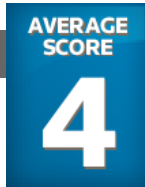


Last Close <b>71.91 (USD)</b>	Avg Daily Vol <b>2.8M</b>	52-Week High <b>76.80</b>	Trailing PE <b>55.3</b>	Annual Div <b>2.92</b>	ROE <b>4.3%</b>	LTG Forecast <b>--</b>	1-Mo Return <b>-2.3%</b>
September 29, 2016 NEW YORK Exchange	Market Cap <b>25.4B</b>	52-Week Low <b>46.87</b>	Forward PE <b>43.7</b>	Dividend Yield <b>4.1%</b>	Annual Rev <b>3.3B</b>	Inst Own <b>92.3%</b>	3-Mo Return <b>-0.2%</b>

**AVERAGE SCORE**

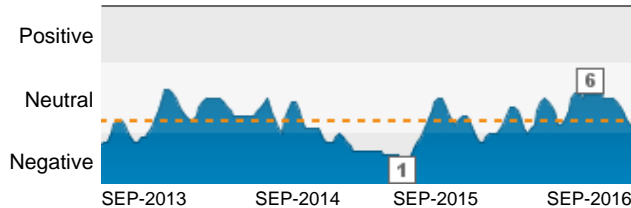


**NEUTRAL OUTLOOK:** VTR's current score is relatively in-line with the market.

**Score Averages**

Residential & Comm. REITs Group:	<b>5.9</b>	Large Market Cap:	<b>6.1</b>
Real Estate Sector:	<b>5.8</b>	S&P 500 Index:	<b>6.3</b>

**Average Score Trend (4-Week Moving Avg)**



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
OHI	10	8	7	6	<b>6</b>	
HCP	4	4	5	3	<b>4</b>	
<b>VTR</b>	<b>5</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>4</b>	
HCN	6	4	4	3	<b>3</b>	
HTA	5	5	4	3	<b>3</b>	

**HIGHLIGHTS**

- The score for Ventas Inc improved slightly this week from 3 to 4.
- The recent change in the Average Score was primarily due to an improvement in the Price Momentum component score.

**THOMSON REUTERS I/B/E/S MEAN**

**Hold**

18 Analysts

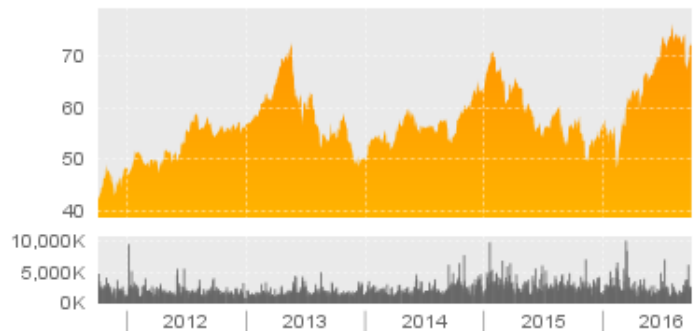
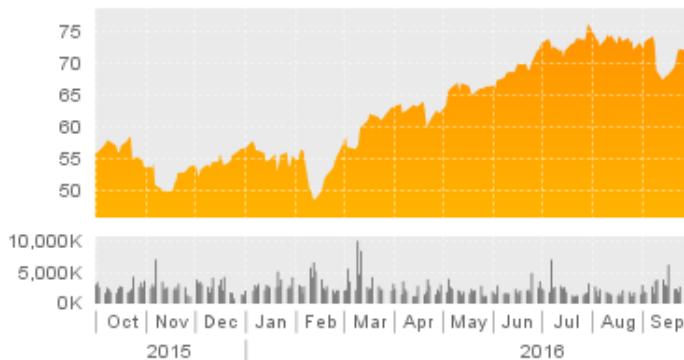
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



**PRICE AND VOLUME CHARTS**

**1-Year Return: 28.7%**

**5-Year Return: 63.9%**



**BUSINESS SUMMARY**

Ventas, Inc. is a healthcare real estate investment trust (REIT) with its properties located throughout the United States, Canada and the United Kingdom. The Company operates through three segments: triple-net leased properties, senior living operations and MOB operations. In its triple-net leased properties segment, the Company acquires and owns seniors housing and healthcare properties throughout the United States and the United Kingdom. Through its senior living operations segment, the Company invests in seniors housing communities throughout the United States and Canada, and engages independent operators to manage approximately 304 of its seniors housing communities. It owns approximately 1,300 properties, including properties classified as held for sale; MOBs; skilled nursing facilities; specialty hospitals, and general acute care hospitals. It leases approximately 575 properties to various healthcare operating companies under triple-net or absolute-net leases.

