



VENTAS-CARE CAPITAL SPIN OFF TAX INFORMATION

THIS IS A SUMMARY ONLY – PLEASE CONSULT YOUR TAX ADVISOR AND REVIEW FORM 8937 WITH RELATED ATTACHMENT

There are several possible methods for determining the fair market values of Ventas common stock and CCP common stock. One possible approach is to utilize the New York Stock Exchange market closing price on August 18, 2015 for Ventas common stock (\$59.80 per share), and for Care Capital Properties, Inc. common stock (\$35.58 per share) as an indication of the fair market value. Based on the closing New York Stock Exchange market closing price on August 18, 2015 and the assumptions and calculations set forth in Item 16 of Form 8937, **87.05% of a Ventas shareholder’s aggregate tax basis in his or her shares of Ventas common stock** immediately prior to the Distribution would be allocated to such shareholder’s shares of Ventas common stock and **12.95% would be allocated to such shareholder’s shares of Care Capital Properties, Inc. common stock** received in the Distribution (including any fractional share interest in CCP common stock for which cash is received).

The following is an example of how the above-described approach to basis allocation would be applied:

Assumptions:

- Shares of Ventas common stock owned: 1,000
- Ventas shareholder’s aggregate tax basis (assumed to be \$50 per share): \$50,000
- Shares of CCP common stock received in the Distribution (1,000 shares of Ventas common stock multiplied by the distribution ratio of 1:4): 250

Tax basis allocation:

	# Shares Owned	Assumed Beginning Basis (A)	Price	FMV of Shares Owned Post Distribution	Percentage of Total FMV (B)	Allocated Tax Basis = (A) x (B)
Ventas common stock	1,000	\$50,000.00	\$59.80 ¹	\$59,800 ³	87.05% ⁵	\$43,525.73
CCP common stock	250		\$35.58 ²	\$8,895 ⁴	12.95% ⁶	\$6,474.27
Total				\$68,695	100.00%	\$50,000.00

¹ Closing market price of Ventas common stock on August 18, 2015.

² Closing market price of CCP common stock on August 18, 2015.

³ 1,000 shares x \$59.80

⁴ 250 shares x \$35.58

⁵ \$59,800/\$68,695

⁶ \$8,895/\$68,695

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See Attachment.](#)

Horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See Attachment.](#)

Horizontal lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See Attachment.](#)

Horizontal lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶ /s/ Brian K. Wood Date ▶ 08/20/2015

Paid Preparer Use Only	Print your name ▶ <u>Brian K. Wood</u>	Preparer's signature	Title ▶ <u>SVP & Chief Tax Officer</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date	Firm's EIN ▶	
	Firm's name ▶			Phone no.	
	Firm's address ▶				



VENTAS, INC.

EIN: 61-1055020

ATTACHMENT TO IRS FORM 8937 – PART II

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Distribution (as defined below) on the tax basis of Ventas, Inc. (“Ventas”) stock and the allocation of tax basis between the stock of Ventas and Care Capital Properties, Inc. (“CCP”) following the Distribution. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Neither Ventas nor CCP provides tax advice to its shareholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to shareholders and their tax advisors when establishing their specific tax position. You are urged to consult your own tax advisor regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state, and local and foreign tax laws. We urge you to read the registration statement on Form 10 of CCP, as filed with the Securities and Exchange Commission on April 23, 2015, as amended (the “Form 10”), noting especially the discussion under the heading “Material U.S. Federal Income Tax Consequences of the Distribution”. You may access the Form 10 at CCP’s investor relations website, <http://carecapitalproperties.com/investor-shareholder-services.html>, or at www.sec.gov.

This notice does not apply to shares of Ventas common stock sold, exchanged or otherwise disposed of prior to the time of the Distribution.

14. Describe the organizational action, and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action:

On August 17, 2015, pursuant to the terms and conditions of the Separation and Distribution Agreement dated August 17, 2015, by and among Ventas and CCP, Ventas distributed to holders of record Ventas common stock, on a pro rata basis, all of the issued and outstanding shares of common stock of CCP owned by Ventas (the “Distribution”). Pursuant to the Distribution, each holder of Ventas common stock as of the close of business on August 10, 2015, received one share of CCP common stock for every four shares of Ventas common stock held. Ventas shareholders also received cash in lieu of any fractional shares of CCP common stock.

