

VENTAS INC  
Form 10-Q  
July 26, 2013

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2013

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)  
60654  
(Zip Code)  
(877) 483-6827  
(Registrant's Telephone Number, Including Area Code)

61-1055020  
(I.R.S. Employer  
Identification No.)

Not Applicable

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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 of 1934 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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Non-accelerated filer ☐

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class of Common Stock:

Outstanding at July 24, 2013:

Common Stock, \$0.25 par value

293,228,456

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## PART I—FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## VENTAS, INC.

## CONSOLIDATED BALANCE SHEETS

(In thousands, except per share amounts)

	June 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Assets		
Real estate investments:		
Land and improvements	\$1,783,664	\$1,772,417
Buildings and improvements	17,238,843	16,920,821
Construction in progress	99,947	70,665
Acquired lease intangibles	990,548	981,704
	20,113,002	19,745,607
Accumulated depreciation and amortization	(2,977,154)	(2,634,075)
Net real estate property	17,135,848	17,111,532
Secured loans receivable and investments, net	470,441	635,002
Investments in unconsolidated entities	93,155	95,409
Net real estate investments	17,699,444	17,841,943
Cash and cash equivalents	62,421	67,908
Escrow deposits and restricted cash	94,492	105,913
Deferred financing costs, net	50,821	42,551
Other assets	889,404	921,685
Total assets	\$18,796,582	\$18,980,000
Liabilities and equity		
Liabilities:		
Senior notes payable and other debt	\$8,420,073	\$8,413,646
Accrued interest	50,860	47,565
Accounts payable and other liabilities	887,314	995,156
Deferred income taxes	247,591	259,715
Total liabilities	9,605,838	9,716,082
Redeemable OP unitholder and noncontrolling interests	184,217	174,555
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, 296,940 and 295,565 shares issued at June 30, 2013 and December 31, 2012, respectively	74,248	73,904
Capital in excess of par value	9,996,095	9,920,962
Accumulated other comprehensive income	19,752	23,354
Retained earnings (deficit)	(943,384)	(777,927)
Treasury stock, 3,698 and 3,699 shares at June 30, 2013 and December 31, 2012, respectively	(221,129)	(221,165)
Total Ventas stockholders' equity	8,925,582	9,019,128
Noncontrolling interest	80,945	70,235
Total equity	9,006,527	9,089,363
Total liabilities and equity	\$18,796,582	\$18,980,000

See accompanying notes.

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VENTAS, INC.  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)  
(In thousands, except per share amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2013	2012	2013	2012
Revenues:				
Rental income:				
Triple-net leased	\$214,239	\$204,561	\$427,760	\$407,798
Medical office buildings	110,946	89,110	222,092	153,075
	325,185	293,671	649,852	560,873
Resident fees and services	341,594	303,437	680,764	588,630
Medical office building and other services revenue	3,537	6,639	7,185	12,247
Income from loans and investments	14,733	8,152	30,836	16,188
Interest and other income	797	65	1,835	