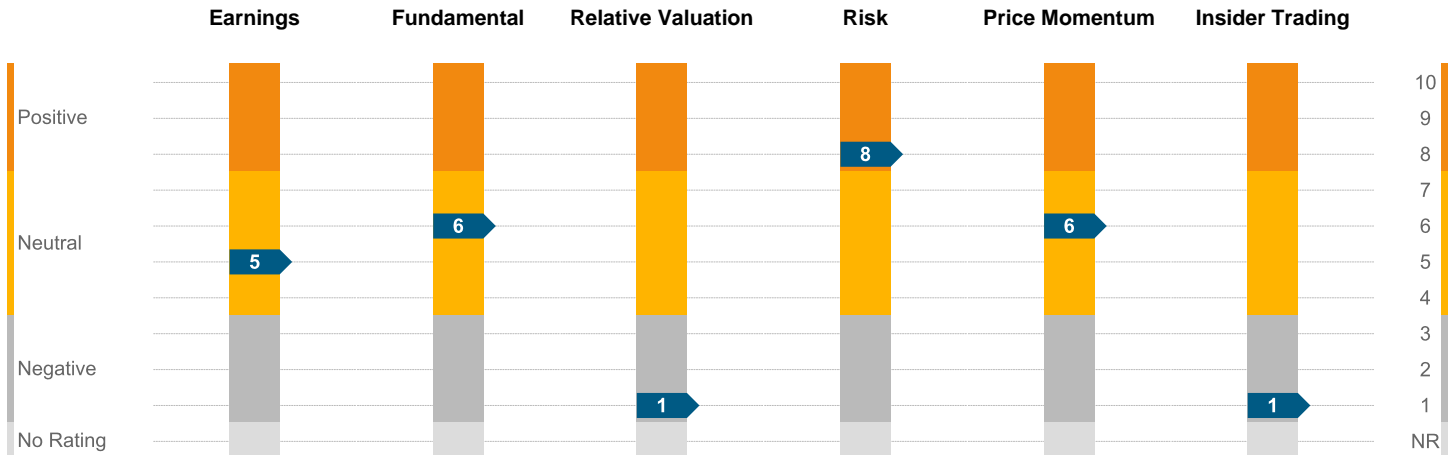


INDICATOR COMPONENTS

AVERAGE SCORE

4

The **AVERAGE SCORE** combines the quantitative analysis of six widely-used investment decision making tools: Earnings, Fundamental, Relative Valuation, Risk, Price Momentum and Insider Trading. A simple average of the underlying component ratings is normally distributed to rank stocks on a 1-10 scale (10 being awarded to the most favorable). These factors may be evaluated differently using alternative methodologies and the importance of individual factors varies across industries, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.



OPTIMIZED SCORE

OPTIMIZED SCORE

2

Historically, companies with an optimized score of 2 have tended to significantly underperform the market over the following 12-month period.



As an alternative approach to equally weighting each of the six factors, independent research firm, Verus Analytics, conducted a backtest to empirically determine the optimal factor blend. Results and weighting vary across four different market capitalization categories. For large cap stocks, price momentum and insider trading historically provided the most explanatory power among the six factors and are weighted heavily in the current optimized score. Among the small cap universe, the earnings and fundamental factors joined with insider trading and price momentum to explain returns.

PEER ANALYSIS

Currency in USD

Average Score	Ticker	PRICE MOMENTUM				VALUATION		FUNDAMENTAL		ANALYSTS		# of Analysts
		Price (09/29/16)	1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	
3	HCN	75.81	-1.5%	0.4%	12.6%	27.3B	41.0	35.2	4.5%	15.8%	-- Hold	23
4	VTR	71.91	-2.3%	-0.2%	28.7%	25.4B	55.3	43.7	4.1%	17.5%	-- Hold	18
4	HCP	38.54	-1.5%	9.0%	3.3%	18.4B	--	24.1	6.0%	18.1%	-- Hold	18
6	OHI	35.91	-1.4%	7.0%	0.9%	7.0B	22.3	17.5	6.7%	26.1%	-- Buy	10
3	HTA	33.05	-1.0%	2.4%	35.4%	4.8B	110.2	98.4	3.6%	9.2%	-- Buy	12
6	HR	34.47	-2.4%	1.1%	38.3%	4.1B	51.5	59.3	3.5%	9.2%	-- Hold	13
5	MPW	15.13	-0.8%	-2.3%	36.3%	3.6B	18.9	16.8	6.1%	42.9%	-- Hold	11
10	NHI	79.44	-1.5%	6.8%	36.5%	3.2B	18.3	22.4	4.5%	55.4%	-- Hold	10
5	DOC	21.65	1.1%	2.6%	44.0%	2.9B	108.3	56.1	4.2%	11.2%	9.7% Buy	15
5	CCP	28.33	-3.6%	8.0%	-14.2%	2.4B	17.6	19.2	8.1%	35.3%	-- Buy	4
6	LTC	52.23	-0.1%	2.6%	22.5%	2.1B	24.8	24.2	4.1%	51.4%	-- Hold	11
5.2	Average	44.22	-1.4%	3.4%	22.2%	9.2B	46.8	37.9	5.0%	26.5%	9.7% Hold	13.2

PEER COMPANIES

HCN	Welltower Inc	MPW	Medical Properties Trust Inc
HCP	HCP Inc	NHI	National Health Investors Inc
OHI	Omega Healthcare Investors	DOC	Physicians Realty Trust
HTA	Healthcare Trust Of America	CCP	Care Capital Properties Inc
HR	Healthcare Realty Trust Inc	LTC	LTC Properties Inc



**EARNINGS**

EARNINGS

**5**

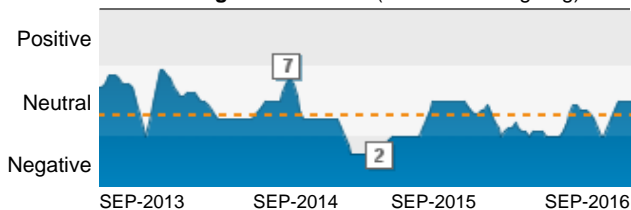
Currency in USD

**NEUTRAL OUTLOOK:** Mixed earnings expectations and performance.

**Earnings Score Averages**

Residential & Comm. REITs Group:	<b>5.0</b>	Large Market Cap:	<b>6.4</b>
Real Estate Sector:	<b>5.0</b>	S&P 500 Index:	<b>6.6</b>

