,463 |
| State income taxes, net of federal benefit | (657) | (1,152) | (1,857) |
| Increase in valuation allowance | 20,978 | 23,122 | 7,145 |
| Increase (decrease) in ASC 740 income tax liability | (462) | 878 | 2,805 |
| Tax at statutory rate on earnings not subject to federal income taxes | (185,648) | (151,055) | (146,932) |
| Foreign rate differential and foreign taxes | 3,095 | 3,230 | — |
| Change in tax status of TRS | — | (7,380) | — |
| Other differences | 324 | 879 | (452) |
| Income tax expense (benefit) | \$ (39,284) | \$ (8,732) | \$ (11,828) |

In connection with our acquisitions of Sunrise Senior Living Real Estate Investment Trust ("Sunrise REIT") in 2007, and ASLG in 2011, and the Holiday Canada Acquisition in 2014, we established a beginning net deferred tax liability of \$306.3 million, \$44.6 million and \$107.7 million, respectively, related to temporary differences between the financial reporting and tax bases of assets acquired and liabilities assumed (primarily property, intangible and related assets, net of NOL carryforwards).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

No net deferred tax asset or liability was recorded for the Lillibridge acquisition in 2010 or the acquisition of three triple-net leased private hospitals (located in the United Kingdom) in 2014.

In connection with our acquisitions of HCT and Crimson in 2015, we established a beginning net deferred tax liability of \$32.3 million and \$18.5 million, respectively, related to temporary differences between the financial reporting and tax bases of assets acquired and liabilities assumed (primarily property, intangible and related assets, net of NOL carryforwards).

Each TRS is a tax paying component for purposes of classifying deferred tax assets and liabilities. The tax effects of temporary differences and carryforwards (in addition to the REIT carryforwards) included in the net deferred tax liabilities at December 31, 2015, 2014 and 2013 are summarized as follows:

| | 2015 | 2014 | 2013 |
|---|---------------------|---------------------|---------------------|
| | (In thousands) | | |
| Property, primarily differences in depreciation and amortization, the tax basis of land assets and the treatment of interests and certain costs | \$ (413,566) | \$ (406,023) | \$ (309,775) |
| Operating loss and interest deduction carryforwards | 564,091 | 398,859 | 377,645 |
| Expense accruals and other | 14,624 | 15,355 | 13,421 |
| Valuation allowance | (503,531) | (352,528) | (331,458) |
| Net deferred tax liabilities | \$ (338,382) | \$ (344,337) | \$ (250,167) |

Our net deferred tax liability decreased \$6.0 million during 2015 primarily due to \$51.8 million of recorded deferred tax liability as a result of the HCT, Canford, Eglise and Ardent acquisitions, offset by the impact of TRS operating losses and currency translation adjustments. Our net deferred tax liability increased \$94.2 million during 2014 primarily due to \$107.7 million of recorded deferred tax liability as a result of the Holiday Canada acquisition.

Due to uncertainty regarding the realization of certain deferred tax assets, we have established valuation allowances, primarily in connection with the NOL carryforwards related to the REIT and certain TRSs. The amounts related to NOLs at the REIT and TRS entities for 2015, 2014, and 2013 are \$369.4 million and \$85.5 million, \$251.1 million and \$66.1 million, and \$250.0 million and \$47.0 million, respectively.

For the years ended December 31, 2015 and 2014, the net difference between tax bases and the reported amount of REIT assets and liabilities for federal income tax purposes was approximately \$4.7 billion and \$4.1 billion, respectively, less than the book bases of those assets and liabilities for financial reporting purposes.

A rollforward of valuation allowances, for the years ended December 31, 2015, 2014 and 2013, is as follows:

| | 2015 | 2014 | 2013 |
|---|-------------------|-------------------|-------------------|
| | (In thousands) | | |
| Beginning Balance | \$ 352,528 | \$ 331,458 | \$ 326,837 |
| Additions: | | | |
| Purchase accounting | 172,932 | — | 5,613 |
| Expenses | 24,332 | 28,364 | 31,540 |
| Subtractions: | | | |
| Deductions | (42,437) | (2,344) | (23,622) |
| Other activity (not resulting in expense or deduction) | (3,824) | (4,950) | (3,910) |
| Ending balance | \$ 503,531 | \$ 352,528 | \$ 331,458 |

We are subject to corporate level taxes for any asset dispositions during the five-year period immediately after the assets were owned by a C corporation (either prior to our REIT election, through stock acquisition or merger) ("built-in gains tax"). The amount of income potentially subject to built-in gains tax is generally equal to the lesser of the excess of the fair value of the asset over its adjusted tax basis as of the date it became a REIT asset or the actual amount of gain. Some, but not all, future gains could be offset by available NOL carryforwards.

Generally, we are subject to audit under the statute of limitations by the Internal Revenue Service ("IRS") for the year ended December 31, 2012 and subsequent years and are subject to audit by state taxing authorities for the year ended December 31, 2011 and subsequent years. We are subject to audit by the Canada Revenue Agency ("CRA") and provincial authorities with respect to entities acquired or formed in connection with our 2007 acquisition of Sunrise Senior Living Real

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Estate Investment Trust generally for periods subsequent to the acquisition. We are also subject to audit in Canada for periods subsequent to the acquisition, and certain prior periods, with respect to the entities acquired in connection with the Holiday Canada Acquisition.

At December 31, 2015, we had a combined NOL carryforward of \$460.2 million related to the TRS entities and an NOL carryforward of \$1.1 billion related to the REIT, including \$18.6 million and \$442.6 million of the REIT NOL carried over from the HCT and Ardent acquisitions, respectively. Additionally, \$10.5 million of Federal income tax credits were carried over from the Ardent entities. These amounts can be used to offset future taxable income (and/or taxable income for prior years if an audit determines that tax is owed), if any. The REIT will be entitled to utilize NOLs and tax credit carryforwards only to the extent that REIT taxable income exceeds our deduction for dividends paid. Lillibridge, ASLG and Ardent NOL and credit carryforwards are limited as to their utilization by Section 382 of the Code. The NOL carryforwards begin to expire in 2024 with respect to the TRS entities and in 2019 for the REIT.

As a result of our uncertainty regarding the use of existing REIT NOLs, we have not ascribed any net deferred tax benefit to REIT NOL carryforwards as of December 31, 2015 and 2014. The IRS may challenge our entitlement to these tax attributes during its review of the tax returns for the previous tax years. We believe we are entitled to these tax attributes but cannot assure you as to the outcome of these matters.

The following table summarizes the activity related to our unrecognized tax benefits:

| | 2015 | 2014 |
|--|----------------|-----------|
| | (In thousands) | |
| Balance as of January 1 | \$ 25,446 | \$ 21,906 |
| Additions to tax positions related to the current year | — | 4,507 |
| Additions to tax positions related to prior years | 248 | 1,261 |
| Subtractions to tax positions related to prior years | (677) | (129) |
| Subtractions to tax positions related to settlements | — | — |
| Subtractions to tax positions as a result of the lapse of the statute of limitations | (882) | (964) |
| Balance as of December 31 | \$ 24,195 | \$ 25,446 |

Included in these unrecognized tax benefits of \$24.1 million and \$25.4 million at December 31, 2015 and 2014, respectively, were \$22.5 million and \$23.9 million of tax benefits at December 31, 2015 and 2014, respectively, that, if recognized, would reduce our annual effective tax rate. We accrued interest of \$0.4 million related to the unrecognized tax benefits during 2015, but no penalties. We expect our unrecognized tax benefits to decrease by \$3.4 million during 2016.

As a part of the transfer pricing structure in the normal course of business, the REIT enters into transactions with certain TRSs, such as leasing transactions, other capital financing and allocation of general and administrative costs, which transactions are intended to comply with Internal Revenue Service and foreign tax authority transfer pricing rules.

Note 14—Commitments and Contingencies

Certain Obligations, Liabilities and Litigation

We may be subject to various obligations, liabilities and litigation assumed in connection with or arising out of our acquisitions or otherwise arising in connection with our business, some of which may be indemnifiable by third parties. If these liabilities are greater than expected or were not known to us at the time of acquisition, if we are not entitled to indemnification, or if the responsible third party fails to indemnify us, such obligations, liabilities and litigation could have a Material Adverse Effect on us. In addition, in connection with the sale or leasing of our properties, we may incur various obligations and liabilities, including indemnification obligations to the buyer or tenant, relating to the operations of those properties, which could have a Material Adverse Effect on us.

Other

With respect to certain of our properties, we are subject to operating and ground lease obligations that generally require fixed monthly or annual rent payments and may include escalation clauses and renewal options. These leases have terms that expire during the next 86 years, excluding extension options. Our future minimum lease obligations under non-cancelable operating and ground leases as of December 31, 2015 were \$31.3 million in 2016, \$24.6 million in 2017, \$20.3 million in 2018, \$17.0 million in 2019, \$16.4 million in 2020, and \$520.0 million thereafter.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 15—Earnings Per Share

The following table shows the amounts used in computing our basic and diluted earnings per common share:

| | For the Year Ended December 31, | | |
|---|--|------------|------------|
| | 2015 | 2014 | 2013 |
| | (In thousands, except per share amounts) | | |
| Numerator for basic and diluted earnings per share: | | | |
| Income from continuing operations attributable to common stockholders | \$ 406,740 | \$ 376,032 | \$ 374,338 |
| Discontinued operations | 11,103 | 99,735 | 79,171 |
| Net income attributable to common stockholders | \$ 417,843 | \$ 475,767 | \$ 453,509 |
| Denominator: | | | |
| Denominator for basic earnings per share—weighted average shares | 330,311 | 294,175 | 292,654 |
| Effect of dilutive securities: | | | |
| Stock options | 360 | 495 | 534 |
| Restricted stock awards | 41 | 55 | 99 |
| OP units | 3,295 | 1,952 | 1,823 |
| Denominator for diluted earnings per share—adjusted weighted average shares | 334,007 | 296,677 | 295,110 |
| Basic earnings per share: | | | |
| Income from continuing operations attributable to common stockholders | \$ 1.23 | \$ 1.28 | \$ 1.28 |
| Discontinued operations | 0.03 | 0.34 | 0.27 |
| Net income attributable to common stockholders | \$ 1.26 | \$ 1.62 | \$ 1.55 |
| Diluted earnings per share: | | | |
| Income from continuing operations attributable to common stockholders | \$ 1.22 | \$ 1.26 | \$ 1.27 |
| Discontinued operations | 0.03 | 0.34 | 0.27 |
| Net income attributable to common stockholders | \$ 1.25 | \$ 1.60 | \$ 1.54 |

There were 852,805, 479,291 and 504,815 anti-dilutive options outstanding for the years ended December 31, 2015, 2014 and 2013, respectively.

Note 16—Litigation

Litigation Relating to the HCT Acquisition

In the weeks following the announcement on June 2, 2014 of our agreement to acquire HCT, a total of 13 putative class actions were filed by purported HCT stockholders challenging the transaction. Certain of the actions also purport to bring derivative claims on behalf of HCT. Among other things, the lawsuits allege that the directors of HCT breached their fiduciary duties by approving the transaction and that we and our subsidiaries, Stripe Sub, LLC and Stripe OP, LP, aided and abetted this purported breach of fiduciary duty. The complaints seek injunctive relief and damages.

Ten of these actions were filed in the Circuit Court for Baltimore City, Maryland and consolidated under the caption In re: American Realty Capital, Healthcare Trust, Inc. Shareholder & Derivative Litigation, Case No. 24-C-14-003534, two actions were filed in the Supreme Court of the State of New York, County of New York, and one action was filed in the United States District Court of Maryland.

On January 2, 2015, the parties to the consolidated Maryland state court action entered into a memorandum of understanding that contemplated the settlement of the Maryland action and the release of all claims that could be brought by or on behalf of any HCT stockholder related to the HCT acquisition, including all claims asserted on behalf of each alleged class of HCT stockholders. The proposed settlement terms require HCT to make certain additional disclosures related to the merger, which were set forth in HCT's Current Report on Form 8-K dated January 2, 2015.

On January 5, 2015, the parties to the federal action also entered into a memorandum of understanding that contemplated the settlement of the federal action and the release of all claims that could be brought by or on behalf of any HCT stockholder related to the HCT acquisition, including all claims asserted on behalf of each alleged class of HCT stockholders. The proposed

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

settlement terms required HCT to make certain additional disclosures related to the merger, which were set forth in HCT's Current Report on Form 8-K dated January 5, 2015.

On August 24, 2015, the plaintiffs in the Maryland state court action submitted a stipulation of settlement to the court executed by the parties and moved for preliminary approval of the settlement. The plaintiffs in the Maryland federal action have agreed to allow the settlement to proceed through the state court and do not currently plan to submit an additional stipulation to the federal court. On December 10, 2015, the Circuit Court for Baltimore City, Maryland entered a preliminary approval order that, among other things, directed notice be sent to members of the class of HCT stockholders and scheduled a settlement hearing to be held on March 15, 2016, at which time the court will review any objections lodged by class members and consider the fairness, reasonableness and adequacy of the settlement. The settlement is contingent on final court approval after the settlement hearing. There can be no assurance that the court will approve the proposed settlement.

We believe that each of these actions is without merit.

Proceedings against Tenants, Operators and Managers

From time to time, Brookdale Senior Living, Kindred, Atria, Sunrise and our other tenants, operators and managers are parties to certain legal actions, regulatory investigations and claims arising in the conduct of their business and operations. Even though we generally are not party to these proceedings, the unfavorable resolution of any such actions, investigations or claims could, individually or in the aggregate, materially adversely affect 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 investigations and claims for which third parties are contractually obligated to indemnify, defend and hold us harmless. The tenants of our triple-net leased properties and, in some cases, their affiliates are required by the terms of their leases and other agreements with us to indemnify, defend and hold us harmless against certain actions, investigations and claims arising in the course of their business and related to the operations of our triple-net leased properties. 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 tenants and other obligated third parties in these types of matters. We cannot assure you that our tenants, their affiliates or other obligated third parties will continue to defend us in these matters, that our tenants, their affiliates or other obligated third parties 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.

Proceedings Arising in Connection with Senior Living and MOB Operations; Other Litigation

From time to time, we are party to various legal actions, regulatory investigations and claims (some of which may not be insured and some of which may allege large damage amounts) arising in connection with our senior living and MOB operations or otherwise in the course of our business. In limited circumstances, the manager of the applicable seniors housing community or MOB may be contractually obligated to indemnify, defend and hold us harmless against such actions, investigations and claims. It is the opinion of management that, except as otherwise set forth in this Note 16, 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 17—Permanent and Temporary Equity

Capital Stock

In January 2015, in connection with the HCT acquisition, we issued approximately 28.4 million shares of our common stock and 1.1 million Class C Units that are redeemable for our common stock. In April 2015, third party investors redeemed 445,541 Class C Units for approximately \$32.6 million. Beginning on January 16, 2016 and as of February 10, 2016, third party investors executed redemption right exercise notices for Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. to redeem 303,136 Class C Units. We expect that the Class C Units will be redeemed through the issuance of 303,136 shares of Ventas common stock on or before April 1, 2016, but we have the right to redeem the Class Units for a cash amount.

In March 2013, we established an “at-the-market” (“ATM”) equity offering program through which we could sell from time to time up to an aggregate of \$750 million of our common stock. In January 2015, we issued and sold 3,750,202 shares of common stock under our previous ATM equity offering program for aggregate net proceeds of \$285.4 million, after sales agent commissions of \$4.4 million. In March 2015, we replaced our previous shelf registration statement that was scheduled to expire in accordance with the SEC’s rules with a new universal shelf registration statement, rendering our previous ATM program inaccessible. In connection with our new universal shelf registration statement, we established a new ATM program pursuant to which we may sell, from time to time, up to an aggregate of \$1.0 billion of our common stock. Through December 31, 2015, we have issued and sold a total of 3,434,839 shares of our common stock under our ATM equity offering program for aggregate net proceeds of \$206.2 million, after sales agent commissions of \$3.1 million. As of December 31, 2015, approximately \$790.7 million of our common stock remained available for sale under our ATM equity offering program. Subsequent to December 31, 2015, we have issued and sold a total of 1,649,463 shares of our common stock under our ATM equity offering program for aggregate net proceeds of \$90.8 million, after sales agent commissions of \$1.4 million.

For the year ended December 31, 2014, we issued and sold a total of 3,381,678 shares of common stock under the ATM program for aggregate net proceeds of \$242.3 million, after sales agent commissions of \$3.7 million.

For the year ended December 31, 2013, we issued and sold a total of 2,069,200 shares of common stock under the ATM program for aggregate net proceeds of \$141.5 million, after sales agent commissions of \$2.1 million.

Excess Share Provision

In order to preserve our ability to maintain REIT status, our Charter provides that if a person acquires beneficial ownership of more than 9% of our outstanding common stock or 9.9% of our outstanding preferred stock, the shares that are beneficially owned in excess of such limit are deemed to be excess shares. These shares are automatically deemed transferred to a trust for the benefit of a charitable institution or other qualifying organization selected by our Board of Directors. The trust is entitled to all dividends with respect to the shares and the trustee may exercise all voting power over the shares.

We have the right to buy the excess shares for a purchase price equal to the lesser of the price per share in the transaction that created the excess shares or the market price on the date we buy the shares, and we may defer payment of the purchase price for the excess shares for up to five years. If we do not purchase the excess shares, the trustee of the trust is required to transfer the excess shares at the direction of the Board of Directors. The owner of the excess shares is entitled to receive the lesser of the proceeds from the sale or the original purchase price for such excess shares, and any additional amounts are payable to the beneficiary of the trust.

Our Board of Directors is empowered to grant waivers from the excess share provisions of our Charter.

Distribution Reinvestment and Stock Purchase Plan

Prior to its suspension in July 2014, our Distribution Reinvestment and Stock Purchase Plan (“DRIP”) enabled existing stockholders to purchase shares of common stock by reinvesting all or a portion of the cash distribution on their shares of our common stock, subject to certain limits. Existing stockholders and new investors also could purchase shares of our common stock under the DRIP by making optional cash payments, subject to certain limits. In 2014, we offered a 1% discount on the purchase price of our common stock to shareholders who reinvested their dividends or made optional cash purchases through the DRIP. We may determine whether or not to reinstate the DRIP at any time at our sole discretion, and if so, the amount and availability of this discount will be at our discretion. The granting of a discount for one month or quarter, as applicable, will not insure the availability or amount of a discount in future periods, and each month or quarter, as applicable, we may lower or eliminate the discount without prior notice. In addition, we may change our determination as to whether common shares will be purchased by the plan administrator directly from us or in the open market without prior notice to investors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Accumulated Other Comprehensive Income

The following is a summary of our accumulated other comprehensive income as of December 31, 2015 and 2014:

| | 2015 | 2014 |
|--|----------------|-----------|
| | (In thousands) | |
| Foreign currency translation | \$ (13,926) | \$ 866 |
| Unrealized gain on marketable securities | 1,738 | 6,785 |
| Other | 4,623 | 5,470 |
| Total accumulated other comprehensive income | \$ (7,565) | \$ 13,121 |

Redeemable OP Unitholder and Noncontrolling Interest

The following is a rollforward of our redeemable OP unitholder interests and noncontrolling interests for 2015:

| | Redeemable OP Unitholder Interests | Redeemable Noncontrolling Interests | Total Redeemable OP Unitholder and Noncontrolling Interests |
|---------------------------------|------------------------------------|-------------------------------------|---|
| | (In thousands) | | |
| Balance as of December 31, 2014 | \$ 159,135 | \$ 12,880 | \$ 172,015 |
| New issuances | 87,245 | — | 87,245 |
| Change in valuation | (7,832) | (1,082) | (8,914) |
| Distributions and other | (15,095) | (491) | (15,586) |
| Redemptions | (34,907) | (3,324) | (38,231) |
| Balance as of December 31, 2015 | \$ 188,546 | \$ 7,983 | \$ 196,529 |

Note 18—Related Party Transactions

As disclosed in “Note 3 - Concentration of Credit Risk”, Atria provides comprehensive property management and accounting services with respect to our seniors housing communities that Atria operates, for which we pay annual management fees pursuant to long-term management agreements. Most of our management agreements with Atria have initial terms expiring either July 31, 2024, or December 31, 2027, with successive automatic ten-year renewal periods. The management fees payable to Atria under most of the Atria management agreements range from 4.5% to 5% of revenues generated by the applicable properties, and Atria can earn up to an additional 1% of revenues based on the achievement of specified performance targets. Atria also provides certain construction and development management services relating to various development and redevelopment projects within our seniors housing portfolio. For the years ended December 31, 2015, 2014 and 2013, we incurred fees to Atria of \$58 million, \$52.7 million and \$44.2 million respectively, the majority of which are recorded within property-level operating expenses in our Consolidated Statements of Income.

As disclosed in “Note 4 - Acquisitions of Real Estate Property”, we leased ten hospital campuses to Ardent pursuant to a single, triple-net master lease agreement. Pursuant to our master lease agreement, Ardent is obligated to pay base rent, which escalates annually by the lesser of four times the increase in the consumer price index for the relevant period and 2.5%. The initial term of the master lease expires on August 31, 2035 and Ardent has one ten-year renewal option. For the period from the closing of the Ardent Transaction through December 31, 2015, we recognized rental income from Ardent of \$42.9 million. We also paid certain transaction-related fees to Ardent of \$40.0 million, which are recorded within merger-related expenses and deal costs in our Consolidated Statements of Income.

These transactions are considered to be arm's length in nature.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 19—Quarterly Financial Information (Unaudited)

Summarized unaudited consolidated quarterly information for the years ended December 31, 2015 and 2014 is provided below.

| | For the Year Ended December 31, 2015 | | | |
|---|--|-------------------|-------------------|-------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
| | (In thousands, except per share amounts) | | | |
| Revenues (1) | \$ 805,598 | \$ 811,920 | \$ 827,606 | \$ 841,274 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions (1) | \$ 102,868 | \$ 131,578 | \$ 45,235 | \$ 127,059 |
| Discontinued operations (1) | 17,574 | 18,243 | (22,383) | (2,331) |
| Net income attributable to common stockholders | \$ 120,442 | \$ 149,821 | \$ 22,852 | \$ 124,728 |
| Earnings per share: | | | | |
| Basic: | | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 0.32 | \$ 0.39 | \$ 0.14 | \$ 0.38 |
| Discontinued operations | 0.05 | 0.06 | (0.07) | (0.01) |
| Net income attributable to common stockholders | \$ 0.37 | \$ 0.45 | \$ 0.07 | \$ 0.37 |
| Diluted: | | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 0.32 | \$ 0.40 | \$ 0.14 | \$ 0.38 |
| Discontinued operations | 0.05 | 0.05 | (0.07) | (0.01) |
| Net income attributable to common stockholders | \$ 0.37 | \$ 0.45 | \$ 0.07 | \$ 0.37 |
| Dividends declared per share | \$ 0.79 | \$ 0.79 | \$ 0.73 | \$ 0.73 |

(1) The amounts presented for the three months ended March 31, 2015 and June 30, 2015 differ from the amounts previously reported in our Quarterly Reports on Form 10-Q as a result of properties not previously included in discontinued operations in the respective reporting periods.

| | For the Three Months Ended | |
|--|--|-------------------|
| | March 31, 2015 | June 30, 2015 |
| | (In thousands, except per share amounts) | |
| Revenues, previously reported in Form 10-Q | \$ 884,024 | \$ 891,322 |
| Revenues, previously reported in continuing operations in Form 10-Q | (78,426) | (79,402) |
| Total revenues disclosed in Form 10-K | \$ 805,598 | \$ 811,920 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions, previously reported in Form 10-Q | \$ 120,865 | \$ 149,754 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions, previously reported in continuing operations in Form 10-Q | (17,997) | (18,176) |
| Income from continuing operations attributable to common stockholders, including real estate dispositions disclosed in Form 10-K | \$ 102,868 | \$ 131,578 |
| Discontinued operations, previously reported in Form 10-Q | \$ (423) | \$ 67 |
| Operations from properties previously reported in continuing operations in Form 10-Q | 17,997 | 18,176 |
| Discontinued operations disclosed in Form 10-K | \$ 17,574 | \$ 18,243 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

| | For the Year Ended December 31, 2014 | | | |
|---|--|----------------|---------------|----------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
| | (In thousands, except per share amounts) | | | |
| Revenues (1) | \$ 665,262 | \$ 674,529 | \$ 704,932 | \$ 732,090 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions (1) | \$ 90,973 | \$ 107,617 | \$ 90,961 | \$ 86,481 |
| Discontinued operations (1) | \$ 30,074 | \$ 30,781 | \$ 18,171 | \$ 20,709 |
| Net income attributable to common stockholders | \$ 121,047 | \$ 138,398 | \$ 109,132 | \$ 107,190 |
| Earnings per share: | | | | |
| Basic: | | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 0.31 | \$ 0.37 | \$ 0.28 | \$ 0.29 |
| Discontinued operations | 0.10 | 0.10 | 0.05 | 0.07 |
| Net income attributable to common stockholders | \$ 0.41 | \$ 0.47 | \$ 0.33 | \$ 0.36 |
| Diluted: | | | | |
| Income from continuing operations attributable to common stockholders, including real estate dispositions | \$ 0.31 | \$ 0.37 | \$ 0.27 | \$ 0.29 |
| Discontinued operations | 0.10 | 0.10 | 0.05 | 0.07 |
| Net income attributable to common stockholders | \$ 0.41 | \$ 0.47 | \$ 0.32 | \$ 0.36 |
| Dividends declared per share | \$ 0.725 | \$ 0.725 | \$ 0.725 | \$ 0.79 |

- (1) The amounts presented for the three months ended March 31, 2014, June 30, 2014, September 30, 2014 and December 31, 2014 differ from the amounts previously reported in our Annual Report on Form 10-K for the year ended December 31, 2014 as a result of properties not previously included in discontinued operations as of December 31, 2014.

| | For the Three Months Ended | | | |
|--|--|---------------|--------------------|-------------------|
| | March 31, 2014 | June 30, 2014 | September 30, 2014 | December 31, 2014 |
| | (In thousands, except per share amounts) | | | |
| Revenues previously reported in Form 10-K | \$ 741,470 | \$ 751,254 | \$ 779,035 | \$ 803,987 |
| Revenues previously reported in continuing operations in Form 10-K | (76,208) | (76,725) | (74,103) | (71,897) |
| Total revenues disclosed in Form 10-K | \$ 665,262 | \$ 674,529 | \$ 704,932 | \$ 732,090 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions, previously reported in Form 10-K | \$ 118,016 | \$ 138,653 | \$ 109,391 | \$ 107,601 |
| Income from continuing operations attributable to common stockholders, including real estate dispositions, previously reported in continuing operations in Form 10-K | (27,043) | (31,036) | (18,430) | (21,120) |
| Income from continuing operations attributable to common stockholders, including real estate dispositions disclosed in Form 10-K | \$ 90,973 | \$ 107,617 | \$ 90,961 | \$ 86,481 |
| Discontinued operations, previously reported in Form 10-K | \$ 3,031 | \$ (255) | \$ (259) | \$ (411) |
| Operations from properties previously reported in continuing operations in Form 10-K | 27,043 | 31,036 | 18,430 | 21,120 |
| Discontinued operations disclosed in Form 10-K | \$ 30,074 | \$ 30,781 | \$ 18,171 | \$ 20,709 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 20—Segment Information

As of December 31, 2015, 2014 and 2013 we operated through three reportable business segments: triple-net leased properties, senior living operations and MOB operations. Under our triple-net leased properties segment, we invest in seniors 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 seniors housing communities throughout the United States and Canada and engage independent operators, such as Atria and Sunrise, to manage those communities. In our MOB operations segment, we primarily acquire, own, develop, lease, and manage MOBs 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 our three reportable business segments. Assets included in “all other” consist primarily of corporate assets, including cash, restricted cash, deferred financing costs, loans receivable and investments, and miscellaneous accounts receivable.

We evaluate performance of the combined properties in each reportable business segment based on segment profit, which we define as NOI adjusted for income/loss from unconsolidated entities. We define NOI as total revenues, less interest and other income, property-level operating expenses and medical office building services costs. We consider segment profit 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 and between periods on a consistent basis. In order to facilitate a clear understanding of our historical consolidated historical operating results, segment profit should be examined in conjunction with net income as presented in our Consolidated Financial Statements and other financial data included elsewhere in this Annual Report on Form 10-K.

Interest expense, depreciation and amortization, general, administrative and professional fees, income tax expense, discontinued operations 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Summary information by reportable business segment is as follows:

For the year ended December 31, 2015:

| | Triple-Net Leased Properties | Senior Living Operations | MOB Operations | All Other | Total |
|--|------------------------------------|--------------------------------|-------------------|------------------|---------------------|
| | (In thousands) | | | | |
| Revenues | | | | | |
| Rental income | \$ 779,801 | \$ — | \$ 566,245 | \$ — | \$ 1,346,046 |
| Resident fees and services | — | 1,811,255 | — | — | 1,811,255 |
| Medical office building and other services revenue | 4,433 | — | 34,436 | 2,623 | 41,492 |
| Income from loans and investments | — | — | — | 86,553 | 86,553 |
| Interest and other income | — | — | — | 1,052 | 1,052 |
| Total revenues | \$ 784,234 | \$ 1,811,255 | \$ 600,681 | \$ 90,228 | \$ 3,286,398 |
| Total revenues | \$ 784,234 | \$ 1,811,255 | \$ 600,681 | \$ 90,228 | \$ 3,286,398 |
| Less: | | | | | |
| Interest and other income | — | — | — | 1,052 | 1,052 |
| Property-level operating expenses | — | 1,209,415 | 174,225 | — | 1,383,640 |
| Medical office building services costs | — | — | 26,565 | — | 26,565 |
| Segment NOI | 784,234 | 601,840 | 399,891 | 89,176 | 1,875,141 |
| (Loss) income from unconsolidated entities | (813) | (526) | 369 | (450) | (1,420) |
| Segment profit | \$ 783,421 | \$ 601,314 | \$ 400,260 | \$ 88,726 | \$ 1,873,721 |
| Interest and other income | | | | | 1,052 |
| Interest expense | | | | | (367,114) |
| Depreciation and amortization | | | | | (894,057) |
| General, administrative and professional fees | | | | | (128,035) |
| Loss on extinguishment of debt, net | | | | | (14,411) |
| Merger-related expenses and deal costs | | | | | (102,944) |
| Other | | | | | (17,957) |
| Income tax benefit | | | | | 39,284 |
| Discontinued operations | | | | | 11,103 |
| Gain on real estate dispositions | | | | | 18,580 |
| Net income | | | | | \$ 419,222 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the year ended December 31, 2014:

| | Triple-Net Leased Properties | Senior Living Operations | MOB Operations | All Other | Total |
|--|------------------------------------|--------------------------------|-------------------|------------------|---------------------|
| (In thousands) | | | | | |
| Revenues: | | | | | |
| Rental income | \$ 674,547 | \$ — | \$ 463,910 | \$ — | \$ 1,138,457 |
| Resident fees and services | — | 1,552,951 | — | — | 1,552,951 |
| Medical office building and other services revenue | 4,565 | — | 22,529 | 2,270 | 29,364 |
| Income from loans and investments | — | — | — | 51,778 | 51,778 |
| Interest and other income | — | — | — | 4,263 | 4,263 |
| Total revenues | \$ 679,112 | \$ 1,552,951 | \$ 486,439 | \$ 58,311 | \$ 2,776,813 |
| Total revenues | \$ 679,112 | \$ 1,552,951 | \$ 486,439 | \$ 58,311 | \$ 2,776,813 |
| Less: | | | | | |
| Interest and other income | — | — | — | 4,263 | 4,263 |
| Property-level operating expenses | — | 1,036,556 | 158,832 | — | 1,195,388 |
| Medical office building services costs | — | — | 17,092 | — | 17,092 |
| Segment NOI | 679,112 | 516,395 | 310,515 | 54,048 | 1,560,070 |
| Income (loss) from unconsolidated entities | 859 | (658) | 398 | (738) | (139) |
| Segment profit | \$ 679,971 | \$ 515,737 | \$ 310,913 | \$ 53,310 | \$ 1,559,931 |
| Interest and other income | | | | | 4,263 |
| Interest expense | | | | | (292,065) |
| Depreciation and amortization | | | | | (725,216) |
| General, administrative and professional fees | | | | | (121,738) |
| Loss on extinguishment of debt, net | | | | | (5,564) |
| Merger-related expenses and deal costs | | | | | (43,304) |
| Other | | | | | (25,743) |
| Income tax benefit | | | | | 118,732 |
| Discontinued operations | | | | | 99,735 |
| Gain on real estate dispositions | | | | | 17,970 |
| Net income | | | | | \$ 477,001 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the year ended December 31, 2013:

| | Triple-Net Leased Properties | Senior Living Operations | MOB Operations | All Other | Total |
|--|------------------------------------|--------------------------------|-------------------|------------------|---------------------|
| (In thousands) | | | | | |
| Revenues: | | | | | |
| Rental income | \$ 586,016 | \$ — | \$ 450,340 | \$ — | \$ 1,036,356 |
| Resident fees and services | | 1,406,005 | | | 1,406,005 |
| Medical office building and other services revenue | 4,469 | — | 12,077 | 1,263 | 17,809 |
| Income from loans and investments | | | | 54,425 | 54,425 |
| Interest and other income | — | — | — | 2,022 | 2,022 |
| Total revenues | \$ 590,485 | \$ 1,406,005 | \$ 462,417 | \$ 57,710 | \$ 2,516,617 |
| Total revenues | \$ 590,485 | \$ 1,406,005 | \$ 462,417 | \$ 57,710 | \$ 2,516,617 |
| Less: | | | | | |
| Interest and other income | — | — | — | 2,022 | 2,022 |
| Property-level operating expenses | — | 956,684 | 153,241 | — | 1,109,925 |
| Medical office building services costs | — | — | 8,315 | — | 8,315 |
| Segment (NOI) | \$ 590,485 | \$ 449,321 | \$ 300,861 | \$ 55,688 | \$ 1,396,355 |
| Income (loss) from unconsolidated entities | 475 | (1,980) | 1,451 | (454) | (508) |
| Segment profit | \$ 590,960 | \$ 447,341 | \$ 302,312 | \$ 55,234 | \$ 1,395,847 |
| Interest and other income | | | | | 2,022 |
| Interest expense | | | | | (249,009) |
| Depreciation and amortization | | | | | (629,908) |
| General administrative and professional fees | | | | | (115,083) |
| Loss on extinguishment of debt, net | | | | | (1,201) |
| Merger-related expenses and deal costs | | | | | (21,634) |
| Other | | | | | (17,364) |
| Income tax benefit | | | | | 511,828 |
| Discontinued operations | | | | | 79,171 |
| Net income | | | | | \$ 1,454,669 |

Assets by reportable business segment are as follows:

| | As of December 31, | | | |
|------------------------------|----------------------|---------------|----------------------|---------------|
| | 2015 | | 2014 | |
| (Dollars in thousands) | | | | |
| Assets: | | | | |
| Triple-net leased properties | \$ 7,996,645 | 35.9% | \$ 9,115,901 | 43.1% |
| Senior living operations | 8,022,206 | 36.0 | 7,421,924 | 35.1 |
| MOB operations | 5,209,751 | 23.4 | 3,526,217 | 16.6 |
| All other assets | 1,033,316 | 4.7 | 1,101,871 | 5.2 |
| Total assets | \$ 22,261,918 | 100.0% | \$ 21,165,913 | 100.0% |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

| | For the Year Ended December 31, | | |
|-----------------------------------|---------------------------------|---------------------|---------------------|
| | 2015 | 2014 | 2013 |
| | (In thousands) | | |
| Capital expenditures: | | | |
| Triple-net leased properties | \$ 1,890,245 | \$ 647,870 | \$ 847,945 |
| Senior living operations | 382,877 | 977,997 | 576,459 |
| MOB operations | 604,827 | 36,861 | 189,953 |
| Total capital expenditures | \$ 2,877,949 | \$ 1,662,728 | \$ 1,614,357 |

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 Year Ended December 31, | | |
|-----------------------|---------------------------------|---------------------|---------------------|
| | 2015 | 2014 | 2013 |
| | (In thousands) | | |
| Revenues: | | | |
| United States | \$ 3,086,449 | \$ 2,636,591 | \$ 2,423,399 |
| Canada | 173,778 | 126,435 | 93,218 |
| United Kingdom | 26,171 | 13,787 | — |
| Total revenues | \$ 3,286,398 | \$ 2,776,813 | \$ 2,516,617 |

| | As of December 31, | |
|---------------------------------------|----------------------|----------------------|
| | 2015 | 2014 |
| | (In thousands) | |
| Net real estate property: | | |
| United States | \$ 18,271,829 | \$ 15,334,686 |
| Canada | 1,039,561 | 1,269,710 |
| United Kingdom | 313,830 | 168,594 |
| Total net real estate property | \$ 19,625,220 | \$ 16,772,990 |

Note 21—Condensed Consolidating 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 (such subsidiaries, excluding Ventas Realty and Ventas Capital Corporation, the "Ventas Subsidiaries") 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. None of our other subsidiaries is obligated with respect to Ventas Canada Finance Limited's outstanding senior notes, all of which were issued on a private placement basis in Canada.

In connection with the NHP acquisition, our 100% owned subsidiary, 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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 Finance Limited's senior notes. Certain of our real estate assets are also subject to mortgages.

The following summarizes our condensed consolidating information as of December 31, 2015 and 2014 and for the years ended December 31, 2015, 2014, and 2013:

CONDENSED CONSOLIDATING BALANCE SHEET As of December 31, 2015

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------------|---------------------|----------------------|--------------------------|----------------------|
| | (In thousands) | | | | |
| Assets | | | | | |
| Net real estate investments | \$ 5,798 | \$ 195,015 | \$ 20,377,226 | \$ — | \$ 20,578,039 |
| Cash and cash equivalents | 11,733 | — | 41,290 | — | 53,023 |
| Escrow deposits and restricted cash | 7,154 | 1,644 | 69,098 | — | 77,896 |
| Deferred financing costs, net | — | — | — | — | — |
| Investment in and advances to affiliates | 12,989,643 | 3,545,183 | — | (16,534,826) | — |
| Goodwill | — | — | 1,047,497 | — | 1,047,497 |
| Assets held for sale | — | 4,488 | 88,572 | — | 93,060 |
| Other assets | 17,869 | 4,182 | 390,552 | — | 412,403 |
| Total assets | \$ 13,032,197 | \$ 3,750,512 | \$ 22,014,035 | \$ (16,534,826) | \$ 22,261,918 |
| Liabilities and equity | | | | | |
| Liabilities: | | | | | |
| Senior notes payable and other debt | — | 8,370,670 | 2,836,326 | — | 11,206,996 |
| Intercompany loans | 7,294,158 | (6,571,512) | (722,646) | — | — |
| Accrued interest | — | 64,561 | 16,303 | — | 80,864 |
| Accounts payable and other liabilities | 68,604 | 45,226 | 665,550 | — | 779,380 |
| Liabilities held for sale | — | 44 | 34,296 | — | 34,340 |
| Deferred income taxes | 338,382 | — | — | — | 338,382 |
| Total liabilities | 7,701,144 | 1,908,989 | 2,829,829 | — | 12,439,962 |
| Redeemable OP unitholder and noncontrolling interests | — | — | 196,529 | — | 196,529 |
| Total equity | \$ 5,331,053 | \$ 1,841,523 | \$ 18,987,677 | \$ (16,534,826) | \$ 9,625,427 |
| Total liabilities and equity | \$ 13,032,197 | \$ 3,750,512 | \$ 22,014,035 | \$ (16,534,826) | \$ 22,261,918 |

- (1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2014

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------------|---------------------|----------------------|--------------------------|----------------------|
| | (In thousands) | | | | |
| Assets | | | | | |
| Net real estate investments | \$ 6,404 | \$ 216,521 | \$ 17,444,818 | \$ — | \$ 17,667,743 |
| Cash and cash equivalents | 24,857 | — | 30,491 | — | 55,348 |
| Escrow deposits and restricted cash | 2,102 | 1,424 | 68,245 | — | 71,771 |
| Deferred financing costs, net | — | — | — | — | — |
| Investment in and advances to affiliates | 10,783,780 | 3,430,055 | — | (14,213,835) | — |
| Goodwill | — | — | 363,971 | — | 363,971 |
| Assets held for sale | — | 150,405 | 2,404,917 | — | 2,555,322 |
| Other assets | 98,605 | 41,821 | 311,332 | — | 451,758 |
| Total assets | \$ 10,915,748 | \$ 3,840,226 | \$ 20,623,774 | \$ (14,213,835) | \$ 21,165,913 |
| Liabilities and equity | | | | | |
| Liabilities: | | | | | |
| Senior notes payable and other debt | \$ — | \$ 7,371,547 | \$ 3,472,804 | \$ — | \$ 10,844,351 |
| Intercompany loans | 5,555,196 | (5,562,739) | 7,543 | — | — |
| Accrued interest | — | 43,212 | 18,970 | — | 62,182 |
| Accounts payable and other liabilities | 103,469 | 55,909 | 591,279 | — | 750,657 |
| Liabilities held for sale | — | 24,398 | 213,575 | — | 237,973 |
| Deferred income taxes | 344,337 | — | — | — | 344,337 |
| Total liabilities | 6,003,002 | 1,932,327 | 4,304,171 | — | 12,239,500 |
| Redeemable OP unitholder and noncontrolling interests | — | — | 172,016 | — | 172,016 |
| Total equity | 4,912,746 | 1,907,899 | 16,147,587 | (14,213,835) | 8,754,397 |
| Total liabilities and equity | \$ 10,915,748 | \$ 3,840,226 | \$ 20,623,774 | \$ (14,213,835) | \$ 21,165,913 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF INCOME
For the Year Ended December 31, 2015

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------|-------------------|---------------------|--------------------------|--------------|
| | (In thousands) | | | | |
| Revenues: | | | | | |
| Rental income | \$ 3,663 | \$ 198,017 | \$ 1,144,366 | \$ — | \$ 1,346,046 |
| Resident fees and services | — | — | 1,811,255 | — | 1,811,255 |
| Medical office building and other services revenues | 895 | — | 40,597 | — | 41,492 |
| Income from loans and investments | 8,605 | 534 | 77,414 | — | 86,553 |
| Equity earnings in affiliates | 458,213 | — | 1,332 | (459,545) | — |
| Interest and other income | 495 | (6) | 563 | — | 1,052 |
| Total revenues | 471,871 | 198,545 | 3,075,527 | (459,545) | 3,286,398 |
| Expenses: | | | | | |
| Interest | (38,393) | 257,503 | 148,004 | — | 367,114 |
| Depreciation and amortization | 5,443 | 14,679 | 873,935 | — | 894,057 |
| Property-level operating expenses | — | 367 | 1,383,273 | — | 1,383,640 |
| Medical office building services costs | — | — | 26,565 | — | 26,565 |
| General, administrative and professional fees | (321) | 20,777 | 107,579 | — | 128,035 |
| Loss on extinguishment of debt, net | — | 4,523 | 9,888 | — | 14,411 |
| Merger-related expenses and deal costs | 98,644 | 75 | 4,225 | — | 102,944 |
| Other | (358) | 45 | 18,270 | — | 17,957 |
| Total expenses | 65,015 | 297,969 | 2,571,739 | — | 2,934,723 |
| Income (loss) before loss from unconsolidated entities, income taxes, discontinued operations, real estate dispositions and noncontrolling interest | (406,856) | (99,424) | 503,788 | (459,545) | 351,675 |
| Loss from unconsolidated entities | — | (183) | (1,237) | — | (1,420) |
| Income tax benefit | 39,284 | — | — | — | 39,284 |
| Income (loss) from continuing operations | 446,140 | (99,607) | 502,551 | (459,545) | 389,539 |
| Discontinued operations | (46,877) | 34,748 | 23,232 | — | 11,103 |
| Gain on real estate dispositions | 18,580 | — | — | — | 18,580 |
| Net income (loss) | 417,843 | (64,859) | 525,783 | (459,545) | 419,222 |
| Net income attributable to noncontrolling interest | — | — | 1,379 | — | 1,379 |
| Net income (loss) attributable to common stockholders | \$ 417,843 | \$ (64,859) | \$ 524,404 | \$ (459,545) | \$ 417,843 |

- (1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

CONDENSED CONSOLIDATING STATEMENT OF INCOME
For the Year Ended December 31, 2014

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|--|----------------|----------------------|---------------------|-----------------------------|--------------|
| | (In thousands) | | | | |
| Revenues: | | | | | |
| Rental income | \$ 2,789 | \$ 180,907 | \$ 954,761 | \$ — | \$ 1,138,457 |
| Resident fees and services | — | — | 1,552,951 | — | 1,552,951 |
| Medical office building and other services revenues | — | — | 29,364 | — | 29,364 |
| Income from loans and investments | 3,052 | — | 48,726 | — | 51,778 |
| Equity earnings in affiliates | 480,267 | — | 199 | (480,466) | — |
| Interest and other income | 3,314 | 26 | 923 | — | 4,263 |
| Total revenues | 489,422 | 180,933 | 2,586,924 | (480,466) | 2,776,813 |
| Expenses: | | | | | |
| Interest | (18,210) | 185,983 | 124,292 | — | 292,065 |
| Depreciation and amortization | 5,860 | 15,743 | 703,613 | — | 725,216 |
| Property-level operating expenses | 1 | 481 | 1,194,906 | — | 1,195,388 |
| Medical office building services costs | — | — | 17,092 | — | 17,092 |
| General, administrative and professional fees | 3,910 | 19,792 | 98,036 | — | 121,738 |
| (Gain) loss on extinguishment of debt, net | (3) | 3 | 5,564 | — | 5,564 |
| Merger-related expenses and deal costs | 26,209 | 2,110 | 14,985 | — | 43,304 |
| Other | 9,732 | — | 16,011 | — | 25,743 |
| Total expenses | 27,499 | 224,112 | 2,174,499 | — | 2,426,110 |
| Income (loss) before income (loss) from unconsolidated entities, income taxes, discontinued operations and noncontrolling interest | 461,923 | (43,179) | 412,425 | (480,466) | 350,703 |
| Income (loss) from unconsolidated entities | — | 1,250 | (1,389) | — | (139) |
| Income tax benefit | 8,732 | — | — | — | 8,732 |
| Income from continuing operations | 470,655 | (41,929) | 411,036 | (480,466) | 359,296 |
| Discontinued operations | (12,858) | 61,755 | 50,838 | — | 99,735 |
| Gain on real estate dispositions | 17,970 | — | — | — | 17,970 |
| Net income | 475,767 | 19,826 | 461,874 | (480,466) | 477,001 |
| Net income attributable to noncontrolling interest | — | — | 1,234 | — | 1,234 |
| Net income attributable to common stockholders | \$ 475,767 | \$ 19,826 | \$ 460,640 | \$ (480,466) | \$ 475,767 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF INCOME
For the Year Ended December 31, 2013

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|--|----------------|----------------------|---------------------|-----------------------------|--------------|
| | (In thousands) | | | | |
| Revenues: | | | | | |
| Rental income | \$ 2,486 | \$ 171,953 | \$ 861,917 | \$ — | \$ 1,036,356 |
| Resident fees and services | — | — | 1,406,005 | — | 1,406,005 |
| Medical office building and other services revenues | — | (11) | 17,820 | — | 17,809 |
| Income from loans and investments | 1,262 | 908 | 52,255 | — | 54,425 |
| Equity earnings in affiliates | 449,621 | — | 727 | (450,348) | — |
| Interest and other income | 2,963 | 26 | (967) | — | 2,022 |
| Total revenues | 456,332 | 172,876 | 2,337,757 | (450,348) | 2,516,617 |
| Expenses: | | | | | |
| Interest | (2,167) | 144,327 | 106,849 | — | 249,009 |
| Depreciation and amortization | 4,990 | 17,248 | 607,670 | — | 629,908 |
| Property-level operating expenses | — | 514 | 1,109,411 | — | 1,109,925 |
| Medical office building services costs | — | — | 8315 | — | 8,315 |
| General, administrative and professional fees | 2,695 | 20,488 | 91,900 | — | 115,083 |
| Loss (gain) on extinguishment of debt, net | — | 1,510 | (512) | — | 1,201 |
| Merger-related expenses and deal costs | 11,917 | — | 9,717 | — | 21,634 |
| Other | 194 | 17 | 17,153 | — | 17,364 |
| Total expenses | 17,632 | 184,104 | 1,950,703 | — | 2,152,439 |
| Income (loss) before income (loss) from unconsolidated entities, income taxes, discontinued operations, and noncontrolling interest | 438,700 | (11,228) | 387,054 | (450,348) | 364,178 |
| Income (loss) from unconsolidated entities | — | 673 | (1,181) | — | (508) |
| Income tax benefit | 11,828 | — | — | — | 11,828 |
| Income (loss) from continuing operations | 450,528 | (10,555) | 385,873 | (450,348) | 375,498 |
| Discontinued operations | 2,981 | 83,197 | (7,007) | — | 79,171 |
| Net income | 453,509 | 72,642 | 378,866 | (450,348) | 454,669 |
| Net income attributable to noncontrolling interest | — | — | 1,160 | — | 1,160 |
| Net income attributable to common stockholders | \$ 453,509 | \$ 72,642 | \$ 377,706 | \$ (450,348) | \$ 453,509 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2015

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|--|----------------|-------------------|---------------------|--------------------------|--------------|
| | (In thousands) | | | | |
| Net income (loss) | \$ 417,843 | \$ (64,859) | \$ 525,783 | \$ (459,545) | \$ 419,222 |
| Other comprehensive loss: | | | | | |
| Foreign currency translation | — | — | (14,792) | — | (14,792) |
| Change in unrealized gain on marketable debt securities | (5,047) | — | — | — | (5,047) |
| Other | — | — | (847) | — | (847) |
| Total other comprehensive loss | (5,047) | — | (15,639) | — | (20,686) |
| Comprehensive income (loss) | 412,796 | (64,859) | 510,144 | (459,545) | 398,536 |
| Comprehensive income attributable to noncontrolling interest | — | — | 1,379 | — | 1,379 |
| Comprehensive income attributable to common stockholders | \$ 412,796 | \$ (64,859) | \$ 508,765 | \$ (459,545) | \$ 397,157 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2014

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|--|----------------|-------------------|---------------------|--------------------------|--------------|
| | (In thousands) | | | | |
| Net income | \$ 475,767 | \$ 19,826 | \$ 461,874 | \$ (480,466) | \$ 477,001 |
| Other comprehensive income (loss): | | | | | |
| Foreign currency translation | — | — | (17,153) | — | (17,153) |
| Change in unrealized gain on marketable debt securities | 7,001 | — | — | — | 7,001 |
| Other | — | — | 3,614 | — | 3,614 |
| Total other comprehensive income (loss) | 7,001 | — | (13,539) | — | (6,538) |
| Comprehensive income | 482,768 | 19,826 | 448,335 | (480,466) | 470,463 |
| Comprehensive income attributable to noncontrolling interest | — | — | 1,234 | — | 1,234 |
| Comprehensive income attributable to common stockholders | \$ 482,768 | \$ 19,826 | \$ 447,101 | \$ (480,466) | \$ 469,229 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2013

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------|----------------------|------------------------|-----------------------------|--------------|
| | (In thousands) | | | | |
| Net income | \$ 453,509 | \$ 72,642 | \$ 378,866 | \$ (450,348) | \$ 454,669 |
| Other comprehensive loss: | | | | | |
| Foreign currency translation | — | — | (5,422) | — | (5,422) |
| Change in unrealized gain on marketable debt securities | (1,023) | — | — | — | (1,023) |
| Other | — | — | 2,750 | — | 2,750 |
| Total other comprehensive loss | (1,023) | — | (2,672) | — | (3,695) |
| Comprehensive income | 452,486 | 72,642 | 376,194 | (450,348) | 450,974 |
| Comprehensive income attributable to noncontrolling interest | — | — | 1,160 | — | 1,160 |
| Comprehensive income attributable to common stockholders | \$ 452,486 | \$ 72,642 | \$ 375,034 | \$ (450,348) | \$ 449,814 |

- (1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------|----------------------|------------------------|-----------------------------|--------------|
| | (In thousands) | | | | |
| Net cash (used in) provided by operating activities | \$ (124,752) | \$ (6,704) | \$ 1,523,223 | \$ — | \$ 1,391,767 |
| Net cash used in investing activities | (2,107,862) | (15,733) | (300,097) | — | (2,423,692) |
| Cash flows from financing activities: | | | | | |
| Net change in borrowings under credit facilities | — | (584,000) | (139,457) | — | (723,457) |
| Net cash impact of CCP Spin-Off | 1,273,000 | — | (1,401,749) | — | (128,749) |
| Proceeds from debt | — | 2,292,568 | 220,179 | — | 2,512,747 |
| Proceeds from debt related to CCP Spin-Off | — | — | 1,400,000 | — | 1,400,000 |
| Repayment of debt | — | (705,000) | (730,596) | — | (1,435,596) |
| Net change in intercompany debt | 1,782,954 | (1,008,773) | (774,181) | — | — |
| Purchase of noncontrolling interest | — | — | (3,819) | — | (3,819) |
| Payment of deferred financing costs | — | (22,297) | (2,368) | — | (24,665) |
| Issuance of common stock, net | 491,023 | — | — | — | 491,023 |
| Cash distribution (to) from affiliates | (313,755) | 49,939 | 263,816 | — | — |
| Cash distribution to common stockholders | (1,003,413) | — | — | — | (1,003,413) |
| Cash distribution to redeemable OP unitholders | — | — | (15,095) | — | (15,095) |
| Purchases of redeemable OP units | — | — | (33,188) | — | (33,188) |
| Distributions to noncontrolling interest | — | — | (12,649) | — | (12,649) |
| Other | 6,983 | — | — | — | 6,983 |
| Net cash provided by (used in) financing activities | 2,236,792 | 22,437 | (1,229,107) | — | 1,030,122 |
| Net increase (decrease) in cash and cash equivalents | 4,178 | — | (5,981) | — | (1,803) |
| Effect of foreign currency translation on cash and cash equivalents | (17,302) | — | 16,780 | — | (522) |
| Cash and cash equivalents at beginning of period | 24,857 | — | 30,491 | — | 55,348 |
| Cash and cash equivalents at end of period | \$ 11,733 | \$ — | \$ 41,290 | \$ — | \$ 53,023 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2014

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------|-------------------|---------------------|--------------------------|--------------|
| | (In thousands) | | | | |
| Net cash (used in) provided by operating activities | \$ (95,660) | \$ 81,378 | \$ 1,269,127 | \$ — | \$ 1,254,845 |
| Net cash used in investing activities | (1,358,256) | (7,749) | (689,035) | — | (2,055,040) |
| Cash flows from financing activities | | | | | |
| Net change in borrowings under revolving credit facility | — | 386,000 | 154,203 | — | 540,203 |
| Proceeds from debt | — | 696,661 | 1,311,046 | — | 2,007,707 |
| Repayment of debt | — | — | (1,151,395) | — | (1,151,395) |
| Net change in intercompany debt | 1,300,790 | (895,961) | (404,829) | — | — |
| Payment of deferred financing costs | — | (6,608) | (7,612) | — | (14,220) |
| Issuance of common stock, net | 1,242,107 | — | — | — | 1,242,107 |
| Cash distribution from (to) affiliates | 776,826 | (253,726) | (523,100) | — | — |
| Cash distribution to common stockholders | (875,614) | — | — | — | (875,614) |
| Cash distribution to redeemable OP unitholders | (5,762) | — | — | — | (5,762) |
| Purchases of redeemable OP units | (503) | — | — | — | (503) |
| Contributions from noncontrolling interest | — | — | 491 | — | 491 |
| Distributions to noncontrolling interest | — | — | (9,559) | — | (9,559) |
| Other | 24,597 | 5 | — | — | 24,602 |
| Net cash provided by (used in) financing activities | 1,462,441 | (73,629) | (630,755) | — | 758,057 |
| Net increase (decrease) in cash and cash equivalents | 8,525 | — | (50,663) | — | (42,138) |
| Effect of foreign currency translation on cash and cash equivalents | (11,837) | — | 14,507 | — | 2,670 |
| Cash and cash equivalents at beginning of period | 28,169 | — | 66,647 | — | 94,816 |
| Cash and cash equivalents at end of period | \$ 24,857 | \$ — | \$ 30,491 | \$ — | \$ 55,348 |

- (1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

| | Ventas, Inc. | Ventas Realty (1) | Ventas Subsidiaries | Consolidated Elimination | Consolidated |
|---|----------------|----------------------|---------------------|-----------------------------|--------------|
| | (In thousands) | | | | |
| Net cash (used in) provided by operating activities | \$ (8,596) | \$ 149,734 | \$ 1,053,617 | \$ — | \$ 1,194,755 |
| Net cash (used in) provided by investing activities | (1,416,336) | (6,122) | 139,698 | — | (1,282,760) |
| Cash flows from financing activities: | | | | | |
| Net change in borrowings under revolving credit facilities | — | (168,000) | 3,971 | — | (164,029) |
| Proceeds from debt | — | 2,330,435 | 437,111 | — | 2,767,546 |
| Repayment of debt | — | (400,000) | (1,392,492) | — | (1,792,492) |
| Net change in intercompany debt | 2,149,080 | (1,881,988) | (267,092) | — | — |
| Payment of deferred financing costs | — | (29,586) | (1,691) | — | (31,277) |
| Issuance of common stock, net | 141,343 | — | — | — | 141,343 |
| Cash distribution (to) from affiliates | (54,852) | 5,610 | 49,242 | — | — |
| Cash distribution to common stockholders | (802,123) | — | — | — | (802,123) |
| Cash distribution to redeemable OP unitholders | (5,040) | — | — | — | (5,040) |
| Purchases of redeemable OP units | (659) | — | — | — | (659) |
| Contributions from noncontrolling interest | — | — | 2,395 | — | 2,395 |
| Distributions to noncontrolling interest | — | — | (9,286) | — | (9,286) |
| Other | 8,618 | — | — | — | 8,618 |
| Net cash provided by (used in) financing activities | 1,436,367 | (143,529) | (1,177,842) | — | 114,996 |
| Net increase in cash and cash equivalents | 11,435 | 83 | 15,473 | — | 26,991 |
| Effect of foreign currency translation on cash and cash equivalents | — | (83) | — | — | (83) |
| Cash and cash equivalents at beginning of period | 16,734 | — | 51,174 | — | 67,908 |
| Cash and cash equivalents at end of period | \$ 28,169 | \$ — | \$ 66,647 | \$ — | \$ 94,816 |

(1) Certain of Ventas Realty's outstanding senior notes were issued jointly with our 100% owned subsidiary, Ventas Capital Corporation, which has no assets or operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

VENTAS, INC.

