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■ History

- ◆ 1998 Ventas Reorganization
 - Spin-off of Vencor

■ Real Estate Investment Trust

- ◆ Geographically Diverse Portfolio Located in 36 States
 - 216 Skilled Nursing Facilities (28,000 Beds)
 - 45 Hospitals (4,000 Beds)
 - 8 Personal Care Facilities
- ◆ 100% Owned Assets - No Mortgages
- ◆ Leased on Long-Term Triple Net Basis
- ◆ New Supply Constrained

■ **2000-2001 Events**

- ◆ Vencor Reorganization
 - Reorganization Plan Approved March 1
 - Vencor Effective Date
- ◆ Government Settlement
 - Release for Medicare Billing Issues
 - Dismissal of all Whistleblower Actions
 - Extraordinary Result - Broad Release
- ◆ Debt Restructuring
 - Long-Term Credit Facility in Place
 - No Asset Sales or Dilutive Transactions
 - Paid Down \$122 Million

■ Ventas Financial Summary

◆ 2000 Results

(\$'s In Millions)	2000
Net Rental Revenue	\$ 184.5
Interest Income	<u>9.5</u>
Total Net Revenue	<u>\$ 194.0</u>
EBITDA	\$ 173.1
Funds from Operations ("FFO")	\$ 76.5
FFO per Diluted Share	\$ 1.12

■ Ventas Financial Summary

- ◆ Annual Rent
 - \$180.7 Million - May 1, 2001-April 30, 2002
 - 3.5% Escalator Per Year

	(\$'s In Millions)	FFO Growth
Date	Rent	Per Share
April 30, 2002	\$6.3	\$0.09
April 30, 2003	\$6.5	\$0.09
April 30, 2004	\$6.8	\$0.10

- ◆ Other Income
 - Rent
 - Interest

■ Ventas Financial Summary

- ◆ G&A and Professional Fees - \$21 Million in 2000
- ◆ Ventas Debt
 - Fixed Obligations - \$852 Million of Long-Term Debt - March 31, 2001
 - » LIBOR Spreads (275-425); LIBOR Fixed at 6%

Ventas Debt				
March 31, 2001				
(\$ Millions)				
	<u>Maturity</u>	<u>Balance</u>	<u>Rate</u>	<u>Interest</u>
Tranche A	12/31/02	\$ 98,000	8.75%	\$ 8,575
Tranche B	12/31/05	280,000	9.75%	27,300
Tranche C	12/31/07	474,000	10.25%	48,585
Annual Deferred Fees				2,500
Total		<u>\$ 852,000</u>	10.21%	<u>\$ 86,960</u>

- Government Settlement - \$104 Million
 - \$34 Million Up-Front - \$70 Million over 5 Years - 6% Interest
 - \$16 Million Annual Cash Obligation

■ Key Features

- ◆ Upside for Ventas Shareholders
 - Re-set Right - 2006
 - Unilateral Right to Reset Lease to "Market"
 - Vencor Equity - 9.99%
 - Highly speculative valuation
 - Vencor Bankruptcy Filing Places \$439 Million Value on Total Vencor Equity

■ Key Features

◆ Property Level Fundamentals

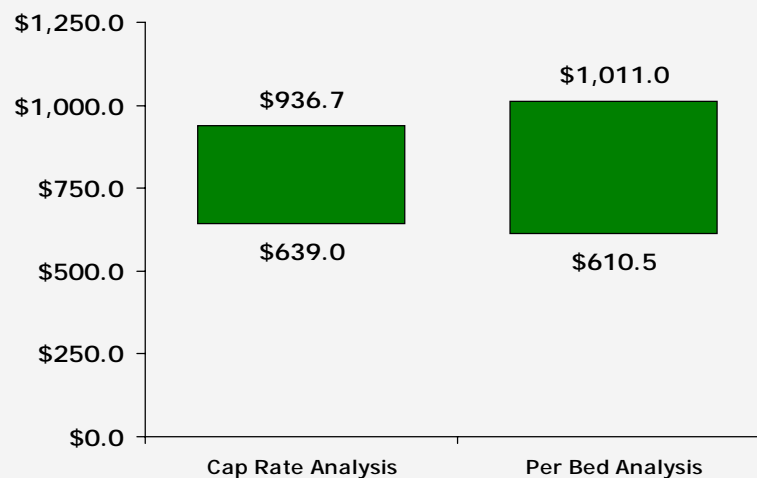
Facility Level Coverage			
	EBITDARM/Rent	(1)	EBITDAR/Rent
			(1)
SNFs	1.88	x	1.50
Hospitals	2.28	x	1.88
Blended	2.03	x	1.64

(1) Based on 9 month 2000 actual results annualized and 2001 rent levels.

- Each property is in this range of coverage

■ Key Features

- ◆ Net Asset Value (\$'s In Millions)



- Net Asset Value (per share)
 - Cap Rate \$9.33 - \$13.67
 - Per Bed \$8.90 - \$14.75

■ Key Features

- ◆ Net Asset Value Assumptions
 - Cap Rate Assumptions
 - SNFs - 10% - 12%
 - Hospitals - 11% - 13%
 - Bed Price Assumptions
 - SNFs - \$35-\$45k per bed
 - Hospitals - \$130-\$160k per bed
 - \$44 Million placed on Vencor Equity (derived from Vencor public filings)
 - Based on December 31, 2000 Balance Sheet and May 1, 2002 Rent

■ Areas of Opportunity

- ◆ Reduce Debt Costs
 - 100 bps Improvement = \$8.5 Million (\$.12/share)
- ◆ Cash Flow Pays Down Debt
- ◆ Vencor Equity
 - Maximizing Valuation
 - Appreciation Allows De-levering
- ◆ Potential for Increased Dividend
 - Credit Agreement Provides Minimum REIT Dividend
 - Paydown/Refinance \$78 Million
 - Quarterly Schedule
- ◆ Diversification
- ◆ Vencor Credit Improvement
 - Strong 4th Quarter 2000 Results - \$428 Million EBITDAR Run Rate
 - Increased Medicare Reimbursements
 - Medicare per diem - \$321 Q400 vs. \$290 Q499
 - BIPA takes effect April 1, 2001

■ **Recap**

- ◆ Vencor Plan Approved
- ◆ Government Settlement Approved
- ◆ Ventas Long-Term Debt Restructuring in Place
- ◆ Ventas Stable and Improving
 - Strong Cash Flow Growth
 - Substantial Net Asset Value
 - Debt Amortization and Potential Rate Reduction
 - Capture Upside through Vencor Equity and Re-set Right
 - Potential Dividend Increase
 - Industry Perception Improving
 - Increases in Medicare Reimbursements