**Earnings Score Trend (4-Week Moving Avg)**



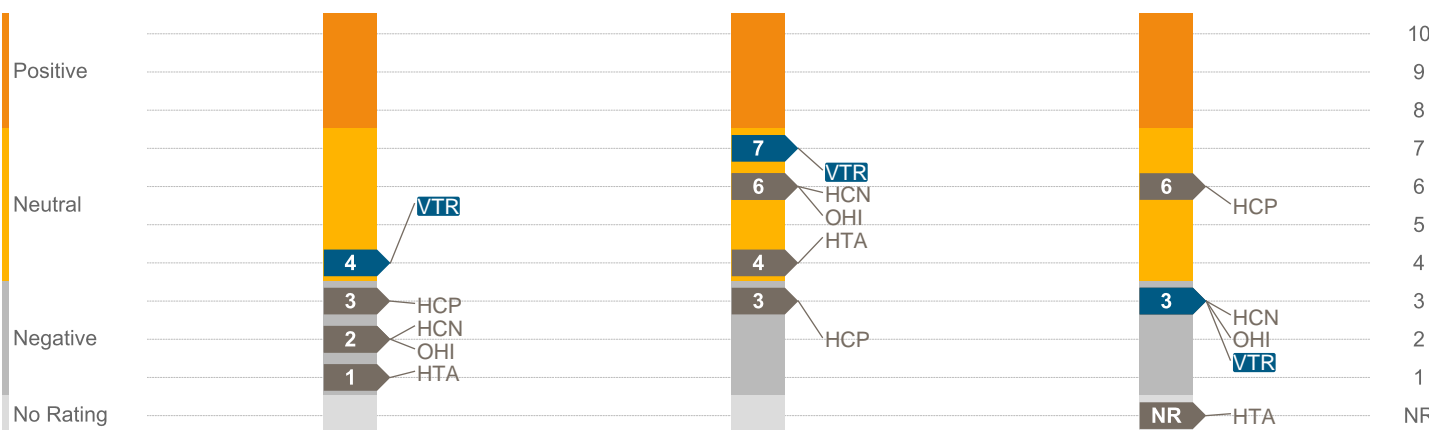
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
VTR	3	5	5	5	<b>5</b>	
HCP	1	3	7	3	<b>3</b>	
HCN	5	3	5	3	<b>2</b>	
OHI	6	2	3	2	<b>2</b>	
HTA	4	5	1	1	<b>1</b>	

**EARNINGS INDICATORS**

**Earnings Surprises**  
(33.3% weight)

**Estimate Revisions**  
(33.3% weight)

**Recommendation Changes**  
(33.3% weight)



**Last 4 Quarters**

# Positive Surprises (> 2%)	2
# Negative Surprises (< -2%)	2
# In-Line Surprises (within 2%)	0
Avg Surprise	-4.3%

**Last 4 Weeks**

# Up Revisions	1
# Down Revisions	0
Avg Up Revisions	5.6%
Avg Down Revisions	0.0%

**Last 120 Days**

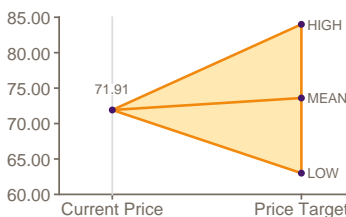
# Broker Upgrades	0
# Broker Downgrades	1

**HIGHLIGHTS**

- Ventas Inc currently has a relatively neutral Earnings Rating of 5, despite having two of three bearish (4 or less) component ratings. The average Earnings Rating for its Specialized REITs industry is 4.2 and the S&P 500 index average is 6.6.
- Over the past 90 days, the consensus price target for VTR has increased notably from 62.50 to 73.60, a gain of 17.8%.
- VTR's current quarter consensus estimate has increased over the past 90 days from 0.36 to 0.41, a gain of 12.5%. This improvement is significantly greater than its industry average of -2.0% during the same time period.

**PRICE TARGET**

The chart indicates where analysts predict the stock price will be within the next 12 months, as compared to the current price.



**12-Month Price Target**

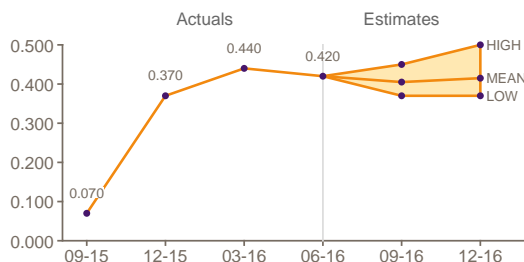
Mean	73.60
High	84.00
Low	63.00
Target vs. Current	2.4%
# of Analysts	12



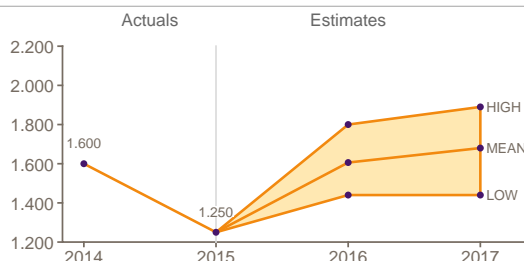
**EARNINGS PER SHARE**

Earnings per share (EPS) is calculated by dividing a company's earnings by the number of shares outstanding. Analysts tend to interpret a pattern of increasing earnings as a sign of strength and flat or falling earnings as a sign of weakness.

The charts provide a comparison between a company's actual and estimated EPS, including the high and low forecasts.



Quarterly	09-16	12-16
Mean	0.405	0.415
High	0.450	0.500
Low	0.370	0.370
# of Analysts	4	4



Annual	2016	2017
Mean	1.606	1.680
High	1.800	1.890
Low	1.440	1.440
# of Analysts	7	7

**MEAN ESTIMATE TREND**

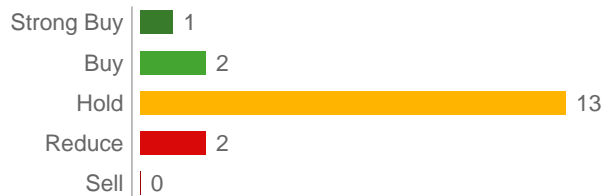
	Q 09-16	Q 12-16	Y 2016	Y 2017	Price Target
Current	0.405	0.415	1.606	1.680	73.60
30 Days Ago	0.390	0.387	1.573	1.645	72.50
90 Days Ago	0.360	0.370	1.497	1.640	62.50
% Change (90 Days)	12.5%	12.2%	7.3%	2.4%	17.8%

Current Fiscal Year End: 12-16

Next Expected Report Date: 10/21/16

**ANALYST RECOMMENDATIONS**

Thomson Reuters I/B/E/S Mean: **Hold** (18 Analysts)



**EARNINGS SURPRISES**

Comparing a company's actual earnings to the mean expectation of analysts results in a difference referred to as a 'positive' or 'negative' surprise. Research has shown that when a company reports a surprise, it is often followed by more of the same surprise type.