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
December 31, 2015
(Dollars in Thousands)

| Allowance Accounts | Additions | | | Deductions | | Balance at End of Year |
|---|------------------------------|---------------------|---------------------|------------------------------------|---------------------|------------------------|
| | Balance at Beginning of Year | Charged to Earnings | Acquired Properties | Uncollectible Accounts Written-off | Disposed Properties | |
| Year Ended December 31, | | | | | | |
| 2015 | | | | | | |
| Allowance for doubtful accounts | 11,460 | 10,937 | 753 | (12,977) | 3,373 | \$ 13,546 |
| Straight-line rent receivable allowance | 83,461 | 35,448 | — | — | (17,491) | \$ 101,418 |
| | <u>94,921</u> | <u>46,385</u> | <u>753</u> | <u>(12,977)</u> | <u>(14,118)</u> | <u>114,964</u> |
| 2014 | | | | | | |
| Allowance for doubtful accounts | 9,624 | 8,204 | — | (4,272) | (2,096) | \$ 11,460 |
| Straight-line rent receivable allowance | 60,787 | 46,503 | — | 462 | (24,291) | \$ 83,461 |
| | <u>70,411</u> | <u>54,707</u> | <u>—</u> | <u>(3,810)</u> | <u>(26,387)</u> | <u>94,921</u> |
| 2013 | | | | | | |
| Allowance for doubtful accounts | 11,090 | 6,071 | — | (6,013) | (1,524) | \$ 9,624 |
| Straight-line rent receivable allowance | 59,731 | 42,940 | — | (1,252) | (40,632) | \$ 60,787 |
| | <u>70,821</u> | <u>49,011</u> | <u>—</u> | <u>(7,265)</u> | <u>(42,156)</u> | <u>70,411</u> |

VENTAS, INC.
SCHEDULE III
REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2015
(Dollars in Thousands)

| | For the Years Ended December 31, | | |
|--|----------------------------------|---------------|---------------|
| | 2015 | 2014 | 2013 |
| | (In thousands) | | |
| Reconciliation of real estate: | | | |
| Carrying cost: | | | |
| Balance at beginning of period | \$ 19,241,735 | \$ 20,393,411 | \$ 18,763,903 |
| Additions during period: | | | |
| Acquisitions | 4,063,355 | 1,769,790 | 1,623,648 |
| Capital expenditures | 229,560 | 189,711 | 183,929 |
| Dispositions: | | | |
| Sales and/or transfers to assets held for sale | (867,158) | (3,023,401) | (155,184) |
| Foreign currency translation | (209,460) | (87,776) | (22,885) |
| Balance at end of period | \$ 22,458,032 | \$ 19,241,735 | \$ 20,393,411 |
| Accumulated depreciation: | | | |
| Balance at beginning of period | \$ 2,925,508 | \$ 2,881,950 | \$ 2,289,783 |
| Additions during period: | | | |
| Depreciation expense | 778,419 | 725,485 | 674,141 |
| Dispositions: | | | |
| Sales and/or transfers to assets held for sale | (144,545) | (675,846) | (78,061) |
| Foreign currency translation | (14,757) | (6,081) | (3,913) |
| Balance at end of period | \$ 3,544,625 | \$ 2,925,508 | \$ 2,881,950 |

VENTAS, INC.

SCHEDULE III
REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2015
(Dollars in Thousands)

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement Is Computed |
|---|---------------|----------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|-------|--------------------------|-------|----------------------|---------------|--|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NRV | Year of Construction | Year Acquired | |
| KINDRED SKILLED NURSING FACILITIES | | | | | | | | | | | | | | |
| Canyonwood Nursing and Rehab Center | Redding | CA | — | 401 | 3,784 | — | 401 | 3,784 | 4,185 | 2,295 | 1,890 | 1989 | 1989 | 45 years |
| The Tunnel Center for Rehabilitation & Healthcare | San Francisco | CA | — | 1,902 | 7,531 | — | 1,902 | 7,531 | 9,433 | 6,081 | 3,352 | 1967 | 1993 | 28 years |
| Lawton Healthcare Center | San Francisco | CA | — | 943 | 514 | — | 943 | 514 | 1,457 | 513 | 944 | 1962 | 1996 | 20 years |
| Valley View Gardens Health Care & Rehabilitation Center | Stockton | CA | — | 516 | 3,405 | — | 516 | 3,405 | 3,921 | 2,133 | 1,788 | 1988 | 1988 | 29 years |
| Aurora Care Center | Aurora | CO | — | 197 | 2,328 | — | 197 | 2,328 | 2,525 | 1,826 | 699 | 1962 | 1995 | 30 years |
| Lafayette Nursing and Rehab Center | Fayetteville | GA | — | 598 | 6,623 | — | 598 | 6,623 | 7,221 | 6,528 | 693 | 1989 | 1993 | 20 years |
| Canyon West Health and Rehabilitation Center | Caldwell | ID | — | 312 | 2,050 | — | 312 | 2,050 | 2,362 | 1,017 | 1,345 | 1974 | 1998 | 45 years |
| Mountain View Valley Care & Rehabilitation Center | Kellogg | ID | — | 681 | 1,280 | — | 681 | 1,280 | 1,961 | 1,510 | 451 | 1971 | 1984 | 25 years |
| Lewiston Rehabilitation & Care Center | Lewiston | ID | — | 133 | 3,982 | — | 133 | 3,982 | 4,115 | 3,593 | 522 | 1964 | 1984 | 29 years |
| Aspen Park Healthcare | Moscow | ID | — | 261 | 2,571 | — | 261 | 2,571 | 2,832 | 2,577 | 255 | 1955 | 1990 | 25 years |
| Nampa Care Center | Nampa | ID | — | 252 | 2,810 | — | 252 | 2,810 | 3,062 | 2,712 | 350 | 1950 | 1983 | 25 years |
| Weiser Rehabilitation & Care Center | Weiser | ID | — | 157 | 1,760 | — | 157 | 1,760 | 1,917 | 1,827 | 90 | 1963 | 1983 | 25 years |
| Wedgewood Healthcare Center | Clarksville | IN | — | 119 | 5,115 | — | 119 | 5,115 | 5,234 | 3,659 | 1,575 | 1985 | 1995 | 35 years |
| Columbus Health and Rehabilitation Center | Columbus | IN | — | 345 | 6,817 | — | 345 | 6,817 | 7,162 | 6,668 | 494 | 1966 | 1991 | 25 years |
| Harrison Health and Rehabilitation Centre | Corydon | IN | — | 125 | 6,068 | — | 125 | 6,068 | 6,193 | 2,448 | 3,745 | 1998 | 1998 | 45 years |
| Valley View Health Care Center | Elkhart | IN | — | 87 | 2,665 | — | 87 | 2,665 | 2,752 | 2,429 | 323 | 1985 | 1993 | 25 years |
| Wildwood Health Care Center | Indianapolis | IN | — | 134 | 4,983 | — | 134 | 4,983 | 5,117 | 4,515 | 602 | 1988 | 1993 | 25 years |
| Windsor Estates Health & Rehab Center | Kokomo | IN | — | 256 | 6,625 | — | 256 | 6,625 | 6,881 | 4,595 | 2,286 | 1962 | 1995 | 35 years |
| Rolling Hills Health Care Center | New Albany | IN | — | 81 | 1,894 | — | 81 | 1,894 | 1,975 | 1,730 | 245 | 1984 | 1993 | 25 years |
| Southwood Health & Rehabilitation Center | Terre Haute | IN | — | 90 | 2,868 | (8) | 82 | 2,868 | 2,950 | 2,613 | 337 | 1988 | 1993 | 25 years |

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | | Life on Which Depreciation in Income Statement Is Computed |
|---|----------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|---------|--------------------------|--------|----------------------|---------------|------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | | |
| Maple Manor Health Care Center | Greenville | KY | — | 59 | 3,187 | — | 59 | 3,187 | 3,246 | 2,728 | 518 | 1968 | 1990 | 30 years | |
| Eagle Pond Rehabilitation and Living Center | South Dennis | MA | — | 296 | 6,896 | — | 296 | 6,896 | 7,192 | 4,129 | 3,063 | 1985 | 1987 | 50 years | |
| Harrington House Nursing and Rehabilitation Center | Walpole | MA | — | 4 | 4,444 | — | 4 | 4,444 | 4,448 | 2,483 | 1,965 | 1991 | 1991 | 45 years | |
| Parkview Acres Care and Rehabilitation Center | Dillon | MT | — | 207 | 2,578 | — | 207 | 2,578 | 2,785 | 2,064 | 721 | 1965 | 1993 | 29 years | |
| Park Place Health Care Center | Great Falls | MT | — | 600 | 6,311 | — | 600 | 6,311 | 6,911 | 5,035 | 1,876 | 1963 | 1993 | 28 years | |
| Greenbriar Terrace Healthcare | Nashua | NH | — | 776 | 6,011 | — | 776 | 6,011 | 6,787 | 5,775 | 1,012 | 1963 | 1990 | 25 years | |
| Rose Manor Healthcare Center | Durham | NC | — | 200 | 3,527 | — | 200 | 3,527 | 3,727 | 3,298 | 429 | 1972 | 1991 | 26 years | |
| Guardian Care of Elizabeth City | Elizabeth City | NC | — | 71 | 561 | — | 71 | 561 | 632 | 632 | — | 1977 | 1982 | 30 years | |
| Guardian Care of Henderson | Henderson | NC | — | 206 | 1,997 | — | 206 | 1,997 | 2,203 | 1,590 | 613 | 1957 | 1993 | 29 years | |
| Birchwood Terrace Healthcare | Burlington | VT | — | 15 | 4,656 | — | 15 | 4,656 | 4,671 | 4,662 | 9 | 1965 | 1990 | 27 years | |
| Nassemond Pointe Rehabilitation and Healthcare Center | Suffolk | VA | — | 534 | 6,990 | — | 534 | 6,990 | 7,524 | 5,357 | 2,167 | 1963 | 1991 | 32 years | |
| River Pointe Rehabilitation and Healthcare Center | Virginia Beach | VA | — | 770 | 4,440 | — | 770 | 4,440 | 5,210 | 4,396 | 814 | 1953 | 1991 | 25 years | |
| Bay Pointe Medical and Rehabilitation Center | Virginia Beach | VA | — | 805 | 2,886 | (380) | 425 | 2,886 | 3,311 | 2,242 | 1,069 | 1971 | 1993 | 29 years | |
| Ardor Rehabilitation and Healthcare Center | Seattle | WA | — | 1,111 | 4,013 | — | 1,111 | 4,013 | 5,124 | 3,202 | 1,922 | 1950 | 1993 | 28.5 years | |
| Lakewood Healthcare Center | Tacoma | WA | — | 504 | 3,511 | — | 504 | 3,511 | 4,015 | 2,370 | 1,645 | 1989 | 1989 | 45 years | |
| Vancouver Health & Rehabilitation Center | Vancouver | WA | — | 449 | 2,964 | — | 449 | 2,964 | 3,413 | 2,426 | 987 | 1970 | 1993 | 28 years | |
| TOTAL KINDRED SKILLED NURSING FACILITIES | | | — | 13,584 | 140,645 | (388) | 13,196 | 140,645 | 153,841 | 113,458 | 40,383 | | | | |
| NON-KINDRED SKILLED NURSING FACILITIES | | | | | | | | | | | | | | | |
| Cherry Hills Health Care Center | Englewood | CO | — | 241 | 2,180 | 194 | 241 | 2,374 | 2,615 | 1,823 | 792 | 1960 | 1995 | 30 years | |
| Brookdale Lisle SNF | Lisle | IL | — | 730 | 9,270 | — | 730 | 9,270 | 10,000 | 2,373 | 7,627 | 1990 | 2009 | 35 years | |
| Lopatcong Center | Phillipsburg | NJ | — | 1,490 | 12,336 | — | 1,490 | 12,336 | 13,826 | 5,247 | 8,579 | 1982 | 2004 | 30 years | |
| Marietta Convalescent Center | Marietta | OH | — | 158 | 3,266 | 75 | 158 | 3,341 | 3,499 | 3,065 | 434 | 1972 | 1993 | 25 years | |
| The Belvedere | Chester | PA | — | 822 | 7,203 | — | 822 | 7,203 | 8,025 | 3,052 | 4,973 | 1899 | 2004 | 30 years | |
| Pennsburg Manor | Pennsburg | PA | — | 1,091 | 7,871 | — | 1,091 | 7,871 | 8,962 | 3,393 | 5,569 | 1982 | 2004 | 30 years | |

| | | | | | | | | | | | | | |
|--------------|-----------------|---|-------|--------|-------|-------|--------|--------|-------|--------|------|------|----------|
| Chapel Manor | Philadelphia PA | — | 1,595 | 13,982 | 1,358 | 1,595 | 15,340 | 16,935 | 6,575 | 10,360 | 1948 | 2004 | 30 years |
| Wayne Center | Strafford PA | — | 662 | 6,872 | 850 | 662 | 7,722 | 8,384 | 3,495 | 4,889 | 1897 | 2004 | 30 years |

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|-----------------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|---------|--------------------------|---------|----------------------|---------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| Everett Rehabilitation & Care | Everett | WA | — | 2,750 | 27,337 | — | 2,750 | 27,337 | 30,087 | 3,829 | 26,258 | 1995 | 2011 | 35 years |
| Northwest Continuum Care Center | Longview | WA | — | 145 | 2,563 | 171 | 145 | 2,734 | 2,879 | 2,147 | 732 | 1955 | 1992 | 29 years |
| SunRise Care & Rehab Moses Lake | Moses Lake | WA | — | 660 | 17,439 | — | 660 | 17,439 | 18,099 | 2,526 | 15,573 | 1972 | 2011 | 35 years |
| SunRise Care & Rehab Lake Ridge | Moses Lake | WA | — | 660 | 8,866 | — | 660 | 8,866 | 9,526 | 1,345 | 8,181 | 1988 | 2011 | 35 years |
| Rainier Vista Care Center | Puyallup | WA | — | 520 | 4,780 | 305 | 520 | 5,085 | 5,605 | 2,998 | 2,607 | 1986 | 1991 | 40 years |
| Logan Center | Logan | WV | — | 300 | 12,959 | — | 300 | 12,959 | 13,259 | 1,833 | 11,426 | 1987 | 2011 | 35 years |
| Ravenswood Healthcare Center | Ravenswood | WV | — | 320 | 12,710 | — | 320 | 12,710 | 13,030 | 1,803 | 11,227 | 1987 | 2011 | 35 years |
| Valley Center | South Charleston | WV | — | 750 | 24,115 | — | 750 | 24,115 | 24,865 | 3,459 | 21,406 | 1987 | 2011 | 35 years |
| White Sulphur | White Sulphur Springs | WV | — | 250 | 13,055 | — | 250 | 13,055 | 13,305 | 1,864 | 11,441 | 1987 | 2011 | 35 years |
| TOTAL NON-KINDRED SKILLED NURSING FACILITIES | | | — | 13,144 | 186,804 | 2,953 | 13,144 | 189,757 | 202,901 | 50,827 | 152,074 | | | |
| TOTAL FOR SKILLED NURSING FACILITIES | | | — | 26,728 | 327,449 | 2,565 | 26,340 | 330,402 | 356,742 | 164,285 | 192,457 | | | |
| SPECIALTY HOSPITALS | | | | | | | | | | | | | | |
| Kindred Hospital - Arizona - Phoenix | Phoenix | AZ | — | 226 | 3,359 | — | 226 | 3,359 | 3,585 | 2,696 | 889 | 1980 | 1992 | 30 years |
| Kindred Hospital - Tucson | Tucson | AZ | — | 130 | 3,091 | — | 130 | 3,091 | 3,221 | 2,913 | 308 | 1969 | 1994 | 25 years |
| Kindred Hospital - Brea | Brea | CA | — | 3,144 | 2,611 | — | 3,144 | 2,611 | 5,755 | 1,327 | 4,428 | 1990 | 1995 | 40 years |
| Kindred Hospital - Ontario | Ontario | CA | — | 523 | 2,988 | — | 523 | 2,988 | 3,511 | 2,867 | 644 | 1950 | 1994 | 25 years |
| Kindred Hospital - San Diego | San Diego | CA | — | 670 | 11,764 | — | 670 | 11,764 | 12,434 | 11,254 | 1,180 | 1965 | 1994 | 25 years |
| Kindred Hospital - San Francisco Bay Area | San Leandro | CA | — | 2,735 | 5,870 | — | 2,735 | 5,870 | 8,605 | 6,093 | 2,512 | 1962 | 1993 | 25 years |
| Kindred Hospital - Westminster | Westminster | CA | — | 727 | 7,384 | — | 727 | 7,384 | 8,111 | 7,561 | 550 | 1973 | 1993 | 20 years |
| Kindred Hospital - Denver | Denver | CO | — | 896 | 6,367 | — | 896 | 6,367 | 7,263 | 6,695 | 568 | 1963 | 1994 | 20 years |
| Kindred Hospital - South Florida - Coral Gables | Coral Gables | FL | — | 1,071 | 5,348 | — | 1,071 | 5,348 | 6,419 | 4,819 | 1,600 | 1956 | 1992 | 30 years |
| Kindred Hospital - South Florida Ft. Lauderdale | Fort Lauderdale | FL | — | 1,758 | 14,080 | — | 1,758 | 14,080 | 15,838 | 13,624 | 2,214 | 1969 | 1989 | 30 years |
| Kindred Hospital - North Florida | Green Cove Springs | FL | — | 145 | 4,613 | — | 145 | 4,613 | 4,758 | 4,388 | 370 | 1956 | 1994 | 20 years |
| Kindred Hospital - South Florida - Hollywood | Hollywood | FL | — | 605 | 5,229 | — | 605 | 5,229 | 5,834 | 5,234 | 600 | 1937 | 1995 | 20 years |
| Kindred Hospital - Bay Area St. Petersburg | St. Petersburg | FL | — | 1,401 | 16,706 | — | 1,401 | 16,706 | 18,107 | 14,108 | 3,999 | 1968 | 1997 | 40 years |
| Kindred Hospital - Central Tampa | Tampa | FL | — | 2,732 | 7,676 | — | 2,732 | 7,676 | 10,408 | 4,939 | 5,469 | 1970 | 1993 | 40 years |

| Property Name | Location | | Encumbrances | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | Year of Construction | Year Acquired | Life in Which Depreciation in Income Statement Is Computed |
|--|---------------|------------------|--------------|-------------------------|----------------------------|---|---|----------------------------|--------|--------------------------|-------|------|------|----------------------|---------------|--|
| | City | State / Province | | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | | | | | |
| | | | | | | | | | | | | | | | | |
| Kindred Hospital - Chicago (North Campus) | Chicago | IL | — | 1,583 | 19,980 | — | 1,583 | 19,980 | 21,563 | 19,156 | 2,407 | 1949 | 1995 | 25 years | | |
| Kindred Hospital - Chicago - Lakeshore | Chicago | IL | — | 1,513 | 9,525 | — | 1,513 | 9,525 | 11,038 | 9,423 | 1,615 | 1995 | 1976 | 20 years | | |
| Kindred Hospital - Chicago (Northlake Campus) | Northlake | IL | — | 850 | 6,498 | — | 850 | 6,498 | 7,348 | 5,819 | 1,529 | 1960 | 1991 | 30 years | | |
| Kindred Hospital - Sycamore | Sycamore | IL | — | 77 | 8,549 | — | 77 | 8,549 | 8,626 | 8,099 | 527 | 1949 | 1993 | 20 years | | |
| Kindred Hospital - Indianapolis | Indianapolis | IN | — | 985 | 3,801 | — | 985 | 3,801 | 4,786 | 3,355 | 1,431 | 1955 | 1993 | 30 years | | |
| Kindred Hospital - Louisville | Louisville | KY | — | 3,041 | 12,279 | — | 3,041 | 12,279 | 15,320 | 12,131 | 3,189 | 1964 | 1995 | 20 years | | |
| Kindred Hospital - New Orleans | New Orleans | LA | — | 648 | 4,971 | — | 648 | 4,971 | 5,619 | 4,465 | 1,154 | 1968 | 1978 | 20 years | | |
| Kindred Hospital - Boston | Brighton | MA | — | 1,551 | 9,796 | — | 1,551 | 9,796 | 11,347 | 9,129 | 2,218 | 1930 | 1994 | 25 years | | |
| Kindred Hospital - Boston North Shore | Peabody | MA | — | 543 | 7,568 | — | 543 | 7,568 | 8,111 | 5,553 | 2,558 | 1974 | 1993 | 40 years | | |
| Kindred Hospital - Kansas City | Kansas City | MO | — | 277 | 2,914 | — | 277 | 2,914 | 3,191 | 2,639 | 552 | 1958 | 1992 | 30 years | | |
| Kindred Hospital - St. Louis | St. Louis | MO | — | 1,126 | 2,087 | — | 1,126 | 2,087 | 3,213 | 1,873 | 1,340 | 1984 | 1991 | 40 years | | |
| Kindred Hospital - Las Vegas (Sahara) | Las Vegas | NV | — | 1,110 | 2,177 | — | 1,110 | 2,177 | 3,287 | 1,349 | 1,938 | 1980 | 1994 | 40 years | | |
| Kindred Hospital - Albuquerque | Albuquerque | NM | — | 11 | 4,253 | — | 11 | 4,253 | 4,264 | 2,796 | 1,468 | 1985 | 1993 | 40 years | | |
| Kindred Hospital - Greensboro | Greensboro | NC | — | 1,010 | 7,586 | — | 1,010 | 7,586 | 8,596 | 7,603 | 993 | 1964 | 1994 | 20 years | | |
| Kindred Hospital - Oklahoma City | Oklahoma City | OK | — | 293 | 5,607 | — | 293 | 5,607 | 5,900 | 4,543 | 1,357 | 1958 | 1993 | 30 years | | |
| Kindred Hospital - Pittsburgh | Oakdale | PA | — | 662 | 12,854 | — | 662 | 12,854 | 13,516 | 9,854 | 3,662 | 1972 | 1996 | 40 years | | |
| Kindred Hospital - Philadelphia | Philadelphia | PA | — | 135 | 5,223 | — | 135 | 5,223 | 5,358 | 3,220 | 2,138 | 1960 | 1995 | 35 years | | |
| Kindred Hospital - Chattanooga | Chattanooga | TN | — | 756 | 4,415 | — | 756 | 4,415 | 5,171 | 4,043 | 1,128 | 1975 | 1993 | 22 years | | |
| Kindred Hospital - Tarrant County (Fort Worth Southwest) | Fort Worth | TX | — | 2,342 | 7,458 | — | 2,342 | 7,458 | 9,800 | 7,493 | 2,307 | 1987 | 1986 | 20 years | | |
| Kindred Hospital - Fort Worth | Fort Worth | TX | — | 648 | 10,608 | — | 648 | 10,608 | 11,256 | 8,734 | 2,522 | 1960 | 1994 | 34 years | | |
| Kindred Hospital (Houston Northwest) | Houston | TX | — | 1,699 | 6,788 | — | 1,699 | 6,788 | 8,487 | 5,465 | 3,022 | 1986 | 1985 | 40 years | | |
| Kindred Hospital - Houston | Houston | TX | — | 33 | 7,062 | — | 33 | 7,062 | 7,095 | 6,606 | 489 | 1972 | 1994 | 20 years | | |
| Kindred Hospital - Mansfield | Mansfield | TX | — | 267 | 2,462 | — | 267 | 2,462 | 2,729 | 1,903 | 826 | 1983 | 1990 | 40 years | | |
| Kindred Hospital - San Antonio | San Antonio | TX | — | 249 | 11,413 | — | 249 | 11,413 | 11,662 | 8,816 | 2,846 | 1981 | 1993 | 30 years | | |

| | | | | | | | | | | | | | | |
|-------------------------------|--------|----|---|-----|--------|---|-----|--------|--------|-------|--------|------|------|----------|
| Southern Arizona Reliab | Tucson | AZ | — | 770 | 25,589 | — | 770 | 25,589 | 26,359 | 3,437 | 22,922 | 1992 | 2011 | 35 years |
|-------------------------------|--------|----|---|-----|--------|---|-----|--------|--------|-------|--------|------|------|----------|

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--|-------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|-----------|--------------------------|-----------|--|---------------|----------------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Years Computed |
| HealthSouth Rehabilitation Hospital | Tustin | CA | — | 2,810 | 25,248 | — | 2,810 | 25,248 | 28,058 | 3,456 | 24,602 | 1991 | 2011 | 35 years |
| Lovelace Rehabilitation Hospital | Albuquerque | NM | — | 401 | 17,186 | — | 401 | 17,186 | 17,587 | 204 | 17,383 | 1989 | 2015 | 36 years |
| University Hospitals Rehabilitation Hospital | Beachwood | OH | — | 1,800 | 16,444 | — | 1,800 | 16,444 | 18,244 | 1,297 | 16,947 | 2013 | 2013 | 35 years |
| Reliant Rehabilitation - Dallas TX | Dallas | TX | — | 2,318 | 38,702 | — | 2,318 | 38,702 | 41,020 | 1,129 | 39,891 | 2009 | 2015 | 35 years |
| Baylor Institute for Rehabilitation - Ft. Worth TX | Fort Worth | TX | — | 2,071 | 16,018 | — | 2,071 | 16,018 | 18,089 | 507 | 17,582 | 2008 | 2015 | 35 years |
| Reliant Rehabilitation - Houston TX | Houston | TX | — | 1,838 | 34,832 | — | 1,838 | 34,832 | 36,670 | 1,065 | 35,605 | 2012 | 2015 | 35 years |
| Select Rehabilitation - San Antonio TX | San Antonio | TX | — | 1,859 | 18,301 | — | 1,859 | 18,301 | 20,160 | 568 | 19,592 | 2010 | 2015 | 35 years |
| TOTAL FOR SPECIALTY HOSPITALS | | | — | 52,039 | 465,280 | — | 52,039 | 465,280 | 517,319 | 254,248 | 263,071 | | | |
| GENERAL ACUTE CARE HOSPITALS | | | | | | | | | | | | | | |
| Lovelace Medical Center Downtown | Albuquerque | NM | — | 9,840 | 156,535 | — | 9,840 | 156,535 | 166,375 | 2,060 | 164,315 | 1968 | 2015 | 33.5 years |
| Lovelace Westside Hospital | Albuquerque | NM | — | 10,107 | 18,501 | — | 10,107 | 18,501 | 28,608 | 537 | 28,071 | 1984 | 2015 | 20.5 years |
| Lovelace Women's Hospital | Albuquerque | NM | — | 7,236 | 183,866 | — | 7,236 | 183,866 | 191,102 | 1,707 | 189,395 | 1983 | 2015 | 47 years |
| Roswell Regional Hospital | Roswell | NM | — | 2,560 | 41,164 | — | 2,560 | 41,164 | 43,724 | 400 | 43,324 | 2007 | 2015 | 47 years |
| Hillcrest Hospital Claremore | Claremore | OK | — | 3,623 | 34,359 | — | 3,623 | 34,359 | 37,982 | 407 | 37,575 | 1955 | 2015 | 40 years |
| Bailey Medical Center | Owasso | OK | — | 4,964 | 8,969 | — | 4,964 | 8,969 | 13,933 | 157 | 13,776 | 2006 | 2015 | 32.5 years |
| Hillcrest Medical Center | Tulsa | OK | — | 28,319 | 215,199 | — | 28,319 | 215,199 | 243,518 | 3,315 | 240,203 | 1928 | 2015 | 34 years |
| Hillcrest Hospital South | Tulsa | OK | — | 17,026 | 100,892 | — | 17,026 | 100,892 | 117,918 | 1,134 | 116,784 | 1999 | 2015 | 40 years |
| Baptist St Anthony's Hospital | Amarillo | TX | — | 13,779 | 358,029 | — | 13,779 | 358,029 | 371,808 | 3,545 | 368,263 | 1967 | 2015 | 44.5 years |
| Spire Hull and East Riding Hospital | Anlaby | Hull | — | 3,194 | 81,613 | (4,563) | 3,022 | 77,222 | 80,244 | 2,761 | 77,483 | 2010 | 2014 | 50 years |
| Spire Fylde Coast Hospital | Blackpool | Lancashire | — | 2,446 | 28,896 | (1,687) | 2,314 | 27,341 | 29,655 | 992 | 28,663 | 1980 | 2014 | 50 years |
| Spire Clare Park Hospital | Farnham | Surrey | — | 6,263 | 26,119 | (1,743) | 5,926 | 24,713 | 30,639 | 932 | 29,707 | 2009 | 2014 | 50 years |
| TOTAL FOR GENERAL ACUTE CARE HOSPITALS | | | — | 109,357 | 1,254,142 | (7,993) | 108,716 | 1,246,790 | 1,355,506 | 17,947 | 1,337,559 | | | |
| TOTAL FOR HOSPITALS | | | — | 161,396 | 1,719,422 | (7,993) | 160,755 | 1,712,070 | 1,872,825 | 272,195 | 1,600,630 | | | |
| BROOKDALE SENIORS HOUSING COMMUNITIES | | | | | | | | | | | | | | |
| Sterling House of Chandler | Chandler | AZ | — | 2,000 | 6,538 | — | 2,000 | 6,538 | 8,538 | 1,008 | 7,530 | 1998 | 2011 | 35 years |
| The Springs of East Mesa | Mesa | AZ | — | 2,747 | 24,918 | — | 2,747 | 24,918 | 27,665 | 9,532 | 18,133 | 1986 | 2005 | 35 years |
| Sterling House of Mesa | Mesa | AZ | — | 655 | 6,998 | — | 655 | 6,998 | 7,653 | 2,653 | 5,000 | 1998 | 2005 | 35 years |
| Clare Bridge of Oro Valley | Oro Valley | AZ | — | 666 | 6,169 | — | 666 | 6,169 | 6,835 | 2,339 | 4,496 | 1998 | 2005 | 35 years |

| Property Name | City | State / Province | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
|----------------------------------|------------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|----------------------|---------------|--|
| | | | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | | |
| Sterling House of Peoria | Peoria | AZ | — | 598 | 4,872 | — | 598 | 4,872 | 5,470 | 1,847 | 3,623 | 1998 | 2005 35 years |
| Clare Bridge of Tempe | Tempe | AZ | — | 611 | 4,066 | — | 611 | 4,066 | 4,677 | 1,542 | 3,135 | 1997 | 2005 35 years |
| Sterling House on East Speedway | Tucson | AZ | — | 506 | 4,745 | — | 506 | 4,745 | 5,251 | 1,799 | 3,452 | 1998 | 2005 35 years |
| Emeritus at Fairwood Manor | Anaheim | CA | — | 2,464 | 7,908 | — | 2,464 | 7,908 | 10,372 | 2,717 | 7,655 | 1977 | 2005 35 years |
| Woodside Terrace | Redwood City | CA | — | 7,669 | 66,691 | — | 7,669 | 66,691 | 74,360 | 25,743 | 48,617 | 1988 | 2005 35 years |
| The Atrium | San Jose | CA | — | 6,240 | 66,329 | 12,838 | 6,240 | 79,167 | 85,407 | 25,003 | 60,404 | 1987 | 2005 35 years |
| Brookdale Place | San Marcos | CA | — | 4,288 | 36,204 | — | 4,288 | 40,492 | 40,492 | 14,066 | 26,426 | 1987 | 2005 35 years |
| Emeritus at Heritage Place | Tracy | CA | — | 1,110 | 13,296 | — | 1,110 | 13,296 | 14,406 | 4,234 | 10,172 | 1986 | 2005 35 years |
| Ridge Pointe Assisted Living Inn | Boulder | CO | — | 11,290 | 20,683 | — | 11,290 | 20,683 | 21,973 | 2,959 | 19,014 | 1985 | 2011 35 years |
| Wynwood of Colorado Springs | Colorado Springs | CO | — | 715 | 9,279 | — | 715 | 9,279 | 9,994 | 3,518 | 6,476 | 1997 | 2005 35 years |
| Wynwood of Pueblo | Pueblo | CO | 4,938 | 840 | 9,403 | — | 840 | 9,403 | 10,243 | 3,565 | 6,678 | 1997 | 2005 35 years |
| The Gables at Farmington | Farmington | CT | — | 3,995 | 36,310 | — | 3,995 | 36,310 | 40,305 | 13,885 | 26,420 | 1984 | 2005 35 years |
| Emeritus at South Windsor | South Windsor | CT | — | 2,187 | 12,682 | — | 2,187 | 12,682 | 14,869 | 4,293 | 10,576 | 1999 | 2004 35 years |
| Chalfield | West Hartford | CT | — | 2,493 | 22,833 | 10,457 | 2,493 | 33,290 | 35,783 | 8,718 | 27,065 | 1989 | 2005 35 years |
| Sterling House of Salina II | Bonita Springs | FL | 8,895 | 1,540 | 10,783 | — | 1,540 | 10,783 | 12,323 | 4,011 | 8,292 | 1989 | 2005 35 years |
| Emeritus at Boynton Beach | Boynton Beach | FL | 13,632 | 2,317 | 16,218 | — | 2,317 | 16,218 | 18,535 | 5,891 | 12,644 | 1999 | 2005 35 years |
| Emeritus at Deer Creek Beach | Deerfield Beach | FL | — | 1,399 | 9,791 | — | 1,399 | 9,791 | 11,190 | 3,889 | 7,301 | 1999 | 2005 35 years |
| Clare Bridge of Ft. Myers | Fort Myers | FL | — | 1,510 | 7,862 | — | 1,510 | 7,862 | 9,372 | 1,119 | 8,253 | 1996 | 2011 35 years |
| Sterling House of Meridian | Jacksonville | FL | — | 860 | 16,745 | — | 860 | 16,745 | 17,605 | 2,283 | 15,322 | 1997 | 2011 35 years |
| Clare Bridge of Jacksonville | Jacksonville | FL | — | 1,300 | 9,659 | — | 1,300 | 9,659 | 10,959 | 1,355 | 9,604 | 1997 | 2011 35 years |
| Emeritus at Jensen Beach | Jensen Beach | FL | 12,232 | 1,831 | 12,820 | — | 1,831 | 12,820 | 14,651 | 4,777 | 9,874 | 1999 | 2005 35 years |
| Sterling House of Ormond Beach | Ormond Beach | FL | — | 1,660 | 9,738 | — | 1,660 | 9,738 | 11,398 | 1,377 | 10,021 | 1997 | 2011 35 years |
| Sterling House of Palm Coast | Palm Coast | FL | — | 470 | 9,187 | — | 470 | 9,187 | 9,657 | 1,311 | 8,346 | 1997 | 2011 35 years |
| Sterling House of Pensacola | Pensacola | FL | — | 633 | 6,087 | — | 633 | 6,087 | 6,720 | 2,308 | 4,412 | 1998 | 2005 35 years |
| Sterling House of Englewood (FL) | Rotonda West | FL | — | 1,740 | 4,331 | — | 1,740 | 4,331 | 6,071 | 745 | 5,326 | 1997 | 2011 35 years |
| Clare Bridge of Tallahassee | Tallahassee | FL | 4,385 | 667 | 6,168 | — | 667 | 6,168 | 6,835 | 2,339 | 4,496 | 1998 | 2005 35 years |
| Sterling House of Tavares | Tavares | FL | — | 280 | 15,980 | — | 280 | 15,980 | 16,260 | 2,189 | 14,071 | 1997 | 2011 35 years |
| Clare Bridge of West Melbourne | West Melbourne | FL | 6,249 | 586 | 5,481 | — | 586 | 5,481 | 6,067 | 2,078 | 3,989 | 2000 | 2005 35 years |
| The Classic at West Palm Beach | West Palm Beach | FL | 25,178 | 3,758 | 33,072 | — | 3,758 | 33,072 | 36,830 | 12,734 | 24,096 | 1990 | 2005 35 years |

| | | | | | | | | | | | | | | |
|--------------------------------------|--------------|----|-----|-----|-------|-----|-----|-------|-------|-------|-------|------|------|----------|
| Clare Bridge Cottage of Winter Haven | Winter Haven | FL | --- | 232 | 3,006 | --- | 232 | 3,006 | 3,238 | 1,140 | 2,098 | 1997 | 2005 | 35 years |
|--------------------------------------|--------------|----|-----|-----|-------|-----|-----|-------|-------|-------|-------|------|------|----------|

| Property Name | Location | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|--------------------------------|-----------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|---------|--------------------------|--------|----------------------|---------------|--|
| | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| | | | | | | | | | | | | | | |
| Sterling House of Winter Haven | Winter Haven | FL | — | 438 | 5,549 | — | 438 | 5,549 | 5,987 | 2,104 | 3,883 | 1997 | 2005 | 35 years |
| Wynwood of Twin Falls | Twin Falls | ID | — | 703 | 6,153 | — | 703 | 6,153 | 6,856 | 2,333 | 4,523 | 1997 | 2005 | 35 years |
| The Hallmark | Chicago | IL | — | 11,057 | 107,517 | 3,266 | 11,057 | 110,783 | 121,840 | 41,513 | 80,327 | 1990 | 2005 | 35 years |
| The Kenwood of Lake View | Chicago | IL | — | 3,072 | 26,668 | — | 3,072 | 26,668 | 29,740 | 10,298 | 19,442 | 1950 | 2005 | 35 years |
| The Heritage | Des Plaines | IL | 32,000 | 6,871 | 60,165 | — | 6,871 | 60,165 | 67,036 | 23,190 | 43,846 | 1993 | 2005 | 35 years |
| Devonshire of Hoffman Estates | Hoffman Estates | IL | — | 3,886 | 44,130 | — | 3,886 | 44,130 | 48,016 | 16,171 | 31,845 | 1987 | 2005 | 35 years |
| The Devonshire | Lisle | IL | 33,000 | 7,953 | 70,400 | — | 7,953 | 70,400 | 78,353 | 27,072 | 51,281 | 1990 | 2005 | 35 years |
| Seasons at Glenview | Northbrook | IL | — | 1,988 | 39,762 | — | 1,988 | 39,762 | 41,750 | 13,784 | 27,966 | 1999 | 2004 | 35 years |
| Hawthorn Lakes | Vernon Hills | IL | — | 4,439 | 35,044 | — | 4,439 | 35,044 | 39,483 | 13,825 | 25,658 | 1987 | 2005 | 35 years |
| The Willows | Vernon Hills | IL | — | 1,147 | 10,041 | — | 1,147 | 10,041 | 11,188 | 3,870 | 7,318 | 1999 | 2005 | 35 years |
| Sterling House of Evansville | Evansville | IN | 3,518 | 357 | 3,765 | — | 357 | 3,765 | 4,122 | 1,427 | 2,695 | 1998 | 2005 | 35 years |
| Berkshire of Castleton | Indianapolis | IN | — | 1,280 | 11,515 | — | 1,280 | 11,515 | 12,795 | 4,413 | 8,382 | 1986 | 2005 | 35 years |
| Sterling House of Marion | Marion | IN | — | 207 | 3,570 | — | 207 | 3,570 | 3,777 | 1,354 | 2,423 | 1998 | 2005 | 35 years |
| Sterling House of Portage | Portage | IN | — | 128 | 3,649 | — | 128 | 3,649 | 3,777 | 1,384 | 2,393 | 1999 | 2005 | 35 years |
| Sterling House of Richmond | Richmond | IN | — | 495 | 4,124 | — | 495 | 4,124 | 4,619 | 1,564 | 3,055 | 1998 | 2005 | 35 years |
| Sterling House of Derby | Derby | KS | — | 440 | 4,422 | — | 440 | 4,422 | 4,862 | 645 | 4,217 | 1994 | 2011 | 35 years |
| Clate Bridge of Leawood | Leawood | KS | 3,582 | 117 | 5,127 | — | 117 | 5,127 | 5,244 | 1,944 | 3,300 | 2000 | 2005 | 35 years |

| Property Name | Location | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
|--|---------------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|------|------|----------------------|---------------|--|
| | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | | | | | |
| | | | | | | | | | | | | | | | | |
| Sterling House of Salina II | Salina | KS | — | 300 | 5,657 | — | 300 | 5,657 | 5,957 | 830 | 5,127 | 1996 | 2011 | 35 years | | |
| Clare Bridge Cottage of Topeka | Topeka | KS | 4,797 | 370 | 6,825 | — | 370 | 6,825 | 7,195 | 2,588 | 4,607 | 2000 | 2005 | 35 years | | |
| Sterling House of Wellington | Wellington | KS | — | 310 | 2,434 | — | 310 | 2,434 | 2,744 | 389 | 2,355 | 1994 | 2011 | 35 years | | |
| Ementus at Farm Pond | Framingham | MA | — | 5,819 | 33,361 | 2,430 | 5,819 | 35,791 | 41,610 | 10,986 | 30,624 | 1999 | 2004 | 35 years | | |
| Emeritus at Cape Cod (Whitetail) | Hyannis | MA | — | 1,277 | 9,063 | — | 1,277 | 9,063 | 10,340 | 2,850 | 7,490 | 1999 | 2005 | 35 years | | |
| River Bay Club | Quincy | MA | — | 6,101 | 57,862 | — | 6,101 | 57,862 | 63,963 | 21,934 | 42,029 | 1986 | 2005 | 35 years | | |
| Woven Hearts of Davison | Davison | MI | — | 160 | 3,189 | 2,543 | 160 | 5,732 | 5,892 | 1,137 | 4,755 | 1997 | 2011 | 35 years | | |
| Clare Bndge of Delta Charter Township | Delta | MI | — | 730 | 11,471 | — | 730 | 11,471 | 12,201 | 1,602 | 10,599 | 1998 | 2011 | 35 years | | |
| Woven Hearts of Delta Charter Township | Delta | MI | — | 820 | 3,313 | — | 820 | 3,313 | 4,133 | 649 | 3,484 | 1998 | 2011 | 35 years | | |
| Clare Bndge of Farmington Hills I | Farmington Hills | MI | — | 580 | 10,497 | — | 580 | 10,497 | 11,077 | 1,650 | 9,427 | 1994 | 2011 | 35 years | | |
| Clare Bridge of Farmington Hills II | Farmington Hills | MI | — | 700 | 10,246 | — | 700 | 10,246 | 10,946 | 1,672 | 9,274 | 1994 | 2011 | 35 years | | |
| Wynwood of Meridian Laansing II | Haslett | MI | — | 1,340 | 6,134 | — | 1,340 | 6,134 | 7,474 | 973 | 6,501 | 1998 | 2011 | 35 years | | |
| Clare Bridge of Grand Blanc I | Holly | MI | — | 450 | 12,373 | — | 450 | 12,373 | 12,823 | 1,736 | 11,087 | 1998 | 2011 | 35 years | | |
| Wynwood of Grand Blanc II | Holly | MI | — | 620 | 14,627 | — | 620 | 14,627 | 15,247 | 2,080 | 13,167 | 1998 | 2011 | 35 years | | |
| Wynwood of Nonville | Nonville | MI | 7,055 | 407 | 6,068 | — | 407 | 6,068 | 6,475 | 2,301 | 4,174 | 1996 | 2005 | 35 years | | |
| Clare Bridge of Troy I | Troy | MI | — | 630 | 17,178 | — | 630 | 17,178 | 17,808 | 2,376 | 15,432 | 1998 | 2011 | 35 years | | |
| Wynwood of Troy II | Troy | MI | — | 950 | 12,503 | — | 950 | 12,503 | 13,453 | 1,865 | 11,588 | 1998 | 2011 | 35 years | | |
| Wynwood of Utica | Utica | MI | — | 1,142 | 11,808 | — | 1,142 | 11,808 | 12,950 | 4,477 | 8,473 | 1996 | 2005 | 35 years | | |
| Clare Bridge of Utica | Utica | MI | — | 700 | 8,657 | — | 700 | 8,657 | 9,357 | 1,290 | 8,067 | 1995 | 2011 | 35 years | | |
| Sterling House of Blaine | Blaine | MN | — | 150 | 1,675 | — | 150 | 1,675 | 1,825 | 635 | 1,190 | 1997 | 2005 | 35 years | | |
| Clare Bridge of Eden Prairie | Eden Prairie | MN | — | 301 | 6,228 | — | 301 | 6,228 | 6,529 | 2,361 | 4,168 | 1998 | 2005 | 35 years | | |
| Woven Hearts of Faribault | Faribault | MN | — | 530 | 1,085 | — | 530 | 1,085 | 1,615 | 201 | 1,414 | 1997 | 2011 | 35 years | | |
| Sterling House of Inver Grove Heights | Inver Grove Heights | MN | 2,791 | 253 | 2,655 | — | 253 | 2,655 | 2,908 | 1,007 | 1,901 | 1997 | 2005 | 35 years | | |
| Woven Hearts of Mankato | Mankato | MN | — | 490 | 410 | — | 490 | 410 | 900 | 145 | 755 | 1996 | 2011 | 35 years | | |
| Edina Park Plaza | Minneapolis | MN | 15,040 | 3,621 | 33,141 | 22,412 | 3,621 | 55,553 | 59,174 | 12,655 | 46,519 | 1998 | 2005 | 35 years | | |
| Clare Bridge of North Oaks | North Oaks | MN | — | 1,057 | 8,296 | — | 1,057 | 8,296 | 9,353 | 3,145 | 6,208 | 1998 | 2005 | 35 years | | |
| Clare Bridge of Plymouth | Plymouth | MN | — | 679 | 8,675 | — | 679 | 8,675 | 9,354 | 3,289 | 6,065 | 1998 | 2005 | 35 years | | |
| Woven Hearts of Sauk Rapids | Sauk Rapids | MN | — | 480 | 3,178 | — | 480 | 3,178 | 3,658 | 474 | 3,184 | 1997 | 2011 | 35 years | | |
| Woven Hearts of Wilmar | Wilmar | MN | — | 470 | 4,833 | — | 470 | 4,833 | 5,303 | 682 | 4,621 | 1997 | 2011 | 35 years | | |
| Woven Hearts of Winona | Winona | MN | — | 800 | 1,390 | — | 800 | 1,390 | 2,190 | 402 | 1,788 | 1997 | 2011 | 35 years | | |
| The Solana West | Ballwin | MO | — | 3,100 | 35,074 | 16 | 3,100 | 35,090 | 38,190 | 1,601 | 36,589 | 2012 | 2014 | 35 years | | |
| Clare Bndge of Cary | Cary | NC | — | 724 | 6,466 | — | 724 | 6,466 | 7,190 | 2,451 | 4,739 | 1997 | 2005 | 35 years | | |
| Sterling House of Hickory | Hickory | NC | — | 330 | 10,981 | — | 330 | 10,981 | 11,311 | 1,537 | 9,774 | 1997 | 2011 | 35 years | | |
| Clare Bridge of Winston-Salem | Winston-Salem | NC | — | 368 | 3,497 | — | 368 | 3,497 | 3,865 | 1,326 | 2,539 | 1997 | 2005 | 35 years | | |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|------------------------------------|---------------|----------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|-------------|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | is Computed |
| Bradenwood Township | Voorhees | NJ | 17,538 | 1,158 | 19,909 | — | 1,158 | 19,909 | 33,067 | 11,340 | 21,727 | 1987 | 2005 | 35 years |
| Clare Bridge of Westampton | Westampton | NJ | — | 881 | 4,741 | — | 881 | 4,741 | 5,622 | 1,798 | 3,824 | 1997 | 2005 | 35 years |
| Sterling House of Deptford | Woodbury | NJ | — | 1,190 | 5,482 | — | 1,190 | 5,482 | 6,672 | 855 | 5,817 | 1998 | 2011 | 35 years |
| Ponce de Leon | Santa Fe | NM | — | — | 28,178 | — | — | 28,178 | 28,178 | 10,424 | 17,754 | 1986 | 2005 | 35 years |
| Wynwood of Kenmore | Buffalo | NY | 13,154 | 1,487 | 15,170 | — | 1,487 | 15,170 | 16,657 | 5,751 | 10,906 | 1995 | 2005 | 35 years |
| Villas of Sherman Brook | Clinton | NY | — | 947 | 7,528 | — | 947 | 7,528 | 8,475 | 2,854 | 5,621 | 1991 | 2005 | 35 years |
| Wynwood of Liberty (Manlius) | Manlius | NY | — | 890 | 28,237 | — | 890 | 28,237 | 29,127 | 3,870 | 25,257 | 1994 | 2011 | 35 years |
| Clare Bridge of Peninton | Pittsford | NY | — | 611 | 4,066 | — | 611 | 4,066 | 4,677 | 1,541 | 3,136 | 1997 | 2005 | 35 years |
| The Gables at Brighton | Rochester | NY | — | 1,131 | 9,498 | — | 1,131 | 9,498 | 10,629 | 3,695 | 6,934 | 1988 | 2005 | 35 years |
| Clare Bridge of Niskayuna | Schenectady | NY | — | 1,021 | 8,333 | — | 1,021 | 8,333 | 9,354 | 3,159 | 6,195 | 1997 | 2005 | 35 years |
| Wynwood of Niskayuna | Schenectady | NY | 16,487 | 1,884 | 16,103 | — | 1,884 | 16,103 | 17,987 | 6,105 | 11,882 | 1996 | 2005 | 35 years |
| Villas of Summerfield | Syracuse | NY | — | 1,132 | 11,434 | — | 1,132 | 11,434 | 12,566 | 4,335 | 8,231 | 1991 | 2005 | 35 years |
| Clare Bridge of Williamsville | Williamsville | NY | 6,800 | 839 | 7,384 | — | 839 | 3,841 | 4,680 | 1,456 | 3,224 | 1997 | 2005 | 35 years |
| Sterling House of Alliance | Alliance | OH | 2,222 | 392 | 6,283 | — | 392 | 6,283 | 6,675 | 2,382 | 4,293 | 1998 | 2005 | 35 years |
| Clare Bridge Cottage of Austintown | Austintown | OH | — | 151 | 3,087 | — | 151 | 3,087 | 3,238 | 1,170 | 2,068 | 1999 | 2005 | 35 years |
| Sterling House of Barberton | Barberton | OH | — | 440 | 10,884 | — | 440 | 10,884 | 11,324 | 1,525 | 9,799 | 1997 | 2011 | 35 years |
| Sterling House of Beaver Creek | Beaver Creek | OH | — | 587 | 5,381 | — | 587 | 5,381 | 5,968 | 2,040 | 3,928 | 1998 | 2005 | 35 years |
| Sterling House of Englewood (OH) | Clayton | OH | — | 630 | 6,477 | — | 630 | 6,477 | 7,107 | 958 | 6,149 | 1997 | 2011 | 35 years |
| Sterling House of Westerville | Westerville | OH | 1,829 | 267 | 3,600 | — | 267 | 3,600 | 3,867 | 1,365 | 2,502 | 1999 | 2005 | 35 years |
| Sterling House of Greenville | Greenville | OH | — | 490 | 4,144 | — | 490 | 4,144 | 4,634 | 722 | 3,912 | 1997 | 2011 | 35 years |
| Sterling House of Lancaster | Lancaster | OH | — | 460 | 4,662 | — | 460 | 4,662 | 5,122 | 725 | 4,397 | 1998 | 2011 | 35 years |
| Sterling House of Marion | Marion | OH | — | 620 | 3,306 | — | 620 | 3,306 | 3,926 | 555 | 3,371 | 1998 | 2011 | 35 years |
| Sterling House of Salem | Salem | OH | — | 634 | 4,659 | — | 634 | 4,659 | 5,293 | 1,766 | 3,527 | 1998 | 2005 | 35 years |
| Sterling House of Springdale | Springdale | OH | — | 1,140 | 9,134 | — | 1,140 | 9,134 | 10,274 | 1,300 | 8,974 | 1997 | 2011 | 35 years |
| Sterling House of Bartlesville | Bartlesville | OK | — | 250 | 10,529 | — | 250 | 10,529 | 10,779 | 1,451 | 9,328 | 1997 | 2011 | 35 years |
| Sterling House of Bethany | Bethany | OK | — | 390 | 1,499 | — | 390 | 1,499 | 1,889 | 274 | 1,615 | 1994 | 2011 | 35 years |
| Sterling House of Broken Arrow | Broken Arrow | OK | — | 940 | 6,312 | 6,410 | 1,873 | 11,789 | 13,662 | 1,485 | 12,177 | 1996 | 2011 | 35 years |
| Forest Grove Residential Community | Forest Grove | OR | — | 2,320 | 9,633 | — | 2,320 | 9,633 | 11,953 | 1,512 | 10,441 | 1994 | 2011 | 35 years |
| The Heritage at Mt. Hood | Gresham | OR | — | 2,410 | 9,093 | — | 2,410 | 9,093 | 11,503 | 1,427 | 10,076 | 1988 | 2011 | 35 years |
| McMinnville Residential Estates | McMinnville | OR | 1,552 | 1,230 | 7,561 | — | 1,230 | 7,561 | 8,791 | 1,317 | 7,474 | 1989 | 2011 | 35 years |
| Sterling House of Denton | Denton | TX | — | 1,750 | 6,712 | — | 1,750 | 6,712 | 8,462 | 968 | 7,494 | 1996 | 2011 | 35 years |
| Sterling House of Ennis | Ennis | TX | — | 460 | 3,284 | — | 460 | 3,284 | 3,744 | 520 | 3,224 | 1996 | 2011 | 35 years |
| Sterling House of Kerrville | Kerrville | TX | — | 460 | 8,548 | — | 460 | 8,548 | 9,008 | 1,200 | 7,808 | 1997 | 2011 | 35 years |
| Sterling House of Lancaster | Lancaster | TX | — | 410 | 1,478 | — | 410 | 1,478 | 1,888 | 295 | 1,593 | 1997 | 2011 | 35 years |
| Sterling House of Paris | Paris | TX | — | 360 | 2,411 | — | 360 | 2,411 | 2,771 | 415 | 2,356 | 1996 | 2011 | 35 years |
| Sterling House of San Antonio | San Antonio | TX | — | 1,400 | 10,051 | — | 1,400 | 10,051 | 11,451 | 1,433 | 10,018 | 1997 | 2011 | 35 years |

