

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
April 11, 2001

VENTAS, INC.

(Exact name of registrant as specified in its charter)

<u>Delaware</u>	<u>1-10989</u>	<u>61-1055020</u>
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
<u>4360 Brownsboro Road, Suite 115, Louisville, Kentucky</u>		<u>40207-1642</u>
(Address of principal executive offices)		(Zip Code)
<u>(502) 357-9000</u>		
(Registrant's telephone number, including area code)		

Item 5. Other Events.

On April 11, 2001, Ventas, Inc. ("Ventas" or the "Company") delivered a presentation at the Merrill Lynch Health Services Conference. Attached to this filing as Exhibit 99.1 are the slides presented by the Company at that conference. Exhibit 99.1 is hereby incorporated herein by reference as if set forth in full herein.

Ventas is a real estate investment trust ("REIT") whose properties include 45 hospitals, 216 nursing centers and eight personal care facilities operating in 36 states.

This Form 8-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 the Company's and its subsidiaries' expected future financial position, results of operations, cash flows, funds from operations, dividends and dividend plans, financing plans, business strategy, budgets, projected costs, capital expenditures, competitive positions, growth opportunities, expected lease income, continued qualification as a REIT, plans and objectives of management for future operations and statements that include words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "may," "could," and other similar expressions are forward-looking statements. Such forward-looking statements are inherently uncertain, and stockholders must recognize that actual results may differ from the Company's expectations. The Company does not undertake a duty to update such forward-looking statements.

Actual future results and trends for the Company may differ materially depending on a variety of factors discussed in the Company's filings with the Securities and Exchange Commission (the "Commission"). Factors that may affect the plans or results of the Company include, without limitation, (a) the ability and willingness of Vencor, Inc. and certain of its affiliates (collectively, "Vencor") to consummate their Plan of Reorganization, and to continue to meet and/or honor its obligations under its contractual arrangements with the Company and the Company's wholly owned operating partnership, Ventas Realty, Limited Partnership ("Ventas Realty"), including without limitation the various agreements (the "Spin Agreements") entered into by the Company and Vencor at the time of the corporate reorganization on May 1, 1998 (the "1998 Spin Off") pursuant to which the Company was separated into two publicly held corporations, (b) the ability and willingness of Vencor to continue to meet and/or honor its obligation to indemnify and defend the Company for all litigation and other claims relating to the health care operations and other assets and liabilities transferred to Vencor in the 1998 Spin Off, (c) the ability of Vencor and the Company's other operators to maintain the financial strength and liquidity necessary to satisfy their respective obligations and duties under the leases and other agreements with the Company, and their existing credit agreements, (d) the Company's success in implementing its business strategy, (e) the nature and extent of future competition, (f) the extent of future health care reform and regulation, including cost containment measures and changes in reimbursement policies and procedures, (g) increases in the cost of borrowing for the Company, (h) the ability of

the Company's operators to deliver high quality care and to attract patients, (i) the results of litigation affecting the Company, (j) changes in general economic conditions and/or economic conditions in the markets in which the Company may, from time to time, compete, (k) the ability of the Company to pay down, refinance, restructure, and/or extend its indebtedness as it becomes due, (l) the movement of interest rates and the resulting impact on the value of the Company's interest rate swap agreement and the ability of the Company to satisfy its obligation to post cash collateral if required to do so under such interest rate swap agreement, (m) the ability and willingness of Atria, Inc. ("Atria") to continue to meet and honor its contractual arrangements with the Company and Ventas Realty entered into connection with the Company's spin off of its assisted living operations and related assets and liabilities to Atria in August 1996 (the "Atria Spin Off"), (n) the ability and willingness of the Company to maintain its qualification as a REIT due to economic, market, legal, tax or other considerations, (o) the outcome of the audit being conducted by the Internal Revenue Service for the Company's tax years ended December 31, 1997 and 1998, (p) final determination of the Company's net taxable income for the tax year ended December 31, 2000, and (q) the treatment of the Company's claims in the chapter 11 cases of certain of the Company's tenants, including Integrated Health Services, Inc. and certain of its affiliates (collectively, "IHS"). Many of such factors are beyond the control of the Company and its management.

Item 7. Financial Statements and Exhibits.

- (a) Financial statements of businesses acquired.

Not applicable.

- (b) Pro forma financial information.

Not applicable.

- (c) Exhibits:

99.1 Slides presented by the Company at the Merrill Lynch Health Services Conference on April 11, 2001

SIGNATURE

Pursuant to the requirements 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.

VENTAS, INC.
(Registrant)

Date: April 11, 2001

By: /s/ T. Richard Riney
Name: T. Richard Riney
Title: Executive Vice President and General Counsel

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Slides presented by the Company at the Merrill Lynch Health Services Conference on April 11, 2001



The presentations made at the Merrill Lynch Health Services Investor Conference, both oral and written, contain "forward looking statements" within the meaning of the federal securities laws. These forward looking statements include, among others, statements of expectations, beliefs, future plans and strategies, anticipated results from operations and developments and other matters that are not historical facts. The forward looking statements are based on management's beliefs as well as on a number of assumptions concerning future events. Participants at the conference and readers of these materials are cautioned not to put undue reliance on these forward looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors (many of which are outside the Company's control) that could cause actual events or results to differ materially from those expressed or implied by the forward looking statements. The most important factors that could prevent the Company from achieving its stated goals include, but are not limited to, (a) the treatment of the Company's claims in the chapter 11 cases of its primary tenant, Vencor, Inc. and certain of its affiliates (collectively referred to in this paragraph as "Vencor"), as well as certain of its other tenants, (b) the ability of Vencor and the Company's other operators to maintain the financial strength and liquidity necessary to satisfy their respective obligations and duties under the leases and other agreements with the Company, and their existing credit agreements, (c) the extent of future health care reform and regulation, including cost containment measures and changes in reimbursement policies and procedures, (d) the ability of the Company to pay down, refinance, restructure, and/or extend its indebtedness as it becomes due, and (e) the ability and willingness of the Company to maintain its qualification as a real estate investment trust due to economic, market, legal, tax or other considerations. The Company refers you to its annual report on Form 10-K for the year ended December 31, 1999 as well as subsequent reports on Form 10-Q filed with the Securities and Exchange Commission for a discussion of certain of these factors.

■ 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

Date	(\$'s In Millions)	
	Rent	FFO Growth 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)	Maturity	Balance	Rate	Interest
	Tanche A	12/31/02 \$ 90,000	8.75%	\$ 8,575
	Tanche B	12/31/05 280,000	9.75%	27,300
	Tanche C	12/31/07 474,000	10.25%	48,585
	Annual Deferred Fees			2,500
	Total	\$ 852,000	10.21%	\$ 86,960

- 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 x
Hospitals	2.28 x	1.88 x
Blended	2.03 x	1.64 x

(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