**Surprise Summary (Last 12 Quarters)**

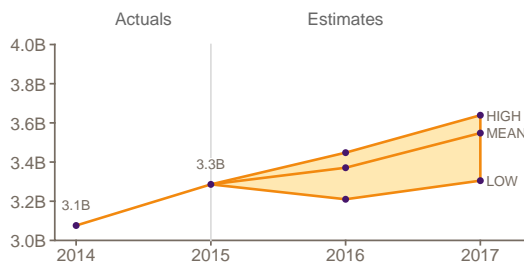
Surprise Type	Amount	Percent
Positive Quarters (> 2%)	6	50.0%
Negative Quarters (< -2%)	5	41.7%
In-Line Quarters (within 2%)	1	8.3%

**Surprise Detail (Last 6 Periods)**

Surprise Type	Announce Date	Period End Date	Actual EPS	Mean EPS	Surprise (%)
Positive	07/29/16	06/30/16	0.420	0.376	11.7%
Positive	04/29/16	03/31/16	0.440	0.338	30.2%
Negative	02/12/16	12/31/15	0.370	0.407	-9.1%
Negative	10/23/15	09/30/15	0.070	0.280	-75.0%
Positive	07/24/15	06/30/15	0.450	0.410	9.8%
Positive	04/24/15	03/31/15	0.370	0.340	8.8%

**ANNUAL REVENUE**

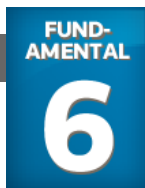
A pattern of increasing sales in conjunction with a rising EPS may influence a buy recommendation, while flat or falling sales and faltering earnings may explain a sell recommendation. A rising EPS with flat or falling sales may result from increased cost efficiency and margins, rather than market expansion. This chart shows the sales forecast trend of all analysts and the highest and lowest projections for the current and next fiscal year.



	2016	2017
Mean	3.4B	3.5B
High	3.4B	3.6B
Low	3.2B	3.3B
Forecasted Growth	2.6%	8.0%
# of Analysts	9	10



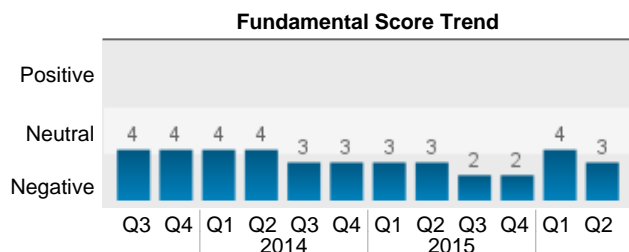
**FUNDAMENTAL**



**NEUTRAL OUTLOOK:** Fundamentals relatively in-line with the market.

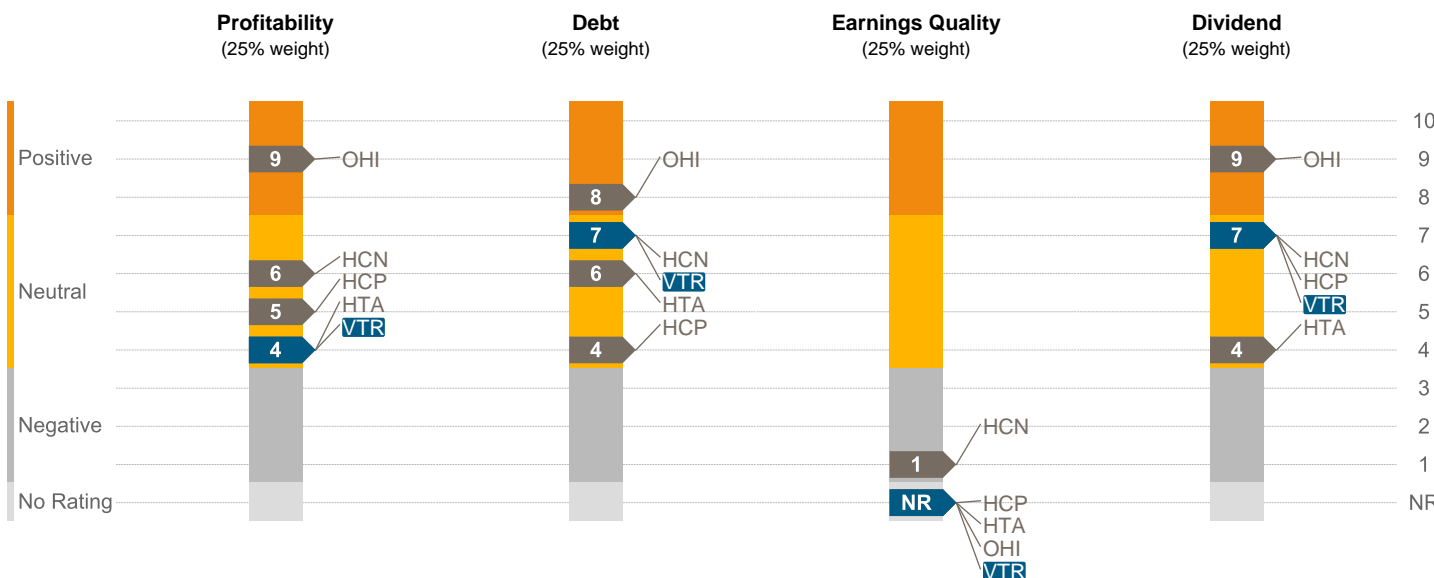
**Fundamental Score Averages**

Residential & Comm. REITs Group:	<b>6.3</b>	Large Market Cap:	<b>6.3</b>
Real Estate Sector:	<b>6.1</b>	S&P 500 Index:	<b>6.3</b>