| Location | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|---------------|-------------------------|--------------|-----------------------|----------------------------|---|-----------------------|----------------------------|-----------|--------------------------|-----------|----------------------|---------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| Sterling House of Temple | Temple | TX | — | 330 | 5,081 | — | 330 | 5,081 | 5,411 | 770 | 4,641 | 1997 | 2011 | 35 years |
| Emeritus at Ridgewood Gardens | Salem | VA | — | 1,900 | 16,219 | — | 1,900 | 16,219 | 18,119 | 5,743 | 12,376 | 1998 | 2011 | 35 years |
| Clare Bridge of Lynwood | Lynnwood | WA | — | 1,219 | 9,573 | — | 1,219 | 9,573 | 10,792 | 3,630 | 7,162 | 1999 | 2005 | 35 years |
| Clare Bridge of Puyallup | Puyallup | WA | 9,587 | 1,055 | 8,298 | — | 1,055 | 8,298 | 9,353 | 3,146 | 6,207 | 1998 | 2005 | 35 years |
| Columbia Edgewater | Richland | WA | — | 960 | 23,270 | — | 960 | 23,270 | 24,230 | 3,360 | 20,870 | 1990 | 2011 | 35 years |
| Park Place | Spokane | WA | — | 1,622 | 12,895 | — | 1,622 | 12,895 | 14,517 | 5,079 | 9,438 | 1915 | 2005 | 35 years |
| Crossings at Allenmore | Tacoma | WA | — | 620 | 16,186 | — | 620 | 16,186 | 16,806 | 2,257 | 14,549 | 1997 | 2011 | 35 years |
| Union Park at Allenmore | Tacoma | WA | — | 1,710 | 3,326 | — | 1,710 | 3,326 | 5,036 | 754 | 4,282 | 1988 | 2011 | 35 years |
| Crossings at Yakima | Yakima | WA | — | 860 | 15,276 | — | 860 | 15,276 | 16,136 | 2,197 | 13,939 | 1998 | 2011 | 35 years |
| Sterling House of Fond du Lac | Fond du Lac | WI | — | 196 | 1,603 | — | 196 | 1,603 | 1,799 | 608 | 1,191 | 2000 | 2005 | 35 years |
| Clare Bridge of Kenosha | Kenosha | WI | — | 551 | 5,431 | 12,772 | 551 | 8,203 | 8,754 | 2,643 | 6,111 | 2000 | 2005 | 35 years |
| Woven Hearts of Kenosha | Kenosha | WI | — | 630 | 1,694 | — | 630 | 1,694 | 2,324 | 283 | 2,041 | 1997 | 2011 | 35 years |
| Clare Bridge Cottage of La Crosse | La Crosse | WI | — | 621 | 4,056 | 1,126 | 621 | 5,182 | 5,803 | 1,775 | 4,028 | 2004 | 2005 | 35 years |
| Sterling House of La Crosse | La Crosse | WI | — | 644 | 5,831 | 2,637 | 644 | 8,468 | 9,112 | 2,768 | 6,344 | 1998 | 2005 | 35 years |
| Sterling House of Middleton | Middleton | WI | — | 360 | 5,041 | — | 360 | 5,041 | 5,401 | 714 | 4,687 | 1997 | 2011 | 35 years |
| Woven Hearts of Neenah | Neenah | WI | — | 340 | 1,030 | — | 340 | 1,030 | 1,370 | 194 | 1,176 | 1996 | 2011 | 35 years |
| Woven Hearts of Onalaska | Onalaska | WI | — | 250 | 4,949 | — | 250 | 4,949 | 5,199 | 697 | 4,502 | 1995 | 2011 | 35 years |
| Woven Hearts of Oshkosh | Oshkosh | WI | — | 160 | 1,904 | — | 160 | 1,904 | 2,064 | 310 | 1,754 | 1996 | 2011 | 35 years |
| Woven Hearts of Sun Prairie | Sun Prairie | WI | — | 350 | 1,131 | — | 350 | 1,131 | 1,481 | 207 | 1,274 | 1994 | 2011 | 35 years |
| TOTAL FOR BROOKDALE SENIORS HOUSING COMMUNITIES | | | 246,461 | 190,934 | 1,803,345 | 66,907 | 191,867 | 1,869,319 | 2,061,186 | 562,297 | 1,498,889 | | | |
| SUNRISE SENIORS HOUSING COMMUNITIES | | | | | | | | | | | | | | |
| Sunrise of Chandler | Chandler | AZ | — | 4,344 | 14,455 | 448 | 4,339 | 14,808 | 19,247 | 1,980 | 17,267 | 2007 | 2012 | 35 years |
| Sunrise of Scottsdale | Scottsdale | AZ | — | 2,229 | 27,575 | 511 | 2,255 | 28,060 | 30,315 | 7,375 | 22,940 | 2007 | 2007 | 35 years |
| Sunrise of River Road | Tucson | AZ | — | 2,971 | 12,399 | 102 | 2,971 | 12,501 | 15,472 | 1,545 | 13,927 | 2008 | 2012 | 35 years |
| Sunrise of Lynn Valley | Vancouver | BC | — | 11,759 | 37,424 | (13,159) | 8,445 | 27,579 | 36,024 | 7,210 | 28,814 | 2002 | 2007 | 35 years |
| Sunrise of Vancouver | Vancouver | BC | — | 6,649 | 31,937 | 313 | 6,661 | 32,238 | 38,899 | 8,746 | 30,153 | 2005 | 2007 | 35 years |
| Sunrise of Victoria | Victoria | BC | — | 8,332 | 29,970 | (10,044) | 5,999 | 22,259 | 28,258 | 5,924 | 22,334 | 2001 | 2007 | 35 years |
| Sunrise at La Costa | Carlsbad | CA | — | 4,890 | 20,590 | 1,276 | 4,960 | 21,796 | 26,756 | 6,293 | 20,463 | 1999 | 2007 | 35 years |
| Sunrise of Carmichael | Carmichael | CA | — | 1,269 | 14,598 | 247 | 1,269 | 14,845 | 16,114 | 1,903 | 14,211 | 2009 | 2012 | 35 years |
| Sunrise of Fair Oaks | Fair Oaks | CA | — | 1,456 | 23,679 | 1,680 | 2,271 | 24,544 | 26,815 | 6,792 | 20,023 | 2001 | 2007 | 35 years |
| Sunrise of Mission Viejo | Mission Viejo | CA | — | 3,802 | 24,560 | 1,234 | 3,827 | 25,769 | 29,596 | 7,162 | 22,434 | 1998 | 2007 | 35 years |
| Sunrise at Canyon Crest | Riverside | CA | — | 5,486 | 19,658 | 1,531 | 5,530 | 21,145 | 26,675 | 5,801 | 20,874 | 2006 | 2007 | 35 years |
| Sunrise of Rocklin | Rocklin | CA | — | 1,378 | 23,565 | 731 | 1,411 | 24,263 | 25,674 | 6,442 | 19,232 | 2007 | 2007 | 35 years |
| Sunrise of San Mateo | San Mateo | CA | — | 2,682 | 35,335 | 1,320 | 2,695 | 36,642 | 39,337 | 9,672 | 29,665 | 1999 | 2007 | 35 years |
| Sunrise of Sunnyvale | Sunnyvale | CA | — | 2,933 | 34,361 | 821 | 2,948 | 35,167 | 38,115 | 9,330 | 28,785 | 2000 | 2007 | 35 years |
| Sunrise at Sterling Canyon | Valencia | CA | — | 3,868 | 29,293 | 4,146 | 3,995 | 33,312 | 37,307 | 9,469 | 27,838 | 1998 | 2007 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | Life on Which Depreciation in Income Statement is Computed | | | |
|-----------------------------|------------------|----------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--|----------------------|---------------|--|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
| Sunrise of Westlake Village | Westlake Village | CA | — | 4,935 | 30,722 | 903 | 5,006 | 31,554 | 36,560 | 8,363 | 28,197 | 2004 | 2007 | 35 years |
| Sunrise at Yorba Linda | Yorba Linda | CA | — | 1,689 | 25,240 | 1,219 | 1,755 | 26,393 | 28,148 | 6,952 | 21,196 | 2002 | 2007 | 35 years |
| Sunrise at Cherry Creek | Denver | CO | — | 1,621 | 28,370 | 1,060 | 1,703 | 29,348 | 31,051 | 7,904 | 23,147 | 2000 | 2007 | 35 years |
| Sunrise at Pinchurst | Denver | CO | — | 1,417 | 30,885 | 1,727 | 1,596 | 32,433 | 34,029 | 9,070 | 24,959 | 1998 | 2007 | 35 years |
| Sunrise at Orchard | Littleton | CO | — | 1,813 | 22,183 | 1,210 | 1,846 | 23,360 | 25,206 | 6,569 | 18,637 | 1997 | 2007 | 35 years |
| Sunrise of Westminster | Westminster | CO | — | 2,649 | 16,243 | 1,387 | 2,686 | 17,593 | 20,279 | 4,846 | 15,433 | 2000 | 2007 | 35 years |
| Sunrise of Stamford | Stamford | CT | — | 4,612 | 28,533 | 1,518 | 4,648 | 30,015 | 34,663 | 8,438 | 26,225 | 1999 | 2007 | 35 years |
| Sunrise of Jacksonville | Jacksonville | FL | — | 2,390 | 17,671 | 119 | 2,405 | 17,775 | 20,180 | 2,314 | 17,866 | 2009 | 2012 | 35 years |
| Sunrise of Ivy Ridge | Alpharetta | GA | — | 1,507 | 18,516 | 1,108 | 1,513 | 19,618 | 21,931 | 5,467 | 15,664 | 1998 | 2007 | 35 years |
| Sunrise of Huntcliff | Atlanta | GA | — | 4,232 | 66,161 | 15,067 | 4,185 | 81,275 | 85,460 | 21,207 | 64,253 | 1987 | 2007 | 35 years |
| Sunrise of Huntcliff II | Atlanta | GA | — | 2,134 | 17,137 | 1,650 | 2,160 | 18,781 | 20,941 | 5,352 | 15,589 | 1998 | 2007 | 35 years |
| Sunrise at East Cobb | Marietta | GA | — | 1,797 | 23,420 | 1,346 | 1,799 | 24,764 | 26,563 | 6,783 | 19,780 | 1997 | 2007 | 35 years |
| Sunrise of Barrington | Barrington | IL | — | 1,839 | 15,085 | 378 | 1,867 | 15,455 | 16,322 | 2,008 | 14,314 | 2007 | 2012 | 35 years |
| Sunrise of Bloomingdale | Bloomington | IL | — | 1,287 | 38,625 | 1,523 | 1,382 | 40,053 | 41,435 | 10,637 | 30,798 | 2000 | 2007 | 35 years |
| Sunrise of Buffalo Grove | Buffalo Grove | IL | — | 2,154 | 28,021 | 1,040 | 2,272 | 28,943 | 31,215 | 7,933 | 23,282 | 1999 | 2007 | 35 years |
| Sunrise of Lincoln Park | Chicago | IL | — | 3,485 | 26,687 | 829 | 3,504 | 27,497 | 31,001 | 7,111 | 23,890 | 2003 | 2007 | 35 years |
| Sunrise of Naperville | Naperville | IL | — | 1,946 | 28,538 | 2,435 | 1,995 | 30,924 | 32,919 | 8,374 | 24,545 | 1999 | 2007 | 35 years |
| Sunrise of Palos Park | Palos Park | IL | — | 2,363 | 42,205 | 927 | 2,369 | 43,126 | 45,495 | 11,475 | 34,020 | 2001 | 2007 | 35 years |
| Sunrise of Park Ridge | Park Ridge | IL | — | 5,533 | 39,557 | 1,906 | 5,630 | 41,366 | 46,996 | 10,910 | 36,086 | 1998 | 2007 | 35 years |
| Sunrise of Willowbrook | Willowbrook | IL | — | 1,454 | 60,738 | 2,142 | 2,047 | 62,287 | 64,334 | 14,882 | 49,452 | 2000 | 2007 | 35 years |
| Sunrise of Old Meridian | Carmel | IN | — | 8,550 | 31,746 | 217 | 8,550 | 31,963 | 40,513 | 4,127 | 36,386 | 2009 | 2012 | 35 years |
| Sunrise of Leawood | Leawood | KS | — | 651 | 16,401 | 438 | 768 | 16,722 | 17,490 | 1,999 | 15,491 | 2006 | 2012 | 35 years |
| Sunrise of Overland Park | Overland Park | KS | — | 1,650 | 11,015 | 350 | 1,660 | 11,355 | 12,013 | 1,506 | 10,509 | 2007 | 2012 | 35 years |
| Sunrise of Baton Rouge | Baton Rouge | LA | — | 1,212 | 23,547 | 1,267 | 1,321 | 24,705 | 26,026 | 6,625 | 19,401 | 2000 | 2007 | 35 years |
| Sunrise of Arlington | Arlington | MA | — | 86 | 34,393 | 846 | 107 | 35,218 | 35,325 | 9,631 | 25,694 | 2001 | 2007 | 35 years |
| Sunrise of Norwood | Norwood | MA | — | 2,230 | 30,968 | 1,642 | 2,306 | 32,534 | 34,840 | 8,683 | 26,157 | 1997 | 2007 | 35 years |
| Sunrise of Columbia | Columbia | MD | — | 1,780 | 23,083 | 1,853 | 1,855 | 24,861 | 26,716 | 6,804 | 19,912 | 1996 | 2007 | 35 years |
| Sunrise of Rockville | Rockville | MD | — | 1,039 | 39,216 | 1,634 | 1,066 | 40,823 | 41,889 | 10,443 | 31,446 | 1997 | 2007 | 35 years |
| Sunrise of Bloomfield Hills | Bloomfield Hills | MI | — | 3,736 | 27,657 | 1,613 | 3,817 | 29,189 | 33,006 | 7,745 | 25,261 | 2006 | 2007 | 35 years |
| Sunrise of Cascade | Grand Rapids | MI | — | 1,273 | 21,782 | 262 | 1,284 | 22,033 | 23,317 | 2,739 | 20,578 | 2007 | 2012 | 35 years |
| Sunrise of Nonville | Plymouth | MI | — | 1,445 | 26,090 | 985 | 1,525 | 26,995 | 28,520 | 7,472 | 21,048 | 1999 | 2007 | 35 years |
| Sunrise of Rochester | Rochester | MI | — | 2,774 | 38,666 | 1,105 | 2,841 | 39,704 | 42,545 | 10,510 | 32,035 | 1998 | 2007 | 35 years |
| Sunrise of Troy | Troy | MI | — | 1,758 | 23,727 | 645 | 1,860 | 24,270 | 26,130 | 6,686 | 19,444 | 2001 | 2007 | 35 years |
| Sunrise of Edina | Edina | MN | — | 3,181 | 24,224 | 2,538 | 3,270 | 26,673 | 29,943 | 7,286 | 22,657 | 1999 | 2007 | 35 years |
| Sunrise on Providence | Charlotte | NC | — | 1,976 | 19,472 | 2,028 | 1,988 | 21,488 | 23,476 | 5,714 | 17,762 | 1999 | 2007 | 35 years |
| Sunrise at North Hills | Raleigh | NC | — | 749 | 37,091 | 3,504 | 762 | 40,582 | 41,344 | 10,864 | 30,480 | 2000 | 2007 | 35 years |
| Sunrise of East Brunswick | East Brunswick | NJ | — | 2,784 | 26,173 | 1,760 | 3,047 | 27,670 | 30,717 | 7,885 | 22,832 | 1999 | 2007 | 35 years |

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | Life on Which Depreciation in Income Statement is Computed | | | |
|---------------------------|----------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--|----------------------|---------------|----------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| Sunrise of Jackson | Jackson | NJ | — | 4,009 | 15,029 | 304 | 4,014 | 15,328 | 19,342 | 2,074 | 17,268 | 2008 | 2012 | 35 years |
| Sunrise of Morris Plains | Morris Plains | NJ | 18,165 | 1,492 | 32,052 | 1,709 | 1,517 | 33,736 | 35,253 | 8,956 | 26,297 | 1997 | 2007 | 35 years |
| Sunrise of Old Tappan | Old Tappan | NJ | 16,869 | 2,985 | 36,795 | 1,639 | 3,042 | 38,377 | 41,419 | 10,195 | 31,224 | 1997 | 2007 | 35 years |
| Sunrise of Wall Township | Wall Township | NJ | — | 1,053 | 19,101 | 1,011 | 1,063 | 20,102 | 21,165 | 5,533 | 15,632 | 1999 | 2007 | 35 years |
| Sunrise of Wayne | Wayne | NJ | 13,400 | 1,288 | 24,990 | 1,597 | 1,324 | 26,551 | 27,875 | 7,190 | 20,685 | 1996 | 2007 | 35 years |
| Sunrise of Westfield | Westfield | NJ | 17,756 | 5,057 | 23,803 | 1,768 | 5,117 | 25,511 | 30,628 | 7,018 | 23,610 | 1996 | 2007 | 35 years |
| Sunrise of Woodcliff Lake | Woodcliff Lake | NJ | — | 3,493 | 30,801 | 1,258 | 3,537 | 32,015 | 35,552 | 8,444 | 26,708 | 2000 | 2007 | 35 years |
| Sunrise of North Lynbrook | Lynbrook | NY | — | 4,622 | 38,087 | 1,672 | 4,700 | 39,681 | 44,381 | 11,128 | 33,253 | 1999 | 2007 | 35 years |
| Sunrise at Fleetwood | Mount Vernon | NY | — | 4,381 | 28,434 | 1,978 | 4,400 | 30,393 | 34,793 | 8,353 | 26,440 | 1999 | 2007 | 35 years |
| Sunrise of New City | New City | NY | — | 1,906 | 27,323 | 1,520 | 1,950 | 28,799 | 30,749 | 7,817 | 22,932 | 1999 | 2007 | 35 years |
| Sunrise of Smithtown | Smithtown | NY | — | 2,853 | 25,621 | 2,001 | 3,038 | 27,437 | 30,475 | 8,036 | 22,439 | 1999 | 2007 | 35 years |
| Sunrise of Staten Island | Staten Island | NY | — | 7,237 | 23,910 | 151 | 7,288 | 24,010 | 31,298 | 8,458 | 22,840 | 2006 | 2007 | 35 years |
| Sunrise at Parma | Cleveland | OH | — | 695 | 16,641 | 1,085 | 890 | 17,531 | 18,421 | 4,791 | 13,630 | 2000 | 2007 | 35 years |
| Sunrise of Cuyahoga Falls | Cuyahoga Falls | OH | — | 626 | 10,239 | 1,386 | 724 | 11,527 | 12,251 | 3,176 | 9,075 | 2000 | 2007 | 35 years |
| Sunrise of Aurora | Aurora | ON | — | 1,570 | 36,113 | (9,936) | 1,133 | 26,614 | 27,747 | 7,065 | 20,682 | 2002 | 2007 | 35 years |
| Sunrise of Burlington | Burlington | ON | — | 1,173 | 24,448 | 371 | 1,190 | 24,802 | 25,992 | 6,465 | 19,527 | 2001 | 2007 | 35 years |
| Sunrise of Unionville | Markham | ON | — | 2,322 | 41,140 | (11,229) | 1,722 | 30,511 | 32,233 | 8,007 | 24,226 | 2000 | 2007 | 35 years |
| Sunrise of Mississauga | Mississauga | ON | — | 3,554 | 33,631 | (9,614) | 2,586 | 24,985 | 27,571 | 6,521 | 21,050 | 2000 | 2007 | 35 years |
| Sunrise of Erin Mills | Mississauga | ON | — | 1,957 | 27,020 | (7,618) | 1,407 | 19,952 | 21,359 | 5,555 | 15,804 | 2007 | 2007 | 35 years |
| Sunrise of Oakville | Oakville | ON | — | 2,753 | 37,489 | 547 | 2,755 | 38,034 | 40,789 | 9,817 | 30,972 | 2002 | 2007 | 35 years |
| Sunrise of Richmond Hill | Richmond Hill | ON | — | 2,153 | 41,254 | (11,479) | 1,553 | 30,377 | 31,930 | 7,834 | 24,096 | 2002 | 2007 | 35 years |
| Thorne Mill of Steeles | Vaughan | ON | — | 2,563 | 57,513 | (13,988) | 1,063 | 45,025 | 46,088 | 10,866 | 35,222 | 2003 | 2007 | 35 years |
| Sunrise of Windsor | Windsor | ON | — | 1,813 | 20,882 | 442 | 1,832 | 21,305 | 23,137 | 5,633 | 17,504 | 2001 | 2007 | 35 years |
| Sunrise of Abington | Abington | PA | 22,819 | 1,838 | 53,660 | 3,883 | 1,980 | 57,401 | 59,381 | 14,930 | 44,451 | 1997 | 2007 | 35 years |
| Sunrise of Blue Bell | Blue Bell | PA | — | 1,765 | 23,920 | 2,149 | 1,827 | 26,007 | 27,834 | 7,270 | 20,564 | 2006 | 2007 | 35 years |
| Sunrise of Exton | Exton | PA | — | 1,123 | 17,765 | 1,500 | 1,187 | 19,201 | 20,388 | 5,312 | 15,076 | 2000 | 2007 | 35 years |
| Sunrise of Haverford | Haverford | PA | 7,159 | 941 | 25,872 | 1,738 | 962 | 27,589 | 28,551 | 7,340 | 21,211 | 1997 | 2007 | 35 years |
| Sunrise at Granite Run | Media | PA | 11,019 | 1,272 | 31,781 | 2,098 | 1,372 | 33,779 | 35,151 | 8,893 | 26,258 | 1997 | 2007 | 35 years |
| Sunrise of Lower Merion | Merionville | PA | — | 3,165 | 21,337 | 359 | 3,165 | 21,696 | 24,861 | 2,796 | 22,065 | 2008 | 2012 | 35 years |
| Sunrise of Westtown | West Chester | PA | — | 1,547 | 22,996 | 1,383 | 1,570 | 24,356 | 25,926 | 7,073 | 18,853 | 1999 | 2007 | 35 years |
| Sunrise of Hillcrest | Dallas | TX | — | 2,616 | 27,680 | 562 | 2,626 | 28,232 | 30,858 | 7,639 | 23,219 | 2006 | 2007 | 35 years |
| Sunrise of Fort Worth | Fort Worth | TX | — | 2,024 | 18,587 | 539 | 2,082 | 19,068 | 21,150 | 2,454 | 18,696 | 2007 | 2012 | 35 years |
| Sunrise of Frisco | Frisco | TX | — | 2,523 | 14,547 | 189 | 2,535 | 14,724 | 17,259 | 1,694 | 15,565 | 2009 | 2012 | 35 years |
| Sunrise of Cinco Ranch | Katy | TX | — | 2,512 | 21,600 | 452 | 2,550 | 22,014 | 24,564 | 2,782 | 21,782 | 2007 | 2012 | 35 years |
| Sunrise of Holladay | Holladay | UT | — | 2,542 | 44,771 | 435 | 2,577 | 45,171 | 47,748 | 5,614 | 42,134 | 2008 | 2012 | 35 years |
| Sunrise of Sandy | Sandy | UT | — | 2,576 | 22,987 | 155 | 2,618 | 23,100 | 25,718 | 6,359 | 19,359 | 2007 | 2007 | 35 years |
| Sunrise of Alexandria | Alexandria | VA | — | 88 | 14,811 | 1,431 | 176 | 16,154 | 16,330 | 4,961 | 11,369 | 1998 | 2007 | 35 years |
| Sunrise of Richmond | Richmond | VA | — | 1,120 | 17,446 | 1,136 | 1,149 | 18,553 | 19,702 | 5,307 | 14,395 | 1999 | 2007 | 35 years |
| Sunrise of Bon Air | Richmond | VA | — | 2,047 | 22,079 | 390 | 2,032 | 22,484 | 24,516 | 2,918 | 21,598 | 2008 | 2012 | 35 years |

| Location | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | | Life on Which Depreciation in Income Statement is Computed | |
|--|-------------------|-------------------------|--------------|-----------------------|---|---|-----------------------|----------------------------|-----------|--------------------------|-----------|----------------------|--|-------------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | is Computed |
| Sunrise of Springfield | Springfield | VA | 8,198 | 4,440 | 18,834 | 2,164 | 4,466 | 20,972 | 25,438 | 5,723 | 19,715 | 1997 | 2007 | 35 years |
| TOTAL FOR SUNRISE SENIORS HOUSING COMMUNITIES | | | | | | | | | | | | | | |
| ATRIA SENIORS HOUSING COMMUNITIES | | | 115,385 | 145,515 | 1,531,176 | 30,476 | 140,790 | 2,567,377 | 2,808,167 | 647,355 | 2,160,812 | | | |
| ATRIA SENIORS HOUSING COMMUNITIES | | | | | | | | | | | | | | |
| Albion Lake | Calgary | AB | — | 2,512 | 39,188 | (6,592) | 2,116 | 32,992 | 35,108 | 1,559 | 33,549 | 2003 | 2014 | 35 years |
| Canyon Meadows | Calgary | AB | — | 1,617 | 30,803 | (4,944) | 1,358 | 26,118 | 27,476 | 1,270 | 26,206 | 1995 | 2014 | 35 years |
| Churchill Manor | Edmonton | AB | — | 2,865 | 190,482 | (4,969) | 2,406 | 25,972 | 28,378 | 1,274 | 27,104 | 1999 | 2014 | 35 years |
| View at Lethbridge | Lethbridge | AB | — | 2,503 | 24,770 | (4,211) | 2,102 | 20,960 | 23,062 | 1,105 | 21,957 | 2007 | 2014 | 35 years |
| Victoria Park | Red Deer | AB | 8,194 | 11,188 | 22,554 | (3,325) | 998 | 19,419 | 20,417 | 1,018 | 19,399 | 1999 | 2014 | 35 years |
| Ironwood Estates | St. Albert | AB | — | 3,639 | 22,519 | (3,791) | 3,056 | 19,311 | 22,367 | 1,011 | 21,356 | 1998 | 2014 | 35 years |
| Atria Regency | Mobile | AL | — | 1,950 | 11,897 | (1,036) | 953 | 12,930 | 13,883 | 2,584 | 11,299 | 1996 | 2011 | 35 years |
| Atria Chandler Villas | Chandler | AZ | — | 3,650 | 8,450 | 1,121 | 3,715 | 9,506 | 13,221 | 2,602 | 10,619 | 1988 | 2011 | 35 years |
| Atria Sierra Pointe | Scottsdale | AZ | — | 10,930 | 65,372 | 938 | 10,952 | 66,288 | 77,240 | 3,188 | 74,052 | 2000 | 2014 | 35 years |
| Atria Campana | Tucson | AZ | — | 5,861 | 37,284 | 1,408 | 5,896 | 38,657 | 44,553 | 7,302 | 37,251 | 1964 | 2011 | 35 years |
| Atria Valley Manor | Tucson | AZ | — | 11,709 | 11,601 | (1,544) | 1,738 | 15,75 | 23,13 | 210 | 21,03 | 1963 | 2011 | 35 years |
| Atria Bell Court Gardens | Tucson | AZ | — | 3,010 | 30,969 | 890 | 3,020 | 31,849 | 34,869 | 5,374 | 29,495 | 1964 | 2011 | 35 years |
| Longlake Chateau | Nanaimo | BC | 8,564 | 11,874 | 22,910 | (3,626) | 1,574 | 19,584 | 21,158 | 1,042 | 20,116 | 1990 | 2014 | 35 years |
| Prince George | Prince George | BC | 8,431 | 2,066 | 22,761 | (3,903) | 1,735 | 19,189 | 20,924 | 1,034 | 19,890 | 2005 | 2014 | 35 years |
| The Victorias | Victoria | BC | — | 3,419 | 16,551 | (2,957) | 2,871 | 13,942 | 16,813 | 782 | 16,031 | 1988 | 2014 | 35 years |
| Victorian at McKenzie | Victoria | BC | — | 4,801 | 25,712 | (4,688) | 4,031 | 21,794 | 25,825 | 1,124 | 24,701 | 2003 | 2014 | 35 years |
| Atria Burlingame | Burlingame | CA | 7,152 | 2,494 | 12,373 | 998 | 7,523 | 13,342 | 15,865 | 2,455 | 13,410 | 1977 | 2011 | 35 years |
| Atria Las Posas | Camarillo | CA | — | 4,500 | 28,436 | 689 | 4,508 | 29,117 | 33,625 | 4,834 | 28,791 | 1997 | 2011 | 35 years |
| Atria Carmichael Oaks | Carmichael | CA | 18,684 | 2,118 | 49,694 | (1,264) | 2,134 | 50,942 | 53,076 | 4,617 | 48,459 | 1992 | 2013 | 35 years |
| Atria El Camino Gardens | Carmichael | CA | — | 6,930 | 32,318 | 8,915 | 6,971 | 41,192 | 48,163 | 5,984 | 42,179 | 1984 | 2011 | 35 years |
| Atria Covina | Covina | CA | — | 1,170 | 4,131 | 565 | 250 | 4,616 | 4,866 | 1,076 | 3,790 | 1977 | 2011 | 35 years |
| Atria Daly City | Daly City | CA | 7,291 | 3,090 | 13,448 | 1,003 | 3,099 | 14,442 | 17,541 | 2,540 | 15,001 | 1975 | 2011 | 35 years |
| Atria Covell Gardens | Davis | CA | 18,171 | 2,163 | 39,657 | (7,856) | 2,382 | 47,294 | 49,676 | 8,284 | 41,392 | 1987 | 2011 | 35 years |
| Atria Encinitas | Encinitas | CA | — | 5,880 | 9,212 | 864 | 5,922 | 10,034 | 15,956 | 2,057 | 13,899 | 1984 | 2011 | 35 years |
| Atria Escondido | Escondido | CA | — | 1,196 | 7,155 | 166 | 1,196 | 7,321 | 8,517 | 505 | 8,012 | 2002 | 2014 | 35 years |
| Atria Grass Valley | Grass Valley | CA | 11,644 | 1,965 | 28,414 | 435 | 1,983 | 28,831 | 30,814 | 2,768 | 28,046 | 2000 | 2013 | 35 years |
| Atria Golden Creek | Irvine | CA | — | 6,900 | 23,544 | 936 | 6,924 | 24,456 | 31,380 | 4,526 | 26,854 | 1985 | 2011 | 35 years |
| Atria Woodbridge | Irvine | CA | — | — | 5 | 1,372 | 91 | 1,286 | 1,377 | 305 | 1,072 | 1997 | 2012 | 35 years |
| Atria Lafayette | Lafayette | CA | 19,618 | 5,679 | 56,922 | 386 | 5,692 | 57,295 | 62,987 | 4,946 | 58,041 | 2007 | 2013 | 35 years |
| Atria Del Sol | Mission Viejo | CA | — | 3,500 | 12,458 | 8,559 | 3,716 | 20,801 | 24,517 | 2,584 | 21,933 | 1985 | 2011 | 35 years |
| Atria Tamalpais Creek | Novato | CA | — | 5,812 | 24,703 | 500 | 5,827 | 25,188 | 31,015 | 4,293 | 26,722 | 1978 | 2011 | 35 years |
| Atria Pacific Palisades | Pacific Palisades | CA | — | 4,458 | 17,064 | 1,065 | 4,470 | 18,117 | 22,587 | 5,329 | 17,258 | 2001 | 2007 | 35 years |
| Atria Palm Desert | Palm Desert | CA | — | 2,887 | 9,843 | 1,018 | 3,106 | 10,642 | 13,748 | 3,354 | 10,394 | 1988 | 2011 | 35 years |

| Property Name | City | State/ Province | Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | Life on Which Depreciation in Income Statement is Computed | | |
|-------------------------------|---------------------|--------------------|--------------|--------------------------|-------------------------------|--|--------------------------|-------------------------------|--|-----------------------------|--------|---|------------------|----------|
| | | | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | 35 years |
| | | | | | | | | | | | | | | |
| Atria Hacienda | Palm Desert | CA | — | 6,680 | 85,900 | 2,231 | 6,826 | 87,985 | 94,811 | 13,532 | 81,279 | 1989 | 2011 | 35 years |
| Atria Paradise | Paradise | CA | 4,983 | 22,265 | 28,262 | 715 | 2,309 | 28,933 | 31,242 | 2,646 | 28,596 | 1999 | 2013 | 35 years |
| Atria Del Rey | Rancho Cucamonga | CA | — | 3,290 | 17,427 | 4,517 | 3,458 | 21,776 | 25,234 | 4,992 | 20,242 | 1987 | 2011 | 35 years |
| Atria Collwood | San Diego | CA | — | 5,290 | 10,650 | 751 | 338 | 11,353 | 11,691 | 2,267 | 9,424 | 1976 | 2011 | 35 years |
| Atria Rancho Park | San Dimas | CA | — | 4,066 | 14,306 | 1,069 | 4,576 | 14,865 | 19,441 | 3,258 | 16,183 | 1975 | 2011 | 35 years |
| Atria Chateau Gardens | San Jose | CA | — | 39 | 487 | 554 | 39 | 1,041 | 1,080 | 616 | 464 | 1977 | 2011 | 35 years |
| Atria Willow Glen | San Jose | CA | — | 8,521 | 43,168 | 2,097 | 8,556 | 45,230 | 53,786 | 6,412 | 47,374 | 1976 | 2011 | 35 years |
| Atria Charcau San Juan | San Juan Capistrano | CA | — | 5,110 | 29,436 | 8,027 | 5,305 | 37,268 | 42,573 | 8,173 | 34,400 | 1985 | 2011 | 35 years |
| Atria Hillside | San Mateo | CA | — | 5,240 | 15,956 | 1,384 | 5,251 | 17,329 | 22,580 | 2,996 | 19,584 | 1986 | 2011 | 35 years |
| Atria Bayside Landing | Stockton | CA | — | — | 467 | 456 | — | 923 | 923 | 581 | 342 | 1998 | 2011 | 35 years |
| Atria Sunnyvale | Sunnyvale | CA | — | 6,120 | 30,068 | 4,117 | 6,217 | 34,088 | 40,305 | 5,498 | 34,807 | 1977 | 2011 | 35 years |
| Atria Tarzana | Tarzana | CA | — | 960 | 47,547 | 520 | 968 | 48,059 | 49,027 | 4,021 | 45,006 | 2008 | 2013 | 35 years |
| Atria Vintage Hills | Temecula | CA | — | 4,674 | 44,341 | 1,160 | 4,784 | 45,391 | 50,175 | 4,391 | 45,784 | 2000 | 2013 | 35 years |
| Atria Grand Oaks | Thousand Oaks | CA | 22,350 | 5,994 | 50,309 | 444 | 6,044 | 50,703 | 56,747 | 4,759 | 51,988 | 2002 | 2013 | 35 years |
| Atria Hillcrest | Thousand Oaks | CA | — | 6,020 | 25,635 | 9,492 | 6,612 | 34,535 | 41,147 | 7,045 | 34,102 | 1987 | 2011 | 35 years |
| Atria Montego Heights | Walnut Creek | CA | — | 6,910 | 15,797 | 14,523 | 7,535 | 29,695 | 37,230 | 4,591 | 32,639 | 1978 | 2011 | 35 years |
| Atria Valley View | Walnut Creek | CA | — | 7,139 | 53,914 | 2,343 | 7,171 | 56,225 | 63,396 | 13,463 | 49,933 | 1977 | 2011 | 35 years |
| Atria Applewood | Lakewood | CO | — | 3,656 | 48,657 | 331 | 3,675 | 48,969 | 52,644 | 4,765 | 47,879 | 2008 | 2013 | 35 years |
| Atria Inn at Lakewood | Lakewood | CO | — | 6,281 | 50,095 | 1,127 | 6,311 | 51,192 | 57,503 | 7,852 | 49,651 | 1999 | 2011 | 35 years |
| Atria Vistas in Longmont | Longmont | CO | — | 2,807 | 24,877 | 374 | 2,815 | 25,243 | 28,058 | 3,279 | 24,779 | 2009 | 2012 | 35 years |
| Atria Darien | Darien | CT | 19,494 | 653 | 37,587 | 3,991 | 816 | 41,415 | 42,231 | 6,737 | 35,494 | 1997 | 2011 | 35 years |
| Atria Larson Place | Hamden | CT | — | 1,850 | 16,098 | 1,106 | 1,873 | 17,181 | 19,054 | 3,259 | 15,795 | 1999 | 2011 | 35 years |
| Atria Greenridge Place | Rocky Hill | CT | — | 2,170 | 32,553 | 1,412 | 2,388 | 33,747 | 36,135 | 5,430 | 30,705 | 1998 | 2011 | 35 years |
| Atria Stamford | Stamford | CT | 36,272 | 1,200 | 62,432 | 3,474 | 1,373 | 65,733 | 67,106 | 10,775 | 56,331 | 1975 | 2011 | 35 years |
| Atria Stratford | Stratford | CT | — | 3,210 | 27,865 | 1,067 | 3,210 | 28,932 | 32,142 | 5,122 | 27,020 | 1999 | 2011 | 35 years |
| Atria Crossroads Place | Waterford | CT | — | 2,401 | 36,495 | 7,290 | 2,552 | 43,634 | 46,186 | 6,721 | 39,465 | 2000 | 2011 | 35 years |
| Atria Hamilton Heights | West Hartford | CT | — | 3,120 | 14,674 | 2,136 | 3,154 | 16,776 | 19,930 | 3,701 | 16,229 | 1904 | 2011 | 35 years |
| Atria Windsor Woods | Hudson | FL | — | 1,610 | 32,432 | 1,407 | 1,661 | 33,788 | 35,449 | 6,145 | 29,304 | 1988 | 2011 | 35 years |
| Atria Baypoint Village | Hudson | FL | 15,436 | 2,083 | 28,841 | 4,345 | 2,259 | 33,010 | 35,269 | 6,475 | 28,794 | 1986 | 2011 | 35 years |
| Atria San Pablo | Jacksonville | FL | 5,596 | 1,620 | 14,920 | 678 | 1,642 | 15,576 | 17,218 | 2,614 | 14,604 | 1999 | 2011 | 35 years |
| Atria at St. Joseph's | Jupiter | FL | 16,115 | 5,520 | 30,720 | 612 | 5,549 | 31,303 | 36,852 | 2,945 | 33,907 | 2007 | 2013 | 35 years |
| Atria Meridian | Lake Worth | FL | — | — | 10 | 1,169 | 30 | 1,149 | 1,179 | 307 | 872 | 1986 | 2012 | 35 years |
| Atria Heritage at Lake Forest | Sanford | FL | — | 3,589 | 32,586 | 2,618 | 3,844 | 34,949 | 38,793 | 5,553 | 33,240 | 2002 | 2011 | 35 years |
| Atria Evergreen Woods | Spring Hill | FL | — | 2,370 | 28,371 | 2,859 | 2,518 | 31,082 | 33,600 | 6,251 | 27,349 | 1981 | 2011 | 35 years |
| Atria North Point | Alpharetta | GA | 41,724 | 4,830 | 78,318 | 775 | 4,853 | 79,070 | 83,923 | 4,772 | 79,151 | 2007 | 2014 | 35 years |
| Atria Buckhead | Atlanta | GA | — | 3,660 | 5,274 | 673 | 3,683 | 5,924 | 9,607 | 1,443 | 8,164 | 1996 | 2011 | 35 years |
| Atria Mableton | Austell | GA | — | 1,911 | 18,879 | 227 | 1,942 | 19,075 | 21,017 | 1,879 | 19,138 | 2000 | 2013 | 35 years |
| Atria Johnson Ferry | Maricetta | GA | — | 990 | 6,453 | 363 | 995 | 6,811 | 7,806 | 1,327 | 6,479 | 1995 | 2011 | 35 years |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | Life on Which Depreciation in Income Statement is Computed | | | |
|--------------------------|------------------|------------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--|----------------------|---------------|-------------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NRV | Year of Construction | Year Acquired | Is Computed |
| Atria Tucker | Tucker | GA | — | 1,103 | 20,679 | 275 | 1,115 | 20,942 | 22,057 | 2,030 | 20,027 | 2000 | 2013 | 35 years |
| Atria Glen Ellyn | Glen Ellyn | IL | — | 2,455 | 34,064 | 1,849 | 2,486 | 35,882 | 38,368 | 9,799 | 28,569 | 2000 | 2007 | 35 years |
| Atria Newburgh | Newburgh | IN | — | 1,150 | 22,880 | 499 | 1,150 | 23,379 | 24,529 | 3,787 | 20,742 | 1998 | 2011 | 35 years |
| Atria Heathstone East | Topeka | KS | — | 1,150 | 20,544 | 756 | 1,171 | 21,279 | 22,450 | 3,748 | 18,702 | 1998 | 2011 | 35 years |
| Atria Heathstone West | Topeka | KS | — | 1,230 | 28,379 | 1,826 | 1,230 | 30,205 | 31,435 | 5,555 | 25,880 | 1987 | 2011 | 35 years |
| Atria Highland Crossings | Covington | KY | — | 1,677 | 14,393 | 1,203 | 1,689 | 15,584 | 17,273 | 3,262 | 14,011 | 1988 | 2011 | 35 years |
| Atria Summit Hills | Crestview Hills | KY | — | 1,780 | 15,769 | 698 | 1,789 | 16,458 | 18,247 | 3,020 | 15,227 | 1998 | 2011 | 35 years |
| Atria Elizabethtown | Elizabethtown | KY | — | 850 | 12,510 | 486 | 869 | 12,977 | 13,846 | 2,238 | 11,608 | 1996 | 2011 | 35 years |
| Atria St. Matthews | Louisville | KY | — | 939 | 9,274 | 627 | 948 | 9,892 | 10,840 | 2,408 | 8,432 | 1998 | 2011 | 35 years |
| Atria Stony Brook | Louisville | KY | — | 1,660 | 17,561 | 582 | 1,888 | 18,115 | 20,003 | 3,238 | 16,765 | 1999 | 2011 | 35 years |
| Atria Springdale | Louisville | KY | — | 1,410 | 16,702 | 743 | 1,410 | 17,445 | 18,855 | 3,139 | 15,716 | 1999 | 2011 | 35 years |
| Atria Marlard Place | Andover | MA | — | 1,831 | 34,592 | 18,612 | 1,984 | 53,051 | 55,035 | 7,581 | 47,454 | 1996 | 2011 | 35 years |
| Atria Longmeadow Place | Burlington | MA | — | 5,310 | 58,021 | 1,093 | 5,383 | 59,041 | 64,424 | 8,948 | 55,476 | 1998 | 2011 | 35 years |
| Atria Fairhaven (Allden) | Fairhaven | MA | — | 1,100 | 16,093 | 602 | 1,117 | 16,678 | 17,795 | 2,725 | 15,070 | 1999 | 2011 | 35 years |
| Atria Woodbriar Place | Falmouth | MA | 22,940 | 4,630 | — | 32,684 | 6,433 | 30,881 | 37,314 | 3,431 | 33,883 | 2013 | 2011 | 35 years |
| Atria Woodbriar Place | Falmouth | MA | — | 1,970 | 43,693 | 16,799 | 1,974 | 60,488 | 62,462 | 6,640 | 55,822 | 1975 | 2011 | 35 years |
| Atria Draper Place | Hopedale | MA | — | 1,140 | 17,794 | 1,173 | 1,154 | 18,953 | 20,107 | 3,155 | 16,952 | 1998 | 2011 | 35 years |
| Atria Marina Place | Newburyport | MA | — | 2,774 | 40,645 | 1,085 | 2,809 | 41,699 | 44,508 | 6,305 | 38,203 | 2000 | 2011 | 35 years |
| Atria Marina Place | Quincy | MA | — | 2,590 | 33,899 | 1,207 | 2,606 | 35,090 | 37,696 | 5,753 | 31,943 | 1999 | 2011 | 35 years |
| Riverbush Terrace | Brandon | MB | 8,823 | 799 | 27,708 | (4,396) | 8,711 | 23,440 | 24,111 | 1,191 | 22,920 | 2001 | 2014 | 35 years |
| Amber Meadow | Winnipeg | MB | — | 3,047 | 17,821 | (2,996) | 2,560 | 15,312 | 17,872 | 901 | 16,971 | 2000 | 2014 | 35 years |
| The Woodhaven | Winnipeg | MB | — | 871 | 23,162 | (3,572) | 2,742 | 19,719 | 20,461 | 1,039 | 19,422 | 1988 | 2014 | 35 years |
| Atria Manresa | Annapolis | MD | — | 4,193 | 19,000 | 1,438 | 4,465 | 20,166 | 24,631 | 3,453 | 21,178 | 1920 | 2011 | 35 years |
| Atria Salisbury | Salisbury | MD | — | 1,940 | 24,500 | 401 | 1,949 | 24,892 | 26,841 | 3,918 | 22,923 | 1995 | 2011 | 35 years |
| Atria Kennebunk | Kennebunk | ME | — | 1,090 | 23,496 | 709 | 1,104 | 24,191 | 25,295 | 4,067 | 21,228 | 1998 | 2011 | 35 years |
| Atria Ann Arbor | Ann Arbor | MI | — | 1,703 | 15,857 | 1,720 | 1,710 | 17,570 | 19,280 | 4,995 | 14,285 | 2001 | 2007 | 35 years |
| Atria Kinghaven | Riverview | MI | 13,545 | 1,440 | 26,260 | 1,255 | 1,495 | 27,460 | 28,955 | 4,901 | 24,054 | 1987 | 2011 | 35 years |
| Atria Storchaven | Sterling Heights | MI | — | — | 8 | 996 | 23 | 981 | 1,004 | 204 | 800 | 1989 | 2012 | 35 years |
| St. Anne's Court | Fredericton | NB | — | 1,221 | 29,626 | (4,781) | 1,025 | 25,041 | 26,066 | 1,262 | 24,804 | 2002 | 2014 | 35 years |
| Chateau De Champlain | St. John | NB | 8,287 | 796 | 24,577 | (3,797) | 674 | 20,902 | 21,576 | 1,094 | 20,482 | 2002 | 2014 | 35 years |
| Atria Merrywood | Charlotte | NC | — | 1,678 | 36,892 | 2,051 | 1,705 | 38,916 | 40,621 | 6,946 | 33,675 | 1991 | 2011 | 35 years |
| Atria Southpoint | Durham | NC | 16,609 | 2,130 | 25,920 | 446 | 2,130 | 26,366 | 28,496 | 2,608 | 25,888 | 2009 | 2013 | 35 years |
| Atria Oakridge | Raleigh | NC | 15,406 | 1,482 | 28,838 | 404 | 1,514 | 29,210 | 30,724 | 2,906 | 27,818 | 2009 | 2013 | 35 years |
| Atria Cranford | Cranford | NJ | 26,052 | 8,260 | 61,411 | 3,011 | 8,344 | 64,338 | 72,682 | 10,747 | 61,935 | 1993 | 2011 | 35 years |
| Atria Tinton Falls | Tinton Falls | NJ | — | 6,580 | 13,258 | 1,037 | 6,593 | 14,282 | 20,875 | 3,073 | 17,802 | 1999 | 2011 | 35 years |
| Atria Vista del Rio | Albuquerque | NM | — | — | 36 | 1,008 | 57 | 987 | 1,044 | 227 | 817 | 1997 | 2012 | 35 years |
| Atria Sunlake | Las Vegas | NV | — | 7 | 732 | 745 | 7 | 1,477 | 1,484 | 883 | 601 | 1998 | 2011 | 35 years |
| Atria Sutton | Las Vegas | NV | — | — | 863 | 894 | 39 | 1,718 | 1,757 | 1,100 | 657 | 1998 | 2011 | 35 years |
| Atria Seville | Las Vegas | NV | — | — | 796 | 811 | 11 | 1,596 | 1,607 | 975 | 632 | 1999 | 2011 | 35 years |

