



Ventas Life Science and Healthcare Real Estate Fund Acquires Trophy Life Science Portfolio in South San Francisco for \$1.0 Billion

October 15, 2020

Ventas Sponsored Fund Grows Assets Under Management to \$1.8 Billion and Nearly Two Million Square Feet

CHICAGO--(BUSINESS WIRE)--Oct. 15, 2020-- Ventas, Inc. (NYSE: VTR) ("Ventas" or the "Company") today announced that the Ventas Life Science and Healthcare Real Estate Fund, L.P. (the "Fund") has acquired a trophy life science portfolio in the premier South San Francisco life science cluster for \$1.0 billion. Ventas is the Sponsor and General Partner of the Fund, which is a perpetual life vehicle focused on investments in core and core plus life science, medical office and senior housing real estate in North America.

"We are pleased to further expand our growing research & innovation footprint into the premier South San Francisco life science cluster with the acquisition of this outstanding lab portfolio," said Debra A. Cafaro, Ventas Chairman and Chief Executive Officer. "Strong and growing capital flows into the life science sector are accelerating innovation and discovery. These flows support the demand for first class lab space in dynamic markets like South San Francisco. Ventas now owns or has an investment in over seven million square feet of research & innovation properties located in the life science clusters of Cambridge, South San Francisco, and on the campuses of over 15 top tier research universities."

"The Ventas Life Science and Healthcare Real Estate Fund has raised more than \$1 billion of equity, with continued capacity to grow, and more than doubled its assets under management to \$1.8 billion. The growth of the Fund is a testament to the tremendous market opportunity across the healthcare sectors of life science, medical office and senior housing real estate," added Cafaro. "Our stakeholders continue to benefit from Ventas's capabilities, strategic reach and team."

Portfolio & South San Francisco ("SSF") Market Overview

- The Class A trophy portfolio is strategically positioned at the entrance to the South San Francisco life science cluster.
- The portfolio consists of a campus of three newly developed or renovated buildings totaling nearly 800,000 square feet. It is 96 percent leased with a weighted average lease term of over six years.
- Nearly half of the tenant base consists of public companies averaging over \$10 billion in market cap with the balance comprised of a diverse group of early to-mid stage life science companies backed by leading venture capital and private equity firms.
- The portfolio is purpose-built for advanced research functions, and is predominantly dedicated to best-in-class lab space supporting biotechnology and other life sciences research. Tenant suites feature a modular benching system designed to meet the needs of substantially all life sciences companies, promoting efficient and cost-effective re-tenanting.
- The campus is well-positioned for continued strong occupancy due to its vibrant community environment which facilitates research and employee engagement, as well as an unparalleled location in a market known for its rich talent and new company formations.
- The SSF market consistently ranks as one of the elite life science clusters in the world with less than two percent lab vacancy, unparalleled access to a large concentration of life science firms, an extensive venture capital network and world-class talent pool sourced from three major research universities.

Valuation & Capital Structure

- The purchase price for the portfolio represents approximately a five percent capitalization rate on forward cash net operating income ("NOI"). The average escalator for the portfolio exceeds three percent. The seller is an affiliate of the partnership from which Ventas acquired 1030 Massachusetts Avenue, in Cambridge, Massachusetts in 2019.
- The portfolio was acquired principally by the Fund with a co-investment vehicle. Ventas has a 21 percent interest in the acquired portfolio.
- The acquisition was financed with over \$400 million of attractive property level debt.
- The transaction is expected to be neutral to Ventas's 2020 Normalized Funds from Operations and credit profile.

Ventas's Research & Innovation Business

Ventas now owns or has investments in a research & innovation portfolio:

- Containing 7.3 million square feet and spanning 39 operating properties.
- Including a presence in the top two life science clusters, SSF and Cambridge.
- Residing on the campuses of over 15 top tier research universities, including University of Pennsylvania, Yale University, Washington University in St Louis, Duke University and Brown University, collectively ranking in the top 5 percent of all NIH funding and conducting over 10 percent of all university life science research and development in the nation.
- Expanding with four new properties, consisting of 1.5 million additional square feet, currently under development with three

leading research institutions, the University of Pittsburgh, Arizona State University and Drexel University.

About Ventas

Ventas, Inc. (together with its subsidiaries, unless otherwise expressly noted), an S&P 500 company, is a real estate investment trust with a highly diversified portfolio of senior housing, life science, and healthcare properties located throughout the United States, Canada and the United Kingdom. As of June 30, 2020, Ventas owned or managed through unconsolidated joint ventures approximately 1,200 properties (including properties classified as held for sale), consisting of senior housing communities, medical office buildings, life science centers, inpatient rehabilitation and long-term acute care facilities, and health systems. Through its Lillibridge subsidiary, Ventas provides management, leasing, marketing, facility development and advisory services to highly rated hospitals and health systems throughout the United States. More information about Ventas and Lillibridge can be found at www.ventasreit.com and www.lillibridge.com.

About Ventas Life Science and Healthcare Real Estate Fund, L.P

Ventas Life Science and Healthcare Real Estate Fund, L.P. (the "Fund") is a perpetual life vehicle focused on investments in core and core plus life science, medical office and senior housing real estate in North America. As of October 15, 2020, the Fund has \$1.8 billion in assets under management (nearly two million square feet). Ventas is the Fund Sponsor and General Partner in the Fund.

The Company routinely announces material information to investors and the marketplace using press releases, Securities and Exchange Commission ("SEC") filings, public conference calls, webcasts and the Company's website at www.ventasreit.com/investor-relations. The information that the Company posts to its website may be deemed to be material. Accordingly, the Company encourages investors and others interested in the Company to routinely monitor and review the information that the Company posts on its website, in addition to following the Company's press releases, SEC filings and public conference calls and webcasts. Supplemental information regarding the Company can be found on the Company's website under the "Investor Relations" section or at www.ventasreit.com/investor-relations/annual-reports---supplemental-information. A comprehensive listing of the Company's properties is available at www.ventasreit.com/our-portfolio/properties-by-stateprovince.