Peers	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Current	3Y Trend
OHI	6	6	7	7	<b>10</b>	[Bar chart]
<b>VTR</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>6</b>	[Bar chart]
HCN	8	8	9	9	<b>5</b>	[Bar chart]
HCP	4	3	5	6	<b>5</b>	[Bar chart]
HTA	3	2	3	3	<b>4</b>	[Bar chart]

**FUNDAMENTAL INDICATORS**



<b>Revenue Growth</b>	1.1%	<b>Current Ratio</b>	--	<b>Days Sales In Inv.</b>	--	<b>Div. Growth Rate</b>	5.7%
For year over year ending 03-2016		For year over year ending --		For period ending --		For year over year ending 03-2016	
<b>Gross Margin</b>	30.1%	<b>Debt-to-Capital</b>	52.8%	<b>Days Sales In Rec.</b>	--	<b>Dividend Funding</b>	75.4%
For trailing 4 qtrs ending 03-2016		For trailing 4 qtrs ending 12-2015		For period ending --		For trailing 4 qtrs ending 03-2016	
<b>Return On Equity</b>	4.3%	<b>Interest Funding</b>	27.7%			<b>Dividend Coverage</b>	1.3
For trailing 4 qtrs ending 03-2016		For trailing 4 qtrs ending 03-2016				For trailing 4 qtrs ending 12-2015	
<b>Net Margin</b>	17.5%	<b>Interest Coverage</b>	1.9			<b>Current Div. Yield</b>	4.1%
For trailing 4 qtrs ending 03-2016		For trailing 4 qtrs ending 12-2015				For trailing 4 qtrs ending 07-2016	

**HIGHLIGHTS**

- The Fundamental Rating for Ventas Inc improved significantly over the last quarter from a bearish 4 to a relatively neutral 6. The average Fundamental Rating for its Specialized REITs industry is 6.0 and the S&P 500 index average is 6.3.
- For year-over-year dividend growth, VTR's rate of 1.1% is substantially below the Specialized REITs industry average of 9.7%.
- The company's debt-to-capital has been higher than its industry average for each of the past five years.
- The Fundamental Rating for Ventas Inc improved significantly over the last quarter from a bearish 4 to a relatively neutral 6. The average Fundamental Rating for its Specialized REITs industry is 6.0 and the S&P 500 index average is 6.3.
- For year-over-year dividend growth, VTR's rate of 1.1% is substantially below the Specialized REITs industry average of 9.7%.



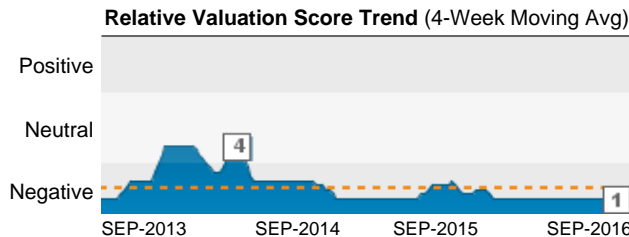
**RELATIVE VALUATION**

**RELATIVE VALUATION**  
**1**

**NEGATIVE OUTLOOK:** Multiples significantly above the market or the stock's historic norms.

**Relative Valuation Score Averages**

Residential & Comm. REITs Group:	<b>3.8</b>	Large Market Cap:	<b>4.7</b>
Real Estate Sector:	<b>4.1</b>	S&P 500 Index:	<b>5.1</b>



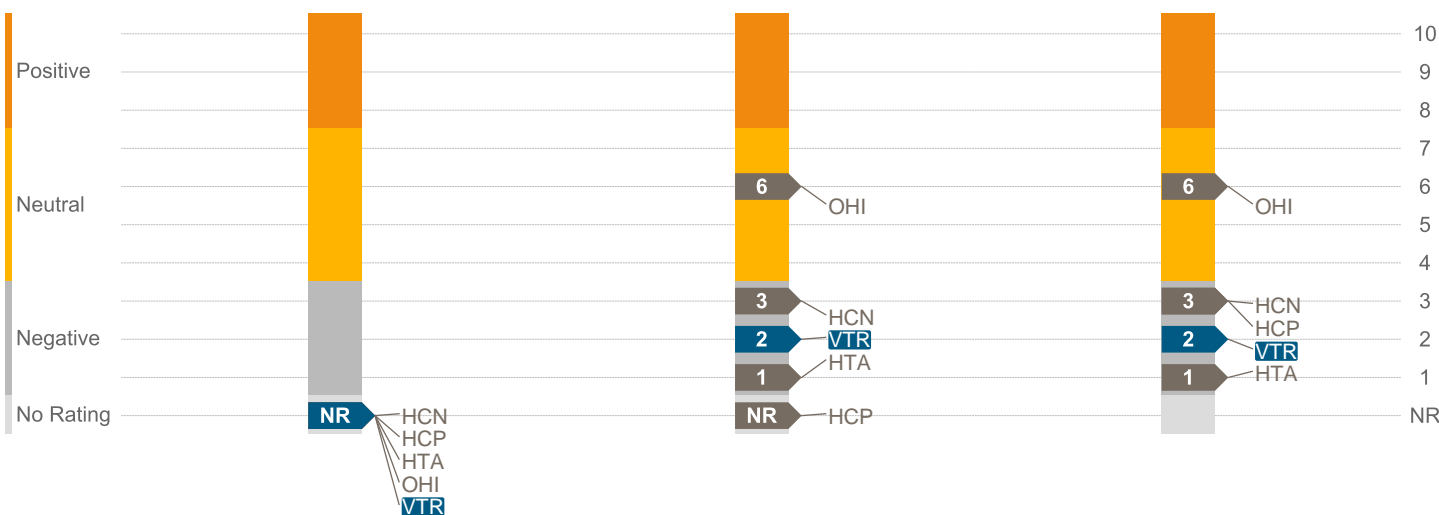
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
OHI	1	1	1	1	<b>6</b>	
HCP	1	1	1	1	<b>4</b>	
HCN	1	1	1	1	<b>2</b>	
HTA	1	1	1	1	<b>1</b>	
<b>VTR</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	