| Location | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|----------------------------|--------------------|-------------------------|--------------|---|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| Atria Summit Ridge | Reno | NV | — | 4 | 407 | 336 | 4 | 743 | 747 | 482 | 265 | 1997 | 2011 | 35 years |
| Atria Shaker | Albany | NY | — | 1,520 | 29,667 | 797 | 1,626 | 30,358 | 31,984 | 5,018 | 26,966 | 1997 | 2011 | 35 years |
| Atria Crossgate | Albany | NY | — | 1,080 | 20,599 | 816 | 1,080 | 21,415 | 22,495 | 3,642 | 18,853 | 1980 | 2011 | 35 years |
| Atria Woodlands | Ardley | NY | 46,448 | 7,660 | 65,581 | 1,657 | 7,682 | 67,216 | 74,898 | 10,727 | 64,171 | 2005 | 2011 | 35 years |
| Atria Bay Shore | Bay Shore | NY | 15,275 | 4,440 | 31,983 | 1,256 | 4,448 | 33,231 | 37,679 | 5,477 | 32,202 | 1900 | 2011 | 35 years |
| Atria Briarcliff Manor | Briarcliff Manor | NY | — | 6,560 | 33,885 | 1,632 | 6,613 | 35,464 | 42,077 | 6,012 | 36,065 | 1997 | 2011 | 35 years |
| Atria Riverdale | Brox | NY | — | 1,020 | 24,149 | 12,988 | 1,057 | 37,100 | 38,157 | 5,277 | 32,880 | 1999 | 2011 | 35 years |
| Atria Delmar Place | Delmar | NY | — | 1,201 | 24,850 | 436 | 1,219 | 25,268 | 26,487 | 1,789 | 24,698 | 2004 | 2013 | 35 years |
| Atria East Northport | East Northport | NY | — | 9,960 | 34,467 | 18,029 | 10,003 | 52,453 | 62,456 | 6,082 | 56,374 | 1996 | 2011 | 35 years |
| Atria Glen Cove | Glen Cove | NY | — | 2,035 | 25,190 | 910 | 2,049 | 26,086 | 28,135 | 8,278 | 19,857 | 1997 | 2011 | 35 years |
| Atria Great Neck | Great Neck | NY | — | 3,390 | 54,051 | 1,386 | 3,390 | 55,437 | 58,827 | 8,347 | 50,480 | 1998 | 2011 | 35 years |
| Atria Cutter Mill | Great Neck | NY | 34,301 | 2,750 | 47,919 | 1,668 | 2,756 | 49,581 | 52,337 | 7,710 | 44,627 | 1999 | 2011 | 35 years |
| Atria Huntington | Huntington Station | NY | — | 8,190 | 1,169 | 1,609 | 8,232 | 2,736 | 10,968 | 1,375 | 9,593 | 1987 | 2011 | 35 years |
| Atria Hurlin House | Lake Ronkonkoma | NY | — | 7,886 | 16,391 | 1,166 | 7,886 | 17,557 | 25,443 | 2,089 | 23,354 | 2002 | 2012 | 35 years |
| Atria Lynbrook | Lynbrook | NY | — | 3,145 | 5,489 | 718 | 3,147 | 6,205 | 9,352 | 1,713 | 7,639 | 1996 | 2011 | 35 years |
| Atria Tanglewood | Lynbrook | NY | 25,130 | 4,120 | 37,348 | 672 | 4,142 | 37,998 | 42,140 | 5,915 | 36,225 | 2005 | 2011 | 35 years |
| Atria 86th Street | New York | NY | — | 80 | 73,685 | 4,713 | 167 | 78,311 | 78,478 | 12,777 | 65,701 | 1998 | 2011 | 35 years |
| Atria on the Hudson | Ossining | NY | — | 8,123 | 63,089 | 2,622 | 8,157 | 65,677 | 73,834 | 11,237 | 62,597 | 1972 | 2011 | 35 years |
| Atria Penfield | Penfield | NY | — | 620 | 22,036 | 626 | 628 | 22,654 | 23,282 | 3,822 | 19,460 | 1972 | 2011 | 35 years |
| Atria Plainview | Plainview | NY | 13,099 | 2,480 | 16,060 | 929 | 2,630 | 16,839 | 19,469 | 3,089 | 16,380 | 2000 | 2011 | 35 years |
| Atria Rye Brook | Port Chester | NY | 43,053 | 9,660 | 74,936 | 984 | 9,716 | 75,864 | 85,580 | 11,865 | 73,715 | 2004 | 2011 | 35 years |
| Atria Kew Gardens | Queens | NY | — | 3,051 | 66,013 | 7,437 | 3,068 | 73,433 | 76,501 | 10,391 | 66,110 | 1999 | 2011 | 35 years |
| Atria Forest Hills | Queens | NY | — | 2,050 | 16,680 | 635 | 2,050 | 17,315 | 19,365 | 3,058 | 16,307 | 2001 | 2011 | 35 years |
| Atria Greece | Rochester | NY | — | 410 | 14,967 | 848 | 636 | 15,589 | 16,225 | 2,733 | 13,492 | 1970 | 2011 | 35 years |
| Atria on Roslyn Harbor | Roslyn | NY | 65,000 | 12,909 | 72,720 | 1,333 | 12,968 | 73,994 | 86,962 | 11,390 | 75,572 | 2006 | 2011 | 35 years |
| Atria Guilderland | Slingerlands | NY | — | 1,170 | 22,414 | 339 | 1,171 | 22,752 | 23,923 | 3,723 | 20,200 | 1950 | 2011 | 35 years |
| Atria South Setauket | South Setauket | NY | — | 8,450 | 14,534 | 1,145 | 8,786 | 15,343 | 24,129 | 3,897 | 20,232 | 1967 | 2011 | 35 years |
| Atria Northgate Park | Cincinnati | OH | — | — | — | 540 | 23 | 517 | 540 | 177 | 363 | 1985 | 2012 | 35 years |
| The Court at Brooklyn | Brooklyn | ON | — | 2,515 | 35,602 | (5,917) | 2,112 | 30,088 | 32,200 | 1,448 | 30,752 | 2004 | 2014 | 35 years |
| Burlington Gardens | Burlington | ON | — | 7,560 | 50,744 | (9,122) | 6,349 | 42,833 | 49,182 | 1,980 | 47,202 | 2008 | 2014 | 35 years |
| The Court at Rushdale | Hamilton | ON | 13,076 | 1,799 | 34,633 | (5,334) | 1,511 | 29,587 | 31,098 | 1,408 | 29,690 | 2004 | 2014 | 35 years |
| Kingsdale Chateau | Kingston | ON | 13,701 | 2,221 | 36,272 | (5,985) | 1,865 | 30,643 | 32,508 | 1,486 | 31,022 | 2000 | 2014 | 35 years |
| Cystal View Lodge | Nepean | ON | — | 1,587 | 37,243 | (5,659) | 1,457 | 31,714 | 33,171 | 1,532 | 31,639 | 2000 | 2014 | 35 years |
| The Court at Barrhaven | Nepean | ON | — | 1,778 | 33,922 | (4,861) | 1,493 | 29,346 | 30,839 | 1,395 | 29,444 | 2004 | 2014 | 35 years |
| Stamford Estates | Niagara Falls | ON | 10,640 | 1,414 | 29,439 | (4,721) | 1,188 | 24,944 | 26,132 | 1,245 | 24,887 | 2005 | 2014 | 35 years |
| Sherbrooke Heights | Peterborough | ON | 13,110 | 2,485 | 33,747 | (5,217) | 2,090 | 28,925 | 31,015 | 1,406 | 29,609 | 2001 | 2014 | 35 years |
| Anchor Pointe | St. Catharines | ON | 12,379 | 8,214 | 24,056 | (4,980) | 6,898 | 20,392 | 27,290 | 1,136 | 26,154 | 2000 | 2014 | 35 years |
| The Court at Pringle Creek | Whitby | ON | — | 2,965 | 39,206 | (6,137) | 2,490 | 33,544 | 36,034 | 1,610 | 34,424 | 2002 | 2014 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | | |
|---|----------------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|-----------|--------------------------|-----------|----------------------|---------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NHV | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
| Atria Bethlehem | Bethlehem | PA | — | 2,479 | 22,870 | 622 | 2,484 | 23,487 | 25,971 | 4,201 | 21,770 | 1998 | 2011 | 35 years |
| Atria Center City | Philadelphia | PA | 22,662 | 3,460 | 18,291 | 1,770 | 3,460 | 20,061 | 23,521 | 3,844 | 19,677 | 1964 | 2011 | 35 years |
| Atria Woodbridge Place | Phoenixville | PA | — | 1,510 | 19,130 | 1,593 | 1,510 | 19,723 | 21,233 | 3,436 | 17,777 | 1996 | 2011 | 35 years |
| Atria South Hills | Pittsburgh | PA | — | 880 | 10,884 | 484 | 895 | 11,353 | 12,248 | 2,333 | 9,915 | 1998 | 2011 | 35 years |
| La Residence Steger | Saint-Laurent | QC | 5,233 | 1,995 | 10,926 | (1,717) | 1,676 | 9,528 | 11,204 | 631 | 10,573 | 1999 | 2014 | 35 years |
| Atria Bay Spring Village | Barrington | RI | — | 2,000 | 33,400 | 2,120 | 2,075 | 35,445 | 37,520 | 6,464 | 31,056 | 2000 | 2011 | 35 years |
| Atria Harborhill Place | East Greenwich | RJ | — | 2,089 | 21,702 | 963 | 2,115 | 22,639 | 24,754 | 3,814 | 20,940 | 1835 | 2011 | 35 years |
| Atria Lincoln Place | Lincoln | RI | — | 1,440 | 12,686 | 664 | 1,470 | 13,320 | 14,790 | 2,639 | 12,151 | 2000 | 2011 | 35 years |
| Atria Aquidneck Place | Portsmouth | RJ | — | 2,810 | 31,633 | 1,465 | 2,810 | 32,088 | 34,898 | 4,919 | 29,979 | 1999 | 2011 | 35 years |
| Atria Forest Lake | Columbia | SC | — | 670 | 13,946 | 639 | 680 | 14,575 | 15,255 | 2,419 | 12,836 | 1999 | 2011 | 35 years |
| Primrose Chateau | Saskatoon | SK | 13,046 | 2,811 | 32,729 | (3,397) | 2,193 | 27,750 | 29,943 | 11,355 | 18,588 | 1996 | 2014 | 35 years |
| Mulberry Estates | Monse Jaw | SK | 13,099 | 2,173 | 31,791 | (5,177) | 1,824 | 26,963 | 28,787 | 1,335 | 27,452 | 2003 | 2014 | 35 years |
| Queen Victoria Place | Regina | SK | — | 2,018 | 34,109 | (3,445) | 2,534 | 29,048 | 31,582 | 1,389 | 30,193 | 2000 | 2014 | 35 years |
| Atria Weston Place | Knoxville | TN | 9,532 | 793 | 7,961 | 952 | 967 | 8,739 | 9,706 | 1,783 | 7,923 | 1993 | 2011 | 35 years |
| Atria Village at Arboretum | Austin | TX | — | 2,280 | 61,764 | 445 | 2,295 | 62,194 | 70,489 | 6,903 | 63,586 | 2009 | 2012 | 35 years |
| Atria Collier Park | Beaumont | TX | — | — | — | 794 | 2 | 792 | 794 | 273 | 521 | 1996 | 2012 | 35 years |
| Atria Carrollton | Carrollton | TX | 6,901 | 360 | 20,465 | 946 | 364 | 21,407 | 21,771 | 3,662 | 18,109 | 1998 | 2011 | 35 years |
| Atria Grapevine | Grapevine | TX | — | 2,070 | 23,104 | 448 | 2,070 | 23,552 | 25,622 | 3,889 | 21,733 | 1999 | 2011 | 35 years |
| Atria Westchase | Houston | TX | — | 2,118 | 22,278 | 583 | 2,322 | 22,857 | 25,179 | 3,900 | 21,279 | 1999 | 2011 | 35 years |
| Atria Kingwood | Kingwood | TX | — | 1,170 | 4,518 | 433 | 1,189 | 4,932 | 6,121 | 1,153 | 4,968 | 1998 | 2011 | 35 years |
| Atria North Homestead | North Richland Hills | TX | — | 1,932 | 30,382 | 594 | 1,958 | 30,950 | 32,908 | 3,143 | 29,765 | 2007 | 2013 | 35 years |
| Atria Canyon Creek | Plano | TX | — | 3,110 | 45,999 | 724 | 3,138 | 46,695 | 49,833 | 4,634 | 45,199 | 2009 | 2013 | 35 years |
| Atria Richardson | Richardson | TX | — | 1,590 | 23,662 | 652 | 1,595 | 24,309 | 25,904 | 4,008 | 21,896 | 1998 | 2011 | 35 years |
| Atria Cypresswood | Spring | TX | — | 880 | 9,192 | 728 | 887 | 9,913 | 10,800 | 1,786 | 9,014 | 1996 | 2011 | 35 years |
| Atria Sugar Land | Sugar Land | TX | — | 1,970 | 17,542 | 677 | 1,978 | 18,211 | 19,189 | 3,037 | 16,152 | 1999 | 2011 | 35 years |
| Atria Copeland | Tyler | TX | — | 1,879 | 17,901 | 636 | 1,881 | 18,535 | 20,416 | 3,251 | 17,165 | 1997 | 2011 | 35 years |
| Atria Willow Park | Tyler | TX | — | 1,920 | 31,271 | 707 | 1,928 | 31,970 | 32,898 | 5,619 | 27,279 | 1985 | 2011 | 35 years |
| Atria Virginia Beach (Hilltop) | Virginia Beach | VA | — | 1,749 | 33,004 | 532 | 1,749 | 33,536 | 35,285 | 5,673 | 29,612 | 1998 | 2011 | 35 years |
| Amberwood | Port Richey | FL | — | 1,320 | — | — | 1,320 | — | 1,320 | — | 1,320 | N/A | 2011 | N/A |
| Other Projects | | | — | — | 4,307 | — | — | 4,307 | 4,307 | — | 4,307 | CIP | CIP | 35 years |
| TOTAL FOR ATRIA SENIORS HOUSING COMMUNITIES | | | 757,066 | 518,349 | 4,694,099 | 182,772 | 516,626 | 4,878,594 | 5,395,220 | 687,032 | 4,708,188 | | | |
| OTHER SENIORS HOUSING COMMUNITIES | | | | | | | | | | | | | | |
| Elmcroft of Grayson Valley | Birmingham | AL | — | 1,040 | 19,145 | 474 | 1,046 | 19,613 | 20,659 | 2,911 | 17,748 | 2000 | 2011 | 35 years |
| Elmcroft of Byrd Springs | Huntsville | AL | — | 1,720 | 11,270 | 440 | 1,723 | 11,707 | 13,430 | 1,914 | 11,516 | 1999 | 2011 | 35 years |
| Elmcroft of Heritage Woods | Mobile | AL | — | 1,020 | 10,241 | 458 | 1,020 | 10,699 | 11,719 | 1,769 | 9,950 | 2000 | 2011 | 35 years |
| Elmcroft of Halcyon | Montgomery | AL | — | 220 | 5,476 | — | 220 | 5,476 | 5,696 | 1,434 | 4,262 | 1999 | 2006 | 35 years |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|--|------------------|------------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|----------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NRV | Year of Construction | Year Acquired | | |
| Rosewood Manor (AL) | Scottsboro | AL | — | 680 | 4,038 | — | 680 | 4,038 | 4,718 | 603 | 4,115 | 1998 | 2011 | 35 years | |
| West Shores | Hot Springs | AR | — | 1,326 | 10,904 | — | 1,326 | 10,904 | 12,230 | 3,315 | 8,915 | 1988 | 2005 | 35 years | |
| Elmcroft of Maumelle | Maumelle | AR | — | 1,252 | 7,601 | — | 1,252 | 7,601 | 8,853 | 1,991 | 6,862 | 1997 | 2006 | 35 years | |
| Elmcroft of Mountain Home | Mountain Home | AR | — | 204 | 8,971 | — | 204 | 8,971 | 9,175 | 2,350 | 6,825 | 1997 | 2006 | 35 years | |
| Elmcroft of Sherwood | Sherwood | AR | — | 1,320 | 5,693 | — | 1,320 | 5,693 | 7,013 | 1,491 | 5,522 | 1997 | 2006 | 35 years | |
| Chandler Memory Care Community | Chandler | AZ | — | 2,910 | — | 9,066 | 3,094 | 8,882 | 11,976 | 1,303 | 10,673 | 2011 | 2011 | 35 years | |
| Cottonwood Village | Cottonwood | AZ | — | 1,200 | 15,124 | — | 1,200 | 15,124 | 16,324 | 4,571 | 11,753 | 1986 | 2005 | 35 years | |
| Silver Creek Inn Memory Care Community | Gilbert | AZ | — | 890 | 5,918 | — | 890 | 5,918 | 6,808 | 745 | 6,063 | 2012 | 2012 | 35 years | |
| Prestige Assisted Living at Green Valley | Green Valley | AZ | — | 1,227 | 13,977 | — | 1,227 | 13,977 | 15,204 | 507 | 14,697 | 1998 | 2014 | 35 years | |
| Prestige Assisted Living at Lake Havasu City | Lake Havasu City | AZ | — | 594 | 14,792 | — | 594 | 14,792 | 15,386 | 533 | 14,853 | 1999 | 2014 | 35 years | |
| Lakeview Terrace | Lake Havasu City | AZ | — | 706 | 7,810 | — | 706 | 7,810 | 8,516 | 264 | 8,252 | 2009 | 2015 | 35 years | |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|--|---------------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|----------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | | |
| Arbor Rose | Mesa | AZ | — | 1,100 | 11,880 | 2,434 | 1,100 | 14,314 | 15,414 | 2,855 | 12,559 | 1999 | 2011 | 35 years | |
| The Stratford | Phoenix | AZ | — | 1,931 | 33,576 | — | 1,931 | 33,576 | 35,507 | 1,213 | 34,294 | 2001 | 2014 | 35 years | |
| Amber Creek Inn Memory Care | Scottsdale | AZ | — | 2,310 | 6,322 | 676 | 2,185 | 7,123 | 9,308 | 51 | 9,257 | 1986 | 2011 | 35 years | |
| Prestige Assisted Living at Sierra Vista | Sierra Vista | AZ | — | 295 | 13,224 | — | 295 | 13,224 | 13,519 | 475 | 13,044 | 1999 | 2014 | 35 years | |
| Elmercroft of Tempe | Tempe | AZ | — | 1,090 | 12,942 | 834 | 1,090 | 13,776 | 14,866 | 2,158 | 12,708 | 1999 | 2011 | 35 years | |
| Elmercroft of River Centre | Tucson | AZ | — | 1,940 | 5,195 | 405 | 1,940 | 5,600 | 7,540 | 1,075 | 6,465 | 1999 | 2011 | 35 years | |
| Sierra Ridge Memory Care | Auburn | CA | — | 681 | 6,071 | — | 681 | 6,071 | 6,752 | 247 | 6,505 | 2011 | 2014 | 35 years | |
| Cottage Banning | Banning | CA | — | 2,970 | 16,037 | — | 2,970 | 16,037 | 19,007 | 2,549 | 16,458 | 2004 | 2011 | 35 years | |
| Las Villas Del Carlsbad | Carlsbad | CA | — | 1,760 | 30,469 | — | 1,760 | 30,469 | 32,229 | 7,980 | 24,249 | 1987 | 2006 | 35 years | |
| Prestige Assisted Living at Chicago | Chicago | CA | — | 1,069 | 14,929 | — | 1,069 | 14,929 | 15,998 | 540 | 15,458 | 1998 | 2014 | 35 years | |
| Villa Bonita | Chula Vista | CA | — | 1,610 | 9,169 | — | 1,610 | 9,169 | 10,779 | 1,547 | 9,232 | 1989 | 2011 | 35 years | |
| The Meadows Senior Living | Elk Grove | CA | — | 1,308 | 19,667 | — | 1,308 | 19,667 | 20,975 | 787 | 20,188 | 2003 | 2014 | 35 years | |
| Las Villas Del Norte | Escondido | CA | — | 2,791 | 32,632 | — | 2,791 | 32,632 | 35,423 | 8,546 | 26,877 | 1986 | 2006 | 35 years | |
| Alder Bay Assisted Living | Eureka | CA | — | 1,170 | 5,228 | (70) | 1,170 | 5,158 | 6,328 | 862 | 5,466 | 1997 | 2011 | 35 years | |
| Elmercroft of La Mesa | La Mesa | CA | — | 2,431 | 6,101 | — | 2,431 | 6,101 | 8,532 | 1,598 | 6,934 | 1997 | 2006 | 35 years | |
| Grossmont Gardens | La Mesa | CA | — | 9,104 | 59,349 | — | 9,104 | 59,349 | 68,453 | 15,544 | 52,909 | 1964 | 2006 | 35 years | |
| Palms, The | La Mirada | CA | — | 2,700 | 43,919 | — | 2,700 | 43,919 | 46,619 | 3,305 | 43,314 | 1990 | 2013 | 35 years | |
| Prestige Assisted Living at Lancaster | Lancaster | CA | — | 718 | 10,459 | — | 718 | 10,459 | 11,177 | 378 | 10,799 | 1999 | 2014 | 35 years | |
| Prestige Assisted Living at Marysville | Marysville | CA | — | 741 | 7,467 | — | 741 | 7,467 | 8,208 | 271 | 7,937 | 1999 | 2014 | 35 years | |
| Mountainview Retirement Residence | Montrose | CA | — | 1,089 | 15,449 | — | 1,089 | 15,449 | 16,538 | 4,046 | 12,492 | 1974 | 2006 | 35 years | |
| Redwood Retirement | Napa | CA | — | 2,798 | 12,639 | — | 2,798 | 12,639 | 15,437 | 972 | 14,465 | 1986 | 2013 | 35 years | |
| Prestige Assisted Living at Oroville | Oroville | CA | — | 638 | 8,079 | — | 638 | 8,079 | 8,717 | 293 | 8,424 | 1999 | 2014 | 35 years | |
| Valencia Commons | Rancho Cucamonga | CA | — | 1,439 | 36,363 | — | 1,439 | 36,363 | 37,802 | 2,728 | 35,074 | 2002 | 2013 | 35 years | |
| Mission Hills | Rancho Mirage | CA | — | 6,800 | 3,637 | — | 6,800 | 3,637 | 10,437 | 969 | 9,468 | 1999 | 2011 | 35 years | |
| Shasta Estates | Redding | CA | — | 1,180 | 23,463 | — | 1,180 | 23,463 | 24,643 | 1,763 | 22,880 | 2009 | 2013 | 35 years | |
| The Vistas | Redding | CA | — | 1,290 | 22,033 | — | 1,290 | 22,033 | 23,323 | 3,197 | 20,126 | 2007 | 2011 | 35 years | |
| Casa de Santa Fe | Rocklin | CA | 20,024 | 4,427 | 52,064 | — | 4,427 | 52,064 | 56,491 | 1,613 | 54,878 | 2001 | 2015 | 35 years | |
| Elmercroft of Point Loma | San Diego | CA | — | 2,117 | 6,865 | — | 2,117 | 6,865 | 8,982 | 1,798 | 7,184 | 1999 | 2006 | 35 years | |
| Regency of Evergreen Valley | San Jose | CA | — | 2,700 | 7,994 | — | 2,700 | 7,994 | 10,694 | 1,585 | 9,109 | 1998 | 2011 | 35 years | |
| Villa del Obispo | San Juan Capistrano | CA | — | 2,660 | 9,560 | 54 | 2,660 | 9,614 | 12,274 | 1,531 | 10,743 | 1985 | 2011 | 35 years | |
| Villa Santa Barbara | Santa Barbara | CA | — | 1,219 | 12,426 | — | 1,219 | 12,426 | 13,645 | 3,769 | 9,876 | 1977 | 2005 | 35 years | |
| Summerhill Villa | Santa Clara | CA | — | 3,880 | 38,366 | — | 3,880 | 38,366 | 42,246 | 1,210 | 41,036 | 2001 | 2015 | 35 years | |
| Skyline Place Senior Living | Sonoma | CA | — | 1,815 | 28,472 | — | 1,815 | 28,472 | 30,287 | 1,145 | 29,142 | 1996 | 2014 | 35 years | |

| Property Name | Location | | Encumbrances | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
|-------------------------------------|------------------|------------------|--------------|-------------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|------|----------------------|---------------|--|
| | City | State / Province | | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | | | | |
| | | | | | | | | | | | | | | | |
| Oak Terrace Memory Care | Soulsbyville | CA | — | 1,146 | 5,275 | — | 1,146 | 5,275 | 6,421 | 219 | 6,202 | 1999 | 2014 | 35 years | |
| Eagle Lake Village | Susanville | CA | — | 1,165 | 6,719 | — | 1,165 | 6,719 | 7,884 | 772 | 7,112 | 2006 | 2012 | 35 years | |
| Bonaventure, The | Ventura | CA | — | 5,294 | 32,747 | — | 5,294 | 32,747 | 38,041 | 2,498 | 35,543 | 2005 | 2013 | 35 years | |
| Prestige Assisted Living at Visalia | Visalia | CA | — | 1,300 | 8,378 | — | 1,300 | 8,378 | 9,678 | 307 | 9,371 | 1998 | 2014 | 35 years | |
| Vista Village | Vista | CA | — | 1,630 | 5,640 | 61 | 1,630 | 5,701 | 7,331 | 1,051 | 6,280 | 1980 | 2011 | 35 years | |
| Rancho Vista | Vista | CA | — | 6,730 | 21,828 | — | 6,730 | 21,828 | 28,558 | 5,717 | 22,841 | 1982 | 2006 | 35 years | |
| Westminster Terrace | Westminster | CA | — | 1,700 | 11,514 | 18 | 1,700 | 11,532 | 13,232 | 1,699 | 11,533 | 2001 | 2011 | 35 years | |
| Highland Trail | Broomfield | CO | — | 2,511 | 26,431 | — | 2,511 | 26,431 | 28,942 | 1,998 | 26,944 | 2009 | 2013 | 35 years | |
| Calley Ridge | Englewood | CO | — | 1,157 | 13,133 | — | 1,157 | 13,133 | 14,290 | 1,508 | 12,782 | 1999 | 2012 | 35 years | |
| Garden Square at Westlake | Greeley | CO | — | 630 | 8,211 | — | 630 | 8,211 | 8,841 | 1,258 | 7,583 | 1998 | 2011 | 35 years | |
| Garden Square of Greeley | Greeley | CO | — | 330 | 2,735 | — | 330 | 2,735 | 3,065 | 436 | 2,629 | 1995 | 2011 | 35 years | |
| Lakewood Estates | Lakewood | CO | — | 1,306 | 21,137 | — | 1,306 | 21,137 | 22,443 | 1,591 | 20,852 | 1988 | 2013 | 35 years | |
| Sugar Valley Estates | Loveland | CO | — | 1,255 | 21,837 | — | 1,255 | 21,837 | 23,092 | 1,643 | 21,449 | 2009 | 2013 | 35 years | |
| Devonshire Acres | Sterling | CO | — | 950 | 13,569 | (2,989) | 950 | 10,580 | 11,530 | 1,580 | 9,950 | 1979 | 2011 | 35 years | |
| Gardenside Terrace | Branford | CT | — | 7,000 | 31,518 | — | 7,000 | 31,518 | 38,518 | 4,578 | 33,940 | 1999 | 2011 | 35 years | |
| Hearth at Tuxis Pond | Madison | CT | — | 1,610 | 44,322 | — | 1,610 | 44,322 | 45,932 | 6,124 | 39,808 | 2002 | 2011 | 35 years | |
| White Oaks | Manchester | CT | — | 2,584 | 34,507 | — | 2,584 | 34,507 | 37,091 | 2,602 | 34,489 | 2007 | 2013 | 35 years | |
| Hampton Manor Bellevue | Bellevue | FL | — | 390 | 8,337 | — | 390 | 8,337 | 8,727 | 1,272 | 7,455 | 1988 | 2011 | 35 years | |
| Sabal House | Cantonment | FL | — | 430 | 5,902 | — | 430 | 5,902 | 6,332 | 876 | 5,456 | 1999 | 2011 | 35 years | |
| Bristol Park of Coral Springs | Coral Springs | FL | — | 3,280 | 11,877 | — | 3,280 | 11,877 | 15,157 | 1,871 | 13,286 | 1999 | 2011 | 35 years | |
| Stanley House | DeFuniak Springs | FL | — | 410 | 5,659 | — | 410 | 5,659 | 6,069 | 841 | 5,228 | 1999 | 2011 | 35 years | |
| The Peninsula | Hollywood | FL | — | 3,660 | 9,122 | — | 3,660 | 9,122 | 12,782 | 1,663 | 11,119 | 1972 | 2011 | 35 years | |
| Elmcroft of Timbodin Park | Jacksonville | FL | — | 455 | 5,905 | — | 455 | 5,905 | 6,360 | 1,547 | 4,813 | 1998 | 2006 | 35 years | |
| Forsyth House | Milton | FL | — | 610 | 6,503 | — | 610 | 6,503 | 7,113 | 954 | 6,159 | 1999 | 2011 | 35 years | |
| Lexington Park - Lake Lady | Lady Lake | FL | — | 3,752 | 26,265 | — | 3,752 | 26,265 | 30,017 | 827 | 29,190 | 2010 | 2015 | 35 years | |
| Princeton Village of Largo | Largo | FL | — | 1,718 | 10,438 | — | 1,718 | 10,438 | 12,156 | 413 | 11,743 | 1992 | 2015 | 35 years | |
| Barrington Terrace of Fort Myers | Fort Myers | FL | — | 2,105 | 18,190 | — | 2,105 | 18,190 | 20,295 | 650 | 19,645 | 2001 | 2015 | 35 years | |
| Barrington Terrace of Naples | Naples | FL | — | 2,596 | 18,716 | — | 2,596 | 18,716 | 21,312 | 684 | 20,628 | 2004 | 2015 | 35 years | |
| The Carlisle Naples | Naples | FL | — | 8,406 | 78,091 | — | 8,406 | 78,091 | 86,497 | 10,975 | 75,522 | 1998 | 2011 | 35 years | |
| Naples A.I.Z. Development | Naples | FL | — | 2,983 | — | — | 2,983 | — | 2,983 | — | 2,983 | CIP | CIP | CIP | |
| Hampton Manor at 24th Road | Ocala | FL | — | 690 | 8,767 | — | 690 | 8,767 | 9,457 | 1,288 | 8,169 | 1996 | 2011 | 35 years | |
| Hampton Manor at Deerwood | Ocala | FL | — | 790 | 5,605 | 307 | 790 | 5,912 | 6,702 | 922 | 5,780 | 2005 | 2011 | 35 years | |
| Las Palmas | Palm Coast | FL | — | 984 | 30,009 | — | 984 | 30,009 | 30,993 | 2,250 | 28,743 | 2009 | 2013 | 35 years | |
| Princeton Village of Palm Coast | Palm Coast | FL | — | 1,958 | 24,525 | — | 1,958 | 24,525 | 26,483 | 808 | 25,675 | 2007 | 2015 | 35 years | |
| Outlook Pointe at Pensacola | Pensacola | FL | — | 2,230 | 2,362 | 143 | 2,230 | 2,505 | 4,735 | 580 | 4,155 | 1999 | 2011 | 35 years | |
| Magnolia House | Quincy | FL | — | 400 | 5,190 | — | 400 | 5,190 | 5,590 | 785 | 4,805 | 1999 | 2011 | 35 years | |

| Property Name | Location | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
|--|------------------|----------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|--|
| | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | | | |
| Outlook Pointe at Tallahassee | Tallahassee | FL | — | 2,430 | 17,745 | 159 | 2,430 | 17,904 | 20,334 | 2,742 | 17,592 | 1999 | 2011 | 35 years |
| Magnolia Place | Tallahassee | FL | — | 640 | 8,013 | — | 640 | 8,013 | 8,653 | 1,153 | 7,500 | 1999 | 2011 | 35 years |
| Bristol Park of Tamarac | Tamarac | FL | — | 3,920 | 14,130 | — | 3,920 | 14,130 | 18,050 | 2,153 | 15,897 | 2000 | 2011 | 35 years |
| Elmcroft of Carolwood | Tampa | FL | — | 5,410 | 20,944 | 601 | 5,410 | 21,545 | 26,955 | 3,274 | 23,681 | 2001 | 2011 | 35 years |
| Arbor Terrace of Athens | Athens | GA | — | 1,767 | 16,442 | — | 1,767 | 16,442 | 18,209 | 521 | 17,688 | 1998 | 2015 | 35 years |
| Arbor Terrace at Cascade | Atlanta | GA | — | 3,052 | 9,040 | — | 3,052 | 9,040 | 12,092 | 422 | 11,670 | 1999 | 2015 | 35 years |
| Augusta Gardens | Augusta | GA | — | 530 | 10,262 | 32 | 530 | 10,294 | 10,824 | 1,544 | 9,280 | 1997 | 2011 | 35 years |
| Benton House of Covington | Covington | GA | 7,871 | 1,297 | 11,397 | — | 1,297 | 11,397 | 12,694 | 383 | 12,311 | 2009 | 2015 | 35 years |
| Arbor Terrace of Decatur | Decatur | GA | 10,664 | 3,102 | 19,599 | — | 3,102 | 19,599 | 22,701 | 618 | 22,083 | 1990 | 2015 | 35 years |
| Benton House of Douglasville | Douglasville | GA | — | 1,697 | 15,542 | — | 1,697 | 15,542 | 17,239 | 521 | 16,718 | 2010 | 2015 | 35 years |
| Elmcroft of Martinez | Martinez | GA | — | 408 | 6,764 | — | 408 | 6,764 | 7,172 | 1,643 | 5,529 | 1997 | 2007 | 35 years |
| Benton House of Newnan | Newnan | GA | — | 1,474 | 17,487 | — | 1,474 | 17,487 | 18,961 | 565 | 18,396 | 2010 | 2015 | 35 years |
| Elmcroft of Roswell | Roswell | GA | — | 1,867 | 15,835 | — | 1,867 | 15,835 | 17,702 | 531 | 17,171 | 1997 | 2014 | 35 years |
| Benton Village of Stockbridge | Stockbridge | GA | — | 2,221 | 21,989 | — | 2,221 | 21,989 | 24,210 | 726 | 23,484 | 2008 | 2015 | 35 years |
| Benton House of Sugar Hill | Sugar Hill | GA | — | 2,173 | 14,937 | — | 2,173 | 14,937 | 17,110 | 520 | 16,590 | 2010 | 2015 | 35 years |
| Villas of St. James - Breese, IL | Breese | IL | — | 671 | 6,849 | — | 671 | 6,849 | 7,520 | 268 | 7,252 | 2009 | 2015 | 35 years |
| Villas of Holly Brook - Chatham, IL | Chatham | IL | — | 1,185 | 8,910 | — | 1,185 | 8,910 | 10,095 | 358 | 9,737 | 2012 | 2015 | 35 years |
| Villas of Holly Brook - Effingham, IL | Effingham | IL | — | 508 | 6,624 | — | 508 | 6,624 | 7,132 | 252 | 6,880 | 2011 | 2015 | 35 years |
| Villas of Holly Brook - Herrin, IL | Herrin | IL | — | 2,175 | 9,605 | — | 2,175 | 9,605 | 11,780 | 445 | 11,335 | 2012 | 2015 | 35 years |
| Villas of Holly Brook - Marshall, IL | Marshall | IL | — | 1,461 | 4,881 | — | 1,461 | 4,881 | 6,342 | 263 | 6,079 | 2012 | 2015 | 35 years |
| Villas of Holly Brook - Newton, IL | Newton | IL | — | 458 | 4,590 | — | 458 | 4,590 | 5,048 | 194 | 4,854 | 2011 | 2015 | 35 years |
| Wyndcrest Assisted Living | Rochester | IL | — | 570 | 6,536 | — | 570 | 6,536 | 7,106 | 241 | 6,865 | 2005 | 2015 | 35 years |
| Villas of Holly Brook, Shelbyville, IL | Shelbyville | IL | — | 2,292 | 3,351 | — | 2,292 | 3,351 | 5,643 | 289 | 5,354 | 2011 | 2015 | 35 years |
| Georgetowne Place | Fort Wayne | IN | — | 1,315 | 18,185 | — | 1,315 | 18,185 | 19,500 | 5,371 | 14,129 | 1987 | 2005 | 35 years |
| The Harrison | Indianapolis | IN | — | 1,200 | 5,740 | — | 1,200 | 5,740 | 6,940 | 1,823 | 5,117 | 1985 | 2005 | 35 years |
| Elmcroft of Muncie | Muncie | IN | — | 244 | 11,218 | — | 244 | 11,218 | 11,462 | 2,724 | 8,738 | 1998 | 2007 | 35 years |
| Wood Ridge | South Bend | IN | — | 590 | 4,850 | (35) | 590 | 4,815 | 5,405 | 768 | 4,637 | 1990 | 2011 | 35 years |
| Elmcroft of Florence | Florence | KY | — | 1,535 | 21,826 | — | 1,535 | 21,826 | 23,361 | 727 | 22,634 | 2010 | 2014 | 35 years |
| Hartland Hills | Lexington | KY | — | 1,468 | 23,929 | — | 1,468 | 23,929 | 25,397 | 1,801 | 23,596 | 2001 | 2013 | 35 years |
| Elmcroft of Mount Washington | Mount Washington | KY | — | 758 | 12,048 | — | 758 | 12,048 | 12,806 | 401 | 12,405 | 2005 | 2014 | 35 years |
| Heritage Woods | Agawam | MA | — | 1,249 | 4,625 | — | 1,249 | 4,625 | 5,874 | 2,128 | 3,746 | 1997 | 2004 | 30 years |
| Devonshire Estates | Lenox | MA | — | 1,832 | 31,124 | — | 1,832 | 31,124 | 32,956 | 2,341 | 30,615 | 1998 | 2013 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--|----------------------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|--|-------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | is Computed | |
| Outlook Pointe at Hagerstown | Hagerstown | MD | — | 2,010 | 1,293 | 100 | 2,010 | 1,393 | 3,403 | 407 | 2,996 | 1999 | 2011 | 35 years | |
| Clover Healthcare | Auburn | ME | — | 1,400 | 26,895 | 732 | 1,400 | 27,627 | 29,027 | 4,164 | 24,863 | 1982 | 2011 | 35 years | |
| Gorham House | Gorham | ME | — | 1,360 | 33,147 | 1,472 | 1,527 | 34,452 | 35,979 | 4,750 | 31,229 | 1990 | 2011 | 35 years | |
| Kittery Estates | Kittery | ME | — | 1,531 | 30,811 | — | 1,531 | 30,811 | 32,342 | 2,315 | 30,027 | 2009 | 2013 | 35 years | |
| Woods at Canco | Portland | ME | — | 1,441 | 45,578 | — | 1,441 | 45,578 | 47,019 | 3,416 | 43,603 | 2000 | 2013 | 35 years | |
| Sentry Hill | York Harbor | ME | — | 3,490 | 19,869 | — | 3,490 | 19,869 | 23,359 | 2,870 | 20,489 | 2000 | 2011 | 35 years | |
| Elmcroft of Downriver | Browstown Charter Township | MI | — | 320 | 32,652 | 415 | 371 | 33,016 | 33,387 | 4,654 | 28,733 | 2000 | 2011 | 35 years | |
| Independence Village of East Lansing | East Lansing | MI | — | 1,956 | 18,122 | — | 1,956 | 18,122 | 20,078 | 1,950 | 18,128 | 1989 | 2012 | 35 years | |
| Elmcroft of Kentwood | Kentwood | MI | — | 510 | 13,976 | 499 | 510 | 14,475 | 14,985 | 2,357 | 12,628 | 2001 | 2011 | 35 years | |
| Primrose Austin | Austin | MN | — | 2,540 | 11,707 | — | 2,540 | 11,707 | 14,247 | 1,651 | 12,596 | 2002 | 2011 | 35 years | |
| Primrose Duluth | Duluth | MN | — | 6,190 | 8,296 | 21 | 6,190 | 8,317 | 14,507 | 1,344 | 13,163 | 2003 | 2011 | 35 years | |
| Primrose Mankato | Mankato | MN | — | 1,860 | 8,920 | 17 | 1,860 | 8,937 | 10,797 | 1,376 | 9,421 | 1999 | 2011 | 35 years | |
| Rose Arbor | Maple Grove | MN | — | 1,140 | 12,421 | — | 1,140 | 12,421 | 13,561 | 4,868 | 8,693 | 2000 | 2006 | 35 years | |
| Wildflower Lodge | Maple Grove | MN | — | 504 | 5,035 | — | 504 | 5,035 | 5,539 | 1,978 | 3,561 | 1981 | 2006 | 35 years | |
| Lodge at White Bear | White Bear Lake | MN | — | 732 | 24,999 | — | 732 | 24,999 | 25,731 | 1,873 | 23,858 | 2002 | 2013 | 35 years | |
| Assisted Living at the Meadowslands - O'Fallon, MO | O'Fallon | MO | — | 2,326 | 14,158 | — | 2,326 | 14,158 | 16,484 | 553 | 15,931 | 1999 | 2015 | 35 years | |
| Canyon Creek Inn Memory Care | Billings | MT | — | 420 | 11,217 | 7 | 420 | 11,224 | 11,644 | 1,533 | 10,111 | 2011 | 2011 | 35 years | |
| Springs at Missoula | Missoula | MT | 16,009 | 1,975 | 34,390 | — | 1,975 | 34,390 | 36,365 | 3,722 | 32,643 | 2004 | 2012 | 35 years | |
| Carillon ALF of Asheboro | Asheboro | NC | — | 680 | 15,370 | — | 680 | 15,370 | 16,050 | 2,202 | 13,848 | 1998 | 2011 | 35 years | |
| Arbor Terrace of Asheville | Asheville | NC | 9,234 | 1,365 | 15,679 | — | 1,365 | 15,679 | 17,044 | 518 | 16,526 | 1998 | 2015 | 35 years | |
| Elmcroft of Little Avenue | Charlotte | NC | — | 250 | 5,077 | — | 250 | 5,077 | 5,327 | 1,330 | 3,997 | 1997 | 2006 | 35 years | |
| Carillon ALF of Cramer Mountain | Cramerton | NC | — | 530 | 18,225 | — | 530 | 18,225 | 18,755 | 2,635 | 16,120 | 1999 | 2011 | 35 years | |
| Carillon ALF of Harrisburg | Harrisburg | NC | — | 1,660 | 15,130 | — | 1,660 | 15,130 | 16,790 | 2,175 | 14,615 | 1997 | 2011 | 35 years | |
| Carillon ALF of Hendersonville | Hendersonville | NC | — | 2,210 | 7,372 | — | 2,210 | 7,372 | 9,582 | 1,205 | 8,377 | 2005 | 2011 | 35 years | |
| Carillon ALF of Hillsborough | Hillsborough | NC | — | 1,450 | 19,754 | — | 1,450 | 19,754 | 21,204 | 2,792 | 18,412 | 2005 | 2011 | 35 years | |
| Willow Grove | Matthews | NC | — | 763 | 27,544 | — | 763 | 27,544 | 28,307 | 2,063 | 26,244 | 2009 | 2013 | 35 years | |
| Carillon ALF of Newton | Newton | NC | — | 540 | 14,935 | — | 540 | 14,935 | 15,475 | 2,141 | 13,334 | 2000 | 2011 | 35 years | |
| Independence Village of Olde Raleigh | Raleigh | NC | — | 1,989 | 18,648 | — | 1,989 | 18,648 | 20,637 | 2,050 | 18,587 | 1991 | 2012 | 35 years | |
| Elmcroft of Nonhridge | Raleigh | NC | — | 184 | 3,592 | — | 184 | 3,592 | 3,776 | 941 | 2,835 | 1984 | 2006 | 35 years | |
| Carillon ALF of Salisbury | Salisbury | NC | — | 1,580 | 25,026 | — | 1,580 | 25,026 | 26,606 | 3,509 | 23,097 | 1999 | 2011 | 35 years | |
| Carillon ALF of Shelby | Shelby | NC | — | 660 | 15,471 | — | 660 | 15,471 | 16,131 | 2,224 | 13,907 | 2000 | 2011 | 35 years | |
| Elmcroft of Southern Pines | Southern Pines | NC | — | 1,196 | 10,766 | — | 1,196 | 10,766 | 11,962 | 1,769 | 10,193 | 1998 | 2010 | 35 years | |
| Carillon ALF of Southport | Southport | NC | — | 1,330 | 10,356 | — | 1,330 | 10,356 | 11,686 | 1,589 | 10,097 | 2005 | 2011 | 35 years | |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--------------------------------------|---------------|------------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|----------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Life |
| Primrose Bismarck | Bismarck | ND | — | 1,210 | 9,768 | 20 | 1,210 | 9,788 | 10,998 | 1,425 | 9,573 | 1994 | 2011 | 35 years |
| Wellington ALF - Minor ND | Minot | ND | — | 3,241 | 9,509 | — | 3,241 | 9,509 | 12,750 | 459 | 12,291 | 2005 | 2015 | 35 years |
| Crown Pointe | Omaha | NE | — | 1,316 | 11,950 | — | 1,316 | 11,950 | 13,266 | 3,647 | 9,619 | 1985 | 2005 | 35 years |
| Birch Heights | Derry | NH | — | 1,413 | 30,267 | — | 1,413 | 30,267 | 31,680 | 2,273 | 29,407 | 2009 | 2019 | 35 years |
| Bear Canyon Estates | Albuquerque | NM | — | 1,879 | 36,223 | — | 1,879 | 36,223 | 38,102 | 2,722 | 35,380 | 1997 | 2013 | 35 years |
| The Woodmark at Uplown | Albuquerque | NM | — | 2,439 | 33,276 | — | 2,439 | 33,276 | 35,715 | 1,070 | 34,645 | 2000 | 2015 | 35 years |
| Elmcroft of Quintessence | Albuquerque | NM | — | 1,150 | 26,527 | 406 | 1,165 | 26,918 | 28,083 | 3,818 | 24,265 | 1998 | 2011 | 35 years |
| The Woodmark at Sun City | Sun City | NM | — | 964 | 35,093 | — | 964 | 35,093 | 36,057 | 1,046 | 35,011 | 2000 | 2015 | 35 years |
| The Amberleigh | Buffalo | NY | — | 3,498 | 19,097 | 588 | 3,498 | 19,685 | 23,183 | 6,000 | 17,183 | 1988 | 2005 | 35 years |
| Castle Gardens | Yonkers | NY | — | 1,830 | 20,312 | 2,230 | 1,885 | 22,487 | 24,372 | 3,869 | 20,503 | 1994 | 2011 | 35 years |
| Elmcroft of Lima | Lima | OH | — | 490 | 3,368 | — | 490 | 3,368 | 3,858 | 882 | 2,976 | 1998 | 2006 | 35 years |
| Elmcroft of Ontario | Mansfield | OH | — | 523 | 7,968 | — | 523 | 7,968 | 8,491 | 2,087 | 6,404 | 1998 | 2006 | 35 years |
| Elmcroft of Medina | Medina | OH | — | 661 | 9,788 | — | 661 | 9,788 | 10,449 | 2,564 | 7,885 | 1999 | 2006 | 35 years |
| Elmcroft of Washington Township | Miamisburg | OH | — | 1,235 | 12,611 | — | 1,235 | 12,611 | 13,846 | 3,303 | 10,543 | 1998 | 2006 | 35 years |
| Elmcroft of Sagamore Hills | Northfield | OH | — | 980 | 12,604 | — | 980 | 12,604 | 13,584 | 3,301 | 10,283 | 2000 | 2006 | 35 years |
| Elmcroft of Lorain | Vermilion | OH | — | 500 | 15,461 | 499 | 557 | 15,903 | 16,460 | 2,489 | 13,971 | 2000 | 2011 | 35 years |
| Gardens at Westlake - Westlake OH | Westlake | OH | — | 2,401 | 20,640 | — | 2,401 | 20,640 | 23,041 | 730 | 22,311 | 1987 | 2015 | 35 years |
| Elmcroft of Xenia | Xenia | OH | — | 653 | 12,801 | — | 653 | 12,801 | 13,454 | 734 | 12,720 | 1999 | 2006 | 35 years |
| Arbor House of Mustang | Mustang | OK | — | 372 | 3,587 | — | 372 | 3,587 | 3,959 | 360 | 3,599 | 1999 | 2012 | 35 years |
| Arbor House of Norman | Norman | OK | — | 444 | 7,525 | — | 444 | 7,525 | 7,969 | 751 | 7,218 | 2000 | 2012 | 35 years |
| Arbor House Reminiscence Center | Norman | OK | — | 438 | 3,028 | — | 438 | 3,028 | 3,466 | 306 | 3,160 | 2004 | 2012 | 35 years |
| Arbor House of Midwest City | Oklahoma City | OK | — | 544 | 9,133 | — | 544 | 9,133 | 9,677 | 911 | 8,766 | 2004 | 2012 | 35 years |
| Mansion at Waterford | Oklahoma City | OK | — | 2,077 | 14,184 | — | 2,077 | 14,184 | 16,261 | 1,629 | 14,632 | 1999 | 2012 | 35 years |
| Meadowbrook Place | Baker City | OR | — | 1,430 | 5,311 | — | 1,430 | 5,311 | 6,741 | 218 | 6,523 | 1965 | 2014 | 35 years |
| Edgewood Downs | Beaverton | OR | — | 2,356 | 15,476 | — | 2,356 | 15,476 | 17,832 | 1,179 | 16,653 | 1978 | 2013 | 35 years |
| Princeton Village | Clackamas | OR | 2,918 | 1,126 | 10,283 | — | 1,126 | 10,283 | 11,409 | 354 | 11,055 | 1999 | 2015 | 35 years |
| Bayside Terrace | Coos Bay | OR | — | 498 | 2,795 | — | 498 | 2,795 | 3,293 | 152 | 3,141 | 2006 | 2015 | 35 years |
| Ocean Ridge | Coos Bay | OR | — | 2,681 | 10,941 | — | 2,681 | 10,941 | 13,622 | 529 | 13,093 | 2006 | 2015 | 35 years |
| Avamere at Hillsboro | Hillsboro | OR | — | 4,400 | 8,353 | 1,065 | 4,400 | 9,418 | 13,818 | 1,550 | 12,268 | 2000 | 2011 | 35 years |
| The Springs at Tanasbourne | Hillsboro | OR | 34,689 | 4,689 | 55,035 | — | 4,689 | 55,035 | 59,724 | 5,599 | 54,125 | 2009 | 2013 | 35 years |
| Keizer River ALZ Facility | Keizer | OR | — | 922 | 6,460 | 60 | 1,135 | 6,307 | 7,442 | 290 | 7,152 | 2012 | 2014 | 35 years |
| Pelican Pointe | Klamath Falls | OR | 12,050 | 943 | 26,237 | — | 943 | 26,237 | 27,180 | 836 | 26,344 | 2011 | 2015 | 35 years |
| The Stafford | Lake Oswego | OR | — | 1,800 | 16,122 | — | 1,800 | 16,122 | 17,922 | 2,476 | 15,446 | 2008 | 2011 | 35 years |
| The Springs at Clackamas Woods (ILF) | Milwaukie | OR | 10,557 | 1,264 | 22,429 | — | 1,264 | 22,429 | 23,693 | 2,428 | 21,265 | 1999 | 2012 | 35 years |
| Clackamas Woods Assisted Living | Milwaukie | OR | 5,648 | 681 | 12,077 | — | 681 | 12,077 | 12,758 | 1,307 | 11,451 | 1999 | 2012 | 35 years |
| Pheasant Pointe | Molalla | OR | — | 904 | 7,433 | — | 904 | 7,433 | 8,337 | 276 | 8,061 | 1998 | 2015 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|--------------------------------|-------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|------------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Year is Computed | |
| Avamere at Newberg | Newberg | OR | — | 1,320 | 4,664 | 383 | 1,320 | 5,047 | 6,367 | 889 | 5,478 | 1999 | 2011 | 35 years | |
| Avamere Living at Berry Park | Oregon City | OR | — | 1,910 | 4,249 | 12,158 | 1,910 | 6,407 | 8,317 | 1,122 | 7,195 | 1972 | 2011 | 35 years | |
| McLoughlin Place Senior Living | Oregon City | OR | — | 2,418 | 26,819 | — | 2,418 | 26,819 | 29,237 | 1,085 | 28,152 | 1997 | 2014 | 35 years | |
| Avamere at Bethany | Portland | OR | — | 3,150 | 16,740 | — | 3,150 | 16,740 | 19,890 | 2,537 | 17,353 | 2002 | 2011 | 35 years | |
| Cedar Village | Salem | OR | — | 868 | 12,652 | — | 868 | 12,652 | 13,520 | 418 | 13,102 | 1999 | 2015 | 35 years | |
| Redwood Heights | Salem | OR | — | 1,513 | 16,774 | — | 1,513 | 16,774 | 18,287 | 555 | 17,732 | 1999 | 2015 | 35 years | |
| Avamere at Sandy | Sandy | OR | — | 1,000 | 7,309 | 224 | 1,000 | 7,533 | 8,533 | 1,226 | 7,307 | 1999 | 2011 | 35 years | |
| Suzanne Elise ALF | Seaside | OR | — | 1,940 | 4,027 | — | 1,940 | 4,027 | 5,967 | 839 | 5,128 | 1998 | 2011 | 35 years | |
| Necanicum Village | Seaside | OR | — | 2,212 | 7,311 | — | 2,212 | 7,311 | 9,523 | 181 | 9,342 | 2001 | 2015 | 35 years | |
| Avamere at Sherwood | Sherwood | OR | — | 1,010 | 7,051 | 203 | 1,010 | 7,254 | 8,264 | 1,190 | 7,074 | 2000 | 2011 | 35 years | |
| Chateau Gardens | Springfield | OR | — | 1,550 | 4,197 | — | 1,550 | 4,197 | 5,747 | 621 | 5,126 | 1991 | 2011 | 35 years | |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--------------------------------|----------------|----------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|----------|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | 35 years |
| Avamere at St Helens | St Helens | OR | — | 1,410 | 10,496 | 384 | 1,410 | 10,880 | 12,290 | 1,663 | 10,627 | 2000 | 2011 | 35 years |
| Flegstone Senior Living | The Dalles | OR | — | 1,631 | 17,786 | — | 1,631 | 17,786 | 19,417 | 718 | 18,699 | 1991 | 2014 | 35 years |
| Elmcroft of Allison Park | Allison Park | PA | — | 1,171 | 5,686 | — | 1,171 | 5,686 | 6,857 | 1,489 | 5,368 | 1986 | 2006 | 35 years |
| Elmcroft of Chippewa | Beaver Falls | PA | — | 1,394 | 8,586 | — | 1,394 | 8,586 | 9,980 | 2,249 | 7,731 | 1998 | 2006 | 35 years |
| Elmcroft of Berwick | Berwick | PA | — | 111 | 6,741 | — | 111 | 6,741 | 6,852 | 1,765 | 5,087 | 1998 | 2006 | 35 years |
| Outlook Pointe at Lakemont | Bridgeville | PA | — | 1,660 | 12,624 | 82 | 1,660 | 12,706 | 14,366 | 1,996 | 12,370 | 1999 | 2011 | 35 years |
| Elmcroft of Dillsburg | Dillsburg | PA | — | 432 | 7,797 | — | 432 | 7,797 | 8,229 | 2,042 | 6,187 | 1998 | 2006 | 35 years |
| Elmcroft of Altoona | Hollidaysburg | PA | — | 331 | 4,729 | — | 331 | 4,729 | 5,060 | 1,239 | 3,821 | 1997 | 2006 | 35 years |
| Elmcroft of Lebanon | Lebanon | PA | — | 240 | 7,336 | — | 240 | 7,336 | 7,576 | 1,921 | 5,655 | 1999 | 2006 | 35 years |
| Elmcroft of Lewisburg | Lewisburg | PA | — | 232 | 5,666 | — | 232 | 5,666 | 5,898 | 1,484 | 4,414 | 1999 | 2006 | 35 years |
| Lehigh Commons | Macungie | PA | — | 420 | 4,406 | 450 | 420 | 4,856 | 5,276 | 2,112 | 3,164 | 1997 | 2004 | 30 years |
| Elmcroft of Loyalsock | Montoursville | PA | — | 413 | 3,412 | — | 413 | 3,412 | 3,825 | 894 | 2,931 | 1999 | 2006 | 35 years |
| Highgate at Paoli Pointe | Paoli | PA | — | 1,151 | 9,079 | — | 1,151 | 9,079 | 10,230 | 3,755 | 6,475 | 1997 | 2004 | 30 years |
| Elmcroft of Mid Valley | Pockville | PA | — | 619 | 11,662 | — | 619 | 11,662 | 12,281 | 388 | 11,893 | 1998 | 2014 | 35 years |
| Sanatoga Court | Pottstown | PA | — | 360 | 3,233 | — | 360 | 3,233 | 3,593 | 1,402 | 2,191 | 1997 | 2004 | 30 years |
| Berkshire Commons | Reading | PA | — | 470 | 4,301 | — | 470 | 4,301 | 4,771 | 1,862 | 2,909 | 1997 | 2004 | 30 years |
| Mifflin Court | Reading | PA | — | 689 | 4,265 | 351 | 689 | 4,616 | 5,305 | 1,728 | 3,577 | 1997 | 2004 | 35 years |
| Elmcroft of Reading | Reading | PA | — | 638 | 4,942 | — | 638 | 4,942 | 5,580 | 1,294 | 4,286 | 1998 | 2006 | 35 years |
| Elmcroft of Reedsville | Reedsville | PA | — | 189 | 5,170 | — | 189 | 5,170 | 5,359 | 1,354 | 4,005 | 1998 | 2006 | 35 years |
| Elmcroft of Saxonsburg | Saxonsburg | PA | — | 770 | 5,949 | — | 770 | 5,949 | 6,719 | 1,558 | 5,161 | 1994 | 2006 | 35 years |
| Elmcroft of Shippensburg | Shippensburg | PA | — | 203 | 7,634 | — | 203 | 7,634 | 7,837 | 1,999 | 5,838 | 1999 | 2006 | 35 years |
| Elmcroft of State College | State College | PA | — | 320 | 7,407 | — | 320 | 7,407 | 7,727 | 1,940 | 5,787 | 1997 | 2006 | 35 years |
| Outlook Pointe at York | York | PA | — | 1,260 | 6,923 | 85 | 1,260 | 7,008 | 8,268 | 1,092 | 7,176 | 1999 | 2011 | 35 years |
| Garden House of Anderson SC | Anderson | SC | 7,871 | 969 | 15,613 | — | 969 | 15,613 | 16,582 | 510 | 16,072 | 2000 | 2015 | 35 years |
| Forest Pines | Columbia | SC | — | 1,058 | 27,471 | — | 1,058 | 27,471 | 28,529 | 2,061 | 26,468 | 1998 | 2013 | 35 years |
| Elmcroft of Florence SC | Florence | SC | — | 108 | 7,620 | — | 108 | 7,620 | 7,728 | 1,996 | 5,732 | 1998 | 2006 | 35 years |
| Primrose Aberdeen | Aberdeen | SD | — | 850 | 659 | 72 | 850 | 731 | 1,581 | 231 | 1,350 | 1991 | 2011 | 35 years |
| Primrose Place | Aberdeen | SD | — | 310 | 3,242 | 12 | 310 | 3,254 | 3,564 | 495 | 3,069 | 2000 | 2011 | 35 years |
| Primrose Rapid City | Rapid City | SD | — | 860 | 8,722 | — | 860 | 8,722 | 9,582 | 1,322 | 8,260 | 1997 | 2011 | 35 years |
| Primrose Sioux Falls | Sioux Falls | SD | — | 2,180 | 12,936 | 99 | 2,180 | 13,035 | 15,215 | 1,985 | 13,230 | 2002 | 2011 | 35 years |
| Outlook Pointe of Bristol | Bristol | TN | — | 470 | 16,006 | 134 | 470 | 16,140 | 16,610 | 2,274 | 14,336 | 1999 | 2011 | 35 years |
| Elmcroft of Hamilton Place | Chattanooga | TN | — | 87 | 4,248 | — | 87 | 4,248 | 4,335 | 1,112 | 3,223 | 1998 | 2006 | 35 years |
| Elmcroft of Shallowford | Chattanooga | TN | — | 580 | 7,568 | 455 | 582 | 8,021 | 8,603 | 1,442 | 7,161 | 1999 | 2011 | 35 years |
| Elmcroft of Hendersonville | Hendersonville | TN | — | 600 | 5,304 | — | 600 | 5,304 | 5,904 | 178 | 5,726 | 1999 | 2014 | 35 years |
| Regency House | Hixson | TN | — | 140 | 6,611 | — | 140 | 6,611 | 6,751 | 982 | 5,769 | 2000 | 2011 | 35 years |
| Elmcroft of Jackson | Jackson | TN | — | 768 | 16,840 | — | 768 | 16,840 | 17,608 | 559 | 17,049 | 1998 | 2014 | 35 years |
| Outlook Pointe at Johnson City | Johnson City | TN | — | 590 | 10,043 | 222 | 590 | 10,265 | 10,855 | 1,472 | 9,383 | 1999 | 2011 | 35 years |
| Elmcroft of Kingsport | Kingsport | TN | — | 22 | 7,815 | — | 22 | 7,815 | 7,837 | 2,047 | 5,790 | 2000 | 2006 | 35 years |
| Ashor Terrace of Knoxville | Knoxville | TN | — | 590 | 15,862 | — | 590 | 15,862 | 16,452 | 527 | 15,925 | 1997 | 2015 | 35 years |