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements regarding the Company's or its tenants', operators', borrowers' or managers' expected future financial condition, results of operations, cash flows, funds from operations, dividends and dividend plans, financing opportunities and plans, capital markets transactions, business strategy, budgets, projected costs, operating metrics, capital expenditures, competitive positions, acquisitions, investment opportunities, dispositions, merger or acquisition integration, growth opportunities, expected lease income, continued qualification as a real estate investment trust ("REIT"), plans and objectives of management for future operations and statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will" and other similar expressions are forward-looking statements. These forward-looking statements are inherently uncertain, and actual results may differ from the Company's expectations. The Company does not undertake a duty to update these forward-looking statements, which speak only as of the date on which they are made.

The Company's actual future results and trends may differ materially from expectations depending on a variety of factors discussed in the Company's filings with the SEC. These factors include without limitation: (a) the effects of the ongoing COVID-19 pandemic and measures intended to prevent its spread on the Company's business, results of operations, cash flows and financial condition, including declines in revenues and increases in operating costs in the Company's senior housing operating portfolio, deterioration in the financial conditions of the Company's tenants and their ability to satisfy their payment obligations to the Company, constraints in the Company's ability to access capital and other sources of funding; increased risk of claims, litigation and regulatory proceedings and uncertainty that may adversely affect the Company; and the ability of federal, state and local governments to respond to and manage the COVID-19 pandemic successfully; (b) the ability and willingness of the Company's tenants, operators, borrowers, managers and other third parties to satisfy their obligations under their respective contractual arrangements with the Company, including, in some cases, their obligations to indemnify, defend and hold harmless the Company from and against various claims, litigation and liabilities; (c) the ability of the Company's tenants, operators, borrowers and managers to maintain the financial strength and liquidity necessary to satisfy their respective obligations and liabilities to third parties, including without limitation obligations under their existing credit facilities and other indebtedness; (d) the Company's success in implementing its business strategy and the Company's ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments; (e) macroeconomic conditions such as a disruption of or lack of access to the capital markets, changes in the debt rating on U.S. government securities, default or delay in payment by the United States of its obligations, and changes in the federal or state budgets resulting in the reduction or nonpayment of Medicare or Medicaid reimbursement rates; (f) the nature and extent of future competition, including new construction in the markets in which the Company's senior housing communities and office buildings are located; (g) the extent and effect of future or pending healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates; (h) increases in the Company's borrowing costs as a result of changes in interest rates and other factors, including the potential phasing out of the London Inter-bank Offered Rate after 2021; (i) the ability of the Company's tenants, operators and managers, as applicable, to comply with laws, rules and regulations in the operation of the Company's properties, to deliver high-quality services, to attract and retain qualified personnel and to attract residents and patients; (j) changes in general economic conditions or economic conditions in the markets in which the Company may, from time to time, compete, and the effect of those changes on the Company's revenues, earnings and funding sources; (k) the Company's ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (l) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; (m) final determination of the Company's taxable net income for the year ended December 31, 2019 and for the year ending December 31, 2020; (n) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases, the Company's ability to reposition its properties on the same or better terms in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations, including indemnification obligations, the Company may incur in connection with the replacement of an existing tenant; (o) risks associated with the Company's senior living operating portfolio, such as factors that can cause volatility in the Company's operating income and earnings generated by those properties, including without limitation national and regional economic conditions, costs of food, materials, energy, labor and services, employee benefit costs, insurance costs and professional and general liability claims, and the timely delivery of accurate property-level financial results for those properties; (p) changes in exchange rates for any foreign currency in which the Company may, from time to time, conduct business; (q) year-over-year changes in the Consumer Price Index or the UK Retail Price Index and the effect of those changes on the rent escalators contained in the Company's leases and the Company's earnings; (r) the Company's ability and the ability of its tenants, operators, borrowers and managers to obtain and maintain adequate property, liability and other insurance from reputable, financially stable providers; (s) the impact of damage to the Company's properties from catastrophic weather and other natural events and the physical effects of climate change; (t) the impact of increased operating costs and uninsured professional liability claims on the Company's liquidity, financial condition and results of operations or that of the Company's tenants, operators, borrowers and managers, and the ability of the

Company and the Company's tenants, operators, borrowers and managers to accurately estimate the magnitude of those claims; (u) risks associated with the Company's office building portfolio and operations, including the Company's ability to successfully design, develop and manage office buildings and to retain key personnel; (v) the ability of the hospitals on or near whose campuses the Company's medical office buildings are located and their affiliated health systems to remain competitive and financially viable and to attract physicians and physician groups; (w) risks associated with the Company's investments in joint ventures and unconsolidated entities, including its lack of sole decision-making authority and its reliance on its joint venture partners' financial condition; (x) the Company's ability to obtain the financial results expected from its development and redevelopment projects; (y) the impact of market or issuer events on the liquidity or value of the Company's investments in marketable securities; (z) consolidation activity in the senior housing and healthcare industries resulting in a change of control of, or a competitor's investment in, one or more of the Company's tenants, operators, borrowers or managers or significant changes in the senior management of the Company's tenants, operators, borrowers or managers; (aa) the impact of litigation or any financial, accounting, legal or regulatory issues that may affect the Company or its tenants, operators, borrowers or managers; and (bb) changes in accounting principles, or their application or interpretation, and the Company's ability to make estimates and the assumptions underlying the estimates, which could have an effect on the Company's earnings.

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