**RELATIVE VALUATION INDICATORS**

**Forward PEG**  
(50% weight)

**Trailing PE**  
(25% weight)

**Forward PE**  
(25% weight)



Forward PEG	--	Trailing PE	55.3	Forward PE	43.7
5-Yr Average	3.5	5-Yr Average	40.3	5-Yr Average	37.3
Rel. to 5-Yr Avg.	--	Rel. to 5-Yr Avg.	<b>37% Premium</b>	Rel. to 5-Yr Avg.	<b>17% Premium</b>
S&P 500 Index	1.6	S&P 500 Index	24.6	S&P 500 Index	17.5
Rel. to S&P 500	--	Rel. to S&P 500	<b>&gt;100% Premium</b>	Rel. to S&P 500	<b>&gt;100% Premium</b>

**HIGHLIGHTS**

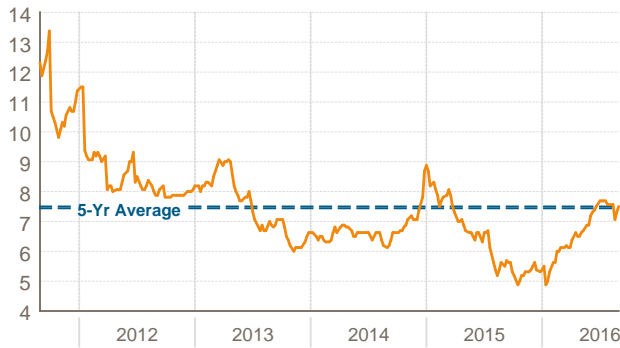
- Ventas Inc currently has a Relative Valuation Rating of 1 which is significantly below the S&P 500 index average rating of 5.5.
- VTR is currently valued at a premium to the S&P 500 index based on both Trailing P/E and Forward P/E.
- Ventas Inc currently has a Relative Valuation Rating of 1 which is significantly below the S&P 500 index average rating of 5.5.
- VTR is currently valued at a premium to the S&P 500 index based on both Trailing P/E and Forward P/E.



**PRICE TO SALES**

The most recent week's close price divided by the revenue per share.

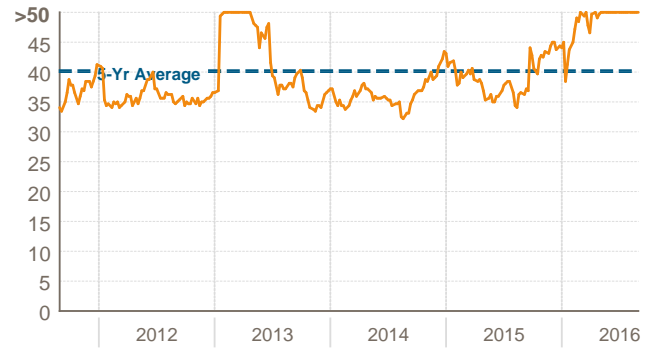
Price to Sales: 7.5  
5-Year Average: 7.5  
S&P 500 Index Average: 1.8  
Specialized REITs Industry Average: 5.5



**TRAILING PE**

The most recent week's close price divided by the sum of the four most recently reported quarterly earnings.

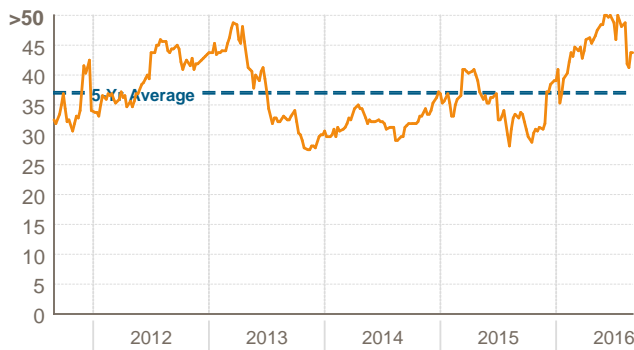
Trailing PE: 55.3  
5-Year Average: 40.3  
S&P 500 Index Average: 24.6  
Specialized REITs Industry Average: 48.4



**FORWARD PE**

The most recent week's close price divided by the sum of the four upcoming quarterly consensus estimates.

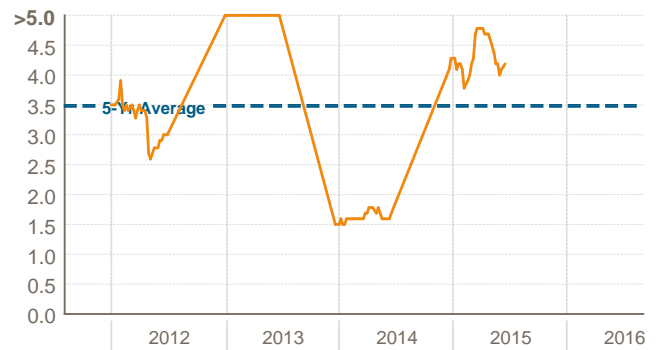
Forward PE: 43.7  
5-Year Average: 37.3  
S&P 500 Index Average: 17.5  
Specialized REITs Industry Average: 24.9



**FORWARD PEG**

The Forward P/E divided by the five-year forecasted growth rate.