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|-----------------------------------|--------------|-------------------------|--------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|--|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| Elmcraft of Halls | Knoxville | TN | — | 387 | 4,948 | — | 387 | 4,948 | 5,335 | 165 | 5,170 | 1998 | 2014 | 35 years |
| Elmcraft of West Knoxville | Knoxville | TN | — | 439 | 10,697 | — | 439 | 10,697 | 11,136 | 2,802 | 8,334 | 2000 | 2006 | 35 years |
| Elmcraft of Lebanon | Lebanon | TN | — | 180 | 7,086 | — | 180 | 7,086 | 7,266 | 1,856 | 5,410 | 2000 | 2006 | 35 years |
| Elmcraft of Bartlett | Memphis | TN | — | 570 | 25,552 | 343 | 570 | 25,895 | 26,465 | 3,703 | 22,762 | 1999 | 2011 | 35 years |
| Kennington Place | Memphis | TN | — | 1,820 | 4,748 | 815 | 1,820 | 5,563 | 7,383 | 1,276 | 6,107 | 1989 | 2011 | 35 years |
| Glennary Senior Manor | Memphis | TN | — | 510 | 5,860 | 224 | 510 | 6,084 | 6,594 | 1,245 | 5,349 | 1964 | 2011 | 35 years |
| Outlook Pointe at Murfreesboro | Murfreesboro | TN | — | 940 | 8,030 | 259 | 940 | 8,289 | 9,229 | 1,233 | 7,996 | 1999 | 2011 | 35 years |
| Elmcraft of Brentwood | Nashville | TN | — | 960 | 22,020 | 603 | 960 | 22,623 | 23,583 | 3,392 | 20,191 | 1998 | 2011 | 35 years |
| Elmcraft of Arlington | Arlington | TX | — | 2,650 | 14,060 | 473 | 2,650 | 14,533 | 17,183 | 2,309 | 14,874 | 1998 | 2011 | 35 years |
| Meadowbrook ALZ | Arlington | TX | — | 755 | 4,677 | 940 | 755 | 5,617 | 6,372 | 557 | 5,815 | 2012 | 2012 | 35 years |
| Elmcraft of Austin | Austin | TX | — | 2,770 | 25,820 | 534 | 2,770 | 26,354 | 29,124 | 3,856 | 25,268 | 2000 | 2011 | 35 years |
| Elmcraft of Bedford | Bedford | TX | — | 770 | 19,691 | 493 | 770 | 20,184 | 20,954 | 3,009 | 17,945 | 1999 | 2011 | 35 years |
| Highland Estates | Cedar Park | TX | — | 1,679 | 28,943 | — | 1,679 | 28,943 | 30,622 | 2,177 | 28,445 | 2009 | 2013 | 35 years |
| Elmcraft of Rivershire | Conroe | TX | — | 860 | 32,671 | 689 | 860 | 33,360 | 34,220 | 4,785 | 29,435 | 1997 | 2011 | 35 years |
| Flower Mound | Flower Mound | TX | — | 900 | 5,512 | — | 900 | 5,512 | 6,412 | 831 | 5,581 | 1995 | 2011 | 35 years |
| Arbor House Granbury | Granbury | TX | — | 390 | 8,186 | — | 390 | 8,186 | 8,576 | 816 | 7,760 | 2007 | 2012 | 35 years |
| Copperfield Estates | Houston | TX | — | 1,216 | 21,135 | — | 1,216 | 21,135 | 22,351 | 1,590 | 20,761 | 2009 | 2013 | 35 years |
| Elmcraft of Braceswood | Houston | TX | — | 3,970 | 15,919 | 626 | 3,970 | 16,545 | 20,515 | 2,586 | 17,929 | 1999 | 2011 | 35 years |
| Elmcraft of Cy-Fair | Houston | TX | — | 1,580 | 21,801 | 419 | 1,580 | 22,207 | 23,800 | 3,250 | 20,550 | 1998 | 2011 | 35 years |
| Elmcraft of Irving | Irving | TX | — | 1,620 | 18,755 | 455 | 1,620 | 19,210 | 20,830 | 2,874 | 17,956 | 1999 | 2011 | 35 years |
| The Solana at Cinco Ranch | Katy | TX | — | 3,171 | 73,287 | — | 3,171 | 73,287 | 76,458 | 2,136 | 74,322 | 2010 | 2015 | 35 years |
| Whitley Place | Keller | TX | — | — | 5,100 | — | — | 5,100 | 5,100 | 1,154 | 3,946 | 1998 | 2008 | 35 years |
| Elmcraft of Lake Jackson | Lake Jackson | TX | — | 710 | 14,765 | 417 | 710 | 15,182 | 15,892 | 2,318 | 13,574 | 1998 | 2011 | 35 years |
| Arbor House Lewisville | Lewisville | TX | — | 824 | 10,308 | — | 824 | 10,308 | 11,132 | 1,031 | 10,101 | 2007 | 2012 | 35 years |
| Elmcraft of Vista Ridge | Lewisville | TX | — | 6,280 | 10,548 | (10,254) | 1,934 | 4,640 | 6,574 | 1,901 | 4,673 | 1998 | 2011 | 35 years |
| Polo Park Estates | Midland | TX | — | 765 | 29,447 | — | 765 | 29,447 | 30,212 | 2,205 | 28,007 | 1996 | 2013 | 35 years |
| Arbor Hills Memory Care Community | Plano | TX | — | 1,014 | 5,719 | — | 1,014 | 5,719 | 6,733 | 476 | 6,257 | 2013 | 2013 | 35 years |
| Arbor House of Rockwall | Rockwall | TX | — | 1,537 | 12,883 | — | 1,537 | 12,883 | 14,420 | 1,296 | 13,124 | 2009 | 2012 | 35 years |
| Elmcraft of Windcrest | San Antonio | TX | — | 920 | 13,011 | 526 | 920 | 13,537 | 14,457 | 2,176 | 12,281 | 1999 | 2011 | 35 years |
| Paradise Springs | Spring | TX | — | 1,488 | 24,556 | — | 1,488 | 24,556 | 26,044 | 1,848 | 24,196 | 2008 | 2013 | 35 years |
| Arbor House of Temple | Temple | TX | — | 473 | 6,750 | — | 473 | 6,750 | 7,223 | 675 | 6,548 | 2008 | 2012 | 35 years |
| Elmcraft of Cottonwood | Temple | TX | — | 630 | 17,515 | 405 | 630 | 17,920 | 18,550 | 2,659 | 15,891 | 1997 | 2011 | 35 years |
| Elmcraft of Mainland | Texas City | TX | — | 520 | 14,849 | 504 | 520 | 15,353 | 15,873 | 2,335 | 13,538 | 1996 | 2011 | 35 years |
| Elmcraft of Victoria | Victoria | TX | — | 440 | 13,040 | 425 | 440 | 13,465 | 13,905 | 2,061 | 11,844 | 1997 | 2011 | 35 years |
| Arbor House of Weatherford | Weatherford | TX | — | 233 | 3,347 | — | 233 | 3,347 | 3,580 | 334 | 3,246 | 1994 | 2012 | 35 years |
| Elmcraft of Wharton | Wharton | TX | — | 320 | 13,799 | 658 | 320 | 14,457 | 14,777 | 2,248 | 12,529 | 1996 | 2011 | 35 years |
| Mountain Ridge | South Ogden | UT | 11,644 | 1,243 | 24,659 | — | 1,243 | 24,659 | 25,902 | 884 | 25,018 | 2001 | 2014 | 35 years |
| Elmcraft of Chesterfield | Richmond | VA | — | 829 | 6,534 | — | 829 | 6,534 | 7,363 | 1,711 | 5,652 | 1999 | 2006 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--|------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|--|-------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | is Computed | |
| Pheasant Ridge | Roanoke | VA | — | 1,813 | 9,027 | — | 1,813 | 9,027 | 10,840 | 1,037 | 9,803 | 1999 | 2012 | 35 years | |
| Cascade Valley Senior Living | Arlington | WA | — | 1,413 | 6,294 | — | 1,413 | 6,294 | 7,707 | 240 | 7,467 | 1995 | 2014 | 35 years | |
| The Bellingham at Orchard Hill | Bellingham | WA | — | 3,383 | 17,553 | — | 3,383 | 17,553 | 20,936 | 1,543 | 20,393 | 1999 | 2015 | 35 years | |
| Bay Pointe | Bremerton | WA | — | 2,114 | 21,006 | — | 2,114 | 21,006 | 23,120 | 667 | 22,453 | 1999 | 2015 | 35 years | |
| Cooks Hill Manor | Centralia | WA | — | 520 | 6,165 | 21 | 520 | 6,165 | 6,685 | 996 | 5,689 | 1993 | 2011 | 35 years | |
| Edmonds Landing | Edmonds | WA | — | 4,273 | 27,852 | — | 4,273 | 27,852 | 32,125 | 815 | 31,310 | 2001 | 2015 | 35 years | |
| Terrace at Beverly Lake | Everett | WA | — | 1,515 | 12,520 | — | 1,515 | 12,520 | 14,035 | 1,380 | 12,655 | 1998 | 2015 | 35 years | |
| The Sequoia | Olympia | WA | — | 1,490 | 13,724 | 80 | 1,490 | 13,804 | 15,294 | 2,077 | 13,217 | 1995 | 2011 | 35 years | |
| Bishop Place Senior Living | Pullman | WA | — | 1,780 | 33,608 | — | 1,780 | 33,608 | 35,388 | 1,258 | 34,130 | 1998 | 2014 | 35 years | |
| Willow Gardens | Puyallup | WA | — | 1,959 | 35,492 | — | 1,959 | 35,492 | 37,451 | 2,669 | 34,782 | 1996 | 2013 | 35 years | |
| Birdview | Sequim | WA | — | 210 | 14,145 | 95 | 210 | 14,240 | 14,450 | 1,957 | 12,493 | 1996 | 2011 | 35 years | |
| Discovery Memory Care | Sequim | WA | — | 320 | 10,544 | 45 | 320 | 10,589 | 10,909 | 1,534 | 9,375 | 1961 | 2011 | 35 years | |
| The Village Retirement & Assisted Living | Tacoma | WA | — | 2,200 | 5,938 | 90 | 2,200 | 6,028 | 8,228 | 1,193 | 7,035 | 1976 | 2011 | 35 years | |
| Clearwater Springs | Vancouver | WA | — | 1,269 | 9,840 | — | 1,269 | 9,840 | 11,109 | 369 | 10,740 | 2003 | 2015 | 35 years | |
| Matthews of Appleton I | Appleton | WI | — | 130 | 1,834 | (41) | 130 | 1,793 | 1,923 | 291 | 1,632 | 1996 | 2011 | 35 years | |
| Matthews of Appleton II | Appleton | WI | — | 140 | 2,016 | 100 | 140 | 2,116 | 2,256 | 316 | 1,940 | 1997 | 2011 | 35 years | |
| Hudson Ridge | Beaver Dam | WI | — | 260 | 2,380 | — | 260 | 2,380 | 2,640 | 372 | 2,268 | 1998 | 2011 | 35 years | |
| Harbor House Beloit | Beloit | WI | — | 150 | 4,356 | 411 | 191 | 4,726 | 4,917 | 628 | 4,289 | 1990 | 2011 | 35 years | |
| Harbor House Clinton | Clinton | WI | — | 290 | 4,390 | — | 290 | 4,390 | 4,680 | 626 | 4,054 | 1991 | 2011 | 35 years | |
| Creskide | Cudahy | WI | — | 760 | 1,693 | — | 760 | 1,693 | 2,453 | 288 | 2,165 | 2001 | 2011 | 35 years | |
| Harmony of Denmark | Denmark | WI | 1,086 | 220 | 2,228 | — | 220 | 2,228 | 2,448 | 352 | 2,096 | 1995 | 2011 | 35 years | |
| Harbor House Eau Claire | Eau Claire | WI | — | 210 | 6,259 | — | 210 | 6,259 | 6,469 | 870 | 5,599 | 1996 | 2011 | 35 years | |
| Chapel Valley | Fitchburg | WI | — | 450 | 2,372 | — | 450 | 2,372 | 2,822 | 375 | 2,447 | 1998 | 2011 | 35 years | |
| Matthews of Milwaukee II | Fox Point | WI | — | 1,810 | 943 | 37 | 1,820 | 970 | 2,790 | 218 | 2,572 | 1999 | 2011 | 35 years | |
| Harmony of Brownwood Park | Franklin | WI | 5,672 | 1,870 | 13,804 | — | 1,870 | 13,804 | 15,674 | 1,926 | 13,748 | 2003 | 2011 | 35 years | |
| Laurel Oaks | Glendale | WI | — | 2,390 | 43,587 | 594 | 2,390 | 44,181 | 46,571 | 6,199 | 40,372 | 1988 | 2011 | 35 years | |
| Harmony of Green Bay | Green Bay | WI | 2,877 | 640 | 5,008 | — | 640 | 5,008 | 5,648 | 755 | 4,893 | 1990 | 2011 | 35 years | |
| Layton Terrace | Greenfield | WI | 6,845 | 3,490 | 39,201 | — | 3,490 | 39,201 | 42,691 | 5,690 | 37,001 | 1999 | 2011 | 35 years | |
| Matthews of Hanland | Hanland | WI | — | 640 | 1,663 | 43 | 652 | 1,694 | 2,346 | 322 | 2,024 | 1983 | 2011 | 35 years | |
| Matthews of Horicon | Horicon | WI | — | 340 | 3,327 | (95) | 345 | 3,227 | 3,572 | 564 | 3,008 | 2002 | 2011 | 35 years | |
| Jefferson | Jefferson | WI | — | 330 | 2,384 | — | 330 | 2,384 | 2,714 | 372 | 2,342 | 1997 | 2011 | 35 years | |
| Harmony of Kenosha | Kenosha | WI | 3,680 | 1,180 | 8,717 | — | 1,180 | 8,717 | 9,897 | 1,240 | 8,657 | 1999 | 2011 | 35 years | |
| Harbor House Kenosha | Kenosha | WI | — | 710 | 3,254 | 2,793 | 1,156 | 5,601 | 6,757 | 531 | 6,226 | 1996 | 2011 | 35 years | |
| Harmony of Madison | Madison | WI | 3,809 | 650 | 4,279 | — | 650 | 4,279 | 4,929 | 690 | 4,239 | 1998 | 2011 | 35 years | |
| Harmony of Manitowoc | Manitowoc | WI | 4,470 | 450 | 10,101 | — | 450 | 10,101 | 10,551 | 1,434 | 9,117 | 1997 | 2011 | 35 years | |
| Harbor House Manitowoc | Manitowoc | WI | — | 140 | 1,520 | — | 140 | 1,520 | 1,660 | 229 | 1,431 | 1997 | 2011 | 35 years | |
| Harmony of McFarland | McFarland | WI | 3,415 | 640 | 4,647 | — | 640 | 4,647 | 5,287 | 721 | 4,566 | 1998 | 2011 | 35 years | |
| Adare II | Menasha | WI | — | 110 | 537 | 20 | 110 | 557 | 667 | 110 | 557 | 1994 | 2011 | 35 years | |

| Location | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|----------------------------------|------------------|-------------------------|--------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NRV | Year of Construction | Year Acquired | |
| Adare IV | Menasha | WI | — | 110 | 537 | 5 | 110 | 542 | 652 | 104 | 548 | 1994 | 2011 | 35 years |
| Adare III | Menasha | WI | — | 90 | 557 | 5 | 90 | 562 | 652 | 111 | 541 | 1993 | 2011 | 35 years |
| Adare I | Menasha | WI | — | 90 | 557 | 5 | 90 | 562 | 652 | 106 | 546 | 1993 | 2011 | 35 years |
| Riverview Village | Menomonee Falls | WI | 5,413 | 2,170 | 11,758 | — | 2,170 | 11,758 | 13,928 | 1,660 | 12,268 | 2003 | 2011 | 35 years |
| The Arboretum | Menomonee Falls | WI | — | 5,640 | 49,083 | 583 | 5,640 | 49,666 | 55,306 | 7,389 | 47,917 | 1989 | 2011 | 35 years |
| Matthews of Milwaukee I | Milwaukee | WI | — | 1,800 | 935 | 119 | 1,800 | 1,054 | 2,854 | 222 | 2,632 | 1999 | 2011 | 35 years |
| Hart Park Square | Milwaukee | WI | 6,600 | 1,900 | 21,628 | — | 1,900 | 21,628 | 23,528 | 3,160 | 20,368 | 2005 | 2011 | 35 years |
| Harbor House Monroe | Monroe | WI | — | 490 | 4,964 | — | 490 | 4,964 | 5,454 | 719 | 4,735 | 1990 | 2011 | 35 years |
| Matthews of Neenah I | Neenah | WI | — | 710 | 1,157 | 64 | 713 | 1,218 | 1,931 | 240 | 1,691 | 2006 | 2011 | 35 years |
| Matthews of Neenah II | Neenah | WI | — | 720 | 2,339 | (50) | 720 | 2,289 | 3,009 | 403 | 2,606 | 2007 | 2011 | 35 years |
| Matthews of Irish Road | Neenah | WI | — | 320 | 1,036 | 87 | 320 | 1,123 | 1,443 | 227 | 1,216 | 2001 | 2011 | 35 years |
| Matthews of Oak Creek | Oak Creek | WI | — | 800 | 2,167 | (2) | 812 | 2,153 | 2,965 | 360 | 2,605 | 1997 | 2011 | 35 years |
| Harbor House Oconomowoc | Oconomowoc | WI | — | 400 | 1,596 | — | 400 | 1,596 | 1,996 | — | 1,996 | 2015 | 2015 | 35 years |
| Wilkinson Woods of Oconomowoc | Oconomowoc | WI | — | 1,100 | 12,436 | — | 1,100 | 12,436 | 13,536 | 1,794 | 11,742 | 1992 | 2011 | 35 years |
| Harbor House Oshkosh | Oshkosh | WI | — | 190 | 949 | — | 190 | 949 | 1,139 | 188 | 951 | 1993 | 2011 | 35 years |
| Harmony of Racine | Racine | WI | 8,954 | 590 | 11,726 | — | 590 | 11,726 | 12,316 | 1,634 | 10,682 | 1998 | 2011 | 35 years |
| Harmony of Commons of Racine | Racine | WI | — | 630 | 11,245 | — | 630 | 11,245 | 11,875 | 1,583 | 10,292 | 2003 | 2011 | 35 years |
| Harmony of Sheboygan | Sheboygan | WI | 8,286 | 810 | 17,908 | — | 810 | 17,908 | 18,718 | 2,510 | 16,208 | 1996 | 2011 | 35 years |
| Harbor House Sheboygan | Sheboygan | WI | — | 1,060 | 6,208 | — | 1,060 | 6,208 | 7,268 | 879 | 6,389 | 1995 | 2011 | 35 years |
| Matthews of St. Francis I | St. Francis | WI | — | 1,370 | 1,428 | (113) | 1,389 | 1,296 | 2,685 | 260 | 2,425 | 2000 | 2011 | 35 years |
| Matthews of St. Francis II | St. Francis | WI | — | 1,370 | 1,666 | 15 | 1,377 | 1,674 | 3,051 | 297 | 2,754 | 2000 | 2011 | 35 years |
| Howard Village of St. Francis | St. Francis | WI | 4,800 | 2,320 | 17,232 | — | 2,320 | 17,232 | 19,552 | 2,576 | 16,976 | 2001 | 2011 | 35 years |
| Harmony of Stevens Point | Stevens Point | WI | 7,562 | 790 | 10,081 | — | 790 | 10,081 | 10,871 | 1,456 | 9,415 | 2002 | 2011 | 35 years |
| Harmony Commons of Stevens Point | Stevens Point | WI | — | 760 | 2,242 | — | 760 | 2,242 | 3,002 | 430 | 2,572 | 2005 | 2011 | 35 years |
| Harmony of Stoughton | Stoughton | WI | 1,502 | 490 | 9,298 | — | 490 | 9,298 | 9,788 | 1,322 | 8,466 | 1997 | 2011 | 35 years |
| Harbor House Stoughton | Stoughton | WI | — | 450 | 3,191 | — | 450 | 3,191 | 3,641 | 500 | 3,141 | 1992 | 2011 | 35 years |
| Harmony of Two Rivers | Two Rivers | WI | 2,413 | 330 | 3,538 | — | 330 | 3,538 | 3,868 | 542 | 3,326 | 1998 | 2011 | 35 years |
| Matthews of Pewaukee | Waukesha | WI | — | 1,180 | 4,124 | 206 | 1,197 | 4,313 | 5,510 | 741 | 4,769 | 2001 | 2011 | 35 years |
| Oak Hill Terrace | Waukesha | WI | 4,835 | 2,040 | 40,298 | — | 2,040 | 40,298 | 42,338 | 5,864 | 36,474 | 1985 | 2011 | 35 years |
| Harmony of Terrace Court | Wausau | WI | 6,730 | 430 | 5,037 | — | 430 | 5,037 | 5,467 | 750 | 4,717 | 1996 | 2011 | 35 years |
| Harmony of Terrace Commons | Wausau | WI | — | 740 | 6,556 | — | 740 | 6,556 | 7,296 | 983 | 6,313 | 2000 | 2011 | 35 years |
| Harbor House Rib Mountain | Wausau | WI | — | 350 | 3,413 | — | 350 | 3,413 | 3,763 | 500 | 3,263 | 1997 | 2011 | 35 years |
| Library Square | West Allis | WI | 5,150 | 1,160 | 23,714 | — | 1,160 | 23,714 | 24,874 | 3,455 | 21,419 | 1996 | 2011 | 35 years |
| Harmony of Wisconsin Rapids | Wisconsin Rapids | WI | 1,006 | 520 | 4,349 | — | 520 | 4,349 | 4,869 | 686 | 4,183 | 2000 | 2011 | 35 years |
| Matthews of Wrightstown | Wrightstown | WI | — | 140 | 376 | 12 | 140 | 388 | 528 | 110 | 418 | 1999 | 2011 | 35 years |
| Outlook Pointe at Teays Valley | Humane | WV | — | 1,950 | 14,489 | 106 | 1,950 | 14,595 | 16,545 | 2,049 | 14,496 | 1999 | 2011 | 35 years |
| Elmcroft of Martinsburg | Martinsburg | WV | — | 248 | 8,320 | — | 248 | 8,320 | 8,568 | 2,179 | 6,389 | 1999 | 2006 | 35 years |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|-----------------|------------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|------------|--------------------------|------------|----------------------|---------------|----------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | | |
| Garden Square Assisted Living of Casper | Casper | WY | — | 355 | 3,197 | — | 355 | 3,197 | 3,552 | 428 | 3,124 | 1996 | 2011 | 35 years | |
| Whispering Chase | Cheyenne | WY | — | 1,800 | 20,354 | — | 1,800 | 20,354 | 22,154 | 1,537 | 20,617 | 2008 | 2013 | 35 years | |
| Ashridge Court | Bexhill-on-Sea | East Sussex | — | 2,274 | 4,791 | — | 2,274 | 4,791 | 7,065 | 173 | 6,892 | 2010 | 2015 | 40 years | |
| Inglewood Nursing Home | Eastbourne | East Sussex | — | 1,908 | 3,021 | — | 1,908 | 3,021 | 4,929 | 126 | 4,803 | 2010 | 2015 | 40 years | |
| Pentlow Nursing Home | Eastbourne | East Sussex | — | 1,964 | 2,462 | — | 1,964 | 2,462 | 4,426 | 109 | 4,317 | 2007 | 2015 | 40 years | |
| Willows Care Home | Romford | Essex | — | 4,695 | 6,983 | — | 4,695 | 6,983 | 11,678 | 138 | 11,540 | 1986 | 2015 | 40 years | |
| Cedars Care Home | Southend-on-Sea | Essex | — | 2,649 | 4,925 | — | 2,649 | 4,925 | 7,574 | 100 | 7,474 | 2014 | 2015 | 40 years | |
| Mayflower Care Home | Northfleet | Gravesham | — | 4,330 | 7,519 | — | 4,330 | 7,519 | 11,849 | 152 | 11,697 | 2012 | 2015 | 40 years | |
| Maples Care Home | Bexleyheath | Kent | — | 5,042 | 7,525 | — | 5,042 | 7,525 | 12,567 | 150 | 12,417 | 2007 | 2015 | 40 years | |
| Bury House Nursing Home | Maldstone | Kent | — | 3,769 | 3,089 | — | 3,769 | 3,089 | 6,858 | 139 | 6,719 | 2013 | 2015 | 40 years | |
| Tunbridge Wells Care Centre | Tunbridge Wells | Kent | — | 4,323 | 5,869 | — | 4,323 | 5,869 | 10,192 | 203 | 9,989 | 2010 | 2015 | 40 years | |
| Heathlands Care Home | Chingford | London | — | 5,398 | 7,967 | — | 5,398 | 7,967 | 13,365 | 161 | 13,203 | 1980 | 2015 | 40 years | |
| TOTAL FOR OTHER SENIORS HOUSING COMMUNITIES | | | 244,234 | 526,342 | 4,729,528 | 31,302 | 523,209 | 4,763,963 | 5,287,172 | 579,112 | 4,708,060 | | | | |
| TOTAL FOR SENIORS HOUSING COMMUNITIES | | | 1,363,146 | 1,481,140 | 13,759,148 | 311,457 | 1,472,492 | 14,079,253 | 15,551,745 | 1,475,796 | 13,075,949 | | | | |

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|---------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|----------------------|---------------|----------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | | |
| | | | | | | | | | | | | | | | |
| MEDICAL OFFICE BUILDINGS | | | | | | | | | | | | | | | |
| St. Vincent's Medical Center East #46 | Birmingham | AL | — | — | 25,298 | 3,892 | — | 29,190 | 29,190 | 6,094 | 23,096 | 2005 | 2010 | 35 years | |
| St. Vincent's Medical Center East #48 | Birmingham | AL | — | — | 12,698 | 418 | — | 13,116 | 13,116 | 2,801 | 10,315 | 1989 | 2010 | 35 years | |
| St. Vincent's Medical Center East #52 | Birmingham | AL | — | — | 7,608 | 1,064 | — | 8,672 | 8,672 | 2,213 | 6,459 | 1985 | 2010 | 35 years | |
| Crestwood Medical Pavilion | Huntsville | AL | 4,134 | 625 | 16,178 | 76 | 625 | 16,254 | 16,879 | 2,626 | 14,253 | 1994 | 2011 | 35 years | |
| Davita Dialysis - Marked Tree | Marked Tree | AR | — | 179 | 1,580 | — | 179 | 1,580 | 1,759 | 60 | 1,699 | 2009 | 2015 | 35 years | |
| West Valley Medical Center | Buckeye | AZ | — | 3,348 | 5,233 | — | 3,348 | 5,233 | 8,581 | 243 | 8,338 | 2011 | 2015 | 31 years | |
| Canyon Springs Medical Plaza | Gilbert | AZ | 15,322 | — | 27,497 | 66 | — | 27,563 | 27,563 | 3,941 | 23,622 | 2007 | 2012 | 35 years | |
| Mercy Gilbert Medical Plaza | Gilbert | AZ | 7,620 | 720 | 11,277 | 559 | 720 | 11,836 | 12,556 | 2,207 | 10,349 | 2007 | 2011 | 35 years | |
| Thunderbird Paseo Medical Plaza | Glendale | AZ | — | — | 12,904 | 615 | 20 | 13,499 | 13,519 | 1,929 | 11,590 | 1997 | 2011 | 35 years | |
| Thunderbird Paseo Medical Plaza II | Glendale | AZ | — | — | 8,100 | 472 | 20 | 8,552 | 8,572 | 1,320 | 7,252 | 2001 | 2011 | 35 years | |
| Desert Medical Pavilion | Mesa | AZ | — | — | 32,768 | 129 | — | 32,897 | 32,897 | 2,905 | 29,992 | 2003 | 2013 | 35 years | |
| Desert Samaritan Medical Building I | Mesa | AZ | — | — | 11,923 | 516 | — | 12,439 | 12,439 | 1,758 | 10,681 | 1977 | 2011 | 35 years | |
| Desert Samaritan Medical Building II | Mesa | AZ | — | — | 7,395 | 101 | — | 7,496 | 7,496 | 1,179 | 6,317 | 1980 | 2011 | 35 years | |
| Desert Samaritan Medical Building III | Mesa | AZ | — | — | 13,665 | 1,043 | — | 14,708 | 14,708 | 2,093 | 12,615 | 1986 | 2011 | 35 years | |
| Deer Valley Medical Office Building II | Phoenix | AZ | 12,919 | — | 22,663 | 589 | 14 | 23,238 | 23,252 | 3,323 | 19,929 | 2002 | 2011 | 35 years | |
| Deer Valley Medical Office Building III | Phoenix | AZ | 10,649 | — | 19,521 | 30 | 12 | 19,539 | 19,551 | 2,813 | 16,738 | 2009 | 2011 | 35 years | |
| Papago Medical Park | Phoenix | AZ | — | — | 12,172 | 459 | — | 12,631 | 12,631 | 2,070 | 10,561 | 1989 | 2011 | 35 years | |
| North Valley Orthopedic Surgery Center | Phoenix | AZ | — | 2,800 | 10,150 | — | 2,800 | 10,150 | 12,950 | 354 | 12,596 | 2006 | 2015 | 35 years | |
| Burbank Medical Plaza | Burbank | CA | — | 1,241 | 23,322 | 1,015 | 1,241 | 24,337 | 25,578 | 4,242 | 21,336 | 2004 | 2011 | 35 years | |
| Burbank Medical Plaza II | Burbank | CA | 35,006 | 491 | 45,641 | 221 | 491 | 45,862 | 46,353 | 6,767 | 39,586 | 2008 | 2011 | 35 years | |
| Eden Medical Plaza | Castro Valley | CA | — | 258 | 2,455 | 276 | 258 | 2,731 | 2,989 | 758 | 2,231 | 1998 | 2011 | 25 years | |
| United Healthcare - Cypress | Cypress | CA | — | 12,883 | 38,309 | — | 12,883 | 38,309 | 51,192 | 1,701 | 49,491 | 1985 | 2015 | 29 years | |
| NorthBay Corporate Headquarters | Fairfield | CA | — | — | 19,187 | — | — | 19,187 | 19,187 | 1,837 | 17,350 | 2008 | 2012 | 35 years | |
| Gateway Medical Plaza | Fairfield | CA | — | — | 12,872 | 24 | — | 12,896 | 12,896 | 1,230 | 11,666 | 1986 | 2012 | 35 years | |
| Solano NorthBay Health Plaza | Fairfield | CA | — | — | 8,880 | — | — | 8,880 | 8,880 | 843 | 8,037 | 1990 | 2012 | 35 years | |
| NorthBay Healthcare MOB | Fairfield | CA | — | — | 8,507 | 2,280 | — | 10,787 | 10,787 | 997 | 9,790 | 2014 | 2013 | 35 years | |
| UC Davis Medical | Folsom | CA | — | 1,873 | 10,156 | — | 1,873 | 10,156 | 12,029 | 385 | 11,644 | 1995 | 2015 | 35 years | |
| Verdugo Hills Professional Bldg I | Glendale | CA | — | 6,683 | 9,589 | 336 | 6,683 | 9,925 | 16,608 | 2,305 | 14,303 | 1972 | 2012 | 23 years | |

| | | | | | | | | | | | | | | |
|---------------|----------|----|--|-------|-------|-----|-------|-------|-------|-------|-------|------|------|----------|
| Verdugo Hills | Glendale | CA | | 4,464 | 3,731 | 515 | 4,464 | 4,246 | 8,710 | 1,270 | 7,440 | 1987 | 2012 | 19 years |
| Professional | | | | | | | | | | | | | | |
| Bldg II | | | | | | | | | | | | | | |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--|------------------|------------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|-------------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | is Computed |
| St Francis Lyuwood Medical | Lynwood | CA | — | 688 | 8,385 | 730 | 688 | 9,115 | 9,803 | 2,346 | 7,457 | 1993 | 2011 | 32 years |
| PMB Mission Hills | Mission Hills | CA | — | 15,468 | 30,116 | 4,729 | 15,468 | 34,845 | 50,313 | 3,095 | 47,218 | 2012 | 2012 | 35 years |
| PDP Mission Viejo | Mission Viejo | CA | 58,490 | 1,916 | 77,022 | 226 | 1,916 | 77,248 | 79,164 | 11,775 | 67,389 | 2007 | 2011 | 35 years |
| PDP Orange | Orange | CA | 46,513 | 1,752 | 61,647 | 232 | 1,761 | 61,870 | 63,631 | 9,680 | 53,951 | 2008 | 2011 | 35 years |
| NHP/PMB Pasadena | Pasadena | CA | — | 3,138 | 83,412 | 8,590 | 3,138 | 92,002 | 95,140 | 16,041 | 79,099 | 2009 | 2011 | 35 years |
| Western University of Health Sciences Medical Pavilion | Pomona | CA | — | 91 | 31,523 | — | 91 | 31,523 | 31,614 | 4,532 | 27,082 | 2009 | 2011 | 35 years |
| Pomeroado Outpatient Pavilion | Poway | CA | — | 3,233 | 71,435 | 2,858 | 3,233 | 74,293 | 77,526 | 12,439 | 65,087 | 2007 | 2011 | 35 years |
| Sutter Medical Center | San Diego | CA | — | — | 25,088 | 1,371 | — | 26,459 | 26,459 | 2,301 | 24,158 | 2012 | 2012 | 35 years |
| San Gabriel Valley Medical | San Gabriel | CA | — | 914 | 5,510 | 346 | 914 | 5,856 | 6,770 | 1,467 | 5,303 | 2004 | 2011 | 35 years |
| Santa Clarita Valley Medical | Santa Clarita | CA | 23,000 | 9,708 | 20,020 | 443 | 9,726 | 20,445 | 30,171 | 3,496 | 26,675 | 2005 | 2011 | 35 years |
| Kenneth E. Watts Medical Plaza | Torrance | CA | — | 262 | 6,945 | 1,238 | 291 | 8,154 | 8,445 | 2,095 | 6,350 | 1989 | 2011 | 23 years |
| Vaca Valley Health Plaza | Vacaville | CA | — | — | 9,634 | 2 | — | 9,636 | 9,636 | 912 | 8,724 | 1988 | 2012 | 35 years |
| Potomac Medical Plaza | Aurora | CO | — | 2,401 | 9,118 | 2,181 | 2,464 | 11,236 | 13,700 | 4,720 | 8,980 | 1986 | 2007 | 35 years |
| Briargate Medical Campus | Colorado Springs | CO | — | 1,238 | 12,301 | 313 | 1,244 | 12,608 | 13,852 | 3,987 | 9,865 | 2002 | 2007 | 35 years |
| Printers Park Medical Plaza | Colorado Springs | CO | — | 2,641 | 47,507 | 1,415 | 2,641 | 48,922 | 51,563 | 15,033 | 36,530 | 1999 | 2007 | 35 years |
| Greco Valley Ranch MOB | Denver | CO | 5,797 | — | 12,139 | 158 | 235 | 12,062 | 12,297 | 1,110 | 11,187 | 2007 | 2012 | 35 years |
| Community Physicians Pavilion | Lafayette | CO | — | — | 10,436 | 1,590 | — | 12,026 | 12,026 | 2,517 | 9,509 | 2004 | 2010 | 35 years |
| Exempla Good Samaritan Medical Center | Lafayette | CO | — | — | 4,393 | — | — | 4,393 | 4,393 | 257 | 4,136 | 2013 | 2013 | 35 years |
| Dakota Ridge | Littleton | CO | — | 2,540 | 12,901 | — | 2,540 | 12,901 | 15,441 | 458 | 14,983 | 2007 | 2015 | 35 years |
| Avista Two Medical Plaza | Louisville | CO | — | — | 17,330 | 1,676 | — | 19,006 | 19,006 | 4,813 | 14,193 | 2003 | 2009 | 35 years |
| The Sierra Medical Building | Parker | CO | — | 1,444 | 14,059 | 3,072 | 1,492 | 17,083 | 18,575 | 4,969 | 13,606 | 2009 | 2009 | 35 years |
| Crown Point Healthcare Plaza | Parker | CO | — | 852 | 5,210 | — | 852 | 5,210 | 6,062 | 477 | 5,585 | 2008 | 2013 | 35 years |
| Lutheran Medical Office Building II | Wheat Ridge | CO | — | — | 2,655 | 875 | — | 3,530 | 3,530 | 984 | 2,546 | 1976 | 2010 | 35 years |
| Lutheran Medical Office Building IV | Wheat Ridge | CO | — | — | 7,266 | 923 | — | 8,189 | 8,189 | 1,827 | 6,362 | 1991 | 2010 | 35 years |
| Lutheran Medical Office Building III | Wheat Ridge | CO | — | — | 11,947 | 107 | — | 12,054 | 12,054 | 2,576 | 9,478 | 2004 | 2010 | 35 years |
| DePaul Professional Office Building | Washington DC | | — | — | 6,424 | 1,856 | — | 8,280 | 8,280 | 2,540 | 5,740 | 1987 | 2010 | 35 years |
| Providence Medical Office Building | Washington DC | | — | — | 2,473 | 520 | — | 2,993 | 2,993 | 1,081 | 1,912 | 1975 | 2010 | 35 years |
| RTS Arcadia | Arcadia | FL | — | 345 | 2,884 | — | 345 | 2,884 | 3,229 | 533 | 2,696 | 1993 | 2011 | 30 years |
| Aventura Medical Plaza | Aventura | FL | — | 401 | 3,338 | — | 401 | 3,338 | 3,739 | 256 | 3,483 | 1996 | 2015 | 26 years |
| RTS Cape Coral | Cape Coral | FL | — | 368 | 5,448 | — | 368 | 5,448 | 5,816 | 851 | 4,965 | 1984 | 2011 | 34 years |
| RTS Englewood | Englewood | FL | — | 1,071 | 3,516 | — | 1,071 | 3,516 | 4,587 | 589 | 3,998 | 1992 | 2011 | 35 years |

| | | | | | | | | | | | | | |
|---------------------------|----|---|-------|-------|---|-------|-------|-------|-----|-------|------|------|----------|
| RTS Ft. Myers, Fort Myers | FL | — | 1,153 | 4,127 | — | 1,153 | 4,127 | 5,280 | 773 | 4,507 | 1989 | 2011 | 31 years |
| RTS Key West Key West | FL | — | 486 | 4,380 | — | 486 | 4,380 | 4,866 | 609 | 4,257 | 1987 | 2011 | 35 years |

| Location | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|--------------|-------------------------|--------------|---|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|----------------------|---------------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | |
| JFK Medical Plaza | Lake Worth | FL | — | 453 | 1,711 | 139 | 453 | 1,850 | 2,303 | 691 | 1,612 | 1999 | 2004 | 35 years |
| East Pointe Medical Plaza | Leigh Acres | FL | 5,260 | 327 | 11,816 | — | 327 | 11,816 | 12,143 | 380 | 11,763 | 1994 | 2015 | 35 years |
| Palms West Building 6 | Loxahatchee | FL | — | 965 | 2,678 | 52 | 965 | 2,730 | 3,695 | 909 | 2,786 | 2000 | 2004 | 35 years |
| Bay Medical Plaza | Lynn Haven | FL | 9,579 | 4,215 | 15,041 | — | 4,215 | 15,041 | 19,256 | 557 | 18,699 | 2003 | 2015 | 35 years |
| Adventure Heart & Health | Miami | FL | 15,680 | — | 25,361 | 2,979 | — | 28,340 | 28,340 | 9,914 | 18,426 | 2006 | 2007 | 35 years |
| RTS Naples | Naples | FL | — | 1,152 | 3,726 | — | 1,152 | 3,726 | 4,878 | 589 | 4,289 | 1999 | 2011 | 35 years |
| Bay Medical Center | Panama City | FL | 9,321 | 82 | 17,400 | — | 82 | 17,400 | 17,482 | 559 | 16,923 | 1987 | 2015 | 35 years |
| Woodlands Center for Specialized Med | Pensacola | FL | 14,914 | 2,518 | 24,006 | 29 | 2,518 | 24,035 | 26,553 | 3,513 | 23,040 | 2009 | 2012 | 35 years |
| RTS Ft. Charlotte | Pt Charlotte | FL | — | 966 | 4,581 | — | 966 | 4,581 | 5,547 | 760 | 4,787 | 1985 | 2011 | 34 years |
| RTS Sarasota | Sarasota | FL | — | 1,914 | 3,889 | — | 1,914 | 3,889 | 5,803 | 680 | 5,123 | 1996 | 2011 | 35 years |
| Capital Regional MOB I | Tallahassee | FL | — | 590 | 8,773 | — | 590 | 8,773 | 9,363 | 251 | 9,112 | 1998 | 2015 | 35 years |
| University Medical Office Building | Tamarac | FL | — | — | 6,690 | 132 | — | 6,822 | 6,822 | 2,316 | 4,506 | 2006 | 2007 | 35 years |
| RTS Venice | Venice | FL | — | 1,536 | 4,104 | — | 1,536 | 4,104 | 5,640 | 690 | 4,950 | 1997 | 2011 | 35 years |
| Athens Medical Complex | Athens | GA | — | 2,826 | 18,339 | — | 2,826 | 18,339 | 21,165 | 625 | 20,540 | 2011 | 2015 | 35 years |
| Doctors Center at St. Joseph's Hospital | Atlanta | GA | — | 545 | 80,152 | — | 545 | 80,152 | 80,697 | 740 | 79,957 | 1978 | 2015 | 20 years |
| Augusta Medical Plaza | Augusta | GA | — | 594 | 4,847 | 517 | 594 | 5,364 | 5,958 | 1,474 | 4,484 | 1972 | 2011 | 25 years |
| Augusta Professional Building | Augusta | GA | — | 687 | 6,057 | 657 | 691 | 6,710 | 7,401 | 1,882 | 5,519 | 1983 | 2011 | 27 years |
| Augusta POB I | Augusta | GA | — | 233 | 7,894 | 507 | 233 | 8,401 | 8,634 | 2,971 | 5,663 | 1978 | 2012 | 14 years |
| Augusta POB II | Augusta | GA | — | 735 | 13,717 | 159 | 735 | 13,876 | 14,611 | 3,446 | 11,165 | 1987 | 2012 | 23 years |
| Augusta POB III | Augusta | GA | — | 535 | 3,857 | 212 | 535 | 4,069 | 4,604 | 1,192 | 3,412 | 1994 | 2012 | 22 years |
| Augusta POB IV | Augusta | GA | — | 675 | 2,182 | 892 | 675 | 3,074 | 3,749 | 942 | 2,807 | 1995 | 2012 | 23 years |
| Cobb Physicians Center | Austell | GA | — | 1,145 | 16,805 | 919 | 1,145 | 17,724 | 18,869 | 3,691 | 15,178 | 1992 | 2011 | 35 years |
| Summit Professional Plaza I | Brunswick | GA | 5,096 | 1,821 | 2,974 | 42 | 1,821 | 3,016 | 4,837 | 2,669 | 2,168 | 2004 | 2012 | 31 years |
| Summit Professional Plaza II | Brunswick | GA | 10,829 | 981 | 13,818 | 10 | 981 | 13,828 | 14,809 | 2,378 | 12,431 | 1998 | 2012 | 35 years |
| Columbia Medical Plaza | Evaos | GA | — | 268 | 1,497 | 139 | 268 | 1,636 | 1,904 | 572 | 1,332 | 1940 | 2011 | 23 years |
| Fayette MOB | Fayetteville | GA | — | 895 | 20,669 | — | 895 | 20,669 | 21,564 | 672 | 20,892 | 2004 | 2015 | 35 years |
| Northside East Cobb - 1121 | Manetta | GA | — | 5,495 | 16,028 | — | 5,495 | 16,028 | 21,523 | 590 | 20,933 | 1991 | 2015 | 35 years |
| PAPP Clinic | Newnan | GA | — | 2,167 | 5,477 | — | 2,167 | 5,477 | 7,644 | 253 | 7,391 | 1994 | 2015 | 30 years |
| Parkway Physicians Center | Ruggold | GA | — | 476 | 10,017 | 419 | 476 | 10,436 | 10,912 | 2,047 | 8,865 | 2004 | 2011 | 35 years |
| Riverdale MOB | Riverdale | GA | — | 1,025 | 9,783 | — | 1,025 | 9,783 | 10,808 | 365 | 10,443 | 2005 | 2015 | 35 years |
| Eastside Physicians Center | Snellville | GA | — | 1,289 | 25,019 | 1,937 | 1,366 | 26,879 | 28,245 | 7,126 | 21,119 | 1994 | 2008 | 35 years |
| Eastside Physicians Plaza | Snellville | GA | — | 294 | 12,948 | 53 | 297 | 12,998 | 13,295 | 3,176 | 10,119 | 2003 | 2008 | 35 years |
| Rush Copley POB I | Aurora | IL | — | 120 | 27,882 | — | 120 | 27,882 | 28,002 | 907 | 27,095 | 1996 | 2015 | 34 years |
| Rush Copley POB II | Aurora | IL | — | 49 | 27,217 | — | 49 | 27,217 | 27,266 | 859 | 26,407 | 2009 | 2015 | 35 years |

| | | | | | | | | | | | | | |
|--|---------------|---|-----|--------|-----|-----|--------|--------|-------|--------|------|------|----------|
| Good Shepherd Physician Office Building I | Barrington IL | — | 152 | 3,224 | 83 | 152 | 3,307 | 3,459 | 274 | 3,185 | 1979 | 2013 | 35 years |
| Good Shepherd Physician Office Building II | Barrington IL | — | 512 | 12,977 | 142 | 512 | 13,119 | 13,631 | 1,129 | 12,502 | 1996 | 2013 | 35 years |

| Property Name | Location | | State/Province | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement Is Computed |
|---|-------------------|--------------|----------------|-------------------------|----------------------------|---|---|----------------------------|--------|-------|--------------------------|------|----------------------|---------------|--|
| | City | Encumbrances | | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | | | | | | |
| Trinity Hospital Physician Office Building | Chicago | IL | — | 139 | 3,329 | 213 | 139 | 3,542 | 3,681 | 328 | 3,353 | 1971 | 2013 | 35 years | |
| Advocate Beverly Center | Chicago | IL | — | 2,227 | 10,140 | — | 2,227 | 10,140 | 12,367 | 495 | 11,872 | 1986 | 2015 | 25 years | |
| Crystal Lakes Medical Arts | Crystal Lake | IL | — | 2,490 | 19,504 | — | 2,490 | 19,504 | 21,994 | 702 | 21,292 | 2007 | 2015 | 35 years | |
| Advocate Good Shepard | Crystal Lake | IL | — | 2,444 | 10,953 | — | 2,444 | 10,953 | 13,397 | 456 | 12,941 | 2008 | 2015 | 33 years | |
| Physicians Plaza East | Decatur | IL | — | — | 791 | 612 | — | 1,403 | 1,403 | 596 | 807 | 1976 | 2010 | 35 years | |
| Physicians Plaza West | Decatur | IL | — | — | 1,943 | 354 | — | 2,297 | 2,297 | 760 | 1,537 | 1987 | 2010 | 35 years | |
| Kenwood Medical Center | Decatur | IL | — | — | 3,900 | 51 | — | 3,951 | 3,951 | 1,252 | 2,699 | 1996 | 2010 | 35 years | |
| 304 W Hay Building | Decatur | IL | — | — | 8,702 | 193 | — | 8,895 | 8,895 | 2,115 | 6,780 | 2002 | 2010 | 35 years | |
| 302 W Hay Building | Decatur | IL | — | — | 3,467 | 156 | — | 3,623 | 3,623 | 1,147 | 2,476 | 1993 | 2010 | 35 years | |
| ENTA | Decatur | IL | — | — | 1,150 | — | — | 1,150 | 1,150 | 304 | 846 | 1996 | 2010 | 35 years | |
| 301 W Hay Building | Decatur | IL | — | — | 640 | — | — | 640 | 640 | 234 | 406 | 1980 | 2010 | 35 years | |
| South Shore Medical Building | Decatur | IL | — | 902 | 129 | — | 902 | 129 | 1,031 | 145 | 886 | 1991 | 2010 | 35 years | |
| STU Family Practice | Decatur | IL | — | — | 1,689 | 19 | — | 1,708 | 1,708 | 457 | 1,251 | 1997 | 2010 | 35 years | |
| Corporate Health Services | Decatur | IL | — | 934 | 1,386 | — | 934 | 1,386 | 2,320 | 450 | 1,870 | 1996 | 2010 | 35 years | |
| Rock Springs Medical | Decatur | IL | — | 399 | 495 | — | 399 | 495 | 894 | 171 | 723 | 1990 | 2010 | 35 years | |
| 575 W Hay Building | Decatur | IL | — | 111 | 739 | — | 111 | 739 | 850 | 215 | 635 | 1984 | 2010 | 35 years | |
| Good Samaritan Physician Office Building I | Downers Grove | IL | — | 407 | 10,337 | 228 | 407 | 10,565 | 10,972 | 886 | 10,086 | 1976 | 2013 | 35 years | |
| Good Samaritan Physician Office Building II | Downers Grove | IL | — | 1,013 | 25,370 | 366 | 1,013 | 25,736 | 26,749 | 2,133 | 24,616 | 1995 | 2013 | 35 years | |
| Eberle Medical Office Building ("Eberle MOB") | Elk Grove Village | IL | — | — | 16,315 | 93 | — | 16,408 | 16,408 | 5,453 | 10,955 | 2005 | 2009 | 35 years | |
| 1425 Hunt Club Road MOB | Gurnee | IL | — | 249 | 1,452 | 75 | 249 | 1,527 | 1,776 | 419 | 1,357 | 2005 | 2011 | 34 years | |
| 1445 Hunt Club Drive | Gurnee | IL | — | 216 | 1,405 | 309 | 216 | 1,714 | 1,930 | 588 | 1,342 | 2002 | 2011 | 31 years | |
| Gurnee Imaging Center | Gurnee | IL | — | 82 | 2,731 | — | 82 | 2,731 | 2,813 | 453 | 2,360 | 2002 | 2011 | 35 years | |
| Gurnee Center Club | Gurnee | IL | — | 627 | 17,851 | — | 627 | 17,851 | 18,478 | 3,113 | 15,365 | 2001 | 2011 | 35 years | |
| South Suburban Hospital Physician Office Building | Hazel Crest | IL | — | 191 | 4,370 | 150 | 191 | 4,520 | 4,711 | 427 | 4,284 | 1989 | 2013 | 35 years | |
| Doctors Office Building III ("DOB III") | Hoffman Estates | IL | — | — | 24,550 | 77 | — | 24,627 | 24,627 | 7,117 | 17,510 | 2005 | 2009 | 35 years | |
| 755 Milwaukee MOB | Libertyville | IL | — | 421 | 3,716 | 1,012 | 479 | 4,670 | 5,149 | 1,822 | 3,327 | 1990 | 2011 | 18 years | |
| 890 Professional MOB | Libertyville | IL | — | 214 | 2,630 | 139 | 214 | 2,769 | 2,983 | 707 | 2,276 | 1980 | 2011 | 26 years | |
| Libertyville Center Club | Libertyville | IL | — | 1,020 | 17,176 | — | 1,020 | 17,176 | 18,196 | 3,077 | 15,119 | 1988 | 2011 | 35 years | |
| Christ Medical Center Physician Office Building | Oak Lawn | IL | — | 658 | 16,421 | 51 | 658 | 16,472 | 17,130 | 1,374 | 15,756 | 1986 | 2013 | 35 years | |

| | | | | | | | | | | | | | | |
|--------------------------------------|--------------|----|---|-------|--------|-----|-------|--------|--------|-----|--------|------|------|----------|
| Methodist North MOB | Peoria | IL | — | 1,025 | 29,493 | — | 1,025 | 29,493 | 30,518 | 964 | 29,554 | 2010 | 2015 | 35 years |
| Davita Dialysis Rockford | Rockford | IL | — | 256 | 2,543 | — | 256 | 2,543 | 2,799 | 98 | 2,701 | 2009 | 2015 | 35 years |
| Round Lake ACC | Round Lake | IL | — | 758 | 370 | 302 | 785 | 645 | 1,430 | 373 | 1,057 | 1984 | 2011 | 13 years |
| Vernon Hills Acute Care Center | Vernon Hills | IL | — | 3,376 | 694 | 181 | 3,413 | 838 | 4,251 | 469 | 3,782 | 1986 | 2011 | 15 years |
| Wilbur S Roby Building | Anderson | IN | — | — | 2,653 | 621 | — | 1,274 | 1,274 | 971 | 2,303 | 1992 | 2010 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|--|--------------|----------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|-------------|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Is Computed |
| Ambulatory Services Building | Anderson | IN | — | — | 4,266 | 1,350 | — | 5,616 | 5,616 | 1,664 | 3,952 | 1995 | 2010 | 35 years |
| St John's Medical Arts Building | Anderson | IN | — | — | 2,281 | 426 | — | 2,707 | 2,707 | 823 | 1,884 | 1973 | 2010 | 35 years |
| Carmel I | Carmel | IN | — | 466 | 5,954 | 222 | 466 | 6,176 | 6,642 | 1,149 | 5,493 | 1985 | 2012 | 30 years |
| Carmel II | Carmel | IN | — | 455 | 5,976 | 221 | 455 | 6,197 | 6,652 | 1,042 | 5,610 | 1989 | 2012 | 33 years |
| Carmel III | Carmel | IN | — | 422 | 6,194 | 385 | 422 | 6,579 | 7,001 | 960 | 6,041 | 2001 | 2012 | 35 years |
| Elkhart | Elkhart | IN | — | 1,256 | 1,973 | — | 1,256 | 1,973 | 3,229 | 769 | 2,460 | 1994 | 2011 | 32 years |
| Lutheran Medical Arts | Fort Wayne | IN | — | 702 | 13,576 | — | 702 | 13,576 | 14,278 | 469 | 13,809 | 2000 | 2015 | 35 years |
| Dupont Road MOB | Fort Wayne | IN | — | 633 | 13,479 | — | 633 | 13,479 | 14,112 | 501 | 13,611 | 2001 | 2015 | 35 years |
| Harcourt Professional Office Building | Indianapolis | IN | — | 519 | 28,951 | 1,001 | 519 | 29,954 | 30,473 | 5,209 | 25,264 | 1973 | 2012 | 28 years |
| Cardiac Professional Office Building | Indianapolis | IN | — | 498 | 27,430 | 467 | 498 | 27,897 | 28,395 | 3,939 | 24,456 | 1995 | 2012 | 35 years |
| Oncology Medical Office Building | Indianapolis | IN | — | 470 | 5,703 | 152 | 470 | 5,855 | 6,325 | 1,053 | 5,272 | 2003 | 2012 | 35 years |
| St Francis South Medical Office Building | Indianapolis | IN | — | — | 20,649 | 744 | — | 21,393 | 21,393 | 2,081 | 19,312 | 1995 | 2013 | 35 years |
| Methodist Professional Center I | Indianapolis | IN | — | 61 | 37,411 | 2,896 | 61 | 40,307 | 40,368 | 6,795 | 33,573 | 1985 | 2012 | 25 years |
| Indiana Orthopedic Center of Excellence | Indianapolis | IN | — | 967 | 83,746 | — | 967 | 83,746 | 84,713 | 1,273 | 83,440 | 1997 | 2015 | 35 years |
| United Healthcare - Indy | Indianapolis | IN | — | 5,737 | 32,116 | — | 5,737 | 32,116 | 37,853 | 1,131 | 36,722 | 1988 | 2015 | 35 years |
| LaPorte | La Porte | IN | — | 553 | 1,309 | — | 553 | 1,309 | 1,862 | 331 | 1,531 | 1997 | 2011 | 34 years |
| Mishawaka | Mishawaka | IN | — | 3,787 | 5,543 | — | 3,787 | 5,543 | 9,330 | 2,244 | 7,086 | 1993 | 2011 | 35 years |
| Cancer Care Partners | Mishawaka | IN | — | 3,162 | 28,633 | — | 3,162 | 28,633 | 31,795 | 914 | 30,881 | 2010 | 2015 | 35 years |
| Michiana Oncology | Mishawaka | IN | — | 4,577 | 20,939 | — | 4,577 | 20,939 | 25,516 | 700 | 24,816 | 2010 | 2015 | 35 years |
| DaVita Dialysis - Paoli | Paoli | IN | — | 396 | 2,056 | — | 396 | 2,056 | 2,452 | 81 | 2,371 | 2011 | 2015 | 35 years |
| South Bend | South Bend | IN | — | 792 | 2,530 | — | 792 | 2,530 | 3,322 | 530 | 2,792 | 1996 | 2011 | 34 years |
| Via Christi Clinic | Wichita | KS | — | 1,883 | 7,428 | — | 1,883 | 7,428 | 9,311 | 290 | 9,021 | 2006 | 2015 | 35 years |
| OLBH Same Day Surgery Center MOB | Ashland | KY | — | 101 | 19,066 | 208 | 101 | 19,274 | 19,375 | 3,262 | 16,113 | 1997 | 2012 | 26 years |
| St Elizabeth Covington | Covington | KY | — | 345 | 12,790 | (16) | 345 | 12,774 | 13,119 | 1,865 | 11,254 | 2009 | 2012 | 35 years |
| St. Elizabeth Florence MOB | Florence | KY | — | 402 | 8,279 | 1,082 | 402 | 9,361 | 9,763 | 1,713 | 8,050 | 2005 | 2012 | 35 years |
| Jefferson Clinic | Louisville | KY | — | — | 673 | 2,018 | — | 2,691 | 2,691 | 109 | 2,582 | 2013 | 2013 | 35 years |
| East Jefferson Medical Plaza | Metairie | LA | — | 168 | 17,264 | 162 | 168 | 17,426 | 17,594 | 3,974 | 13,620 | 1996 | 2012 | 32 years |
| East Jefferson MOB | Metairie | LA | — | 107 | 15,137 | 280 | 107 | 15,417 | 15,524 | 3,341 | 12,183 | 1985 | 2012 | 28 years |
| Lakeside POB I | Metairie | LA | — | 3,334 | 4,974 | 2,259 | 3,334 | 7,233 | 10,567 | 2,090 | 8,477 | 1986 | 2011 | 22 years |
| Lakeside POB II | Metairie | LA | — | 1,046 | 802 | 680 | 1,046 | 1,482 | 2,528 | 642 | 1,886 | 1980 | 2011 | 7 years |
| Fresenius Medical | Metairie | LA | — | 1,195 | 3,797 | — | 1,195 | 3,797 | 4,992 | 134 | 4,858 | 2012 | 2015 | 35 years |
| RTS Berlin | Berlin | MD | — | — | 2,216 | — | — | 2,216 | 2,216 | 378 | 1,838 | 1994 | 2011 | 29 years |
| Charles O. Fisher Medical Building | Westminster | MD | 11,091 | — | 13,795 | 1,747 | — | 15,542 | 15,542 | 4,786 | 10,756 | 2009 | 2009 | 35 years |
| Medical Specialties Building | Kalamazoo | MI | — | — | 19,242 | 1,366 | — | 20,608 | 20,608 | 4,234 | 16,374 | 1989 | 2010 | 35 years |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|---|--------------------|------------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|-------------|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Is Computed |
| North Professional Building | Kalamazoo | MI | — | — | 7,228 | 1,601 | — | 8,829 | 8,829 | 1,786 | 7,043 | 1983 | 2010 | 35 years |
| Borgess Navigation Center | Kalamazoo | MI | — | — | 2,391 | — | — | 2,391 | 2,391 | 570 | 1,821 | 1976 | 2010 | 35 years |
| Borgess Health & Fitness Center | Kalamazoo | MI | — | — | 11,959 | 244 | — | 12,203 | 12,203 | 2,887 | 9,316 | 1984 | 2010 | 35 years |
| Heart Center Building | Kalamazoo | MI | — | — | 8,420 | 383 | — | 8,803 | 8,803 | 2,207 | 6,596 | 1980 | 2010 | 35 years |
| Medical Commons Building | Kalamazoo Township | MI | — | — | 661 | 568 | — | 1,229 | 1,229 | 199 | 1,030 | 1979 | 2010 | 35 years |
| RTS Madison Heights | Madison Heights | MI | — | 401 | 2,946 | — | 401 | 2,946 | 3,347 | 483 | 2,864 | 2002 | 2011 | 35 years |
| RTS Monroe | Monroe | MI | — | 281 | 3,450 | — | 281 | 3,450 | 3,731 | 635 | 3,096 | 1997 | 2011 | 31 years |
| Bronson Lakeview OPC | Paw Paw | MI | — | 3,835 | 31,564 | — | 3,835 | 31,564 | 35,399 | 1,141 | 34,258 | 2006 | 2015 | 35 years |
| Pro Med Center Plainwell | Plainwell | MI | — | — | 697 | — | — | 697 | 697 | 185 | 512 | 1991 | 2010 | 35 years |
| Pro Med Center Richland | Richland | MI | — | 233 | 2,267 | 30 | 233 | 2,297 | 2,530 | 520 | 2,010 | 1996 | 2010 | 35 years |
| Henry Ford Dialysis Center | Southfield | MI | — | 589 | 3,350 | — | 589 | 3,350 | 3,939 | 120 | 3,819 | 2002 | 2015 | 35 years |
| Metro Health | Wyoming | MI | — | 1,325 | 5,479 | — | 1,325 | 5,479 | 6,804 | 207 | 6,597 | 2008 | 2015 | 35 years |
| Spectrum Health | Wyoming | MI | — | 2,463 | 14,353 | — | 2,463 | 14,353 | 16,816 | 543 | 16,273 | 2006 | 2015 | 35 years |
| Cogdell Duluth MOB | Duluth | MN | — | — | 33,406 | (19) | — | 33,387 | 33,387 | 3,254 | 30,133 | 2012 | 2012 | 35 years |
| Allina Health | Elk River | MN | — | 1,442 | 7,742 | — | 1,442 | 7,742 | 9,184 | 267 | 8,917 | 2002 | 2015 | 35 years |
| Unitron Hearing | Plymouth | MN | 4,000 | 2,646 | 8,962 | — | 2,646 | 8,962 | 11,608 | 475 | 11,133 | 2011 | 2015 | 29 years |
| HealthPartners Medical & Dental Clinics | Sandell | MN | — | 2,492 | 15,894 | 49 | 2,503 | 15,732 | 18,235 | 2,493 | 15,742 | 2010 | 2012 | 35 years |
| Arnold Urgent Care | Arnold | MO | — | 1,058 | 556 | 95 | 1,097 | 612 | 1,709 | 365 | 1,344 | 1999 | 2011 | 35 years |