CCP's common shares trade under the ticker symbol "CCP", whereas common shares of Ventas will continue to trade under the ticker symbol "VTR".

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

As a result of the Distribution, Ventas shareholders will be required to allocate the aggregate tax basis in their Ventas common shares held immediately before the Distribution among the CCP common shares received in the Distribution (including any fractional share interest in CCP common stock for which cash is received) and their Ventas common shares held immediately after the Distribution. A shareholder's aggregate tax basis in his or her shares of Ventas common stock held immediately prior to the Distribution should be allocated in proportion to the relative fair market value of the Ventas common stock and the CCP common stock. Shareholders that acquired Ventas common stock at different times or different prices will need to calculate their tax basis in each block of stock and then allocate a portion of that tax basis to the Ventas common stock and the CCP common stock received with respect thereto.

Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market values of the Ventas common stock and the CCP common stock for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several possible methods for determining the fair market values of Ventas common stock and CCP common stock. One possible approach is to utilize the New York Stock Exchange market closing price on August 18, 2015 for Ventas common stock (\$59.80 per share), and the New York Stock Exchange market closing price on August 18, 2015 for CCP common stock (\$35.58 per share) as an indication of the fair market value. Based on that approach and the assumptions and calculations set forth in Item 16 below (noting, in particular, the distribution of one share of CCP common stock for every four shares of Ventas common stock), **87.05%** of a Ventas shareholder's aggregate tax basis in his or her shares of **Ventas common stock** immediately prior to the Distribution would be allocated to such shareholder's shares of Ventas common stock and **12.95%** would be allocated to such shareholder's shares of **CCP common stock** received in the Distribution (including any fractional share interest in CCP common stock for which cash is received). Other approaches to determine fair market value may also be possible. You are not bound by the approach illustrated above and may, in consultation with your tax advisor, use another approach in determining fair market values for Ventas and CCP common stock.

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates:

The following is an example of how the above-described approach to basis allocation would be applied:

Assumptions:

- Shares of Ventas common stock owned: 1,000
- Ventas shareholder's aggregate tax basis (assumed to be \$50 per share): \$50,000

- Shares of CCP common stock received in the Distribution (1,000 shares of Ventas common stock multiplied by the distribution ratio of 1:4): 250

Tax basis allocation:

	# Shares Owned	Assumed Beginning Basis (A)	Price	FMV of Shares Owned Post Distribution	Percentage of Total FMV (B)	Allocated Tax Basis = (A) x (B)
Ventas common stock	1,000	\$50,000.00	\$59.80 ¹	\$59,800 ³	87.05% ⁵	\$43,525.73
CCP common stock	250		\$35.58 ²	\$8,895 ⁴	12.95% ⁶	\$6,474.27
Total				\$68,695	100.00%	\$50,000.00

¹ Closing market price of Ventas common stock on August 18, 2015.

² Closing market price of CCP common stock on August 18, 2015.

³ 1,000 shares x \$59.80

⁴ 250 shares x \$35.58

⁵ \$59,800/\$68,695

⁶ \$8,895/\$68,695

17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based:

Except with respect to any cash received in lieu of fractional interests in CCP common stock, Ventas shareholders should not recognize income, gain or loss for U.S. federal income tax purposes on the receipt of the CCP common stock pursuant to the Distribution under Section 355(a) of the Code. The tax basis calculations resulting from the Distribution are generally governed by Sections 358(a) and (b) of the Code and the Treasury Regulations promulgated thereunder.

You should consult your own tax advisor as to the particular consequences of the Distribution to you, including the applicability and effect of any U.S. federal, state and local tax laws, as well as foreign tax laws, which may result in the Distribution being taxable to you.

18. Can any resulting loss be recognized?

No loss may be recognized by a Ventas shareholder upon the receipt of CCP common stock in the Distribution, except possibly with respect to cash received in lieu of a fractional share of CCP common stock.

19. Provide any other information necessary to implement the adjustment, such as the reportable tax year:

The Distribution was effective on August 17, 2015. For a Ventas shareholder whose taxable year is a calendar year, the reportable tax year is 2015.

Please note that some brokerage houses might not use the information provided in this document, and the information is only provided as an example of one potential method. There are various ways brokerage houses may calculate the cost basis allocation. Please contact your individual brokerage house to determine which calculation it may have used and contact your tax advisor for additional information and clarification.