Forward PEG: --  
5-Year Average: 3.5  
S&P 500 Index Average: 1.6  
Specialized REITs Industry Average: 5.0



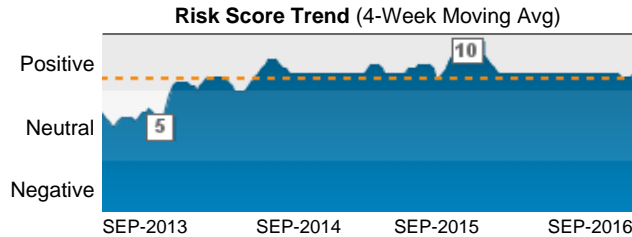
**RISK**

**RISK**  
**8**

**POSITIVE OUTLOOK:** Consistent return patterns (low volatility).

**Risk Score Averages**

Residential & Comm. REITs Group:	<b>8.2</b>	Large Market Cap:	<b>8.0</b>
Real Estate Sector:	<b>7.8</b>	S&P 500 Index:	<b>8.1</b>



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
HCN	7	8	8	9	<b>9</b>	
OHI	9	9	9	9	<b>9</b>	
HTA	9	8	8	8	<b>8</b>	
<b>VTR</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>8</b>	<b>8</b>	
HCP	5	6	6	7	<b>7</b>	

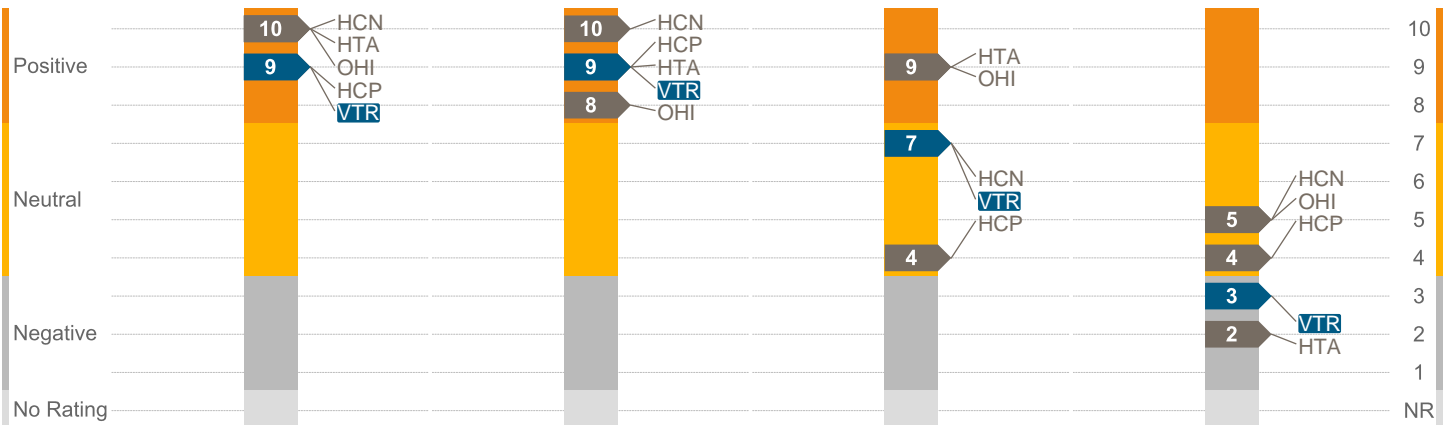
**RISK INDICATORS**

**Magnitude Of Returns**  
(25% weight)

**Volatility**  
(25% weight)

**Beta (1-year)**  
(25% weight)

**Correlation**  
(25% weight)



Daily Returns (Last 90 Days)		Standard Deviation		Beta vs. S&P 500		Correlation vs. S&P 500	
Best	2.2%	Last 90 Days	1.39	Positive Days Only	0.61	Last 90 Days	52%
Worst	-5.6%	Last 60 Months	5.99	Negative Days Only	0.54	Last 60 Months	26%
Monthly Returns (Last 60 Months)		Intra-Day Swing (Last 90 Days)		Beta vs. Group		Correlation vs. Group	
Best	13.1%	Average	1.7%	Positive Days Only	0.93	Last 90 Days	86%
Worst	-14.0%	Largest	5.6%	Negative Days Only	1.53	Last 60 Months	-17%

**HIGHLIGHTS**

- Ventas Inc currently has a Risk Rating of 8 while the S&P 500 index has an average rating of 8.1.
- On days when the market is up, VTR shares tend to lag the S&P 500 index. However, on days when the market is down, the shares generally decrease less than the index.
- In the short term, VTR has shown high correlation ( $\geq 0.4$ ) with the S&P 500 index. The stock has, however, shown average correlation ( $\geq 0.2$  and  $< 0.4$ ) with the market in the long term.
- Over the last 90 days, VTR shares have been more volatile than the overall market, as the stock's daily price fluctuations have exceeded that of 63% of S&P 500 index firms.

**RISK ANALYSIS**

Peers	Last 90 Days				Last 60 Months		
	Best Daily Return	Worst Daily Return	# Days Up	# Days Down	Largest Intra-Day Swing	Best Monthly Return	Worst Monthly Return
<b>VTR</b>	<b>2.2%</b>	<b>-5.6%</b>	<b>40</b>	<b>24</b>	<b>5.6%</b>	<b>13.1%</b>	<b>-14.0%</b>
HCN	2.4%	-4.7%	38	25	4.5%	14.0%	-14.2%
HCP	3.0%	-3.7%	39	25	3.6%	13.7%	-17.7%
HTA	2.4%	-5.4%	37	27	5.9%	10.7%	-12.4%
OHI	3.0%	-4.9%	36	28	6.3%	11.6%	-12.2%
<b>S&amp;P 500</b>	<b>1.5%</b>	<b>-2.5%</b>	<b>32</b>	<b>31</b>	<b>2.0%</b>	<b>10.8%</b>	<b>-7.2%</b>