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|------------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|----------------------|---------------|----------|--|
| Property Name | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | | |
| DePaul Health Center North | Bridgeton | MO | — | 996 | 10,045 | 794 | 996 | 10,839 | 11,835 | 2,542 | 9,293 | 1976 | 2012 | 21 years | |
| DePaul Health Center South | Bridgeton | MO | — | 910 | 12,169 | 502 | 910 | 12,671 | 13,581 | 2,374 | 11,207 | 1992 | 2012 | 30 years | |
| St. Mary's Health Center MOB D | Clayton | MO | — | 103 | 2,780 | 718 | 103 | 3,498 | 3,601 | 852 | 2,749 | 1984 | 2012 | 22 years | |
| Fenton Urgent Care Center | Fenton | MO | — | 183 | 2,714 | 224 | 189 | 2,932 | 3,121 | 738 | 2,383 | 2003 | 2011 | 35 years | |
| St. Joseph Medical Building | Kansas City | MO | — | 305 | 7,445 | 2,167 | 305 | 9,612 | 9,917 | 1,212 | 8,705 | 1988 | 2012 | 32 years | |
| St. Joseph Medical Mall | Kansas City | MO | — | 530 | 9,115 | 212 | 530 | 9,327 | 9,857 | 1,516 | 8,341 | 1995 | 2012 | 33 years | |
| Carondelet Medical Building | Kansas City | MO | — | 745 | 12,437 | 612 | 745 | 13,049 | 13,794 | 2,256 | 11,538 | 1979 | 2012 | 29 years | |
| St. Joseph Hospital West Medical Office Building II | Lake Saint Louis | MO | — | 524 | 3,229 | 156 | 524 | 3,385 | 3,909 | 659 | 3,250 | 2005 | 2012 | 35 years | |
| St. Joseph O'Fallon Medical Office Building | O'Fallon | MO | — | 940 | 5,556 | 9 | 940 | 5,565 | 6,505 | 839 | 5,666 | 1992 | 2012 | 35 years | |
| Sisters of Mercy Building | Springfield | MO | 5,500 | 3,427 | 8,697 | — | 3,427 | 8,697 | 12,124 | 350 | 11,774 | 2008 | 2015 | 35 years | |
| St. Joseph Health Center Medical Building I | St. Charles | MO | — | 503 | 4,336 | 365 | 503 | 4,701 | 5,204 | 1,227 | 3,977 | 1987 | 2012 | 20 years | |
| St. Joseph Health Center Medical Building 2 | St. Charles | MO | — | 369 | 2,963 | 162 | 369 | 3,125 | 3,494 | 650 | 2,844 | 1999 | 2012 | 32 years | |
| Physicians Office Center | St. Louis | MO | — | 1,445 | 13,825 | 325 | 1,445 | 14,150 | 15,595 | 3,678 | 11,917 | 2003 | 2011 | 35 years | |
| 12700 Southford Road Medical Plaza | St. Louis | MO | — | 595 | 12,584 | 1,077 | 595 | 13,661 | 14,256 | 3,392 | 10,864 | 1993 | 2011 | 32 years | |
| St. Anthony's MOB A | St. Louis | MO | — | 409 | 4,687 | 607 | 409 | 5,294 | 5,703 | 1,592 | 4,111 | 1975 | 2011 | 20 years | |
| St. Anthony's MOB B | St. Louis | MO | — | 350 | 3,942 | 437 | 350 | 4,379 | 4,729 | 1,515 | 3,214 | 1980 | 2011 | 21 years | |
| Lemay Urgent Care Center | St. Louis | MO | — | 2,317 | 3,120 | 317 | 2,339 | 3,415 | 5,754 | 1,261 | 4,493 | 1983 | 2011 | 22 years | |
| St. Mary's Health Center MOB B | St. Louis | MO | — | 119 | 4,161 | 4,278 | 119 | 8,439 | 8,558 | 1,046 | 7,512 | 1979 | 2012 | 23 years | |
| St. Mary's Health Center MOB C | St. Louis | MO | — | 136 | 6,018 | 362 | 136 | 6,380 | 6,516 | 1,263 | 5,253 | 1969 | 2012 | 20 years | |
| University Physicians - Grants Ferry | Flowood | MS | 9,339 | 2,796 | 12,125 | (13) | 2,796 | 12,112 | 14,908 | 1,922 | 12,986 | 2010 | 2012 | 35 years | |
| Randolph Mallard Crossing I | Charlotte | NC | — | 6,370 | 2,929 | 1,155 | 6,370 | 4,084 | 10,454 | 2,550 | 7,904 | 1973 | 2012 | 4 years | |
| Medical Arts Building | Concord | NC | — | 701 | 11,734 | 502 | 701 | 12,236 | 12,937 | 2,689 | 10,248 | 1997 | 2012 | 31 years | |
| Gateway Medical Office Building | Concord | NC | — | 1,100 | 9,904 | 487 | 1,100 | 10,391 | 11,491 | 2,249 | 9,242 | 2005 | 2012 | 35 years | |
| Copperfield Medical Mall | Concord | NC | — | 1,980 | 2,846 | 287 | 1,980 | 3,133 | 5,113 | 919 | 4,194 | 1989 | 2012 | 25 years | |
| Weddington Internal & Pediatric Medicine | Concord | NC | — | 574 | 688 | 13 | 574 | 701 | 1,275 | 213 | 1,062 | 2000 | 2012 | 27 years | |
| Rex Wellness Center | Gamer | NC | — | 1,348 | 5,330 | — | 1,348 | 5,330 | 6,678 | 249 | 6,429 | 2003 | 2015 | 34 years | |
| Gaston Professional Center | Gastonia | NC | — | 833 | 24,885 | 704 | 833 | 25,589 | 26,422 | 3,993 | 22,429 | 1997 | 2012 | 35 years | |

| | | | | | | | | | | | | | |
|-------------------|-----------------|---|-------|-------|-----|-------|-------|--------|-------|-------|------|------|----------|
| Harrisburg | Harrisburg NC | — | 679 | 1,646 | 63 | 679 | 1,709 | 2,388 | 290 | 2,098 | 1996 | 2012 | 35 years |
| Family Physicians | | | | | | | | | | | | | |
| Harrisburg | Harrisburg NC | — | 1,339 | 2,292 | 169 | 1,339 | 2,461 | 3,800 | 749 | 3,051 | 1997 | 2012 | 27 years |
| Medical Mall | | | | | | | | | | | | | |
| Birkdale | Huntersville NC | — | 4,271 | 7,206 | 292 | 4,271 | 7,498 | 11,769 | 1,774 | 9,995 | 1997 | 2012 | 35 years |
| Birkdale II | Huntersville NC | — | — | — | 27 | — | 27 | 27 | 5 | 22 | 2001 | 2012 | 35 years |

| Location | | | Initial Cost to Company | | Gross Amount Carried at Close of Period | | | | | | | Life on Which Depreciation in Income Statement is Computed | | |
|---|--------------|----------------|-------------------------|-----------------------|---|---|-----------------------|----------------------------|--------|--------------------------|--------|--|---------------|---------------|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Year Computed |
| Northcross | Huntersville | NC | — | 623 | 278 | 36 | 623 | 314 | 937 | 177 | 760 | 1993 | 2012 | 22 years |
| REX Knightdale MOB & Wellness Center | Knightdale | NC | — | — | 22,823 | 425 | — | 23,248 | 23,248 | 2,156 | 21,092 | 2009 | 2012 | 35 years |
| Midland Medical Park | Midland | NC | — | 1,221 | 847 | 58 | 1,221 | 905 | 2,126 | 370 | 1,756 | 1998 | 2012 | 25 years |
| East Rocky Mount Kidney Center | Rocky Mount | NC | — | 803 | 998 | (2) | 803 | 996 | 1,799 | 274 | 1,525 | 2000 | 2012 | 33 years |
| Rocky Mount Kidney Center | Rocky Mount | NC | — | 479 | 1,297 | 39 | 479 | 1,336 | 1,815 | 382 | 1,433 | 1990 | 2012 | 25 years |
| Rocky Mount Medical Park | Rocky Mount | NC | — | 2,552 | 7,779 | 646 | 2,652 | 8,225 | 10,977 | 1,722 | 9,255 | 1991 | 2012 | 30 years |
| English Road Medical Center | Rocky Mount | NC | 4,312 | 1,321 | 3,747 | 4 | 1,321 | 3,751 | 5,072 | 948 | 4,124 | 2002 | 2012 | 35 years |
| Roxham Outpatient Surgery Center | Salisbury | NC | — | 1,039 | 5,184 | (5) | 1,039 | 5,179 | 6,218 | 863 | 5,355 | 2003 | 2012 | 35 years |
| Trinity Health Medical Arts Clinic | Minot | ND | — | 935 | 15,482 | — | 935 | 15,482 | 16,417 | 718 | 15,699 | 1995 | 2015 | 26 years |
| Cooper Health MOB I | Willingboro | NJ | — | 1,389 | 2,742 | — | 1,389 | 2,742 | 4,131 | 130 | 4,001 | 2010 | 2015 | 35 years |
| Cooper Health MOB II | Willingboro | NJ | — | 594 | 5,638 | — | 594 | 5,638 | 6,232 | 190 | 6,042 | 2012 | 2015 | 35 years |
| Salem Medical | Woodstown | NJ | — | 275 | 4,132 | — | 275 | 4,132 | 4,407 | 138 | 4,269 | 2010 | 2015 | 35 years |
| Carson Tahoe Specialty Medical Center | Carson City | NV | — | 688 | 11,346 | — | 688 | 11,346 | 12,034 | 418 | 11,616 | 1981 | 2015 | 35 years |
| Carson Tahoe MOB West | Carson City | NV | — | 2,862 | 27,519 | — | 2,862 | 27,519 | 30,381 | 1,209 | 29,172 | 2007 | 2015 | 29 years |
| Del E Webb Medical Plaza | Henderson | NV | — | 1,028 | 16,993 | 958 | 1,028 | 17,951 | 18,979 | 3,574 | 15,405 | 1999 | 2011 | 35 years |
| Durango Medical Plaza | Las Vegas | NV | — | 3,787 | 27,738 | — | 3,787 | 27,738 | 31,525 | 946 | 30,579 | 2008 | 2015 | 35 years |
| The Terrace at South Meadows | Reno | NV | 6,959 | 504 | 9,966 | 483 | 504 | 10,449 | 10,953 | 2,203 | 8,750 | 2004 | 2011 | 35 years |
| Albany Medical Center MOB | Albany | NY | — | 321 | 18,389 | — | 321 | 18,389 | 18,710 | 529 | 18,181 | 2010 | 2015 | 35 years |
| St. Peter's Recovery Center | Guilford | NY | — | 1,059 | 9,156 | — | 1,059 | 9,156 | 10,215 | 354 | 9,861 | 1990 | 2015 | 35 years |
| Central NY Medical Center | Syracuse | NY | 24,500 | 1,786 | 26,101 | 1,711 | 1,792 | 27,806 | 29,598 | 4,630 | 24,968 | 1997 | 2012 | 33 years |
| Northcountry MOB | Watertown | NY | — | 1,320 | 10,799 | — | 1,320 | 10,799 | 12,119 | 427 | 11,692 | 2001 | 2015 | 35 years |
| Anderson Medical Arts Building I | Cincinnati | OH | — | — | 9,632 | 1,737 | — | 11,369 | 11,369 | 3,769 | 7,600 | 1984 | 2007 | 35 years |
| Anderson Medical Arts Building II | Cincinnati | OH | — | — | 15,123 | 2,276 | — | 17,399 | 17,399 | 5,526 | 11,873 | 2007 | 2007 | 35 years |
| Riverside North Medical Office Building | Columbus | OH | 8,420 | 785 | 8,519 | 936 | 785 | 9,455 | 10,240 | 2,185 | 8,055 | 1962 | 2012 | 25 years |
| Riverside South Medical Office Building | Columbus | OH | 6,311 | 586 | 7,298 | 748 | 610 | 8,022 | 8,632 | 1,564 | 7,068 | 1985 | 2012 | 27 years |
| 340 East Town Medical Office Building | Columbus | OH | 5,862 | 10 | 9,443 | 627 | 10 | 10,070 | 10,080 | 1,691 | 8,389 | 1984 | 2012 | 29 years |

| | | | | | | | | | | | | | | |
|---|----------|----|-------|-----|-------|-----|-----|-------|-------|-------|-------|------|------|----------|
| 393 East Town Medical Office Building | Columbus | OH | 3,288 | 61 | 4,760 | 218 | 61 | 4,978 | 5,039 | 1,033 | 4,006 | 1970 | 2012 | 20 years |
| 141 South Sixth Medical Office Building | Columbus | OH | 1,544 | 80 | 1,113 | 4 | 80 | 1,117 | 1,197 | 376 | 821 | 1971 | 2012 | 14 years |
| Doctors West Medical Office Building | Columbus | OH | 4,705 | 414 | 5,362 | 568 | 414 | 5,930 | 6,344 | 1,046 | 5,298 | 1998 | 2012 | 35 years |
| Eastside Health Center | Columbus | OH | 4,399 | 956 | 3,472 | (2) | 956 | 3,470 | 4,426 | 1,112 | 3,314 | 1977 | 2012 | 15 years |
| East Main Medical Office Building | Columbus | OH | 5,226 | 440 | 4,771 | 58 | 440 | 4,829 | 5,269 | 784 | 4,485 | 2006 | 2012 | 35 years |

| Location | | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | | |
|--|-------------|----------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|----------------------|---------------|--|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
| | | | | | | | | | | | | | | |
| Heart Center Medical Office Building | Columbus | OH | — | 1,063 | 12,140 | 157 | 1,063 | 12,297 | 13,360 | 2,144 | 11,216 | 2004 | 2012 | 35 years |
| Wilkins Medical Office Building | Columbus | OH | — | 123 | 18,062 | 226 | 123 | 18,288 | 18,411 | 2,489 | 15,922 | 2002 | 2012 | 35 years |
| Grady Medical Office Building | Delaware | OH | 1,824 | 239 | 2,263 | 306 | 239 | 2,569 | 2,808 | 611 | 2,197 | 1991 | 2012 | 25 years |
| Dublin Northwest Medical Office Building | Dublin | OH | 3,118 | 342 | 3,278 | 215 | 342 | 3,493 | 3,835 | 672 | 3,163 | 2001 | 2012 | 34 years |
| Preserve III Medical Office Building | Dublin | OH | 9,684 | 2,449 | 7,025 | (66) | 2,449 | 6,959 | 9,408 | 1,297 | 8,111 | 2006 | 2012 | 35 years |
| Zanesville Surgery Center | Zanesville | OH | — | 172 | 9,403 | — | 172 | 9,403 | 9,575 | 1,472 | 8,103 | 2000 | 2011 | 35 years |
| Dialysis Center | Zanesville | OH | — | 534 | 855 | 71 | 534 | 926 | 1,460 | 371 | 1,089 | 1960 | 2011 | 21 years |
| Genesis Children's Center | Zanesville | OH | — | 538 | 3,781 | — | 538 | 3,781 | 4,319 | 820 | 3,499 | 2006 | 2011 | 30 years |
| Medical Arts Building I | Zanesville | OH | — | 429 | 2,405 | 455 | 436 | 2,853 | 3,289 | 782 | 2,507 | 1970 | 2011 | 20 years |
| Medical Arts Building II | Zanesville | OH | — | 485 | 6,013 | 340 | 490 | 6,348 | 6,838 | 1,987 | 4,851 | 1995 | 2011 | 25 years |
| Medical Arts Building III | Zanesville | OH | — | 94 | 1,248 | — | 94 | 1,248 | 1,342 | 371 | 971 | 1970 | 2011 | 25 years |
| Primercare Building | Zanesville | OH | — | 130 | 1,344 | 648 | 130 | 1,992 | 2,122 | 475 | 1,647 | 1978 | 2011 | 20 years |
| Outpatient Rehabilitation Building | Zanesville | OH | — | 82 | 1,541 | — | 82 | 1,541 | 1,623 | 361 | 1,262 | 1985 | 2011 | 28 years |
| Radiation Oncology Building | Zanesville | OH | — | 105 | 1,201 | — | 105 | 1,201 | 1,306 | 331 | 975 | 1988 | 2011 | 25 years |
| Healthplex | Zanesville | OH | — | 2,488 | 15,849 | 540 | 2,488 | 16,389 | 18,877 | 3,599 | 15,278 | 1990 | 2011 | 32 years |
| Physicians Pavilion | Zanesville | OH | — | 422 | 6,297 | 1,123 | 422 | 7,420 | 7,842 | 1,806 | 6,036 | 1990 | 2011 | 25 years |
| Zanesville Northside Pharmacy | Zanesville | OH | — | 42 | 635 | — | 42 | 635 | 677 | 154 | 523 | 1985 | 2011 | 28 years |
| Bethesda Campus MOB III | Zanesville | OH | — | 188 | 1,137 | 128 | 199 | 1,254 | 1,453 | 321 | 1,132 | 1978 | 2011 | 25 years |
| Tuality 7th Avenue Medical Plaza | Hillsboro | OR | 18,594 | 1,516 | 24,638 | 429 | 1,533 | 25,050 | 26,583 | 4,661 | 21,922 | 2003 | 2011 | 35 years |
| Professional Office Building I | Chester | PA | — | — | 6,283 | 1,335 | — | 7,618 | 7,618 | 3,420 | 4,198 | 1978 | 2004 | 30 years |
| DCMH Medical Office Building | Drexel Hill | PA | — | — | 10,424 | 1,501 | — | 11,925 | 11,925 | 5,326 | 6,599 | 1984 | 2004 | 30 years |
| Pinnacle Health | Harrisburg | PA | — | 2,574 | 16,767 | — | 2,574 | 16,767 | 19,341 | 645 | 18,696 | 2002 | 2015 | 35 years |
| Penn State University Outpatient Center | Hershey | PA | 57,415 | — | 55,439 | — | — | 55,439 | 55,439 | 10,717 | 44,722 | 2008 | 2010 | 35 years |
| Lancaster Rehabilitation Hospital | Lancaster | PA | — | 959 | 16,610 | (16) | 959 | 16,594 | 17,553 | 2,488 | 15,065 | 2007 | 2012 | 35 years |
| Lancaster ASC MOB | Lancaster | PA | 9,037 | 593 | 17,117 | 25 | 593 | 17,142 | 17,735 | 2,902 | 14,833 | 2007 | 2012 | 35 years |
| St. Joseph Medical Office Building | Reading | PA | — | — | 10,823 | 811 | — | 11,634 | 11,634 | 2,644 | 8,990 | 2006 | 2010 | 35 years |
| Crozer-Keystone MOB I | Springfield | PA | — | 9,130 | 47,078 | — | 9,130 | 47,078 | 56,208 | 1,967 | 54,241 | 1996 | 2015 | 35 years |
| Crozer-Keystone MOB II | Springfield | PA | — | 5,178 | 6,523 | — | 5,178 | 6,523 | 11,701 | 290 | 11,411 | 1998 | 2015 | 25 years |
| Doylestown Health & Wellness Center | Warrington | PA | — | 4,452 | 17,383 | 351 | 4,497 | 17,689 | 22,186 | 3,311 | 18,875 | 2001 | 2012 | 34 years |
| Roper Medical Office Building | Charleston | SC | 8,360 | 127 | 14,737 | 2,055 | 127 | 16,792 | 16,919 | 3,191 | 13,728 | 1990 | 2012 | 28 years |

| | | | | | | | | | | | | | | |
|--|------------|----|---|-----|-------|-----|-----|-------|-------|-------|-------|------|------|----------|
| St. Francis Medical Plaza (Charleston) | Charleston | SC | — | 447 | 3,946 | 332 | 447 | 4,278 | 4,725 | 933 | 3,792 | 2003 | 2012 | 35 years |
| Providence MOBI | Columbia | SC | — | 225 | 4,274 | 200 | 225 | 4,474 | 4,699 | 1,432 | 3,267 | 1979 | 2012 | 18 years |

| Property Name | Location | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | Life on Which Depreciation in Income Statement Is Computed | | |
|--|----------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|----------------------|--|-------------|--|
| | City | State / Province | Easumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | Is Computed | |
| | | | | | | | | | | | | | | | |
| Providence MOB II | Columbia | SC | — | 122 | 1,834 | 36 | 122 | 1,870 | 1,992 | 620 | 1,372 | 1985 | 2012 | 18 years | |
| Providence MOB III | Columbia | SC | — | 766 | 4,406 | 290 | 766 | 4,696 | 5,462 | 1,135 | 4,327 | 1990 | 2012 | 23 years | |
| One Medical Park | Columbia | SC | — | 210 | 7,939 | 488 | 214 | 8,423 | 8,637 | 2,244 | 6,393 | 1984 | 2012 | 19 years | |
| Three Medical Park | Columbia | SC | — | 40 | 10,650 | 573 | 40 | 11,223 | 11,263 | 2,548 | 8,715 | 1988 | 2012 | 25 years | |
| St. Francis Millennium Medical Office Building | Greenville | SC | 15,062 | — | 13,062 | 10,514 | 30 | 23,546 | 23,576 | 7,346 | 16,230 | 2009 | 2009 | 35 years | |
| 200 Andrews | Greenville | SC | — | 789 | 2,014 | 161 | 789 | 2,175 | 2,964 | 824 | 2,140 | 1994 | 2012 | 29 years | |
| St. Francis CMOB | Greenville | SC | — | 501 | 7,661 | 570 | 501 | 8,231 | 8,732 | 1,333 | 7,399 | 2001 | 2012 | 35 years | |
| St. Francis Outpatient Surgery Center | Greenville | SC | — | 1,007 | 16,538 | 38 | 1,007 | 16,576 | 17,583 | 2,847 | 14,736 | 2001 | 2012 | 35 years | |
| St. Francis Professional Medical Center | Greenville | SC | — | 342 | 6,337 | 507 | 360 | 6,826 | 7,186 | 1,411 | 5,775 | 1984 | 2012 | 24 years | |
| St. Francis Women's | Greenville | SC | — | 322 | 4,877 | 106 | 322 | 4,983 | 5,305 | 1,447 | 3,858 | 1991 | 2012 | 24 years | |
| St. Francis Medical Plaza (Greenville) | Greenville | SC | — | 88 | 5,876 | 66 | 88 | 5,942 | 6,030 | 1,317 | 4,713 | 1998 | 2012 | 24 years | |
| Irmo Professional MOB | Irmo | SC | — | 1,726 | 5,414 | 134 | 1,726 | 5,548 | 7,274 | 1,361 | 5,913 | 2004 | 2011 | 35 years | |
| River Hills Medical Plaza | Little River | SC | — | 1,406 | 1,813 | 30 | 1,406 | 1,843 | 3,249 | 510 | 2,739 | 1999 | 2012 | 27 years | |
| Mount Pleasant Medical Office Longpoint | Mount Pleasant | SC | — | 670 | 4,455 | 91 | 670 | 4,546 | 5,216 | 1,414 | 3,802 | 2001 | 2012 | 34 years | |
| Mary Black Westside Medical Office Bldg | Spartanburg | SC | — | 291 | 5,057 | 94 | 291 | 5,151 | 5,442 | 1,127 | 4,315 | 1991 | 2012 | 31 years | |
| Spartanburg ASC | Spartanburg | SC | — | 1,333 | 15,756 | — | 1,333 | 15,756 | 17,089 | 478 | 16,611 | 2002 | 2015 | 35 years | |
| Spartanburg Regional MOB | Spartanburg | SC | — | 207 | 17,963 | — | 207 | 17,963 | 18,170 | 616 | 17,554 | 1986 | 2015 | 35 years | |
| Wellmont Blue Ridge MOB | Bristol | TN | — | 999 | 5,027 | — | 999 | 5,027 | 6,026 | 197 | 5,829 | 2001 | 2015 | 35 years | |
| Health Park Medical Office Building | Chattanooga | TN | 6,277 | 2,305 | 8,949 | 33 | 2,305 | 8,982 | 11,287 | 1,508 | 9,779 | 2004 | 2012 | 35 years | |
| Peerless Crossing Medical Center | Cleveland | TN | 6,643 | 1,217 | 6,464 | 7 | 1,217 | 6,471 | 7,688 | 1,026 | 6,662 | 2006 | 2012 | 35 years | |
| St. Mary's Clinton Professional Office Building | Clinton | TN | — | 298 | 618 | — | 298 | 618 | 916 | 11 | 905 | 1988 | 2015 | 39 years | |
| St. Mary's Farragut MOB | Farragut | TN | — | 221 | 2,719 | — | 221 | 2,719 | 2,940 | 29 | 2,911 | 1997 | 2015 | 39 years | |
| Medical Center Physicians Tower | Jackson | TN | 13,246 | 549 | 27,074 | (7) | 549 | 27,067 | 27,616 | 4,395 | 23,221 | 2010 | 2012 | 35 years | |
| St. Mary's Physical Therapy & Rehabilitation Center East | Jefferson City | TN | — | 120 | 160 | — | 120 | 160 | 280 | 6 | 274 | 1985 | 2015 | 39 years | |
| St. Mary's Physician Professional Office Building | Knoxville | TN | — | 138 | 3,144 | — | 138 | 3,144 | 3,282 | 41 | 3,241 | 1981 | 2015 | 39 years | |
| St. Mary's Magdalene Clarke Tower | Knoxville | TN | — | 69 | 4,153 | — | 69 | 4,153 | 4,222 | 48 | 4,174 | 1972 | 2015 | 39 years | |
| St. Mary's Medical Office Building | Knoxville | TN | — | 136 | 359 | — | 136 | 359 | 495 | 10 | 485 | 1976 | 2015 | 39 years | |

| | | | | | | | | | | | | | | |
|---|-----------|----|---|-------|--------|-------|-------|--------|--------|-------|--------|------|------|----------|
| St Mary's Ambulatory Surgery Center | Knoxville | TN | — | 129 | 1,012 | — | 129 | 1,012 | 1,141 | 17 | 1,124 | 1999 | 2015 | 24 years |
| Texas Clinic at Arlington | Arlington | TX | — | 2,781 | 24,515 | — | 2,781 | 24,515 | 27,296 | 846 | 26,450 | 2010 | 2015 | 35 years |
| Seton Medical Park Tower | Austin | TX | — | 805 | 41,527 | 1,391 | 805 | 42,918 | 43,723 | 5,519 | 38,204 | 1968 | 2012 | 35 years |

| Property Name | Location | | Initial Cost to Company | | | | Gross Amount Carried at Close of Period | | | | | | Year of Construction | Year Acquired | Life on Which Depreciation in Income Statement is Computed |
|--|---------------|------------------|-------------------------|-----------------------|----------------------------|---|---|----------------------------|--------|--------------------------|--------|------|----------------------|---------------|--|
| | City | State / Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | | | | |
| Seton Northwest Health Plaza | Austin | TX | — | 444 | 22,632 | 1,451 | 444 | 24,083 | 24,527 | 3,354 | 21,173 | 1988 | 2012 | 35 years | |
| Seton Southwest Health Plaza | Austin | TX | — | 294 | 5,311 | 85 | 294 | 5,396 | 5,690 | 727 | 4,963 | 2004 | 2012 | 35 years | |
| Seton Southwest Health Plaza II | Austin | TX | — | 447 | 10,154 | 20 | 447 | 10,174 | 10,621 | 1,338 | 9,283 | 2009 | 2012 | 35 years | |
| BioLife Sciences Building | Denton | TX | — | 1,036 | 6,576 | — | 1,036 | 6,576 | 7,612 | 257 | 7,355 | 2010 | 2015 | 35 years | |
| East Houston MOB, LLC | Houston | TX | — | 356 | 2,877 | 308 | 328 | 3,213 | 3,541 | 1,356 | 2,185 | 1982 | 2011 | 15 years | |
| East Houston Medical Plaza | Houston | TX | — | 671 | 426 | 434 | 671 | 860 | 1,531 | 531 | 1,000 | 1982 | 2011 | 11 years | |
| Memorial Hermann | Houston | TX | — | 822 | 14,307 | — | 822 | 14,307 | 15,129 | 456 | 14,673 | 2012 | 2015 | 35 years | |
| Scott & White Healthcare | Kingsland | TX | — | 534 | 5,104 | — | 534 | 5,104 | 5,638 | 186 | 5,452 | 2012 | 2015 | 35 years | |
| Odessa Regional MOB | Odessa | TX | — | 121 | 8,935 | — | 121 | 8,935 | 9,056 | 296 | 8,760 | 2008 | 2015 | 35 years | |
| Legacy Heart Center | Plano | TX | — | 3,081 | 8,890 | — | 3,081 | 8,890 | 11,971 | 353 | 11,618 | 2005 | 2015 | 35 years | |
| Seton Williamson Medical Plaza | Round Rock | TX | — | — | 15,074 | 443 | — | 15,517 | 15,517 | 3,741 | 11,776 | 2008 | 2010 | 35 years | |
| Sunnyvale Medical Plaza | Sunnyvale | TX | — | 1,186 | 15,397 | — | 1,186 | 15,397 | 16,583 | 586 | 15,997 | 2009 | 2015 | 35 years | |
| Texas A&M Texarkana | Texarkana | TX | — | 814 | 5,903 | — | 814 | 5,903 | 6,717 | 247 | 6,470 | 1994 | 2015 | 30 years | |
| Spring Creek Medical Plaza | Tomball | TX | — | 2,165 | 8,212 | — | 2,165 | 8,212 | 10,377 | 288 | 10,089 | 2006 | 2015 | 35 years | |
| 251 Medical Center | Webster | TX | — | 1,158 | 12,078 | 182 | 1,158 | 12,260 | 13,418 | 1,780 | 11,638 | 2006 | 2011 | 35 years | |
| 253 Medical Center | Webster | TX | — | 1,181 | 11,862 | — | 1,181 | 11,862 | 13,043 | 1,673 | 11,370 | 2009 | 2011 | 35 years | |
| MRMC MOB I | Mechanicville | VA | — | 1,669 | 7,024 | 356 | 1,669 | 7,380 | 9,049 | 1,870 | 7,179 | 1993 | 2012 | 31 years | |
| Henrico MOB | Richmond | VA | — | 968 | 6,189 | 355 | 968 | 6,544 | 7,512 | 1,809 | 5,703 | 1976 | 2011 | 25 years | |
| St. Mary's MOB North (Floors 6 & 7) | Richmond | VA | — | 227 | 2,961 | 256 | 227 | 3,217 | 3,444 | 853 | 2,591 | 1968 | 2012 | 22 years | |
| Virginia Urology Center | Richmond | VA | — | 3,822 | 16,127 | — | 3,822 | 16,127 | 19,949 | 597 | 19,352 | 2004 | 2015 | 35 years | |
| St. Francis Cancer Center | Richmond | VA | — | 654 | 18,331 | — | 654 | 18,331 | 18,985 | 633 | 18,352 | 2006 | 2015 | 35 years | |
| Bonney Lake Medical Office Building | Bonney Lake | WA | 10,712 | 5,176 | 14,375 | 161 | 5,176 | 14,536 | 19,712 | 2,478 | 17,234 | 2011 | 2012 | 35 years | |
| Good Samaritan Medical Office Building | Puyallup | WA | 14,058 | 781 | 30,368 | 87 | 781 | 30,455 | 31,236 | 4,210 | 27,026 | 2011 | 2012 | 35 years | |
| Holy Family Hospital Central MOB | Spokane | WA | — | — | 19,085 | 230 | — | 19,315 | 19,315 | 1,890 | 17,425 | 2007 | 2012 | 35 years | |
| Physician's Pavilion | Vancouver | WA | — | 1,411 | 32,939 | 304 | 1,424 | 33,230 | 34,654 | 6,226 | 28,428 | 2001 | 2011 | 35 years | |
| Administration Building | Vancouver | WA | — | 296 | 7,856 | — | 296 | 7,856 | 8,152 | 1,401 | 6,751 | 1972 | 2011 | 35 years | |
| Medical Center Physician's Building | Vancouver | WA | — | 1,225 | 31,246 | 1,911 | 1,246 | 33,136 | 34,382 | 5,502 | 28,880 | 1980 | 2011 | 35 years | |
| Memorial MOB | Vancouver | WA | — | 663 | 12,626 | 315 | 690 | 12,914 | 13,604 | 2,276 | 11,328 | 1999 | 2011 | 35 years | |
| Salmon Creek MOB | Vancouver | WA | — | 1,325 | 9,238 | — | 1,325 | 9,238 | 10,563 | 1,629 | 8,934 | 1994 | 2011 | 35 years | |
| Fisher's Landing MOB | Vancouver | WA | — | 1,590 | 5,420 | — | 1,590 | 5,420 | 7,010 | 1,152 | 5,858 | 1995 | 2011 | 34 years | |
| Columbia Medical Plaza | Vancouver | WA | — | 281 | 5,266 | 208 | 331 | 5,424 | 5,755 | 1,009 | 4,746 | 1991 | 2011 | 35 years | |
| Appleton Heart Institute | Appleton | WI | — | — | 7,775 | 36 | — | 7,811 | 7,811 | 1,677 | 6,134 | 2003 | 2010 | 39 years | |
| Appleton Medical Offices West | Appleton | WI | — | — | 5,756 | 60 | — | 5,816 | 5,816 | 1,250 | 4,566 | 1989 | 2010 | 39 years | |
| Appleton Medical Offices South | Appleton | WI | — | — | 9,058 | 181 | — | 9,239 | 9,239 | 2,043 | 7,196 | 1983 | 2010 | 39 years | |

| Location | | | Initial Cost to Company | | | Gross Amount Carried at Close of Period | | | | | | | | Life on Which Depreciation in Income Statement is Computed |
|---|------------|----------------|-------------------------|-----------------------|----------------------------|---|-----------------------|----------------------------|--------------|--------------------------|--------------|----------------------|---------------|--|
| Property Name | City | State/Province | Encumbrances | Land and Improvements | Buildings and Improvements | Costs Capitalized Subsequent to Acquisition | Land and Improvements | Buildings and Improvements | Total | Accumulated Depreciation | NBV | Year of Construction | Year Acquired | is Computed |
| Brookfield Clinic | Brookfield | WI | — | 2,638 | 4,093 | — | 2,638 | 4,093 | 6,731 | 896 | 5,835 | 1999 | 2011 | 35 years |
| Lakeshore Medical Clinic - Franklin | Franklin | WI | — | 1,973 | 7,579 | — | 1,973 | 7,579 | 9,552 | 296 | 9,256 | 2008 | 2015 | 34 years |
| Lakeshore Medical Clinic - Greenfield | Greenfield | WI | — | 1,223 | 13,387 | — | 1,223 | 13,387 | 14,610 | 431 | 14,179 | 2010 | 2015 | 35 years |
| Aurora Health Care - Hartford | Hartford | WI | 19,120 | 3,706 | 22,019 | — | 3,706 | 22,019 | 25,725 | 800 | 24,925 | 2006 | 2015 | 35 years |
| Hartland Clinic | Hartland | WI | — | 321 | 5,050 | — | 321 | 5,050 | 5,371 | 942 | 4,429 | 1994 | 2011 | 35 years |
| Aurora Healthcare - Kenosha | Kenosha | WI | — | 7,546 | 19,155 | — | 7,546 | 19,155 | 26,701 | 711 | 25,990 | 2014 | 2015 | 35 years |
| Univ of Wisconsin Health - Monona | Monona | WI | 5,039 | 678 | 8,017 | — | 678 | 8,017 | 8,695 | 518 | 8,177 | 2011 | 2015 | 35 years |
| Theda Clark Medical Center Office Pavilion | Neenah | WI | — | — | 7,080 | 241 | — | 7,321 | 7,321 | 1,525 | 5,796 | 1993 | 2010 | 39 years |
| Aylward Medical Building Condo Floors 3 & 4 | Neenah | WI | — | — | 4,469 | 7 | — | 4,469 | 4,469 | 1,006 | 3,463 | 2006 | 2010 | 39 years |
| Aurora Health Care - Neenah | Neenah | WI | 7,840 | 2,033 | 9,072 | — | 2,033 | 9,072 | 11,105 | 354 | 10,751 | 2006 | 2015 | 35 years |
| New Berlin Clinic | New Berlin | WI | — | 678 | 7,121 | — | 678 | 7,121 | 7,799 | 1,428 | 6,371 | 1999 | 2011 | 35 years |
| United Healthcare - Onalaska | Onalaska | WI | — | 4,623 | 5,527 | — | 4,623 | 5,527 | 10,150 | 280 | 9,870 | 1995 | 2015 | 35 years |
| WestWood Health & Fitness | Pewaukee | WI | — | 823 | 11,649 | — | 823 | 11,649 | 12,472 | 2,356 | 10,116 | 1997 | 2011 | 35 years |
| Aurora Health Care - Two Rivers | Two Rivers | WI | 22,640 | 5,638 | 25,308 | — | 5,638 | 25,308 | 30,946 | 927 | 30,019 | 2006 | 2015 | 35 years |
| Watertown Clinic | Watertown | WI | — | 166 | 3,234 | — | 166 | 3,234 | 3,400 | 582 | 2,818 | 2003 | 2011 | 35 years |
| Southside Clinic | Waukesha | WI | — | 218 | 5,273 | — | 218 | 5,273 | 5,491 | 962 | 4,529 | 1997 | 2011 | 35 years |
| Rehabilitation Hospital | Waukesha | WI | — | 372 | 15,636 | — | 372 | 15,636 | 16,008 | 2,498 | 13,510 | 2008 | 2011 | 35 years |
| United Healthcare - Wauwatosa | Wauwatosa | WI | — | 8,012 | 15,992 | — | 8,012 | 15,992 | 24,004 | 718 | 23,286 | 1995 | 2015 | 35 years |
| BSG CS, LLC | Waunakee | WI | — | 1,060 | — | — | 1,060 | — | 1,060 | — | 1,060 | N/A | 2012 | N/A |
| TOTAL FOR MEDICAL OFFICE BUILDINGS | | | 624,254 | 395,733 | 4,132,212 | 148,775 | 396,841 | 4,279,879 | 4,676,720 | 632,349 | 4,044,371 | | | |
| TOTAL FOR ALL PROPERTIES | | | \$ 1,987,400 | \$ 2,064,997 | \$ 19,938,231 | \$ 454,804 | \$ 2,056,428 | \$ 20,401,404 | \$22,458,032 | \$ 3,544,625 | \$18,913,407 | | | |

VENTAS, INC.
SCHEDULE IV
REAL ESTATE MORTGAGE LOANS
December 31, 2015
(Dollars in Thousands)

| Location | Number of RE Assets | Interest Rate | Fixed / Variable | Maturity Date | Monthly Debt Service | Face Value | Net Book Value | Prior Liens |
|---------------------------|---------------------|---------------|------------------|---------------|----------------------|------------|----------------|-------------|
| First Mortgages | | | | | | | | |
| Washington | 1 | 8.00% | F | 8/1/2020 | 167 | 25,000 | 24,826 | — |
| Washington | 1 | 6.00% | F | 7/5/2017 | 44 | 6,187 | 6,108 | — |
| California | 11 | 9.42% | F | 12/31/2017 | 1,624 | 176,719 | 173,451 | — |
| Multiple | 3 | 9.21% | V | 6/30/2019 | 131 | 17,023 | 17,023 | — |
| Ohio | 5 | 7.89% | V | 10/1/2021 | 516 | 78,448 | 78,448 | — |
| Second Mortgages | | | | | | | | |
| Multiple | 9 | 11.25% | V | 10/23/2019 | 48 | 5,000 | 4,965 | — |
| Mezzanine Loans | | | | | | | | |
| Virginia | 1 | 10.00% | F | 12/10/2019 | 86 | 10,044 | 10,044 | — |
| Multiple** | 214 | 8.19% | F/V | 12/9/2016 | 2,963 | 419,964 | 419,964 | 2,184,601 |
| Construction Loans | | | | | | | | |
| Colorado | 1 | 8.75% | V | 2/6/2021 | 330 | 46,436 | 45,680 | — |

* The Second Mortgage loan is a \$5 million participation in a second lien term loan with an aggregate commitment of \$215 million

** The variable portion of this investment has a maturity date of 12/9/2016, with extension options to 12/9/2019.

Mortgage Loan Reconciliation

| | 2015 | 2014 | 2013 |
|------------------------------|----------------|------------|------------|
| | (in thousands) | | |
| Beginning Balance | \$ 747,456 | \$ 335,656 | \$ 622,139 |
| Additions: | | | |
| New Loans | 88,648 | 451,269 | 3,500 |
| Construction Draws | 53,708 | — | 694 |
| Total additions | 142,356 | 451,269 | 4,194 |
| Deductions: | | | |
| Principal Repayments | (99,467) | (21,159) | (75,738) |
| Conversions to Real Property | — | (18,310) | — |
| Sales and Syndications | (5,524) | — | (214,939) |
| Total deductions | (104,991) | (39,469) | (290,677) |
| Ending Balance | \$ 784,821 | \$ 747,456 | \$ 335,656 |

ITEM 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

ITEM 9A. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15(b) and 15d-15(b) of 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 December 31, 2015. 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 December 31, 2015, at the reasonable assurance level.

Internal Control over Financial Reporting

The information set forth under “Management Report on Internal Control over Financial Reporting” and “Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting” included in Part II, Item 8 of this Annual Report on Form 10-K is incorporated by reference into this Item 9A.

Internal Control Changes

During the fourth quarter of 2015, there were no changes in our internal control over financial reporting (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.

ITEM 9B. *Other Information*

Not applicable.

PART III

ITEM 10. *Directors, Executive Officers and Corporate Governance*

The information required by this Item 10 is incorporated by reference to the material under the headings “Proposals Requiring Your Vote—Proposal 1: Election of Directors,” “Our Executive Officers,” “Securities Ownership—Section 16(a) Beneficial Ownership Reporting Compliance,” “Corporate Governance—Governance Policies” and “Audit and Compliance Committee” in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, which we will file with the SEC not later than April 30, 2016.

ITEM 11. *Executive Compensation*

The information required by this Item 11 is incorporated by reference to the material under the headings “Executive Compensation,” “Non-Employee Director Compensation” and “Executive Compensation Committee” in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, which we will file with the SEC not later than April 30, 2016.

ITEM 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this Item 12 is incorporated by reference to the material under the headings “Equity Compensation Plan Information” and “Securities Ownership” in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, which we will file with the SEC not later than April 30, 2016.

ITEM 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this Item 13 is incorporated by reference to the material under the headings “Corporate Governance—Transactions with Related Persons,” “Our Board of Directors—Director Independence,” “Audit and Compliance Committee,” “Executive Compensation Committee” and “Nominating and Corporate Governance Committee” in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, which we will file with the SEC not later than April 30, 2016.

ITEM 14. *Principal Accountant Fees and Services*

The information required by this Item 14 is incorporated by reference to the material under the heading “Proposals Requiring Your Vote—Proposal 2: Ratification of the Selection of KPMG LLP as Our Independent Registered Public Accounting Firm for Fiscal Year 2016” in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, which we will file with the SEC not later than April 30, 2016.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

Financial Statements and Financial Statement Schedules

The following documents have been included in Part II, Item 8 of this Annual Report on Form 10-K:

| | Page |
|--|------|
| Report of Independent Registered Public Accounting Firm | 79 |
| Consolidated Balance Sheets as of December 31, 2015 and 2014 | 81 |
| Consolidated Statements of Income for the years ended December 31, 2015, 2014 and 2013 | 82 |
| Consolidated Statements of Comprehensive Income for the years ended December 31, 2015, 2014 and 2013 | 83 |
| Consolidated Statements of Equity for the years ended December 31, 2015, 2014 and 2013 | 84 |
| Consolidated Statements of Cash Flows for the years ended December 31, 2015, 2014 and 2013 | 85 |
| Notes to Consolidated Financial Statements | 87 |
| Consolidated Financial Statement Schedules | |
| Schedule II — Valuation and Qualifying Accounts | 141 |
| Schedule III — Real Estate and Accumulated Depreciation | 142 |
| Schedule IV — Mortgage Loans on Real Estate | 184 |

All other schedules have been omitted because they are inapplicable, not required or the information is included elsewhere in the Consolidated Financial Statements or notes thereto.

Exhibits

| Exhibit Number | Description of Document | Location of Document |
|-------------------|---|--|
| 2.1 | Separation and Distribution Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 3.1 | Amended and Restated Certificate of Incorporation, as amended, of Ventas, Inc. | Incorporated by reference to Exhibit 3.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011. |
| 3.2 | Fourth Amended and Restated Bylaws, as amended, of Ventas, Inc. | Incorporated by reference to Exhibit 3.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011. |
| 4.1 | Specimen common stock certificate. | Filed herewith. |
| 4.2 | Indenture dated as of September 19, 2006 by and among Ventas, Inc., Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuer(s), the Guarantors named therein, as Guarantors, and U.S. Bank National Association, as Trustee. | Incorporated by reference to Exhibit 4.9 to our Registration Statement on Form S-3, filed on April 7, 2006, File No. 333-133115. |
| 4.3 | Fourth Supplemental Indenture dated as of May 17, 2011 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.750% Senior Notes due 2021. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on May 20, 2011. |
| 4.4 | Fifth Supplemental Indenture dated as of February 10, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.250% Senior Notes due 2022. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on February 14, 2012. |
| 4.5 | Sixth Supplemental Indenture dated as of April 17, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.000% Senior Notes due 2019. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on April 18, 2012. |
| 4.6 | Seventh Supplemental Indenture dated as of August 3, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 3.250% Senior Notes due 2022. | Incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012. |
| 4.7 | Eighth Supplemental Indenture dated as of December 13, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 2.000% Senior Notes due 2018. | Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K, filed on December 13, 2012. |
| 4.8 | Ninth Supplemental Indenture dated as of March 7, 2013 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 5.450% Senior Notes due 2043. | Incorporated by reference to Exhibit 4.2 to our Registration Statement on Form 8-A, filed on March 7, 2013. |

| Exhibit Number | Description of Document | Location of Document |
|----------------|---|---|
| 4.9 | Tenth Supplemental Indenture dated as of March 19, 2013 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 2.700% Senior Notes due 2020. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on March 19, 2013. |
| 4.10 | Indenture dated as of September 26, 2013 by and among Ventas, Inc., Ventas Realty, Limited Partnership, as Issuer, the Guarantors named therein, as Guarantors, and U.S. Bank National Association, as Trustee. | Incorporated by reference to Exhibit 4.7 to our Registration Statement on Form S-3, filed on April 2, 2012, File No. 333-180521. |
| 4.11 | First Supplemental Indenture dated as of September 26, 2013 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 1.550% Senior Notes due 2016. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on September 26, 2013. |
| 4.12 | Second Supplemental Indenture dated as of September 26, 2013 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 5.700% Senior Notes due 2043. | Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K, filed on September 26, 2013. |
| 4.13 | Third Supplemental Indenture dated as of April 17, 2014 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 1.250% Senior Notes due 2017. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on April 17, 2014. |
| 4.14 | Fourth Supplemental Indenture dated as of April 17, 2014 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 3.750% Senior Notes due 2024. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on April 17, 2014. |
| 4.15 | Fifth Supplemental Indenture dated as of January 14, 2015 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 3.500% Senior Notes due 2025. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on January 14, 2015. |
| 4.16 | Sixth Supplemental Indenture dated as of January 14, 2015 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.375% Senior Notes due 2045. | Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K, filed on January 14, 2015. |
| 4.17 | Indenture dated as of August 19, 1997 by and between Nationwide Health Properties, Inc. and The Bank of New York, as Trustee. | Incorporated by reference to Exhibit 4.1 to the Nationwide Health Properties, Inc. Registration Statement on Form S-3, filed on July 25, 1997, File No. 333-32135. |
| 4.18 | Indenture dated as of January 13, 1999 by and between Nationwide Health Properties, Inc. and Chase Manhattan Bank and Trust Company, National Association, as Trustee. | Incorporated by reference to Exhibit 4.1 to the Nationwide Health Properties, Inc. Registration Statement on Form S-3, filed on January 15, 1999, File No. 333-70707. |
| 4.19 | First Supplemental Indenture dated as of May 18, 2005 by and between Nationwide Health Properties, Inc. and J.P. Morgan Trust Company, National Association, as Trustee. | Incorporated by reference to Exhibit 4.1 to the Nationwide Health Properties, Inc. Current Report on Form 8-K, filed on May 11, 2005, File No. 001-09028. |

| Exhibit Number | Description of Document | Location of Document |
|----------------|---|---|
| 4.20 | Indenture dated as September 24, 2014 by and among Ventas, Inc., Ventas Canadian Finance Limited, the Guarantors parties thereto from time to time and Computershare Trust Company of Canada, as Trustee. | Incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. |
| 4.21 | First Supplemental Indenture dated as of September 24, 2014 by and among Ventas Canada Finance Limited, as Issuer, Ventas, Inc., as Guarantor, and Computershare Trust Company of Canada, as Trustee, relating to the 3.00% Senior Notes, Series A due 2019. | Incorporated by reference to Exhibit 4.2 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. |
| 4.22 | Second Supplemental Indenture dated as of September 24, 2014 by and among Ventas Canada Finance Limited, as Issuer, Ventas, Inc., as Guarantor, and Computershare Trust Company of Canada, as Trustee, relating to the 4.125% Senior Notes, Series B due 2024. | Incorporated by reference to Exhibit 4.3 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. |
| 4.23 | Third Supplemental Indenture dated as of January 13, 2015 by and among Ventas Canada Finance Limited, as Issuer, Ventas, Inc., as Guarantor, and Computershare Trust Company of Canada, as Trustee, relating to the 3.30% Senior Notes, Series C due 2022. | Incorporated by reference to Exhibit 4.24 to our Annual Report on Form 10-K for the year ended December 31, 2014. |
| 4.24 | Indenture dated as of July 16, 2015 by and among Ventas, Inc., Ventas Realty, Limited Partnership, as Issuer, the Guarantors named therein as Guarantors, and U.S. Bank National Association, as Trustee. | Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on July 16, 2015. |
| 4.25 | First Supplemental Indenture dated as of July 16, 2015 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.125% Senior Notes due 2026. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on July 16, 2015. |
| 10.1 | First Amended and Restated Agreement of Limited Partnership of Ventas Realty, Limited Partnership. | Incorporated by reference to Exhibit 3.5 to our Registration Statement on Form S-4, as amended, filed on June 19, 2002, File No. 333-89312. |
| 10.2 | Amended and Restated Credit and Guaranty Agreement, dated as of December 9, 2013, among Ventas Realty, Limited Partnership, Ventas SSL Ontario II, Inc. and Ventas SSL Ontario III, Inc., as Borrowers, Ventas, Inc., as Guarantor, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent, Swing Line Lender, L/C Issuer and Alternative Currency Fronting Lender. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on December 9, 2013. |
| 10.3 | First Amendment dated as of July 28, 2015 to that certain Amended and Restated Credit and Guaranty Agreement by and among Ventas Realty, Limited Partnership, Ventas SSL Ontario II, Inc. and Ventas SSL Ontario III, Inc., as Borrowers, Ventas, Inc., as Guarantor, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent, Swing Line Lender, L/C Issuer and Alternative Currency Fronting Lender. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on July 31, 2015. |

| Exhibit Number | Description of Document | Location of Document |
|----------------|--|--|
| 10.4 | Second Amendment and Joinder dated as of October 14, 2015 to that certain Amended and Restated Credit and Guaranty Agreement by and among Ventas Realty, Limited Partnership, Ventas Canada Finance Limited, Ventas UK Finance, Inc., Ventas Euro Finance, LLC, Ventas SSL Ontario II, Inc. and Ventas SSL Ontario III, Inc., as Borrowers, Ventas, Inc., as Guarantor, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent, Swing Line Lender L/C Issuer and Alternative Currency Fronting Lender. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on October 19, 2015. |
| 10.5 | Transition Services Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 10.6 | Tax Matters Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 10.7 | Employee Matters Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 10.8* | Ventas, Inc. 2004 Stock Plan for Directors, as amended. | Incorporated by reference to Exhibit 10.16.1 to our Annual Report on Form 10-K for the year ended December 31, 2004. |
| 10.9.1* | Ventas, Inc. 2006 Incentive Plan, as amended. | Incorporated by reference to Exhibit 10.10.1 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.9.2* | Form of Stock Option Agreement—2006 Incentive Plan. | Incorporated by reference to Exhibit 10.15.2 to our Annual Report on Form 10-K for the year ended December 31, 2006. |
| 10.9.3* | Form of Restricted Stock Agreement—2006 Incentive Plan. | Incorporated by reference to Exhibit 10.15.3 to our Annual Report on Form 10-K for the year ended December 31, 2006. |
| 10.10.1* | Ventas, Inc. 2006 Stock Plan for Directors, as amended. | Incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012. |
| 10.10.2* | Form of Stock Option Agreement—2006 Stock Plan for Directors. | Incorporated by reference to Exhibit 10.11.2 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.10.3* | Form of Amendment to Stock Option Agreement—2006 Stock Plan for Directors. | Incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012. |
| 10.10.4* | Form of Restricted Stock Unit Agreement—2006 Stock Plan for Directors. | Incorporated by reference to Exhibit 10.11.4 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.11.1* | Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on May 23, 2012. |
| 10.11.2* | Form of Stock Option Agreement (Employees) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.6.2 to our Annual Report on Form 10-K for the year ended December 31, 2014. |
| 10.11.3* | Form of Restricted Stock Agreement (Employees) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.6.3 to our Annual Report on Form 10-K for the year ended December 31, 2014. |
| 10.11.4* | Form of Stock Option Agreement (Directors) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.4 to our Registration Form on S-8, filed on August 7, 2012, File No. 333-183121. |

| Exhibit Number | Description of Document | Location of Document |
|----------------|--|--|
| 10.11.5* | Form of Restricted Stock Agreement (Directors) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.5 to our Registration Form on S-8, filed on August 7, 2012, File No. 333-183121. |
| 10.11.6* | Form of Restricted Stock Unit Agreement (Directors) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.6 to our Registration Form on S-8, filed on August 7, 2012, File No. 333-183121. |
| 10.12.1* | Ventas Executive Deferred Stock Compensation Plan, as amended. | Incorporated by reference to Exhibit 10.12.1 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.12.2* | Deferral Election Form under the Ventas Executive Deferred Stock Compensation Plan. | Incorporated by reference to Exhibit 10.12.2 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.13.1* | Ventas Nonemployee Directors' Deferred Stock Compensation Plan, as amended. | Incorporated by reference to Exhibit 10.13.1 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.13.2* | Deferral Election Form under the Ventas Nonemployee Directors' Deferred Stock Compensation Plan. | Incorporated by reference to Exhibit 10.13.2 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.14.1* | Nationwide Health Properties, Inc. 2005 Performance Incentive Plan. | Incorporated by reference to Appendix B to the Nationwide Health Properties, Inc. definitive Proxy Statement for the 2005 Annual Meeting, filed on March 24, 2005, File No. 001-09028. |
| 10.14.2* | First Amendment to the Nationwide Health Properties, Inc. 2005 Performance Incentive Plan, dated October 28, 2008. | Incorporated by reference to Exhibit 10.1 to the Nationwide Health Properties, Inc. Current Report on Form 8-K, filed on November 3, 2008, File No. 001-09028. |
| 10.15.1* | Nationwide Health Properties, Inc. Retirement Plan for Directors, as amended and restated on April 20, 2006. | Incorporated by reference to Exhibit 10.1 to the Nationwide Health Properties, Inc. Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, File No. 001-09028. |
| 10.15.2* | Amendment to the Nationwide Health Properties, Inc. Retirement Plan for Directors, as amended and restated on April 20, 2006. | Incorporated by reference to Exhibit 10.9 to the Nationwide Health Properties, Inc. Current Report on Form 8-K, filed on November 3, 2008, File No. 001-09028. |
| 10.16* | Second Amended and Restated Employment Agreement dated as of March 22, 2011 between Ventas, Inc. and Debra A. Cafaro. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on March 24, 2011. |
| 10.17.1* | Employment Agreement dated as of July 31, 1998 between Ventas, Inc. and T. Richard Riney. | Incorporated by reference to Exhibit 10.15.2.1 to our Annual Report on Form 10-K for the year ended December 31, 2002. |
| 10.17.2* | Amendment dated as of September 30, 1999 to Employment Agreement between Ventas, Inc. and T. Richard Riney. | Incorporated by reference to Exhibit 10.15.2.2 to our Annual Report on Form 10-K for the year ended December 31, 2002. |
| 10.17.3* | Amendment dated as of March 19, 2007 to Employment Agreement between Ventas, Inc. and T. Richard Riney. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on March 23, 2007. |
| 10.17.4* | Amendment dated as of December 31, 2008 to Employment Agreement between Ventas, Inc. and T. Richard Riney. | Incorporated by reference to Exhibit 10.15.4 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.17.5* | Amended and Restated Change-in-Control Severance Agreement dated as of March 22, 2011 between Ventas, Inc. and T. Richard Riney. | Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on March 24, 2011. |
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| 10.19.2* | Amendment dated as of March 19, 2007 to Employment Agreement between Ventas, Inc. and Raymond J. Lewis. | Incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K, filed on March 23, 2007. |
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| 10.22.1* | Offer Letter dated September 16, 2014 from Ventas, Inc. to Robert F. Probst. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on September 29, 2014. |
| 10.22.2* | Employee Protection and Noncompetition Agreement dated September 16, 2014 between Ventas, Inc. and Robert F. Probst. | Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on September 29, 2014. |
| 10.23* | Employee Protection and Noncompetition Agreement dated June 17, 2015 between Ventas, Inc. and Todd W. Lillibridge. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on June 23, 2015. |
| 10.24* | Ventas Employee and Director Stock Purchase Plan, as amended. | Incorporated by reference to Exhibit 10.18 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 12 | Statement Regarding Computation of Ratios of Earnings to Fixed Charges. | Filed herewith. |
| 21 | Subsidiaries of Ventas, Inc. | Filed herewith. |
| 23 | Consent of KPMG LLP. | Filed herewith. |
| 31.1 | Certification of Debra A. Cafaro, Chairman and Chief Executive Officer, pursuant to Rule 13a-14(a) under the Exchange Act. | Filed herewith. |
| 31.2 | Certification of Robert F. Probst, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(a) under the Exchange Act. | Filed herewith. |
| 32.1 | Certification of Debra A. Cafaro, Chairman and Chief Executive Officer, pursuant to Rule 13a-14(b) under the Exchange Act and 18 U.S.C. 1350. | Filed herewith. |
| 32.2 | Certification of Robert F. Probst, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(b) under the Exchange Act and 18 U.S.C. 1350. | Filed herewith. |
| 101 | Interactive Data File. | Filed herewith. |

* Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 12, 2016

VENTAS, INC.

