

VENTAS INC
Form 10-Q
July 27, 2015
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, 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)
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.

Large accelerated filer Accelerated filer Non-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 22, 2015:

Common Stock, \$0.25 par value

332,502,301

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

VENTAS, INC.

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except per share amounts)

	June 30, 2015	December 31, 2014
Assets		
Real estate investments:		
Land and improvements	\$2,288,356	\$1,956,128
Buildings and improvements	22,051,067	19,895,043
Construction in progress	145,873	120,123
Acquired lease intangibles	1,308,052	1,039,651
	25,793,348	23,010,945
Accumulated depreciation and amortization	(4,428,252) (4,025,386
Net real estate property	21,365,096	18,985,559
Secured loans receivable and investments, net	789,408	829,756
Investments in unconsolidated entities	85,461	91,872
Net real estate investments	22,239,965	19,907,187
Cash and cash equivalents	60,532	55,348
Escrow deposits and restricted cash	193,960	71,771
Deferred financing costs, net	68,284	60,328
Other assets	1,712,421	1,131,537
Total assets	\$24,275,162	\$21,226,171
Liabilities and equity		
Liabilities:		
Senior notes payable and other debt	\$11,507,861	\$10,888,092
Accrued interest	77,631	62,097
Accounts payable and other liabilities	1,026,359	1,005,232
Deferred income taxes	370,161	344,337
Total liabilities	12,982,012	12,299,758
Redeemable OP unitholder and noncontrolling interests	199,404	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, 331,965 and 298,478 shares issued at June 30, 2015 and December 31, 2014, respectively	82,982	74,656
Capital in excess of par value	12,708,898	10,119,306
Accumulated other comprehensive income	10,180	13,121
Retained earnings (deficit)	(1,772,529) (1,526,388
Treasury stock, 28 and 7 shares at June 30, 2015 and December 31, 2014, respectively	(2,048) (511
Total Ventas stockholders' equity	11,027,483	8,680,184
Noncontrolling interest	66,263	74,213
Total equity	11,093,746	8,754,397
Total liabilities and equity	\$24,275,162	\$21,226,171
See accompanying notes.		

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,	
	2015	2014	2015	2014
Revenues:				
Rental income:				
Triple-net leased	\$260,562	\$242,726	\$526,768	\$480,572
Medical office buildings	140,403	114,890	277,393	230,113
	400,965	357,616	804,161	710,685
Resident fees and services	454,645	374,473	901,559	745,534
Medical office building and other services revenue	9,408	4,367	19,951	10,667
Income from loans and investments	26,068	14,625	48,967	25,392
Interest and other income	236	173	708	446
Total revenues	891,322	751,254	1,775,346	1,492,724
Expenses:				