By: /s/ DEBRA A. CAFARO
Debra A. Cafaro
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

| Signature | Title | Date |
|---|---|-------------------|
| <u>/s/ DEBRA A. CAFARO</u> Debra A. Cafaro | Chairman and Chief Executive Officer (Principal Executive Officer) | February 12, 2016 |
| <u>/s/ ROBERT F. PROBST</u> Robert F. Probst | Executive Vice President and Chief Financial Officer (Principal Financial Officer) | February 12, 2016 |
| <u>/s/ GREGORY R. LIEBBE</u> Gregory R. Liebbe | Senior Vice President, Chief Accounting Officer and Controller (Principal Accounting Officer) | February 12, 2016 |
| <u>/s/ MELODY C. BARNES</u> Melody C. Barnes | Director | February 12, 2016 |
| <u>/s/ DOUGLAS CROCKER II</u> Douglas Crocker II | Director | February 12, 2016 |
| <u>/s/ JAY M. GELLERT</u> Jay M. Gellert | Director | February 12, 2016 |
| <u>/s/ RICHARD I. GILCHRIST</u> Richard I. Gilchrist | Director | February 12, 2016 |
| <u>/s/ MATTHEW J. LUSTIG</u> Matthew J. Lustig | Director | February 12, 2016 |
| <u>/s/ DOUGLAS M. PASQUALE</u> Douglas M. Pasquale | Director | February 12, 2016 |
| <u>/s/ ROBERT D. REED</u> Robert D. Reed | Director | February 12, 2016 |
| <u>/s/ GLENN J. RUFRANO</u> Glenn J. Rufrano | Director | February 12, 2016 |
| <u>/s/ JAMES D. SHELTON</u> James D. Shelton | Director | February 12, 2016 |

EXHIBIT INDEX

| Exhibit Number | Description of Document | Location of Document |
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| 2.1 | Separation and Distribution Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 3.1 | Amended and Restated Certificate of Incorporation, as amended, of Ventas, Inc. | Incorporated by reference to Exhibit 3.1 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011. |
| 3.2 | Fourth Amended and Restated Bylaws, as amended, of Ventas, Inc. | Incorporated by reference to Exhibit 3.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011. |
| 4.1 | Specimen common stock certificate. | Filed herewith. |
| 4.2 | Indenture dated as of September 19, 2006 by and among Ventas, Inc., Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuer(s), the Guarantors named therein, as Guarantors, and U.S. Bank National Association, as Trustee. | Incorporated by reference to Exhibit 4.9 to our Registration Statement on Form S-3, filed on April 7, 2006, File No. 333-133115. |
| 4.3 | Fourth Supplemental Indenture dated as of May 17, 2011 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.750% Senior Notes due 2021. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on May 20, 2011. |
| 4.4 | Fifth Supplemental Indenture dated as of February 10, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.250% Senior Notes due 2022. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on February 14, 2012. |
| 4.5 | Sixth Supplemental Indenture dated as of April 17, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.000% Senior Notes due 2019. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on April 18, 2012. |
| 4.6 | Seventh Supplemental Indenture dated as of August 3, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 3.250% Senior Notes due 2022. | Incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012. |
| 4.7 | Eighth Supplemental Indenture dated as of December 13, 2012 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 2.000% Senior Notes due 2018. | Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K, filed on December 13, 2012. |
| 4.8 | Ninth Supplemental Indenture dated as of March 7, 2013 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 5.450% Senior Notes due 2043. | Incorporated by reference to Exhibit 4.2 to our Registration Statement on Form 8-A, filed on March 7, 2013. |

| Exhibit Number | Description of Document | Location of Document |
|----------------|---|---|
| 4.9 | Tenth Supplemental Indenture dated as of March 19, 2013 by and among Ventas Realty, Limited Partnership and Ventas Capital Corporation, as Issuers, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 2.700% Senior Notes due 2020. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on March 19, 2013. |
| 4.10 | Indenture dated as of September 26, 2013 by and among Ventas, Inc., Ventas Realty, Limited Partnership, as Issuer, the Guarantors named therein, as Guarantors, and U.S. Bank National Association, as Trustee. | Incorporated by reference to Exhibit 4.7 to our Registration Statement on Form S-3, filed on April 2, 2012, File No. 333-180521. |
| 4.11 | First Supplemental Indenture dated as of September 26, 2013 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 1.550% Senior Notes due 2016. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on September 26, 2013. |
| 4.12 | Second Supplemental Indenture dated as of September 26, 2013 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 5.700% Senior Notes due 2043. | Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K, filed on September 26, 2013. |
| 4.13 | Third Supplemental Indenture dated as of April 17, 2014 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 1.250% Senior Notes due 2017. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on April 17, 2014. |
| 4.14 | Fourth Supplemental Indenture dated as of April 17, 2014 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 3.750% Senior Notes due 2024. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on April 17, 2014. |
| 4.15 | Fifth Supplemental Indenture dated as of January 14, 2015 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 3.500% Senior Notes due 2025. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on January 14, 2015. |
| 4.16 | Sixth Supplemental Indenture dated as of January 14, 2015 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas, Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.375% Senior Notes due 2045. | Incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K, filed on January 14, 2015. |
| 4.17 | Indenture dated as of August 19, 1997 by and between Nationwide Health Properties, Inc. and The Bank of New York, as Trustee. | Incorporated by reference to Exhibit 4.1 to the Nationwide Health Properties, Inc. Registration Statement on Form S-3, filed on July 25, 1997, File No. 333-32135. |
| 4.18 | Indenture dated as of January 13, 1999 by and between Nationwide Health Properties, Inc. and Chase Manhattan Bank and Trust Company, National Association, as Trustee. | Incorporated by reference to Exhibit 4.1 to the Nationwide Health Properties, Inc. Registration Statement on Form S-3, filed on January 15, 1999, File No. 333-70707. |
| 4.19 | First Supplemental Indenture dated as of May 18, 2005 by and between Nationwide Health Properties, Inc. and J.P. Morgan Trust Company, National Association, as Trustee. | Incorporated by reference to Exhibit 4.1 to the Nationwide Health Properties, Inc. Current Report on Form 8-K, filed on May 11, 2005, File No. 001-09028. |

| Exhibit Number | Description of Document | Location of Document |
|----------------|--|---|
| 4.20 | Indenture dated as September 24, 2014 by and among Ventas, Inc., Ventas Canadian Finance Limited, the Guarantors parties thereto from time to time and Computershare Trust Company of Canada, as Trustee. | Incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. |
| 4.21 | First Supplemental Indenture dated as of September 24, 2014 by and among Ventas Canada Finance Limited, as Issuer, Ventas, Inc., as Guarantor, and Computershare Trust Company of Canada, as Trustee, relating to the 3.00% Senior Notes, Series A due 2019. | Incorporated by reference to Exhibit 4.2 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. |
| 4.22 | Second Supplemental Indenture dated as of September 24, 2014 by and among Ventas Canada Finance Limited, as Issuer, Ventas, Inc., as Guarantor, and Computershare Trust Company of Canada, as Trustee, relating to the 4.125% Senior Notes, Series B due 2024. | Incorporated by reference to Exhibit 4.3 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014. |
| 4.23 | Third Supplemental Indenture dated as of January 13, 2015 by and among Ventas Canada Finance Limited, as Issuer, Ventas, Inc., as Guarantor, and Computershare Trust Company of Canada, as Trustee, relating to the 3.30% Senior Notes, Series C due 2022. | Incorporated by reference to Exhibit 4.24 to our Annual Report on Form 10-K for the year ended December 31, 2014. |
| 4.24 | Indenture dated as of July 16, 2015 by and among Ventas, Inc., Ventas Realty, Limited Partnership, as Issuer, the Guarantors named therein as Guarantors, and U.S. Bank National Association, as Trustee. | Incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on July 16, 2015. |
| 4.25 | First Supplemental Indenture dated as of July 16, 2015 by and among Ventas Realty, Limited Partnership, as Issuer, Ventas Inc., as Guarantor, and U.S. Bank National Association, as Trustee, relating to the 4.125% Senior Notes due 2026. | Incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on July 16, 2015. |
| 10.1 | First Amended and Restated Agreement of Limited Partnership of Ventas Realty, Limited Partnership. | Incorporated by reference to Exhibit 3.5 to our Registration Statement on Form S-4, as amended, filed on June 19, 2002, File No. 333-89312. |
| 10.2 | Amended and Restated Credit and Guaranty Agreement, dated as of December 9, 2013, among Ventas Realty, Limited Partnership, Ventas SSL Ontario II, Inc. and Ventas SSL Ontario III, Inc., as Borrowers, Ventas, Inc., as Guarantor, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent, Swing Line Lender, L/C Issuer and Alternative Currency Fronting Lender. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on December 9, 2013. |
| 10.4 | Second Amendment and Joinder dated as of October 14, 2015 to that certain Amended and Restated Credit and Guaranty Agreement by and among Ventas Realty, Limited Partnership, Ventas Canada Finance Limited, Ventas UK Finance, Inc., Ventas Euro Finance, LLC, Ventas SSL Ontario II, Inc. and Ventas SSL Ontario III, Inc., as Borrowers, Ventas, Inc., as Guarantor, the Lenders identified therein, and Bank of America, N.A., as Administrative Agent, Swing Line Lender L/C Issuer and Alternative Currency Fronting Lender. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on October 19, 2015. |

10.5 Transition Services Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc.

Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on August 21, 2015.

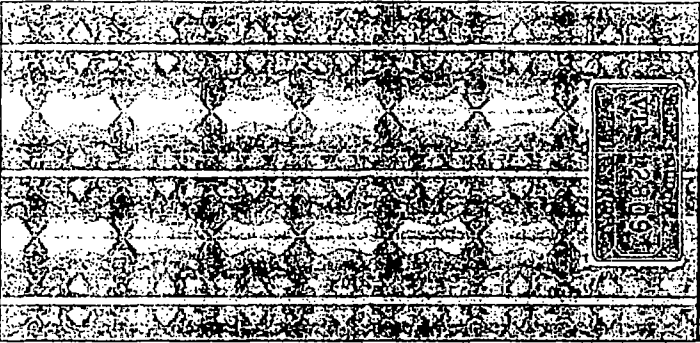
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| 10.6 | Tax Matters Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 10.7 | Employee Matters Agreement dated as of August 17, 2015 by and between Ventas, Inc. and Care Capital Properties, Inc. | Incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K, filed on August 21, 2015. |
| 10.8* | Ventas, Inc. 2004 Stock Plan for Directors, as amended. | Incorporated by reference to Exhibit 10.16.1 to our Annual Report on Form 10-K for the year ended December 31, 2004. |
| 10.9.1* | Ventas, Inc. 2006 Incentive Plan, as amended. | Incorporated by reference to Exhibit 10.10.1 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.9.2* | Form of Stock Option Agreement—2006 Incentive Plan. | Incorporated by reference to Exhibit 10.15.2 to our Annual Report on Form 10-K for the year ended December 31, 2006. |
| 10.9.3* | Form of Restricted Stock Agreement—2006 Incentive Plan. | Incorporated by reference to Exhibit 10.15.3 to our Annual Report on Form 10-K for the year ended December 31, 2006. |
| 10.10.1* | Ventas, Inc. 2006 Stock Plan for Directors, as amended. | Incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012. |
| 10.10.2* | Form of Stock Option Agreement—2006 Stock Plan for Directors. | Incorporated by reference to Exhibit 10.11.2 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.10.3* | Form of Amendment to Stock Option Agreement—2006 Stock Plan for Directors. | Incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012. |
| 10.10.4* | Form of Restricted Stock Unit Agreement—2006 Stock Plan for Directors. | Incorporated by reference to Exhibit 10.11.4 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.11.1* | Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on May 23, 2012. |
| 10.11.2* | Form of Stock Option Agreement (Employees) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.6.2 to our Annual Report on Form 10-K for the year ended December 31, 2014. |
| 10.11.3* | Form of Restricted Stock Agreement (Employees) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.6.3 to our Annual Report on Form 10-K for the year ended December 31, 2014. |
| 10.11.4* | Form of Stock Option Agreement (Directors) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.4 to our Registration Form on S-8, filed on August 7, 2012, File No. 333-183121. |
| 10.11.5* | Form of Restricted Stock Agreement (Directors) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.5 to our Registration Form on S-8, filed on August 7, 2012, File No. 333-183121. |
| 10.11.6* | Form of Restricted Stock Unit Agreement (Directors) under the Ventas, Inc. 2012 Incentive Plan. | Incorporated by reference to Exhibit 10.6 to our Registration Form on S-8, filed on August 7, 2012, File No. 333-183121. |

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| 10.12.1* | Ventas Executive Deferred Stock Compensation Plan, as amended. | Incorporated by reference to Exhibit 10.12.1 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.12.2* | Deferral Election Form under the Ventas Executive Deferred Stock Compensation Plan. | Incorporated by reference to Exhibit 10.12.2 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.13.1* | Ventas Nonemployee Directors' Deferred Stock Compensation Plan, as amended. | Incorporated by reference to Exhibit 10.13.1 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.13.2* | Deferral Election Form under the Ventas Nonemployee Directors' Deferred Stock Compensation Plan. | Incorporated by reference to Exhibit 10.13.2 to our Annual Report on Form 10-K for the year ended December 31, 2008. |
| 10.14.1* | Nationwide Health Properties, Inc. 2005 Performance Incentive Plan. | Incorporated by reference to Appendix B to the Nationwide Health Properties, Inc. definitive Proxy Statement for the 2005 Annual Meeting, filed on March 24, 2005, File No. 001-09028. |
| 10.14.2* | First Amendment to the Nationwide Health Properties, Inc. 2005 Performance Incentive Plan, dated October 28, 2008. | Incorporated by reference to Exhibit 10.1 to the Nationwide Health Properties, Inc. Current Report on Form 8-K, filed on November 3, 2008, File No. 001-09028. |
| 10.15.1* | Nationwide Health Properties, Inc. Retirement Plan for Directors, as amended and restated on April 20, 2006. | Incorporated by reference to Exhibit 10.1 to the Nationwide Health Properties, Inc. Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, File No. 001-09028. |
| 10.15.2* | Amendment to the Nationwide Health Properties, Inc. Retirement Plan for Directors, as amended and restated on April 20, 2006. | Incorporated by reference to Exhibit 10.9 to the Nationwide Health Properties, Inc. Current Report on Form 8-K, filed on November 3, 2008, File No. 001-09028. |
| 10.16* | Second Amended and Restated Employment Agreement dated as of March 22, 2011 between Ventas, Inc. and Debra A. Cafaro. | Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on March 24, 2011. |
| 10.17.1* | Employment Agreement dated as of July 31, 1998 between Ventas, Inc. and T. Richard Riney. | Incorporated by reference to Exhibit 10.15.2.1 to our Annual Report on Form 10-K for the year ended December 31, 2002. |
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| 23 | Consent of KPMG LLP. | Filed herewith. |
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| 31.2 | Certification of Robert F. Probst, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(a) under the Exchange Act. | Filed herewith. |
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| 101 | Interactive Data File. | Filed herewith. |

* Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

COMMON STOCK



VENTAS

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE



STANDARD & POOR'S
500 STOCK INDEX
CUSIP 82276F 10 0

THIS CERTIFIES THAT

is the owner of

SPECIMEN

FULLY PAID AND NON-ASSESSABLE SHARES OF THE COMMON STOCK OF

VENTAS, INC.

hereof, by the holder of the Certificate by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned and registered by the Transfer Agent and Registrar.
IN WITNESS WHEREOF, the said Corporation has caused this Certificate to be signed by its duly authorized officers.

Dated:

COUNTERSIGNED AND REGISTERED
WELLS FARGO BANK, N.A.

TRANSFER AGENT
AND REGISTRAR

BY

AUTHORIZED SIGNATURE

CHIEF EXECUTIVE OFFICER



The Corporation will furnish without charge to each shareholder who so requests, a copy of the designations, powers, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Any such requests may be addressed to the Corporate Secretary of the Corporation or the Transfer Agent.

TEN COM - as tenants in common
TEN ENT - as tenants by entirety
JT TEN - as joint tenants with right of survivorship
and not as tenants in common

UNIF GIFT MGN ACT - _____ as Custodian for _____ (Minor)
_____ (Minor)
under Uniform Gifts to Minors
(State) _____
Act _____ (Shorey)

Additional abbreviations may also be used though not in above list.

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE

to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.

Dated _____ **X** _____

X

NEVER USE THIS FIELD TO INDICATE THAT THE INFORMATION IS NOT CONFIDENTIAL OR SECRET. THE WORDS "NOT CONFIDENTIAL" OR "NOT SECRET" ON THE OUTSIDE OF A COVER MATERIAL ARE NEITHER AN ENDORSEMENT NOR DISAPPROVAL OF ANY COMPANY'S PRODUCTS.

SIGNATURE GUARANTEED

41. "ADMINISTRATIVE" MUST BE DONE BY A SUFFICIENT INVESTIGATION TEAM
42. A TEAM ON EACH TEAM IS A REQUIREMENT OF THE "ADMINISTRATIVE"
43. "ADMINISTRATIVE" MUST BE DONE BY A SUFFICIENT INVESTIGATION TEAM
44. "ADMINISTRATIVE" MUST BE DONE BY A SUFFICIENT INVESTIGATION TEAM
45. "ADMINISTRATIVE" MUST BE DONE BY A SUFFICIENT INVESTIGATION TEAM
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48. "ADMINISTRATIVE" MUST BE DONE BY A SUFFICIENT INVESTIGATION TEAM
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50. "ADMINISTRATIVE" MUST BE DONE BY A SUFFICIENT INVESTIGATION TEAM

STATEMENT REGARDING COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES

| (dollars in thousands) | For the year ended December 31, | | | | |
|---|---------------------------------|------------|------------|------------|------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Income before (loss) income from unconsolidated entities, income taxes, discontinued operations, real estate dispositions and noncontrolling interest | \$ 351,675 | \$ 350,703 | \$ 364,178 | \$ 176,379 | \$ 291,016 |
| Interest expense | | | | | |
| Senior notes payable and other debt | 367,114 | 292,065 | 249,009 | 199,801 | 114,492 |
| Distributions from unconsolidated entities | 23,462 | 6,508 | 6,641 | 10,006 | 3,790 |
| Earnings | \$ 742,251 | \$ 649,276 | \$ 619,828 | \$ 386,186 | \$ 409,298 |
| Interest | | | | | |
| Senior notes payable and other debt expense | 367,114 | 292,065 | 249,009 | 199,801 | 114,492 |
| Interest capitalized | 1,671 | 950 | 855 | 1,857 | 1,233 |
| Fixed charges | \$ 368,785 | \$ 293,015 | \$ 249,864 | \$ 201,658 | \$ 115,725 |
| Ratio of Earnings to Fixed Charges | 2.01 | 2.22 | 2.48 | 1.92 | 3.54 |

SUBSIDIARIES OF VENTAS, INC.
01/21/2016

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| 1425 Hunt Club, LLC | Delaware |
| 1445 Hunt Club, LLC | Delaware |
| 14851 Yorba Street, LLC | Delaware |
| 200 Andrews, LLC | South Carolina |
| 2010 Union Limited Partnership | Washington |
| 251 Medical Center, LLC | Delaware |
| 253 Medical Center, LLC | Delaware |
| 745 West State Street, LLC | Delaware |
| 755 Milwaukee MOB, LLC | Delaware |
| 890 Professional MOB, LLC | Delaware |
| AHS Oklahoma Health System, LLP | Delaware |
| AHS Oklahoma Holdings, Inc. | Delaware |
| AHS Oklahoma Hospitals, Inc. | Delaware |
| AL (AP) Holding LLC | Delaware |
| AL (HCN) Holding LLC | Delaware |
| AL (MT) Holding LLC | Delaware |
| AL I/East Brunswick Senior Housing, LLC | Delaware |
| AL I/Glen Ellyn Senior Housing, LLC | Delaware |
| AL I/La Costa Senior Housing, LLC | Delaware |
| AL I/Naperville Senior Housing, LLC | Delaware |
| AL I/North Lynbrook Senior Housing, LLC | Delaware |
| AL I/Pinehurst Senior Housing, LLC | Delaware |
| AL I/Providence Senior Housing, LLC | Delaware |
| AL I/Richmond Senior Housing, LLC | Delaware |
| AL I/Stamford Senior Housing Living, LLC | Delaware |
| AL I/Woodcliff Lake Senior Housing, LLC | Delaware |
| AL III Investments, L.L.C. | Virginia |
| AL One Investments, LLC | Delaware |
| AL One PA Investments, LLC | Delaware |
| AL Subfunding II, LLC | Delaware |
| AL Subfunding LLC | Delaware |
| Albuquerque AL RE, L.P. | Delaware |
| ALH Holdings, LLC | Delaware |
| Allison Park Nominee LLC | Delaware |
| Allison Park Nominee LP | Delaware |
| Amber Meadow Retirement Ltd. | British Columbia |
| American Retirement Villas Properties II, LP | California |
| American Retirement Villas Properties III, LP | California |
| Anchor Cogdell Covington, LLC | Kentucky |
| Anchor Cogdell Doylestown GP, LLC | Pennsylvania |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|------------------------------|--|
| Anchor Cogdell Doylestown LP | Pennsylvania |
| Anchor Cogdell Florence, LLC | Kentucky |
| Anchor Cogdell, LLC | Delaware |
| ARCHCT Cambr Dallas, LLC | Delaware |
| ARCHCT Cambr UWSC, LLC | Delaware |
| ARCHCT Dasco Odessa, LLC | Delaware |
| ARCHCT Dasco Peoria, LLC | Delaware |
| ARHC 80NEWNY01, LLC | Delaware |
| ARHC ADCRYIL01, LLC | Delaware |
| ARHC AMATHGA01, LLC | Delaware |
| ARHC AMAVTFL01, LLC | Delaware |
| ARIIC AMHTDWI01, LLC | Delaware |
| ARHC AMNNHWI01, LLC | Delaware |
| ARHC AMTRVWI01, LLC | Delaware |
| ARHC ASSTBSC01, LLC | Delaware |
| ARHC ATASHNC01 TRS, LLC | Delaware |
| ARHC ATASHNC01, LLC | Delaware |
| ARHC ATATHGA01 TRS, LLC | Delaware |
| ARHC ATATHGA01, LLC | Delaware |
| ARHC ATATLGA01 TRS, LLC | Delaware |
| ARHC ATATLGA01, LLC | Delaware |
| ARHC ATDECGA01 TRS, LLC | Delaware |
| ARHC ATDECGA01, LLC | Delaware |
| ARHC ATDECGA02 TRS, LLC | Delaware |
| ARHC ATDECGA02, LLC | Delaware |
| ARHC ATKNOTN01 TRS, LLC | Delaware |
| ARHC ATKNOTN01, LLC | Delaware |
| ARHC ATLARFL01 TRS, LLC | Delaware |
| ARHC ATLARFL01, LLC | Delaware |
| ARIIC BCCHIL01, LLC | Delaware |
| ARHC BHCovGA01 TRS, LLC | Delaware |
| ARHC BIICOVGA01, LLC | Delaware |
| ARHC BIIDOUGA01 TRS LLC | Delaware |
| ARHC BIIDOUGA01, LLC | Delaware |
| ARHC BHNEWGA01 TRS LLC | Delaware |
| ARHC BHNEWGA01, LLC | Delaware |
| ARHC BHPALFL01 TRS LLC | Delaware |
| ARHC BHPALFL01, LLC | Delaware |
| ARHC BHPAWMI01, LLC | Delaware |
| ARHC BHSTOGA01 TRS LLC | Delaware |
| ARHC BHSTOGA01, LLC | Delaware |
| ARHC BHSUGGA01 TRS LLC | Delaware |
| ARHC BHSUGGA01, LLC | Delaware |
| ARHC BLDNTX001, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|-------------------------|--|
| ARHC BMBUCAZ01, LLC | Delaware |
| ARHC BMPCYFL01, LLC | Delaware |
| ARHC BMPCYFL02, LLC | Delaware |
| ARHC BRBRITN01, LLC | Delaware |
| ARHC BTIFYFL01 TRS, LLC | Delaware |
| ARHC BTIFYFL01, LLC | Delaware |
| ARHC BTNAPFL01 TRS, LLC | Delaware |
| ARHC BTNAPFL01, LLC | Delaware |
| ARHC CAROCCA01 TRS, LLC | Delaware |
| ARHC CAROCCA01, LLC | Delaware |
| ARHC CCMKAIN01, LLC | Delaware |
| ARHC CHWLBNI001, LLC | Delaware |
| ARHC CHWLBNI002, LLC | Delaware |
| ARHC CKSFDPA01, LLC | Delaware |
| ARHC CKSFDPA02, LLC | Delaware |
| ARHC CKSFDPA03, LLC | Delaware |
| ARHC CLCRYIL01, LLC | Delaware |
| ARHC CSVANWA01 TRS, LLC | Delaware |
| ARHC CSVANWA01, LLC | Delaware |
| ARHC CTCRCNV001 LLC | Delaware |
| ARHC CTCTYNV01, LLC | Delaware |
| ARHC CVSALOR01 TRS, LLC | Delaware |
| ARHC CVSALOR01, LLC | Delaware |
| ARHC DDMTRAR001, LLC | Delaware |
| ARHC DDPLIN01, LLC | Delaware |
| ARHC DDRKFIL001, LLC | Delaware |
| ARHC DMLSVNV001 LLC | Delaware |
| ARHC DRFTWIN01, LLC | Delaware |
| ARHC DRLITCO01, LLC | Delaware |
| ARHC EPLHAFL01, LLC | Delaware |
| ARHC ERELKMN01, LLC | Delaware |
| ARHC FCFAYGA01, LLC | Delaware |
| ARHC FDM'TRLA01, LLC | Delaware |
| ARHC GBSNATX001 LLC | Delaware |
| ARHC GHANDSC01 TRS LLC | Delaware |
| ARHC GHANDSC01, LLC | Delaware |
| ARHC GRFTWTX01, LLC | Delaware |
| ARHC GWWSLOH01 TRS, LLC | Delaware |
| ARHC GWWSLOH01, LLC | Delaware |
| ARHC HFSFDMI01, LLC | Delaware |
| ARHC HRCYCA001, LLC | Delaware |
| ARHC HRININ001, LLC | Delaware |
| ARHC HIRONWI001, LLC | Delaware |
| ARHC HRWAWI001, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|-------------------------------|--|
| ARIIC LHPLNTX01, LLC | Delaware |
| ARHC LMFTWIN01, LLC | Delaware |
| ARHC LPLLKFL01TRS, LLC | Delaware |
| ARHC LPLLKFL01, LLC | Delaware |
| ARHC LVHVSZ01, LLC | Delaware |
| ARHC MHHOUTX01, LLC | Delaware |
| ARHC MHMISIN01, LLC | Delaware |
| ARIIC MHWYOMI01, LLC | Delaware |
| ARHC MMMINND01, LLC | Delaware |
| ARHC MNPERIL001, LLC | Delaware |
| ARHC NFTSEFL01, LLC | Delaware |
| ARHC NSALBNY01, LLC | Delaware |
| ARHC NSMARGA01, LLC | Delaware |
| ARHC NSMARGA02, LLC | Delaware |
| ARHC NVPHXAZ01, LLC | Delaware |
| ARHC OCCCOOR01 TRS, LLC | Delaware |
| ARHC OCCCOOR01, LLC | Delaware |
| ARHC ORCOOR01 TRS, LLC | Delaware |
| ARHC ORCOOR01, LLC | Delaware |
| ARHC ORODSTX001, LLC | Delaware |
| ARHC PCNWNGA01, LLC | Delaware |
| ARHC PHHBGPA01, LLC | Delaware |
| ARHC PPKLAOR01 TRS, LLC | Delaware |
| ARHC PPKLAOR01, LLC | Delaware |
| ARHC PPMOLOR01 TRS, LLC | Delaware |
| ARHC PPMOLOR01, LLC | Delaware |
| ARHC PVCLAOR01 TRS, LLC | Delaware |
| ARHC PVCLAOR01, LLC | Delaware |
| ARHC RCAURIL01, LLC | Delaware |
| ARHC RCAURIL02, LLC | Delaware |
| ARHC Restora Participant, LLC | Delaware |
| ARHC RHGARNC01, LLC | Delaware |
| ARHC RHSALOR01 TRS, LLC | Delaware |
| ARHC RHSALOR01, LLC | Delaware |
| ARHC RMRIVGA01, LLC | Delaware |
| ARHC RRDALTX001 LLC | Delaware |
| ARHC RRHUSTX001, LLC | Delaware |
| ARHC SCTMBTX001 LLC | Delaware |
| ARHC SCTXRTX001, LLC | Delaware |
| ARHC SCWDSNJ01, LLC | Delaware |
| ARHC SFMIDVA01, LLC | Delaware |
| ARHC SHWYOMI01, LLC | Delaware |
| ARHC SMSFDMO01, LLC | Delaware |
| ARHC SMSVLTX01, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|-------------------------|--|
| ARHC SOKTYTX01 TRS, LLC | Delaware |
| ARHC SOKTYTX01, LLC | Delaware |
| ARHC SPGUINY01, LLC | Delaware |
| ARHC SVSCLCA01 TRS, LLC | Delaware |
| ARHC SVSCLCA01, LLC | Delaware |
| ARHC SWKLDTX01, LLC | Delaware |
| ARHC TCARLTX01, LLC | Delaware |
| ARHC TRS Holdco, LLC | Delaware |
| ARHC UCFOLCA01, LLC | Delaware |
| ARHC UCFOLCA02, LLC | Delaware |
| ARHC UHPTHMN01, LLC | Delaware |
| ARHC UWMNAWI001, LLC | Delaware |
| ARHC VCWICKS01, LLC | Delaware |
| ARHC VHCTMIL01, LLC | Delaware |
| ARHC VHEFFIL01, LLC | Delaware |
| ARHC VHERIL01, LLC | Delaware |
| ARHC VHMSLIL01, LLC | Delaware |
| ARHC VHNWTIL01, LLC | Delaware |
| ARHC VHSVILIL01, LLC | Delaware |
| ARHC VSJBREIL01, LLC | Delaware |
| ARHC VURMDVA01, LLC | Delaware |
| ARHC WCROCIL01 TRS, LLC | Delaware |
| ARHC WCROCIL01, LLC | Delaware |
| ARHC WEMINND01, LLC | Delaware |
| ARHC SMSTBSC01, LLC | Delaware |
| ARHC SSBHMWA01 TRS, LLC | Delaware |
| ARHC SSBHMWA01, LLC | Delaware |
| ARHC SSEVTWA01 TRS, LLC | Delaware |
| ARHC SSEVTWA01, LLC | Delaware |
| ARHC BPBRMWA01 TRS, LLC | Delaware |
| ARHC BPBRMWA01, LLC | Delaware |
| ARHC ELEDMWA01 TRS, LLC | Delaware |
| ARHC ELEDMWA01, LLC | Delaware |
| ARHC VSHOUTX01, LLC | Delaware |
| ARHC AMOFLMO01, LLC | Delaware |
| ARHC AMOFLMO02, LLC | Delaware |
| ARHC LMFKNW01, LLC | Delaware |
| ARHC LMGFDWI01, LLC | Delaware |
| ARHC NCWTNNY01, LLC | Delaware |
| ARHC WMSUNAZ01, LLC | Delaware |
| ARHC WMSUNAZ01 TRS, LLC | Delaware |
| ARHC WMABQNM01, LLC | Delaware |
| ARHC WMABQNM01 TRS, LLC | Delaware |
| ARHC AHKENWI01, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| ARHC AHKENWI01 Member, LLC | Delaware |
| ASL Leaschold Sub, LLC | Delaware |
| Atria Collier Park, LLC | Delaware |
| Atria Lynnbrooke (Irvine), L.P. | Delaware |
| Atria Lynnbrooke G.P., L.L.C. | Delaware |
| Atria Meridian , LLC | Delaware |
| Atria Northgate Park, LLC | Delaware |
| Atria Shorehaven, LLC | Delaware |
| Atria Vista del Rio, LLC | Delaware |
| Atrium at Weston Place, LLC | Tennessee |
| Augusta Medical Partners, LLC | Georgia |
| Augusta Medical Plaza, LLC | Delaware |
| Augusta Professional Building, LLC | Delaware |
| Barclay Downs Associates, LP | North Carolina |
| BCC Altoona Realty GP, LLC | Delaware |
| BCC Altoona Realty, LLC | Delaware |
| BCC Altoona Realty, LP | Delaware |
| BCC Berwick Realty GP, LLC | Delaware |
| BCC Berwick Realty, LLC | Delaware |
| BCC Berwick Realty, LP | Delaware |
| BCC Lewistown Realty GP, LLC | Delaware |
| BCC Lewistown Realty, LLC | Delaware |
| BCC Lewistown Realty, LP | Delaware |
| BCC Martinsburg Realty, LLC | Delaware |
| BCC Medina Realty, LLC | Delaware |
| BCC Mid Valley Operations, LLC | Delaware |
| BCC Ontario Realty, LLC | Delaware |
| BCC Reading Realty GP, LLC | Delaware |
| BCC Reading Realty, LLC | Delaware |
| BCC Reading Realty, LP | Delaware |
| BCC Shippensburg Realty, LLC | Delaware |
| BCC State College Realty GP, LLC | Delaware |
| BCC State College Realty, LLC | Delaware |
| BCC State College Realty, LP | Delaware |
| BCC Washington Township Realty, LLC | Delaware |
| Bedford AL RE, Ltd. | Texas |
| BLC of California - San Marcos, L.P. | Delaware |
| Bonney Lake MOB Investors LLC | Washington |
| Brandon MOB Investors, LLC | Mississippi |
| Brandon Retirement Group Ltd. | British Columbia |
| Brookdale Holdings, LLC | Delaware |
| Brookdale Living Communities of Arizona-EM, LLC | Delaware |
| Brookdale Living Communities of California, LLC | Delaware |
| Brookdale Living Communities of California-RC, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| Brookdale Living Communities of California-San Marcos, LLC | Delaware |
| Brookdale Living Communities of Connecticut, LLC | Delaware |
| Brookdale Living Communities of Florida-CL, LLC | Delaware |
| Brookdale Living Communities of Illinois-2960, LLC | Delaware |
| Brookdale Living Communities of Illinois-HV, LLC | Delaware |
| Brookdale Living Communities of Illinois-II, LLC | Delaware |
| Brookdale Living Communities of Massachusetts-RB, LLC | Delaware |
| Brookdale Living Communities of Minnesota, LLC | Delaware |
| Brookdale Living Communities of New Jersey, LLC | Delaware |
| Brookdale Living Communities of New York-GB, LLC | Delaware |
| Brookdale Living Communities of Washington-PP, LLC | Delaware |
| Brunswick MOB, LLC | Georgia |
| BSG CS, LLC (f/k/a BSG Erdman, LLC) | Wisconsin |
| Buffalo Grove ACC, LLC | Delaware |
| Burlington Retirement Group Ltd. | British Columbia |
| Cabarrus Medical Partners, LP | North Carolina |
| Cabarrus POB, LP | North Carolina |
| Calgarian Retirement Group II Ltd. | British Columbia |
| Cambridge Development, L.L.C. | New York |
| Canyon Meadows Retirement Ltd. | British Columbia |
| Carolina Forest Plaza, LLC | South Carolina |
| Carroll Medical Office Associates, LLC | Delaware |
| Carroll Medical Office Holdings, LLC | Delaware |
| Carrollwood Assisted Living, Ltd. | Texas |
| Casper Wyoming Hospital, LLC | Delaware |
| Chippewa Nominee LLC | Delaware |
| Chippewa Nominee LP | Delaware |
| Clackamas Woods Assisted Living, LLC | Oregon |
| Clayton County AL RE, L.P. | Delaware |
| Coast to Coast Assisted Living Realty, LLC | New York |
| Cobb County AL RE, L.P. | Delaware |
| Cogdell Cleveland Rehab, L.P. | Ohio |
| Cogdell Duluth MOB, LLC | Minnesota |
| Cogdell Health Campus MOB, LP | Pennsylvania |
| Cogdell Investors (Birkdale II), LP | North Carolina |
| Cogdell Investors (Birkdale), LP | North Carolina |
| Cogdell Investors (Mallard), LP | North Carolina |
| Cogdell Investors (OSS), LP | North Carolina |
| Cogdell Lancaster Rehab, LP | Pennsylvania |
| Cogdell Spencer Advisors Management, LLC | Delaware |
| Cogdell Spencer Advisors, LLC | Delaware |
| Cogdell Spencer LP | Delaware |
| Cogdell Spencer TRS Holdings, LLC | Delaware |
| Colleton Medical Arts, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| Collwood Knolls | California |
| Collwood Knolls Acquisition L.L.C. | Delaware |
| Columbia Medical Plaza, LLC | Delaware |
| Consera BSD, LLC | Delaware |
| Consera Healthcare Real Estate LLC | South Carolina |
| Copperfield MOB, LP | North Carolina |
| CPH MOB, LLC | Delaware |
| Cranford Development, LLC | Delaware |
| Crimson Dorset Limited | United Kingdom |
| Crimson Dorset Properties Limited | United Kingdom |
| Crystal View Lodge Ltd. | British Columbia |
| CS Business Trust I | Maryland |
| CS Business Trust II | Maryland |
| CSA Medical Partners Management, LLC | Delaware |
| Dillsburg Nominee LLC | Delaware |
| Dillsburg Nominee LP | Delaware |
| DV Greenville MOB LLC | Delaware |
| DV Parker II MOB LLC | Delaware |
| EA-BSB 2, L.L.C. | Delaware |
| East Houston Medical Plaza, LLC | Delaware |
| East Houston MOB, LLC | Delaware |
| East Jefferson Medical Office Building Limited Partnership | Louisiana |
| East Jefferson Medical Plaza, LLC | Louisiana |
| East Jefferson Medical Specialty Building | Louisiana |
| East Rocky Mount Kidney Center Associates, LP | North Carolina |
| EC Halcyon Realty, LLC | Delaware |
| EC Hamilton Place Realty, LLC | Delaware |
| EC Jackson Realty, LLC | Delaware |
| EC Knoxville Realty, LLC | Delaware |
| EC Lebanon Realty, LLC | Delaware |
| EC Martinez Realty, LLC | Delaware |
| EC Muncie Realty, LLC | Delaware |
| EC Roswell Realty, LLC | Delaware |
| EC Timberlin Parc Realty, LLC | Delaware |
| Edmonton Retirement Group Ltd. | British Columbia |
| Eglise Properties Limited | United Kingdom |
| Elder Healthcare Developers, LLC | Georgia |
| ElderTrust | Maryland |
| ESL Holdings, LLC | Delaware |
| ET Belvedere Finance, L.L.C. | Delaware |
| ET Berkshire, LLC | Delaware |
| ET Capital Corp. | Delaware |
| ET DCMH Finance, L.L.C. | Delaware |
| ET GENPAR, L.L.C | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| ET Lehigh, LLC | Delaware |
| ET Pennsburg Finance, L.L.C. | Delaware |
| ET POBI Finance, L.L.C. | Delaware |
| ET Sanatoga, LLC | Delaware |
| ET Sub-Belvedere Limited Partnership, L.L.P. | Virginia |
| ET Sub-Berkshire Limited Partnership | Delaware |
| ET Sub-DCMH Limited Partnership, L.L.P. | Virginia |
| ET Sub-Heritage Woods, L.L.C. | Delaware |
| ET Sub-Highgate, L.P. | Pennsylvania |
| ET Sub-Lehigh Limited Partnership | Delaware |
| ET Sub-Lopatcong, L.L.C. | Delaware |
| ET Sub-Pennsburg Manor Limited Partnership, L.L.P. | Virginia |
| ET Sub-POB I Limited Partnership, L.L.P. | Virginia |
| ET Sub-Sanatoga Limited Partnership | Delaware |
| ET Sub-Wayne I Limited Partnership, L.L.P. | Virginia |
| ET Wayne Finance, L.L.C. | Delaware |
| Facility at Tanasbourne JV1, LLC | Delaware |
| Fair Oak Assisted Living L.L.C. | Delaware |
| Florence Realty, LLC | Delaware |
| Franciscan Development Company, LLC | North Carolina |
| Fredericton Retirement Group Ltd. | British Columbia |
| Gaston MOB, LP | North Carolina |
| Good Sam MOB Investors, LLC | Washington |
| Grayslake MOB, LLC | Delaware |
| Greenville MOB Owners LLC | Delaware |
| Gumee ACC, LLC | Delaware |
| Gumee Centre Club, LLC | Delaware |
| Gumee Imaging Center, LLC | Delaware |
| Hamilton Retirement Group Ltd. | British Columbia |
| Hanover MOB, LLC | Virginia |
| Harrisburg Medical Clinic, LP | North Carolina |
| Health Park MOB, LLC | Tennessee |
| Hendersonville Nominee LLC | Delaware |
| Hendersonville Nominee LP | Delaware |
| Hendersonville Realty, LLC | Delaware |
| Henrico MOB, LLC | Delaware |
| Hillhaven Properties, LLC (formerly Hillhaven Properties, LTD, an Oregon LTD) | Delaware |
| HMOB Associates, L.P. | South Carolina |
| HPSMLD Limited Liability Company | Wisconsin |
| HRI Coral Springs, LLC | Delaware |
| HRI Tamarac, LLC | Delaware |
| HVMLD Limited Liability Company | Wisconsin |
| Indianapolis MOB, LLC | Indiana |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---------------------------------------|--|
| IPC (AP) Holding LLC | Delaware |
| IPC (HCN) Holding LLC | Delaware |
| IPC (MT) Holding LLC | Delaware |
| Jensen Construction Management, Inc. | California |
| JER/NHP Management Texas, LLC | Texas |
| JER/NHP Senior Housing, LLC | Delaware |
| JER/NHP Senior Living Acqusition, LLC | Delaware |
| JER/NHP Senior Living Kansas, Inc. | Kansas |
| JER/NHP Senior Living Kansas, LLC | Delaware |
| JER/NHP Senior Living Texas, L.P. | Texas |
| JHL Associates, LLC | South Carolina |
| JJS Properties, Inc. | Delaware |
| JSL Autumn Hills, LLC | Delaware |
| JSL Blossom Grove, LP | Delaware |
| JSL Calco Bay, LP | Delaware |
| JSL Copper Canyon, LLC | Delaware |
| JSL Glen Oaks, LLC | Delaware |
| JSL High Plains, LLC | Delaware |
| JSL Maple Wood, LLC | Delaware |
| JSL North Ridge, LLC | Delaware |
| JSL Prairie Meadows, LLC | Delaware |
| JSL Rock Creek, LLC | Delaware |
| Karrington of Park Ridge L.L.C. | Ohio |
| Kentwood AL RE Limited Partnership | Delaware |
| Kew Gardens Senior Development, LLC | New York |
| Kingsport Nominee LLC | Delaware |
| Kingsport Nominee LP | Delaware |
| Kingston Retirement Group Ltd. | British Columbia |
| Knoxville Nominee LLC | Delaware |
| Knoxville Nominee LP | Delaware |
| KS01 Series B Owner, LLC | Delaware |
| KS02 Series B Owner, LLC | Delaware |
| Lakeside POB 1, LLC | Delaware |
| Lakeside POB 2, LLC | Delaware |
| Lakeview Medical Office Building, LLC | Delaware |
| Lakeview Medical Plaza, LLC | Delaware |
| Lakeview Surgery Center, LLC | Delaware |
| Larkfield Gardens Associates, L.P. | New York |
| LBS Limited Partnership | Wisconsin |
| Lebanon Nominee LLC | Delaware |
| Lebanon Nominee LP | Delaware |
| Lethbridge Retirement Group Ltd. | British Columbia |
| Lewisburg Nominee LLC | Delaware |
| Lewisburg Nominee LP | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| LHP B LP Partner, LLC | Delaware |
| LHP B Trust | Maryland |
| LHP B Trust, LLC | Delaware |
| LHP B Trust, LP | Delaware |
| LHPT Appleton AHI, LLC | Delaware |
| LHPT Appleton MO South, LLC | Delaware |
| LHPT Appleton MO West, LLC | Delaware |
| LHPT Ascension Round Rock GP, LLC | Delaware |
| LHPT Ascension Round Rock LP | Delaware |
| LHPT Birmingham THE, LLC | Delaware |
| LHPT Birmingham, LLC | Delaware |
| LHPT Columbus II THE, LLC | Delaware |
| LHPT Columbus THE, LLC | Delaware |
| LHPT Columbus, LLC | Delaware |
| LHPT DC GP, LLC | Delaware |
| LHPT DC THE, LP | Delaware |
| LHPT Decatur II, LLC | Delaware |
| LHPT Decatur, LLC | Delaware |
| LHPT Holdings II, LLC | Delaware |
| LHPT LilliCal, LLC | Delaware |
| LHPT LP Partners, LLC | Delaware |
| LHPT TCMC Aylward, LLC | Delaware |
| LHPT TCMC Pavilion, LLC | Delaware |
| LHRET 191, LLC | Delaware |
| LHRET Anderson, LLC | Delaware |
| LHRET Ascension Austin II, LP | Delaware |
| LHRET Ascension Austin Partner GP, LLC | Delaware |
| LHRET Ascension Austin Partner II GP, LLC | Delaware |
| LHRET Ascension Austin, L.P. | Delaware |
| LHRET Ascension KC, LLC | Delaware |
| LHRET Ascension Michigan, LLC | Delaware |
| LHRET Ascension SJ, LLC | Delaware |
| LHRET Ascension SV, LLC | Delaware |
| LHRET Ascension SW Michigan, LLC | Delaware |
| LHRET Ascension, LLC | Delaware |
| LHRET CSM, LLC | Delaware |
| LHRET Hershey II, LLC | Delaware |
| LHRET Hershey, L.P. | Delaware |
| LHRET Hershey, LLC | Delaware |
| LHRET Lafayette, LLC | Delaware |
| LHRET LHT, LLC | Delaware |
| LHRET Michigan Land, LLC | Delaware |
| LHRET Michigan THE, LLC | Delaware |
| LHRET Michigan, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| LHRET Partner, LLC | Delaware |
| LHRET Reading I, LLC | Delaware |
| LHRET Reading II, LLC | Delaware |
| LHRET Reading, L.P. | Delaware |
| LHRET Reading, LLC | Delaware |
| LHRET St. Louis THE, LLC | Delaware |
| LHRET St. Louis, LLC | Delaware |
| LHRET Wheat Ridge, LLC | Delaware |
| LHT Beech Grove LLC | Delaware |
| LHT Knoxville II, LLC | Delaware |
| LHT Knoxville Properties, LLC | Delaware |
| LHT North Atlanta, LLC | Delaware |
| LHT Phoenix, LLC | Delaware |
| Libertyville Centre Club, LLC | Delaware |
| Lillibridge Facilities Development, Inc. | Delaware |
| Lillibridge Healthcare Properties Trust | Maryland |
| Lillibridge Healthcare Properties Trust, L.P. | Delaware |
| Lillibridge Healthcare Properties Trust, LLC | Delaware |
| Lillibridge Healthcare Real Estate Trust | Maryland |
| Lillibridge Healthcare Real Estate Trust, L.P. | Delaware |
| Lillibridge Healthcare Services II, Inc. (f/k/a Cogdell Spencer Erdman Management Company) | North Carolina |
| Lillibridge Healthcare Services, Inc. | Illinois |
| LilliCal, LLC | Delaware |
| Lima Nominee LLC | Delaware |
| Lima Nominee LP | Delaware |
| LO Limited Partnership | Wisconsin |
| Loyalsock Nominee LLC | Delaware |
| Loyalsock Nominee LP | Delaware |
| LTMLD Limited Liability Company | Wisconsin |
| MAB Parent LLC | Delaware |
| Madison MOB Investors, LLC | Mississippi |
| Mansfield MOB, LLC | Delaware |
| Marland Place Associates Limited Partnership | Massachusetts |
| Mary Black Westside Medical Park I Limited Partnership | South Carolina |
| McShane/NHP JV, LLC | Delaware |
| Medical Arts Courtyard, LLC | Delaware |
| Medical Investors I, LP | North Carolina |
| Medical Investors III, LP | South Carolina |
| Medical Park Three Limited Partnership | South Carolina |
| Minot Avenue Realty, LLC | Maine |
| Missoula Senior Housing Facility, LLC | Oregon |
| MLD Banning Investment, LLC | California |
| MLD Delaware Trust | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| MLD Financial Capital Corporation | Delaware |
| MLD MOB Indiana, LLC | Delaware |
| MLD Properties II, Inc. | Delaware |
| MLD Properties Limited Partnership | Delaware |
| MLD Properties, Inc. | Delaware |
| MLD Texas Corporation | Texas |
| MLD Wisconsin ALF, Inc. | Delaware |
| MLD Wisconsin SNF, Inc. | Delaware |
| Montreal Retirement Group Ltd. | British Columbia |
| MS Barrington SH, LLC | Delaware |
| MS Bon Air SH, LLC | Delaware |
| MS Carmichael SH, LP | Delaware |
| MS Cascade SH, LLC | Delaware |
| MS Chandler SH, LLC | Delaware |
| MS Cinco Ranch SH, LLC | Delaware |
| MS Fort Worth SH, LLC | Delaware |
| MS Frisco SH, LLC | Delaware |
| MS Holladay SH, LLC | Delaware |
| MS Jackson SH, LLC | Delaware |
| MS Jacksonville SH, LLC | Delaware |
| MS Leawood SH, LLC | Delaware |
| MS Lower Makefield SH, LLC | Delaware |
| MS Old Mendenhall SH, LLC | Delaware |
| MS Overland Park SH, LLC | Delaware |
| MS River Road SH, LLC | Delaware |
| Mulberry Estates Ltd. | British Columbia |
| Mulberry Medical Park Limited Partnership | North Carolina |
| Mustang Holdings, LLC (f/k/a Ventas Mustang Holdings, LLC, f/k/a Ventas Casper Holdings, LLC) | Delaware |
| Nationwide ALF, Inc. | Delaware |
| Nationwide ALF-Pensacola, LLC | Delaware |
| Nationwide Careage San Jose Partnership | California |
| Nationwide Health Properties, LLC | Delaware |
| New Portland Road Realty, LLC | Maine |
| NH Texas Properties Limited Partnership | Texas |
| NHP Bedford G.P., LLC | Texas |
| NHP Brownstown, LLC | Delaware |
| NHP Carillon, LLC | Delaware |
| NHP Centereach, LLC | Delaware |
| NHP GP LLC | Delaware |
| NHP Houston MOB LLC | Delaware |
| NHP IIS Holding, Inc. | Texas |
| NIIP Huntsville MOB LLC | Delaware |
| NIIP Madison, LLC | New York |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| NHP Master RE G.P., LLC | Delaware |
| NHP McClain, LLC | Delaware |
| NHP Operating Partnership L.P. | Delaware |
| NHP SB 399-401 East Highland, LLC | Delaware |
| NHP Secured, Inc. | California |
| NHP SH Alabama, LLC | Delaware |
| NHP SH Florida, LLC | Delaware |
| NHP SH Georgia, LLC | Delaware |
| NHP SH Mississippi, LLC | Delaware |
| NHP SH Oklahoma, LLC | Delaware |
| NHP SH Tennessee, LLC | Delaware |
| NHP Tucson Health Care Associates Limited Partnership | Delaware |
| NHP Veritas FL, LLC | Delaware |
| NHP Villas, Inc. | California |
| NHP Washington ALF, LLC | Delaware |
| NHP WI Denmark, LLC | Delaware |
| NHP WI Franklin, LLC | Delaware |
| NHP WI Green Bay, LLC | Delaware |
| NHP WI Kenosha, LLC | Delaware |
| NHP WI Madison, LLC | Delaware |
| NHP WI Manitowoc, LLC | Delaware |
| NHP WI McFarland, LLC | Delaware |
| NHP WI Menomonee Falls, LLC | Delaware |
| NHP WI Racine, LLC | Delaware |
| NHP WI Rapids, LLC | Delaware |
| NHP WI Sheboygan, LLC | Delaware |
| NHP WI Stevens Point, LLC | Delaware |
| NHP WI Stoughton, LLC | Delaware |
| NHP WI Two Rivers, LLC | Delaware |
| NHP WI Wausau, LLC | Delaware |
| NHP Wisconsin Development LLC | Wisconsin |
| NHP Wisconsin II, LLC | Delaware |
| NHP Wood Ridge LLC | Delaware |
| NHP/Broe II, LLC | Delaware |
| NHP/Broe, LLC | Delaware |
| NHP/McShane SAMC, LLC | Delaware |
| NHP/Nexcore Imo, LLC | Delaware |
| NHP/PMB Burbank Medical Plaza I, LLC | Delaware |
| NHP/PMB Burbank Medical Plaza II, LLC | Delaware |
| NHP/PMB Chula Vista, LLC | Delaware |
| NHP/PMB Del E. Webb Medical Plaza, LLC | Delaware |
| NHP/PMB Eden Medical Plaza, LLC | Delaware |
| NHP/PMB Gilbert LLC | Delaware |
| NHP/PMB GP LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| NHP/PMB Kenneth E. Watts Medical Plaza, LLC | Delaware |
| NHIP/PMB L P. | Delaware |
| NHP/PMB Mission Viejo, LLC | Delaware |
| NHP/PMB Orange, LLC | Delaware |
| NHP/PMB Pasadena LLC | Delaware |
| NHP/PMB Pomerado, LLC | Delaware |
| NHP/PMB Pomona, LLC | Delaware |
| NHP/PMB San Gabriel Valley Medical Plaza, LLC | Delaware |
| NHP/PMB Santa Clarita Valley Medical Plaza, LLC | Delaware |
| NHP/PMB St. Francis Lynwood Medical Plaza, LLC | Delaware |
| NHP/PMB Tuality 7th Avenue Medical Plaza, LLC | Delaware |
| NHP/PMBRES LLC | Delaware |
| NHPCO Wisconsin Lender, LLC | Delaware |
| NHPCO Wisconsin, LLC | Delaware |
| NHP-Cobb Physicians Center, LLC | Delaware |
| NHP-Parkway Physicians Center, LLC | Delaware |
| Niagara Falls Retirement Group Ltd. | British Columbia |
| North Shore MOB #1, LLC | Delaware |
| North Shore MOB #2, LLC | Delaware |
| NV Briargate MOB LLC | Delaware |
| NV Broadway MOB LLC | Delaware |
| NV Gateway MOB LP | Delaware |
| NV GVR MOB LLC | Delaware |
| NV HFH MOB LLC | Delaware |
| NV Knightdale MOB LLC | Delaware |
| NV NB MOB LP | Delaware |
| NV NBHQ LP | Delaware |
| NV Potomac MOB LLC | Delaware |
| NV Printers Park MOB LLC | Delaware |
| NV Solano MOB LP | Delaware |
| NV Vaca Valley MOB LP | Delaware |
| OHT Limited Partnership | Wisconsin |
| Orangeburg Medical Office Building | South Carolina |
| Ottawa Retirement Group Ltd. | British Columbia |
| Parker II MOB Owners LLC | Delaware |
| Parkridge MOB, LLC | South Carolina |
| PDP Castro Valley #2 LLC | Delaware |
| PDP Mission Hills 1 LLC | Delaware |
| Peerless MOB, LLC | Tennessee |
| Peterborough Retirement Group Ltd. | British Columbia |
| PKR Associates LLC | Pennsylvania |
| PMB Real Estate Services LLC | Delaware |
| PMB Vancouver 601 Physicians Pavilion LLC | Delaware |
| PMB Vancouver 602 Admin LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| PMB Vancouver 603 MedCtr Physicians LLC | Delaware |
| PMB Vancouver 604 Memorial MOB LLC | Delaware |
| PMB Vancouver 605 Salmon Creek LLC | Delaware |
| PMB Vancouver 606 Fisher's Landing LLC | Delaware |
| PMB Vancouver 607 Healthy Steps LLC | Delaware |
| PMB/NHP Vancouver Partners LLC | Delaware |
| PMOB, LLC | South Carolina |
| Primrose Chateau Retirement Ltd. | British Columbia |
| Prince George Retirement Group Ltd. | British Columbia |
| Prometheus Fund Alternative Partnership L.P. | Delaware |
| Prometheus Fund Coinvestment Partnership I LP | Delaware |
| Prometheus Fund II Alternative Partnership L.P. | Delaware |
| Prometheus Fund Senior Housing Partners LP | Delaware |
| Prometheus Fund Strategic Realty Investors II L.P. | Delaware |
| Prometheus Funds GP, LLC | Delaware |
| Prometheus Leasehold Parent, LLC | Delaware |
| Prometheus Senior Quarters LLC | Delaware |
| PSLT GP, LLC | Delaware |
| PSLT OP, L.P. | Delaware |
| PSLT-ALS Properties Holdings, LLC | Delaware |
| PSLT-ALS Properties I, LLC | Delaware |
| PSLT-ALS Properties II, LLC | Delaware |
| PSLT-ALS Properties III, LLC | Delaware |
| PSLT-ALS Properties IV, LLC | Delaware |
| PSLT-BLC Properties Holdings, LLC | Delaware |
| Red Deer Retirement Group Ltd. | British Columbia |
| Regina Retirement Group Ltd. | British Columbia |
| Retirement Inns II, LLC | Delaware |
| Retirement Inns III, LLC | Delaware |
| River Hills Medical Associates, LLC | South Carolina |
| River Oaks Partners | Illinois |
| Riverdale Development, LLC | New York |
| RLJ Corp. | Massachusetts |
| Rocky Mount Kidney Center Associates | North Carolina |
| Rocky Mount Medical Park Limited Partnership | North Carolina |
| Roper MOB, LLC | South Carolina |
| Round Lake ACC, LLC | Delaware |
| Rowan OSC Investors, LP | North Carolina |
| RSP, Inc. | Massachusetts |
| Sagamore Hills Nominee LLC | Delaware |
| Sagamore Hills Nominee LP | Delaware |
| Saint John Retirement Group Ltd. | British Columbia |
| Saxonburg Nominee LLC | Delaware |
| Saxonburg Nominee LP | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| SC EC Master Tenant, LLC | Delaware |
| Senior Care, Inc. | Delaware |
| Senior Quarters Operating Corp. | New York |
| Shippensburg Realty Holdings, LLC | Delaware |
| Springs at Clackamas Woods, LLC | Oregon |
| St. Albert Retirement Group Ltd. | British Columbia |
| St. Catharines Retirement Group Ltd. | British Columbia |
| St. Cloud MOB, LLC | Minnesota |
| St. Francis Community MOB, LLC | South Carolina |
| St. Francis Medical Plaza, LLC | South Carolina |
| St. Mary's Investors, LLC | Virginia |
| Steger Retirement Group Ltd. | British Columbia |
| Stratford Development, LLC | New York |
| Stripe II, LLC | Delaware |
| Stripe Sub, LLC | Delaware |
| SW Louisiana Professional Office Building, LLC | Delaware |
| Syracuse MOB SPE, LLC | Delaware |
| Syracuse MOB, LLC | New York |
| SZR Abington AL, L.L.C. | Pennsylvania |
| SZR Acquisitions, LLC | Delaware |
| SZR Arlington, MA Assisted Living, L.L.C. | Virginia |
| SZR Aurora GP Inc. | Ontario, Canada |
| SZR Aurora Inc. | Ontario, Canada |
| SZR Aurora, LP | Ontario, Canada |
| SZR Barrington, LLC | Delaware |
| SZR Bloomfield Senior Living, LLC | Delaware |
| SZR Bloomingdale Assisted Living, L.L.C. | Illinois |
| SZR Blue Bell AL Limited Partnership | Pennsylvania |
| SZR Bon Air, LLC | Delaware |
| SZR Buffalo Grove Assisted Living, L.L.C. | Illinois |
| SZR Burlington Inc. | Ontario, Canada |
| SZR Carmichael, LLC | Delaware |
| SZR Cascade, LLC | Delaware |
| SZR Chandler, LLC | Delaware |
| SZR Cherry Creek Senior Living, LLC | Delaware |
| SZR Cinco Ranch, LLC | Delaware |
| SZR Columbia LLC | Delaware |
| SZR Cuyahoga Falls Senior Living, LLC | Delaware |
| SZR East Cobb Assisted Living Limited Partnership | Georgia |
| SZR Edina Assisted Living, L.L.C. | Minnesota |
| SZR Erin Mills GP Inc. | Ontario, Canada |
| SZR Erin Mills Inc. | Ontario, Canada |
| SZR Erin Mills, LP | Ontario, Canada |
| SZR First Assisted Living Holdings, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| SZR Fleetwood A.L., L.L.C. | New York |
| SZR Fort Worth, LLC | Delaware |
| SZR Frisco, LLC | Delaware |
| SZR Granite Run AL, L.L.C. | Pennsylvania |
| SZR Haverford AL, L.L.C. | Pennsylvania |
| SZR Hillcrest Senior Living, LLC | Delaware |
| SZR Holladay, LLC | Delaware |
| SZR Huntcliff Assisted Living Limited Partnership | Georgia |
| SZR Ivey Ridge Assisted Living Limited Partnership | Georgia |
| SZR Jackson, LLC | Delaware |
| SZR Jacksonville, LLC | Delaware |
| SZR Leawood, LLC | Delaware |
| SZR Lincoln Park LLC | Delaware |
| SZR Lower Makefield, LLC | Delaware |
| SZR Markham Inc. | Ontario, Canada |
| SZR Mission Viejo Assisted Living, L.L.C. | Virginia |
| SZR Mississauga Inc. | Ontario, Canada |
| SZR Morris Plains Assisted Living, L.L.C. | New Jersey |
| SZR New City Senior Living, LLC | Delaware |
| SZR North Ann Arbor Senior Living, LLC | Delaware |
| SZR North Hills LLC | Delaware |
| SZR North York GP Inc. | Ontario, Canada |
| SZR North York Inc. | Ontario, Canada |
| SZR Northville Assisted Living, L.L.C. | Michigan |
| SZR Norwood LLC | Delaware |
| SZR Oakville Inc. | Ontario, Canada |
| SZR of Alexandria Assisted Living, L.P. | Virginia |
| SZR of North York, LP | Ontario, Canada |
| SZR Old Meridian, LLC | Delaware |
| SZR Old Tappan Assisted Living, L.L.C. | New Jersey |
| SZR Orchard AL, L.L.C. | Colorado |
| SZR Overland Park, LLC | Delaware |
| SZR Pacific Palisades Assisted Living, L.P. | California |
| SZR Palos Park, LLC | Virginia |
| SZR Pama Assisted Living, L.L.C. | Virginia |
| SZR Richmond Hill Inc. | Ontario, Canada |
| SZR River Road, LLC | Delaware |
| SZR Riverside Assisted Living, L.P. | California |
| SZR Rochester Assisted Living, LLC | Delaware |
| SZR Rocklin Senior Living, LLC | Delaware |
| <u>SZR Rockville LLC</u> | Delaware |
| SZR San Mateo LLC | Delaware |
| SZR Sandy Senior Living, LLC | Delaware |
| SZR Scottsdale, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| SZR Second Assisted Living Holdings, LLC | Delaware |
| SZR Second Baton Rouge Assisted Living, L.L.C. | Louisiana |
| SZR Second Westminster Assisted Living, L.L.C. | Colorado |
| SZR Smithtown A.L., L.L.C. | New York |
| SZR Springfield Assisted Living, L.L.C. | Virginia |
| SZR Staten Island SL, L.L.C. | New York |
| SZR Sterling Canyon Assisted Living Limited Partnership | California |
| SZR Troy Assisted Living, L.L.C. | Michigan |
| SZR US Investments, LLC | Delaware |
| SZR US UPREIT Three, LLC | Delaware |
| SZR US UPREIT, LLC | Delaware |
| SZR Wall Assisted Living, L.L.C. | New Jersey |
| SZR Wayne Assisted Living, L.L.C. | New Jersey |
| SZR Westfield Assisted Living, L.L.C. | New Jersey |
| SZR Westlake Village LLC | Delaware |
| SZR Willowbrook Annex LLC | Delaware |
| SZR Willowbrook LLC | Delaware |
| SZR Windsor Inc. | Ontario, Canada |
| SZR Yorba Linda LLC | Delaware |
| Tempe AL RE, L.P. | Delaware |
| The Arboretum I Limited Partnership | Wisconsin |
| The Arboretum II Limited Partnership | Wisconsin |
| The Ponds of Pembroke Limited Partnership | Illinois |
| The Terrace at South Meadows, LLC | Delaware |
| THL 191 JV, LLC | Delaware |
| TLQ, Inc. | Massachusetts |
| Tucson AL RE, L.P. | Delaware |
| University Medical Center Tamarac, LLC | Delaware |
| VB Ballwin SH, LLC | Delaware |
| VB Opco Holdings, LLC | Delaware |
| VB Propco Holdings, LLC | Delaware |
| VCC Healthcare Fund, LLC (f/k/a Ventas Healthcare Capital, LLC, f/k/a Ventas Sun LLC) | Delaware |
| Ventas AH Granbury, LLC | Delaware |
| Ventas AH Lewisville, LLC | Delaware |
| Ventas AH Midwest, LLC | Delaware |
| Ventas AH Mustang, LLC | Delaware |
| Ventas AH Norman, LLC | Delaware |
| Ventas AH Reminisce, LLC | Delaware |
| Ventas AH Rockwall, LLC | Delaware |
| Ventas AH Temple, LLC | Delaware |
| Ventas AH Weatherford, LLC | Delaware |
| Ventas Amberleigh, LLC | Delaware |
| Ventas AOC Operating Holdings, Inc. | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| Ventas AOC Operating Holdings, LLC | Delaware |
| Ventas Arlington, LLC | Delaware |
| Ventas Bayshore Medical, LLC | Delaware |
| Ventas Bear Canyon, LLC | Delaware |
| Ventas Birch Heights, LLC | Delaware |
| Ventas Bishop Place, LLC | Delaware |
| Ventas Bonaventure, LP | Delaware |
| Ventas Broadway MOB, LLC | Delaware |
| Ventas CA GP Holdings I, LLC | Delaware |
| Ventas Caley Ridge Holding, LLC | Delaware |
| Ventas Caley Ridge, LLC | Delaware |
| Ventas Canada Finance Limited (f/k/a 3280986 Nova Scotia Limited) | Nova Scotia |
| Ventas Canada Retirement I GP ULC (f/k/a Holiday Canada Retirement I GP ULC) | Nova Scotia |
| Ventas Canada Retirement I LP (f/k/a Holiday Canada Retirement I LP) | Ontario |
| Ventas Canada Retirement II GP ULC (f/k/a Holiday Canada Retirement II GP ULC) | Nova Scotia |
| Ventas Canada Retirement II LP (f/k/a Holiday Canada Retirement II LP) | Ontario |
| Ventas Canada Retirement III GP ULC (f/k/a Holiday Canada Retirement III GP ULC) | Nova Scotia |
| Ventas Canada Retirement III LP (f/k/a Holiday Canada Retirement III LP) | Ontario |
| Ventas Capital Corporation | Delaware |
| Ventas Carlisle, LLC | Delaware |
| Ventas Carroll MOB, LLC | Delaware |
| Ventas Cascade Valley, LLC | Delaware |
| Ventas Center MOB, LLC | Delaware |
| Ventas Copperfield Estates, LLC | Delaware |
| Ventas Crown Pointe, LLC | Delaware |
| Ventas CS, LLC (f/k/a TH Merger Company, LLC) | Delaware |
| Ventas CW Finance, LLC | Delaware |
| Ventas Dasco MOB Holdings, LLC | Delaware |
| Ventas Devonshire (Lenox), LLC | Delaware |
| Ventas Eagle Lake, LP | Delaware |
| Ventas East Lansing, LLC | Delaware |
| Ventas Edgewood, LLC (f/k/a Ventas Paradise Valley, LLC) | Delaware |
| Ventas EH Holdings, LLC (f/k/a Ventas Cal Sun LLC) | Delaware |
| Ventas Euro Finance, LLC | Delaware |
| Ventas Fairwood, LLC | Delaware |
| Ventas Finance Holdings I, LLC | Delaware |
| Ventas Flagstone, LLC | Delaware |
| Ventas Forest Pines, LLC | Delaware |
| Ventas Framingham, LLC | Delaware |
| Ventas Garden Square of Casper, LLC | Delaware |
| Ventas Georgetowne, LLC | Delaware |
| Ventas Grantor Trust #1 | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| Ventas Grantor Trust #2 | Delaware |
| Ventas Harrison, LLC | Delaware |
| Ventas Hartland Hills, LLC (f/k/a Ventas Millcreek, LLC) | Delaware |
| Ventas Healthcare Properties, Inc. | Delaware |
| Ventas Healthcare Realty, LLC | Delaware |
| Ventas Highland Estates, LLC | Delaware |
| Ventas Highland Trail, LLC | Delaware |
| Ventas HOL Holdings, LLC | Delaware |
| Ventas JCM Holdings, Inc. | Delaware |
| Ventas JSL Holdings, LLC | Delaware |
| Ventas JSL Property Holdings, LLC | Delaware |
| Ventas Kittery Estates, LLC | Delaware |
| Ventas Lafayette, LLC | Delaware |
| Ventas Lakewood Estates, LLC | Delaware |
| Ventas Las Palmas, LLC | Delaware |
| Ventas LHRET, LLC | Delaware |
| Ventas LP Realty, L.L.C. | Delaware |
| Ventas LS MD, LLC | Delaware |
| Ventas Luxembourg I S.à.r.l. | Luxembourg |
| Ventas Luxembourg II S.à.r.l. | Luxembourg |
| Ventas Mansion at Waterford, LLC | Delaware |
| Ventas McLoughlin, LLC | Delaware |
| Ventas Meadowbrook Place, LLC | Delaware |
| Ventas Meadows Elk Grove, LP | Delaware |
| Ventas Mezz Finance Leesburg, LLC | Delaware |
| Ventas Mezz Lender, LLC | Delaware |
| Ventas MO Holdings, LLC | Delaware |
| Ventas MOB Holdings II, LLC | Delaware |
| Ventas MOB Holdings, LLC | Delaware |
| Ventas MS Holdings, LLC | Delaware |
| Ventas MS, LLC | Delaware |
| Ventas Trinity Finance, LP (f/k/a Ventas BKD Finance, LLC, f/k/a Ventas Mustang Finance, LLC) | Delaware |
| Ventas Naples, LLC | Delaware |
| Ventas Nexcore Holdings, LLC | Delaware |
| Ventas NSG Finance, LLC | Delaware |
| Ventas NV GP LLC | Delaware |
| Ventas Oak Terrace, LP | Delaware |
| Ventas of Blackpool Limited | Jersey |
| Ventas of Farnham Limited | Jersey |
| Ventas of Hull Limited | Jersey |
| Ventas of Vancouver Limited | Jersey |
| Ventas Ontario OC, LLC | Delaware |
| Ventas Palms, LP | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| Ventas Paradise Springs, LLC | Delaware |
| Ventas Pheasant Ridge, LLC | Delaware |
| Ventas Plano, LLC | Delaware |
| Ventas Plaza MOB, LLC | Delaware |
| Ventas Polo Park, LLC | Delaware |
| Ventas Provident, LLC | Delaware |
| Ventas Raleigh, LLC | Delaware |
| Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. (f/k/a American Realty Capital Healthcare Trust Operating Partnership, L.P.) | Delaware |
| Ventas Realty Capital Healthcare Trust Sub REIT, LLC (f/k/a American Realty Capital Healthcare Trust Sub REIT, LLC) | Delaware |
| Ventas Realty, Limited Partnership | Delaware |
| Ventas Redwood, LP | Delaware |
| Ventas REIT US Holdings, LLC | Delaware |
| Ventas Rose Arbor, LLC | Delaware |
| Ventas Santa Barbara, LLC | Delaware |
| Ventas Senior Housing, LLC | Delaware |
| Ventas SH Holdings I, LLC | Delaware |
| Ventas Shasta Estates, LP | Delaware |
| Ventas Sierra Ridge, LP | Delaware |
| Ventas Skyline Place, LP | Delaware |
| Ventas SL Holdings II, LLC | Delaware |
| Ventas SL I, LLC | Delaware |
| Ventas SL II, LLC | Delaware |
| Ventas SL III, LLC | Delaware |
| Ventas Springs Holdings, LLC | Delaware |
| Ventas Springs JV, LLC | Delaware |
| Ventas SSL Beacon Hill, Inc. | Ontario, Canada |
| Ventas SSL Holdings, Inc. | Delaware |
| Ventas SSL Holdings, LLC | Delaware |
| Ventas SSL Lynn Valley, Inc. | Ontario, Canada |
| Ventas SSL Ontario II, Inc. | Ontario, Canada |
| Ventas SSL Ontario III, Inc. | Ontario, Canada |
| Ventas SSL Vancouver, Inc. | Ontario, Canada |
| Ventas SSL, Inc. | Delaware |
| Ventas Sugar Valley (f/k/a Ventas Tucson, LLC) | Delaware |
| Ventas Tanasbourne, LLC | Delaware |
| Ventas TRS, LLC | Delaware |
| Ventas UK I, LLC | Delaware |
| Ventas UK II, LLC | Delaware |
| Ventas UK Finance, Inc. | Delaware |
| Ventas University MOB, LLC | Delaware |
| Ventas Valencia, LP | Delaware |
| Ventas Ventures, LLC | Delaware |
| Ventas West Shores, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---|--|
| Ventas Western Holdings, LLC (f/k/a Ventas Cottonbloom Holdings, LLC) | Delaware |
| Ventas Whispering Chase, LLC (f/k/a Ventas Peoria, LLC) | Delaware |
| Ventas White Bear, LLC | Delaware |
| Ventas White Oaks, LLC | Delaware |
| Ventas Whitehall Estates, LLC | Delaware |
| Ventas Willow Gardens, LLC | Delaware |
| Ventas Willow Grove, LP | Delaware |
| Ventas Woods at Canco, LLC | Delaware |
| Ventas, Inc. | Delaware |
| Verdugo Management, LLC | California |
| Verdugo MOB, LP | California |
| Vernon Hills ACC, LLC | Delaware |
| VG Aventura MOB, LLC | Delaware |
| Victoria Court Realty, LLC | Maine |
| Victorian Retirement Group II Ltd. | British Columbia |
| Victorian Retirement Group III Ltd. | British Columbia |
| Victorian Retirement Group Ltd. | British Columbia |
| VSCRE Holdings, LLC | Delaware |
| VTCC Carroll MOB, LLC | Delaware |
| VTR Alpharetta, LLC | Delaware |
| VTR AMS, Inc. (f/k/a Ardent Medical Services, Inc.) | Delaware |
| VTR Applewood, LLC | Delaware |
| VTR Arboretum, LLC | Delaware |
| VTR Ardsley, LLC | Delaware |
| VTR Assisted Living Virginia Beach, LLC | Delaware |
| VTR Assisted Living, Inc. | Delaware |
| VTR Austell, LLC | Delaware |
| VTR Autumn Hills, LLC | Delaware |
| VTR Avista MOB, LLC | Delaware |
| VTR Bailey MC, LLC | Delaware |
| VTR Ballwin, LLC | Delaware |
| VTR Baptist SA, LLC | Delaware |
| VTR Barret Avenue MOB, LLC | Delaware |
| VTR Barrington POB Holdings, LLC | Delaware |
| VTR Baypoint Village, LLC | Delaware |
| VTR Bayshore, LLC | Delaware |
| VTR Bay Spring, LLC | Delaware |
| VTR Bethlehem, LLC | Delaware |
| VTR Blossom Grove, LP | Delaware |
| VTR Briarcliff Manor, LLC | Delaware |
| VTR Buckhead, LLC | Georgia |
| VTR Burlingame, LP | California |
| VTR CA GP II, LLC | Delaware |
| VTR CAGP, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|-------------------------------------|--|
| VTR Caleo Bay, LP | Delaware |
| VTR Campana Del Rio, LLC | Delaware |
| VTR Canyon Springs, LLC | Delaware |
| VTR Carmichael Oaks Land, LLC | Delaware |
| VTR Carmichael Oaks, LP | Delaware |
| VTR Center City, LLC | Delaware |
| VTR Chandler Villas, LP | California |
| VTR Chicago 93rd Street POB, LLC | Delaware |
| VTR Chico Assisted Living, LP | Delaware |
| VTR CO GP, LLC | Delaware |
| VTR Cobre Valley MOB, LLC | Delaware |
| VTR Copper Canyon, LLC | Delaware |
| VTR Countrywood, LP | Delaware |
| VTR Covell, LLC | California |
| VTR Covell, LP | Delaware |
| VTR Crossgate, LLC | Delaware |
| VTR Crown Point (Parker) MOB, LLC | Delaware |
| VTR Cutter Mill, LLC | Delaware |
| VTR CW GP, LLC | Delaware |
| VTR Daly City, LP | California |
| VTR Darien, LLC | Delaware |
| VTR Deer Valley MOB II, LLC | Delaware |
| VTR Deer Valley MOB III, LLC | Delaware |
| VTR Deer Valley Parking, LLC | Delaware |
| VTR Delmar Place, LLC | Delaware |
| VTR Desert Samaritan, LLC | Delaware |
| VTR DOB III MOB, LLC | Delaware |
| VTR Downers Grove POB Holdings, LLC | Delaware |
| VTR Durham GP, LLC | Delaware |
| VTR Durham, LP | Delaware |
| VTR Eberle MOB, LLC | Delaware |
| VTR Edwards MOB, LLC | Delaware |
| VTR Elizabethtown, LLC | Delaware |
| VTR Evergreen Woods, LLC | Delaware |
| VTR Falmouth, LLC | Delaware |
| VTR FM Texas Holdings GP, LLC | Delaware |
| VTR Forest Hills, LLC | Delaware |
| VTR Forest Lake, LLC | Delaware |
| VTR Forest Trace, LLC | Delaware |
| VTR FV, LLC | Delaware |
| VTR Garden Park GP, LLC | Delaware |
| VTR Garden Park, LP | Delaware |
| VTR Glen Cove, LLC | Delaware |
| VTR Glen Oaks, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---------------------------------------|--|
| VTR Golden Creek, Inc. | Delaware |
| VTR Grand Oaks GP, LLC | Delaware |
| VTR Grand Oaks, LP | Delaware |
| VTR Great Neck, LLC | Delaware |
| VTR Greece, LLC | Delaware |
| VTR Green Valley Assisted Living, LLC | Delaware |
| VTR Hancock GP Holdings, LLC | Delaware |
| VTR Hancock MOB, LP | Delaware |
| VTR Hazel Crest, LLC | Delaware |
| VTR Heart Hospital Bondco, LLC | Delaware |
| VTR Heart Hospital, LLC | Delaware |
| VTR Hearthstone East, LLC | Delaware |
| VTR Hearthstone West, LLC | Delaware |
| VTR Heritage LF, LLC | Delaware |
| VTR Hertlin House, LLC | Delaware |
| VTR Highland Crossing, LLC | Kentucky |
| VTR High Plains, LLC | Delaware |
| VTR Hillcrest Claremore, LLC | Delaware |
| VTR Hillcrest HS Tulsa, LLC | Delaware |
| VTR Hillcrest Inn GP, LLC | Delaware |
| VTR Hillcrest Inn, LP | Delaware |
| VTR Hillcrest MC Tulsa, LLC | Delaware |
| VTR Hillsdale, LLC | Delaware |
| VTR Hillsdale, LP | Delaware |
| VTR Hudson, LLC | Delaware |
| VTR Huntington, LLC | Delaware |
| VTR II Acquisition LLC | Delaware |
| VTR III Acquisition LLC | Delaware |
| VTR Jefferson Clinic MOB, LLC | Delaware |
| VTR Johnson Ferry, LLC | Delaware |
| VTR JSL GP, LLC | Delaware |
| VTR JSL GP II, LLC | Delaware |
| VTR Jupiter, LLC | Delaware |
| VTR Kennebunk, LLC | Delaware |
| VTR Kew Gardens LLC | New York |
| VTR Kinghaven, LLC | Delaware |
| VTR Lake Havasu Assisted Living, LLC | Delaware |
| VTR Lakewood, LLC | Delaware |
| VTR Lancaster Assisted Living, LP | Delaware |
| VTR Las Posas, LP | California |
| VTR Longmeadow Place, LLC | Delaware |
| VTR Lovelace MC & Rehab, LLC | Delaware |
| VTR Lovelace Roswell Bondco, LLC | Delaware |
| VTR Lovelace Roswell | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| VTR Lovelace Westside, LLC | Delaware |
| VTR Lovelace WH Bondco, LLC | Delaware |
| VTR Lovelace WH, LLC | Delaware |
| VTR Lynbrook, LLC | Delaware |
| VTR Manresa, LLC | Delaware |
| VTR Manresa Business Trust | Maryland |
| VTR Maple Wood, LLC | Delaware |
| VTR Marland Place II, LLC | Delaware |
| VTR Marland Place III, LLC | Delaware |
| VTR Marland Place, LLC | Delaware |
| VTR Marysville Assisted Living, LP | Delaware |
| VTR Merrywood, LLC | Delaware |
| VTR Mezz Guarantee LLC | Delaware |
| VTR Mezz II, LLC | Delaware |
| VTR Mezz III, LLC | Delaware |
| VTR Mezz LLC | Delaware |
| VTR Montego Heights, LP | California |
| VTR Nevada Assisted Living, Inc. | Nevada |
| VTR Newburgh, LLC | Delaware |
| VTR Northeast Holdings, LLC | Delaware |
| VTR Northport Development, LLC | New York |
| VTR North Ridge, LLC | Delaware |
| VTR Oak Knoll Land, LLC | Delaware |
| VTR Oak Knoll, LP | Delaware |
| VTR Oak Lawn POB, LLC | Delaware |
| VTR OCE Indy, LLC | Delaware |
| VTR Oroville Assisted Living, LP | Delaware |
| VTR Palm Desert, LLC | Delaware |
| VTR Palm Desert, LP | Delaware |
| VTR Papago Medical Park, LLC | Delaware |
| VTR Penfield, LLC | Delaware |
| VTR Phoenix, LLC | Delaware |
| VTR Plainview, LLC | Delaware |
| VTR Plano, LLC | Delaware |
| VTR Pointe Rehab, LLC | Delaware |
| VTR Prairie Meadows, LLC | Delaware |
| VTR Property Holdings Carrollton GP, LLC | Delaware |
| VTR Property Holdings Carrollton, LP | Texas |
| VTR Property Holdings Copeland, LLC | Delaware |
| VTR Property Holdings Cypresswood, LLC | Delaware |
| VTR Property Holdings Grapevine, LP | Texas |
| VTR Property Holdings Richardson, LLC | Delaware |
| VTR Property Holdings Westchase GP, LLC | Delaware |
| VTR Property Holdings Westchase, LP | Texas |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| VTR Quail Ridge, LP | Delaware |
| VTR Raleigh GP, LLC | Delaware |
| VTR Raleigh, LLC | Delaware |
| VTR Raleigh, LP | Delaware |
| VTR Rancho Springs GP Holdings, LLC | Delaware |
| VTR Rancho Springs MOB, LP | Delaware |
| VTR Regency, LLC | Delaware |
| VTR Retirement and Assisted Living Briarcliff, LLC | Delaware |
| VTR Richland Hills, LLC | Delaware |
| VTR Riverdale LLC | New York |
| VTR Rock Creek, LLC | Delaware |
| VTR Roslyn, LLC | Delaware |
| VTR Rye Brook, LLC | Delaware |
| VTR Salisbury Business Trust | Maryland |
| VTR Salisbury, LLC | Delaware |
| VTR San Francisco MOB, LLC | Delaware |
| VTR Sandy, LLC | Delaware |
| VTR Scottsdale, LLC | Delaware |
| VTR Seaside, LLC | Delaware |
| VTR Senior Living LLC | Delaware |
| VTR Shaker, LLC | Delaware |
| VTR Sierra Vista Assisted Living, LLC | Delaware |
| VTR South Ogden, LLC | Delaware |
| VTR Springdale, LLC | Delaware |
| VTR SQ Holdings Corp. | Delaware |
| VTR SQ Interim Corp. | Delaware |
| VTR SQ, LLC | Delaware |
| VTR St. Matthews, LLC | Delaware |
| VTR Stamford, LLC | Delaware |
| VTR Stony Brook, LLC | Delaware |
| VTR Stratford, LLC | Connecticut |
| VTR Summit Hills, LLC | Delaware |
| VTR Sunlake, LLC | Delaware |
| VTR Sunnyvale, LP | California |
| VTR Sutton Terrace, LLC | Delaware |
| VTR Swap II, LLC | Delaware |
| VTR Swap LLC | Delaware |
| VTR Tanglewood LLC | Delaware |
| VTR Tarzana GP, LLC | Delaware |
| VTR Tarzana, LLC | Delaware |
| VTR Tarzana, LP | Delaware |
| VTR Temecula GP, LLC | Delaware |
| VTR Temecula Land, LLC | Delaware |
| VTR Temecula, LP | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--|--|
| VTR Texas Holdings GP II, LLC | Delaware |
| VTR Texas Holdings GP, LLC | Delaware |
| VTR Texas Holdings II, LP | Texas |
| VTR Texas Holdings, LP | Texas |
| VTR Thunderbird Pasco Medical Plaza, LLC | Delaware |
| VTR Tinton Falls Corp. | New Jersey |
| VTR Tucker, LLC | Delaware |
| VTR Valley Manor, LLC | Delaware |
| VTR Valley View, LP | California |
| VTR Villa Campana II, LLC | Delaware |
| VTR Visalia Assisted Living, LP | Delaware |
| VTR Vistas Longmont, LLC | Delaware |
| VTR Willow Glen, LP | Delaware |
| VTR Windsor Woods, LLC | Delaware |
| VTR Woodbridge Place, LLC | Delaware |
| VTRAZ Manager, LLC | Delaware |
| VTR-EMRTS Holdings, LLC | Delaware |
| VTRLTH MAB I, LLC | Delaware |
| VTRLTH MAB II, LLC | Delaware |
| West Medical Office I, LP | South Carolina |
| West Tennessee Investors, LLC | Tennessee |
| WG 86th Street SH, LLC | Delaware |
| WG Alden Place, LLC | Delaware |
| WG Alpharetta, LLC | Delaware |
| WG Applewood SH, LLC | Delaware |
| WG Aquidneck Place SH, LLC | Delaware |
| WG Arboretum, LLC | Delaware |
| WG Austell, LLC | Delaware |
| WG Bay Spring SH, LLC | Delaware |
| WG Baypoint Village SH, LLC | Delaware |
| WG Bayshore SH, LLC | Delaware |
| WG Bayside Landing SH, LP | Delaware |
| WG Bethlehem SH, LLC | Delaware |
| WG Briarcliff Manor SH, LLC | Delaware |
| WG Buckhead SH, LLC | Delaware |
| WG Burlingame SH, LP | Delaware |
| WG Campana Del Rio SH, LLC | Delaware |
| WG Carmichael Oaks, LP | Delaware |
| WG Carrollton SH, LLC | Delaware |
| WG Center City SH, LLC | Delaware |
| WG Chandler Villas SH, LLC | Delaware |
| WG Chateau Gardens SH, LP | Delaware |
| WG Chateau San Juan SH, LP | Delaware |
| WG CO GP, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|--------------------------------|--|
| WG Collwood Knolls SH, LP | Delaware |
| WG Copeland SH, LLC | Delaware |
| WG Countrywood, LP | Delaware |
| WG Covell SH, LP | Delaware |
| WG Covina SH, LP | Delaware |
| WG Cranford SH, LLC | Delaware |
| WG Crossgate SH, LLC | Delaware |
| WG Crossroads Place, LLC | Delaware |
| WG Cutter Mill SH, LLC | Delaware |
| WG CW GP, LLC | Delaware |
| WG Cypresswood SH, LLC | Delaware |
| WG Daly City SH, LP | Delaware |
| WG Darien SH, LLC | Delaware |
| WG Del Rey SH, LP | Delaware |
| WG Del Sol SH, LP | Delaware |
| WG Delmar Place, LLC | Delaware |
| WG Draper Place, LLC | Delaware |
| WG Durham, LP | Delaware |
| WG East Northport SH, LLC | Delaware |
| WG Eastlake SH, LLC | Delaware |
| WG El Camino Gardens SH, LP | Delaware |
| WG Elizabethtown SH, LLC | Delaware |
| WG Encinitas SH, LP | Delaware |
| WG Evergreen Woods SH, LLC | Delaware |
| WG Falmouth SH II, LLC | Delaware |
| WG Falmouth SH, LLC | Delaware |
| WG Forest Hills SH, LLC | Delaware |
| WG Forest Lake SH, LLC | Delaware |
| WG Garden Park, LP | Delaware |
| WG Glen Cove SH, LLC | Delaware |
| WG GO GP, LLC | Delaware |
| WG Golden Creek SH, LP | Delaware |
| WG Grand Oaks, LP | Delaware |
| WG Grapevine SH, LLC | Delaware |
| WG Great Neck SH, LLC | Delaware |
| WG Greece SH, LLC | Delaware |
| WG Greenridge Place, LLC | Delaware |
| WG Guilderland SH, LLC | Delaware |
| WG Hacienda SH, LP | Delaware |
| WG Hamilton Heights Place, LLC | Delaware |
| WG Harborhill Place SH, LLC | Delaware |
| WG Hearthstone East SH, LLC | Delaware |
| WG Hearthstone West SH, LLC | Delaware |
| WG Heritage LF, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|------------------------------|--|
| WG Hertlin House, LLC | Delaware |
| WG Highland Crossing SH, LLC | Delaware |
| WG Hillcrest Inn SH, LP | Delaware |
| WG Hillsdale SH, LP | Delaware |
| WG Hudson SH, LLC | Delaware |
| WG Huntington SH, LLC | Delaware |
| WG Johnson Ferry SH, LLC | Delaware |
| WG Jupiter, LLC | Delaware |
| WG Kennebunk SH, LLC | Delaware |
| WG Kew Gardens SH, LLC | Delaware |
| WG Kinghaven SH, LLC | Delaware |
| WG Kingwood SH, LLC | Delaware |
| WG Lakewood SH, LLC | Delaware |
| WG Larson Place, LLC | Delaware |
| WG Las Posas SH, LP | Delaware |
| WG Lincoln Place SH, LLC | Delaware |
| WG Longmeadow Place SH, LLC | Delaware |
| WG Lynbrook SH, LLC | Delaware |
| WG Manresa SH, LLC | Delaware |
| WG Marina Place, LLC | Delaware |
| WG Marland Place SH, LLC | Delaware |
| WG Merrimack Place, LLC | Delaware |
| WG Merrywood SH, LLC | Delaware |
| WG Montego Heights SH, LP | Delaware |
| WG Newburgh SH, LLC | Delaware |
| WG Oak Knoll, LP | Delaware |
| WG Palm Desert, Inc. | California |
| WG Penfield SH, LLC | Delaware |
| WG Plainview SH, LLC | Delaware |
| WG Plano, LLC | Delaware |
| WG Quail Ridge, LP | Delaware |
| WG Raleigh, LP | Delaware |
| WG Rancho Park SH, LP | Delaware |
| WG Regency SH, LLC | Delaware |
| WG Richardson SH, LLC | Delaware |
| WG Richland Hills, LLC | Delaware |
| WG Riverdale SH, LLC | Delaware |
| WG Roslyn, LLC | Delaware |
| WG Rye Brook SH, LLC | Delaware |
| WG Salisbury SH, LLC | Delaware |
| WG San Pablo SH, LLC | Delaware |
| WG Sandy SH, LLC | Delaware |
| WG Scottsdale, LLC | Delaware |
| WG Seville SH, LLC | Delaware |

| <u>Entity Name</u> | <u>Jurisdiction of Organization or Formation</u> |
|---------------------------------|--|
| WG Shaker SH, LLC | Delaware |
| WG South Hills SH, LLC | Delaware |
| WG South Setauket SH, LLC | Delaware |
| WG Springdale SH, LLC | Delaware |
| WG St. Matthews SH, LLC | Delaware |
| WG Stamford SH, LLC | Delaware |
| WG Stony Brook SH, LLC | Delaware |
| WG Stratford SH, LLC | Delaware |
| WG Sugar Land SH, LLC | Delaware |
| WG Summit Hills SH, LLC | Delaware |
| WG Summit Ridge SH, LLC | Delaware |
| WG Sunlake SH, LLC | Delaware |
| WG Sunnyvale SH, LP | Delaware |
| WG Sutton Terrace SH, LLC | Delaware |
| WG Tamalpais Creek SH, LP | Delaware |
| WG Tanglewood SH, LLC | Delaware |
| WG Tarzana, LP | Delaware |
| WG Temecula, LP | Delaware |
| WG Tinton Falls SH, LLC | Delaware |
| WG Tucker, LLC | Delaware |
| WG Valley View SH, LP | Delaware |
| WG Villa Campana, LLC | Delaware |
| WG Virginia Beach SH, LLC | Delaware |
| WG Vistas Longmont, LLC | Delaware |
| WG Westchase SH, LLC | Delaware |
| WG Weston Place SH, LLC | Delaware |
| WG Willow Glen SH, LP | Delaware |
| WG Willow Park SH, LLC | Delaware |
| WG Windsor Woods SH, LLC | Delaware |
| WG Woodbridge Place SH, LLC | Delaware |
| WG Woodlands SH, LLC | Delaware |
| Whitby Retirement Group II Ltd. | British Columbia |
| Whitby Retirement Group Ltd. | British Columbia |
| Woodbriar Senior Living, LLC | Delaware |
| Woodlake Realty, LLC | Delaware |
| WWMLD Limited Liability Company | Wisconsin |
| Xenia Nominee LLC | Delaware |
| Xenia Nominee LP | Delaware |

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Ventas, Inc.:

We consent to the incorporation by reference in

- the Registration Statement (Form S-4 No. 333-198789) pertaining to shares of Ventas, Inc. common stock issued in connection with the merger with American Realty Capital Healthcare Trust, Inc.;
- the Registration Statements (Form S-3 No. 333-200781, 333-209016 and 333-209017) pertaining to the common stock of Ventas, Inc.;
- the Registration Statement (Form S-3 No. 333-202586) pertaining to common stock, preferred stock, depository shares, warrants, debt securities and guarantees of debt securities of Ventas, Inc. and debt securities and guarantees of debt securities of Ventas Realty, Limited Partnership;
- the Registration Statement (Form S-8 No. 333-183121) pertaining to the Ventas, Inc. 2012 Incentive Plan;
- the Registration Statement (Form S-8 No. 333-173434) pertaining to the Nationwide Health Properties, Inc. 2005 Performance Incentive Plan, as Amended;
- the Registration Statement (Form S-8 No. 333-136175) pertaining to the Ventas, Inc. 2006 Incentive Plan and Ventas, Inc. 2006 Stock Plan for Directors;
- the Registration Statement (Form S-8 No. 333-126639) pertaining to the Ventas Employee and Director Stock Purchase Plan;
- the Registration Statement (Form S-8 No. 333-118944) pertaining to the Ventas Executive Deferred Stock Compensation Plan and Ventas Nonemployee Director Deferred Stock Compensation Plan;
- the Registration Statement (Form S-8 No. 333-107951) pertaining to the Ventas, Inc. 2000 Stock Option Plan for Directors;
- the Registration Statement (Form S-8 No. 333-97251) pertaining to the Ventas, Inc. 2000 Incentive Compensation Plan; and
- the Registration Statement (Form S-8 No. 333-61552) pertaining to the Ventas, Inc. Common Stock Purchase Plan for Directors,

and in the related Prospectuses of Ventas, Inc. of our reports dated February 12, 2016, with respect to the consolidated balance sheets of Ventas, Inc. as of December 31, 2015 and 2014, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2015, and the financial statement schedules II, III and IV for the three-year period ended December 31, 2015, and the effectiveness of internal control over financial reporting as of December 31, 2015, which reports appear in this December 31, 2015 annual report on Form 10-K of Ventas, Inc. Our report refers to a change in the method of accounting for discontinued operations.

/s/ KPMG LLP

Chicago, Illinois
February 12, 2016

I, Debra A. Cafaro, certify that:

1. I have reviewed this Annual Report on Form 10-K 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: February 12, 2016

/s/ Debra A. Cafaro

Debra A. Cafaro
Chairman and Chief Executive Officer

I, Robert F. Probst, certify that:

1. I have reviewed this Annual Report on Form 10-K 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: February 12, 2016

/s/ Robert F. Probst

Robert F. Probst
Executive Vice President and Chief Financial Officer

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 Annual Report on Form 10-K of Ventas, Inc. (the "Company") for the year ended December 31, 2015, 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: February 12, 2016

/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.

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 Annual Report on Form 10-K of Ventas, Inc. (the "Company") for the year ended December 31, 2015, 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: February 12, 2016

/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.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

ARHC BCCHIL01, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☒ the Applicant

OR

2. ☐ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. ☐ a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party:

10350 Ormsby Park Place

Suite 300

Louisville, KY 40223

C. Telephone: 972-248-9100 Fax: 972-931-8966 Email: mwitt@ventrasreit.com

D. Name of contact person: Mary Witt

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Alley vacation for Advocate Beverly Center located at 9831 S. Western Avenue, Chicago, Illinois

G. Which City agency or department is requesting this EDS? CDOT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |
-

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☒ Yes ☐ No ☐ N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

| Name | Title |
|--|------------------------------|
| Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. | Sole Member |
| Christian Cummings | President |
| Nicholas W. Jacoby | Vice President |
| John D. Cobb | Vice President |
| Michael A. Smith | Chief Financial Officer |
| Brian K. Wood | Vice President and Treasurer |
| Dana J. Baker | Secretary |

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

| Name | Business Address | Percentage Interest in the Disclosing Party |
|--|--|---|
| Ventas Realty Capital Healthcare Trust Operating Partnership, L.P. | 10350 Ormsby Park Place Suite 300 Louisville, KY 40223 | 100% |
| | | |
| | | |
| | | |

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes ☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

| Name (indicate whether retained or anticipated to be retained) | Business Address | Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) | Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response. |
|--|---|--|--|
| DLA Piper LLP (US) | 203 N. LaSalle Street Ste. 1900 Chicago, IL 60601 | Attorney | \$1,000 (est) |

(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

☐ Yes ☒ No ☐ No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

☐ Yes ☐ No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☐ is ☒ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes

☒ No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

☐ Yes

☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name

Business Address

Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

 x 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☐ Yes ☐ No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes ☐ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

☐ Yes ☐ No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes ☐ No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.


F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

ARHC BCCHIL01, LLC
(Print or type name of Disclosing Party)

By: 
(Sign here)

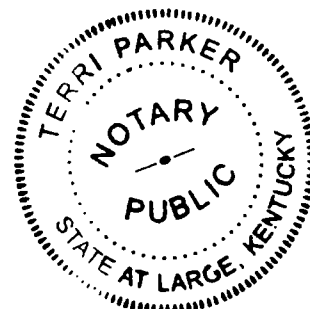
Brian H. Wood
(Print or type name of person signing)

Vice President & Treasurer
(Print or type title of person signing)

Signed and sworn to before me on (date) May 21, 2015,
at Jefferson County, Kentucky (state).

 Notary Public.

Commission expires: STATE AT LARGE, KENTUCKY
COMM. # 479606
MY COMMISSION EXPIRES JANUARY 6, 2017



**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

☐ Yes

☒ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to Municipal Code Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☒ No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☒ No

☐ Not Applicable

3. If yes to (1) or (2) above, please identify below the name of the person or legal entity identified as a building code scofflaw or problem landlord and the address of the building or buildings to which the pertinent code violations apply.

FILLING OUT THIS APPENDIX B CONSTITUTES ACKNOWLEDGMENT AND AGREEMENT THAT THIS APPENDIX B IS INCORPORATED BY REFERENCE INTO, AND MADE A PART OF, THE ASSOCIATED EDS, AND THAT THE REPRESENTATIONS MADE IN THIS APPENDIX B ARE SUBJECT TO THE CERTIFICATION MADE UNDER PENALTY OF PERJURY ON PAGE 12 OF THE ASSOCIATED EDS.

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

alley vacation for Advocate Beverly Center located at

This recertification is being submitted in connection with 9831 S. Western Avenue, Chicago, Illinois [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

ARHC BCCHIL01, LLC

(Print or type legal name of Disclosing Party)

Date: 2/7/2017

By:

Brian K. Wood
(sign here)

Print or type name of signatory:

Brian K. Wood

Title of signatory:

Vice President & Treasurer

Signed and sworn to before me on [date] February 7, 2017, by Brian K. Wood, at Jefferson County, Kentucky [state].

Theresa M. Smith Notary Public.

Commission expires: 8/13/19

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Ventas Realty Capital Healthcare Trust Operating Partnership, L.P.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☐ the Applicant
OR

2. ☒ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: ARHC BCCHIL01, LLC
OR

3. ☐ a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10350 Ormsby Park Place
Suite 300
Louisville, KY 40223

C. Telephone: 972-248-9100 Fax: 972-931-8966 Email: mwitt@ventrasreit.com

D. Name of contact person: Mary Witt

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Alley vacation for Advocate Beverly Center located at 9831 S. Western Avenue, Chicago, Illinois

G. Which City agency or department is requesting this EDS? CDOT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|--|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input checked="" type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |
-

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☒ No ☐ N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name

Title

Stripe Sub, LLC

General Partner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

| Name | Business Address | Percentage Interest in the Disclosing Party |
|-----------------|--|---|
| Stripe Sub, LLC | 10350 Ormsby Park Place Suite 300 Louisville, KY 40223 | 96.252306% |
| | | |
| | | |
| | | |

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes ☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

| Name (indicate whether retained or anticipated to be retained) | Business Address | Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) | Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response. |
|--|------------------|--|--|
|--|------------------|--|--|

(Add sheets if necessary)

☒ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

☐ Yes ☒ No ☐ No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

☐ Yes ☐ No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☐ is ☒ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes

☒ No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

☐ Yes

☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

| Name | Business Address | Nature of Interest |
|------|------------------|--------------------|
| | | |
| | | |
| | | |

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

 x 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☐ Yes

☐ No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes

☐ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

☐ Yes

☐ No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes

☐ No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

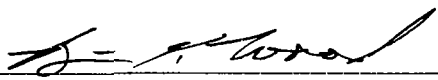
NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Ventas Realty Capital Healthcare Trust Operating Partnership, L.P.,
By: Stripe Sub, LLC, its General Partner

(Print or type name of Disclosing Party)

By: 
(Sign here)

Brian K. Wood
(Print or type name of person signing)

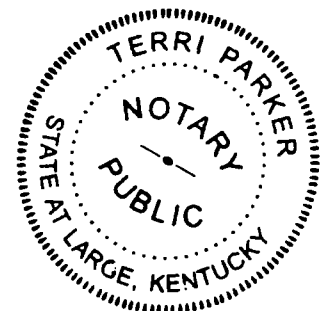
Vice President & Treasurer
(Print or type title of person signing)

Signed and sworn to before me on (date) May 21, 2015,
at Jefferson County, Kentucky (state).
Terri Parker Notary Public.

Commission expires:

| |
|---------------------------------------|
| TERRI PARKER |
| NOTARY PUBLIC |
| STATE AT LARGE, KENTUCKY |
| COMM. # 479606 |
| MY COMMISSION EXPIRES JANUARY 6, 2017 |

 Page 12 of 13



**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

☐ Yes

☒ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to Municipal Code Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☒ No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☒ No

☐ Not Applicable

3. If yes to (1) or (2) above, please identify below the name of the person or legal entity identified as a building code scofflaw or problem landlord and the address of the building or buildings to which the pertinent code violations apply.

FILLING OUT THIS APPENDIX B CONSTITUTES ACKNOWLEDGMENT AND AGREEMENT THAT THIS APPENDIX B IS INCORPORATED BY REFERENCE INTO, AND MADE A PART OF, THE ASSOCIATED EDS, AND THAT THE REPRESENTATIONS MADE IN THIS APPENDIX B ARE SUBJECT TO THE CERTIFICATION MADE UNDER PENALTY OF PERJURY ON PAGE 12 OF THE ASSOCIATED EDS.

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

alley vacation for Advocate Beverly Center located at

This recertification is being submitted in connection with 9831 S. Western Avenue, Chicago, Illinois [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

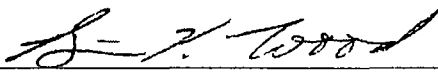
Ventas Realty Capital Healthcare Trust Operating Partnership, L.P.,

By: Stripe Sub, LLC, its General Partner

Date: 2/7/2017

(Print or type legal name of Disclosing Party)

By:


(sign here)

Print or type name of signatory:

Brian K. Wood

Title of signatory:

Vice President & Treasurer

Signed and sworn to before me on [date] February 7, 2017, by Brian K. Wood, at Jefferson County, Kentucky [state].

Theresa M. Smith Notary Public.

Commission expires: 8/13/19

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Stripe Sub, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☐ the Applicant

OR

2. ☒ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: ARHC BCCHIL01, LLC

OR

3. ☐ a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10350 Ormsby Park Place

Suite 300

Louisville, KY 40223

C. Telephone: 972-248-9100 Fax: 972-931-8966 Email: mwitt@ventrasreit.com

D. Name of contact person: Mary Witt

E. Federal Employer Identification No. (if you have one) _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Alley vacation for Advocate Beverly Center located at 9831 S. Western Avenue, Chicago, Illinois

G. Which City agency or department is requesting this EDS? CDOT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |
-

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☒ No ☐ N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

| Name | Title |
|---------------------------|-------------------------------------|
| <u>Ventas, Inc.</u> | <u>Managing Member</u> |
| <u>Christian Cummings</u> | <u>President</u> |
| <u>Nicholas W. Jacoby</u> | <u>Vice President</u> |
| <u>John D. Cobb</u> | <u>Vice President</u> |
| <u>Michael A. Smith</u> | <u>Chief Financial Officer</u> |
| <u>Brian K. Wood</u> | <u>Vice President and Treasurer</u> |
| <u>Dana J. Baker</u> | <u>Secretary</u> |

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

| Name | Business Address | Percentage Interest in the Disclosing Party |
|--------------|-------------------------|---|
| Ventas, Inc. | 10350 Ormsby Park Place | 100% |
| | Suite 300 | |
| | Louisville, KY 40223 | |
| | | |
| | | |
| | | |

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes ☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

| Name (indicate whether retained or anticipated to be retained) | Business Address | Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) | Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response. |
|--|------------------|--|--|
|--|------------------|--|--|

(Add sheets if necessary)

☒ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

☐ Yes ☒ No ☐ No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

☐ Yes ☐ No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☐ is ☒ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes ☒ No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

☐ Yes ☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

| Name | Business Address | Nature of Interest |
|------|------------------|--------------------|
| | | |
| | | |
| | | |

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

 x 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☐ Yes

☐ No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes

☐ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

☐ Yes

☐ No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes

☐ No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

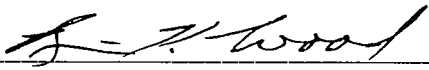
F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

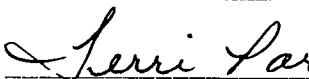
Stripe Sub, LLC
(Print or type name of Disclosing Party)

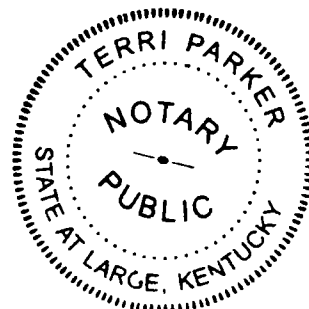
By: 
(Sign here)

Brian K. Wood
(Print or type name of person signing)

Vice President & Treasurer
(Print or type title of person signing)

Signed and sworn to before me on (date) May 21, 2015,
at Jefferson County, Kentucky (state).

 **TERRI PARKER** Notary Public.
NOTARY PUBLIC
STATE AT LARGE, KENTUCKY
COMM. # 479606
MY COMMISSION EXPIRES JANUARY 6, 2017
Commission expires:



**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

☐ Yes

☒ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to Municipal Code Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☒ No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☒ No

☐ Not Applicable

3. If yes to (1) or (2) above, please identify below the name of the person or legal entity identified as a building code scofflaw or problem landlord and the address of the building or buildings to which the pertinent code violations apply.

FILLING OUT THIS APPENDIX B CONSTITUTES ACKNOWLEDGMENT AND AGREEMENT THAT THIS APPENDIX B IS INCORPORATED BY REFERENCE INTO, AND MADE A PART OF, THE ASSOCIATED EDS, AND THAT THE REPRESENTATIONS MADE IN THIS APPENDIX B ARE SUBJECT TO THE CERTIFICATION MADE UNDER PENALTY OF PERJURY ON PAGE 12 OF THE ASSOCIATED EDS.

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

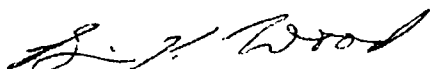
alley vacation for Advocate Beverly Center located at

This recertification is being submitted in connection with 9831 S. Western Avenue, Chicago, Illinois [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

Stripe Sub, LLC
(Print or type legal name of Disclosing Party)

Date: 2/7/2017

By:


(sign here)

Print or type name of signatory:

Brian K. Wood

Title of signatory:

Vice President & Treasurer

Signed and sworn to before me on [date] February 7, 2017, by
Brian K. Wood, at Jefferson County, Kentucky [state].

Theresa M. Smith Notary Public.

Commission expires: 8/13/19

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Ventas, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☐ the Applicant
OR

2. ☒ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: ARHC BCCHIL01, LLC
OR

3. ☐ a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10350 Ormsby Park Place
Suite 300
Louisville, KY 40223

C. Telephone: 972-248-9100 Fax: 972-931-8966 Email: mwitt@ventrasreit.com

D. Name of contact person: Mary Witt

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Alley vacation for Advocate Beverly Center located at 9831 S. Western Avenue, Chicago, Illinois

G. Which City agency or department is requesting this EDS? CDOT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|--|--|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company |
| <input checked="" type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |
-

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☒ Yes ☐ No ☐ N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name

Title

See attached list

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

| Name | Title | Title Role |
|------------------------|---|------------|
| Lewis, Raymond J. | President | Officer |
| Barnes, Melody C. | Director | Director |
| Cafaro, Debra | Director | Director |
| Crocker, Douglas II | Director | Director |
| Geary, Ronald G. | Director | Director |
| Gellert, Jay M. | Director | Director |
| Gilchrist, Richard I. | Director | Director |
| Lustig, Matthew J. | Director | Director |
| Pasquale, Douglas M. | Director | Director |
| Reed, Robert D. | Director | Director |
| Rufrano, Glenn J. | Director | Director |
| Shelton, James D. | Director | Director |
| Bathija, Manisha | Senior Investment Officer | Officer |
| Benson, Kristen M. | Senior Vice President, Associate General Counsel and Corporate Secretary | Officer |
| Boitano, Dave M. | Senior Investment Officer | Officer |
| Cafaro, Debra | Chief Executive Officer | Officer |
| Chilton, Clay | Vice President, Internal Audit | Officer |
| Cobb, John | Executive Vice President, Chief Investment Officer | Officer |
| Cummings, Christian N. | Vice President, Asset Management | Officer |
| Doman, Timothy A. | Senior Vice President and Chief Portfolio Officer | Officer |
| Germain, Wilkinson | Senior Investment Officer | Officer |
| Hart, John | Senior Vice President & Chief Information Officer | Officer |
| Hiebeler, Carrie | Vice President, Strategic & Alternative Investments | Officer |
| Jacoby, Nicholas W. | Vice President, Asset Management, Government Reimbursement/NNN | Officer |
| Johnson, Douglas | Vice President, Construction & Development | Officer |
| Kayden, Philip J. | Senior Investment Officer | Officer |
| Lambert, Joseph D. | Senior Vice President and Associate General Counsel | Officer |
| Liebke, Greg | Vice President, Accounting | Officer |
| Lillibridge, Todd W. | Executive Vice President, Medical Property Operations | Officer |
| Liu, Dave | Investment Officer | Officer |
| Miller, Jackie E. | Vice President, Tax Planning | Officer |
| Probst, Robert F. | Executive Vice President, Chief Financial Officer and Acting Chief Accounting Officer | Officer |
| Riney, T. Richard | Executive Vice President, Chief Administrative Officer and General Counsel | Officer |

| | | |
|------------------|--|---------|
| Robinson, Julie | Vice President, Acquisitions | Officer |
| Seltz, Shane T. | Senior Investment Officer | Officer |
| Smith, Michael A | Vice President | Officer |
| Sohanaki, Randy | Vice President, IT Applications | Officer |
| Wittman, Lori | Senior Vice President, Capital Markets and Investor Relations | Officer |
| Wood, Brian K. | Senior Vice President and Chief Tax Officer | Officer |

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

| Name | Business Address | Percentage Interest in the Disclosing Party |
|-----------------------------------|------------------|---|
| Publicly traded. None exceed 7.5% | | |
| <hr/> | | |
| <hr/> | | |
| <hr/> | | |

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes ☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

| Name (indicate whether retained or anticipated to be retained) | Business Address | Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) | Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response. |
|--|------------------|--|--|
|--|------------------|--|--|

(Add sheets if necessary)

☒ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

☐ Yes ☒ No ☐ No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

☐ Yes ☐ No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☐ is ☒ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes

☒ No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

☐ Yes

☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

| Name | Business Address | Nature of Interest |
|------|------------------|--------------------|
| | | |
| | | |
| | | |

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

 X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☐ Yes

☐ No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes

☐ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

☐ Yes

☐ No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes

☐ No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Ventas, Inc.

(Print or type name of Disclosing Party)

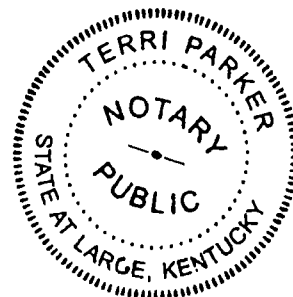
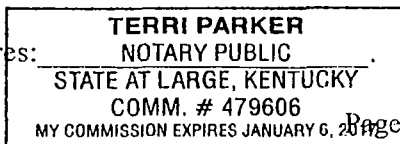
By: *Brian H. Wood*
(Sign here)

Brian H. Wood
(Print or type name of person signing)

Senior Vice President & Chief Tax Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) May 21, 2015,
at Jefferson County, Kentucky (state).
Terri Parker Notary Public.

Commission expires:



*Disclosing Party is not the applicant nor has direct ownership interest in the Applicant exceeding 7.5 percent.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

☐ Yes

☐ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

*Disclosing Party is not the applicant nor
has direct ownership interest in the Applicant
exceeding 7.5 percent.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to Municipal Code Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☐ No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to Section 2-92-416 of the Municipal Code?

☐ Yes

☐ No

☐ Not Applicable

3. If yes to (1) or (2) above, please identify below the name of the person or legal entity identified as a building code scofflaw or problem landlord and the address of the building or buildings to which the pertinent code violations apply.

**FILLING OUT THIS APPENDIX B CONSTITUTES ACKNOWLEDGMENT
AND AGREEMENT THAT THIS APPENDIX B IS INCORPORATED BY
REFERENCE INTO, AND MADE A PART OF, THE ASSOCIATED EDS,
AND THAT THE REPRESENTATIONS MADE IN THIS APPENDIX B ARE
SUBJECT TO THE CERTIFICATION MADE UNDER PENALTY OF
PERJURY ON PAGE 12 OF THE ASSOCIATED EDS.**

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

alley vacation for Advocate Beverly Center located at

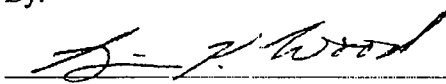
This recertification is being submitted in connection with 9831 S. Western Avenue, Chicago, Illinois [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

Ventas, Inc.

(Print or type legal name of Disclosing Party)

Date: 2/7/2017

By:


(sign here)

Print or type name of signatory:

Brian K. Wood

Title of signatory:

Senior Vice President & Chief Tax Officer

Signed and sworn to before me on [date] February 7, 2017, by Brian K. Wood, at Jefferson County, Kentucky [state].

Theresa M. Smith Notary Public.

Commission expires: 8/13/19

THERESA M. SMITH
NOTARY PUBLIC
Kentucky, State At Large
I.D. # 539853
My Commission Expires 8/13/2019