**PRICE MOMENTUM**



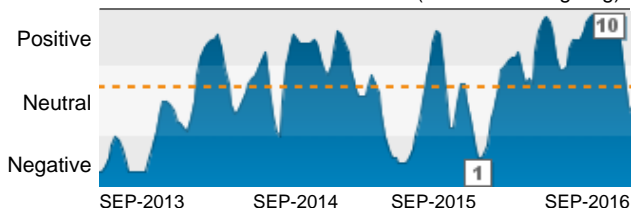
Currency in USD

**NEUTRAL OUTLOOK:** Performance relatively in-line with the market.

**Price Momentum Score Averages**

Residential & Comm. REITs Group:	<b>5.4</b>	Large Market Cap:	<b>5.9</b>
Real Estate Sector:	<b>5.2</b>	S&P 500 Index:	<b>5.6</b>

**Price Momentum Score Trend (4-Week Moving Avg)**

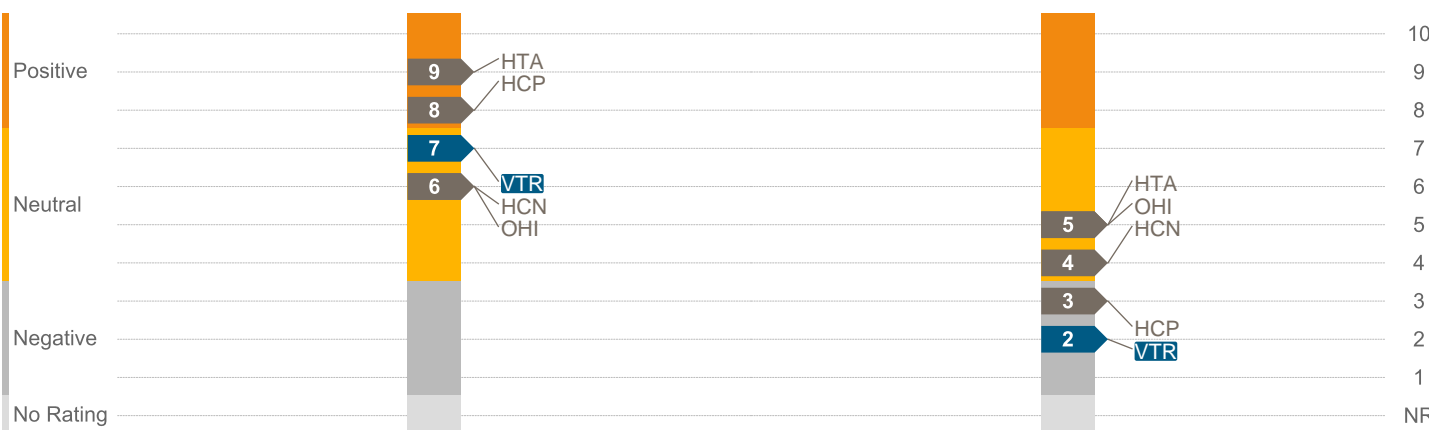


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
HTA	9	8	9	6	<b>8</b>	
HCP	3	7	8	4	<b>7</b>	
HCN	8	9	7	3	<b>6</b>	
OHI	8	5	8	4	<b>6</b>	
<b>VTR</b>	<b>10</b>	<b>10</b>	<b>8</b>	<b>2</b>	<b>6</b>	

**PRICE MOMENTUM INDICATORS**

**Relative Strength**  
(70% weight)

**Seasonality**  
(30% weight)



**Relative Strength Indicator** (Scale from 1 to 100)

	VTR	Industry Avg
Last 1 Month	51	52
Last 3 Months	53	52
Last 6 Months	53	51

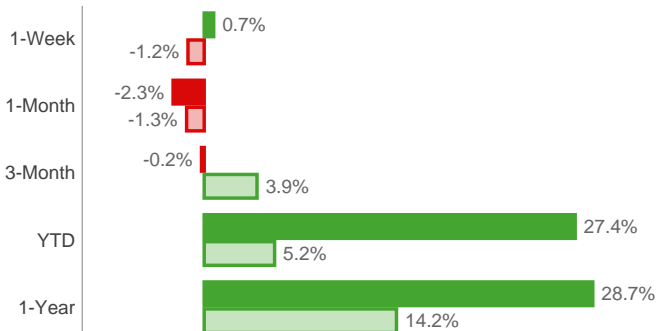
**Average Monthly Return** (Last 10 Years)

	SEP	OCT	NOV
Company Avg	0.3%	1.3%	-3.7%
Industry Avg	0.0%	0.2%	-1.3%
Industry Rank	66 of 118	89 of 118	84 of 118

**PRICE PERFORMANCE**

Daily close prices are used to calculate the performance of the stock as compared to a relevant index over five time periods.

■ VTR  
■ S&P 500



	VTR	S&P 500
Close Price (09/29/16)	71.91	2,151
52-Week High	76.80	2,190
52-Week Low	46.87	1,829

- The Price Momentum Rating for Ventas Inc improved significantly over the past week from 2 to 6.
- On 09/29/16, VTR closed at 71.91, 6.4% below its 52-week high and 53.4% above its 52-week low.
- VTR shares are currently trading 1.0% below their 50-day moving average of 72.64, and 11.2% above their 200-day moving average of 64.69.



**INSIDER TRADING**

**INSIDER TRADING**

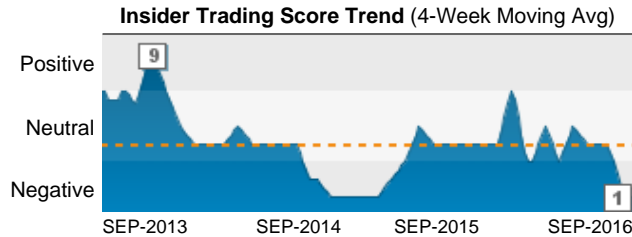
**1**

Currency in USD

**NEGATIVE OUTLOOK:** Recent or longer-term trend of selling by company insiders.

**Insider Trading Score Averages**

Residential & Comm. REITs Group:	<b>5.2</b>	Large Market Cap:	<b>3.5</b>
Real Estate Sector:	<b>5.2</b>	S&P 500 Index:	<b>3.6</b>

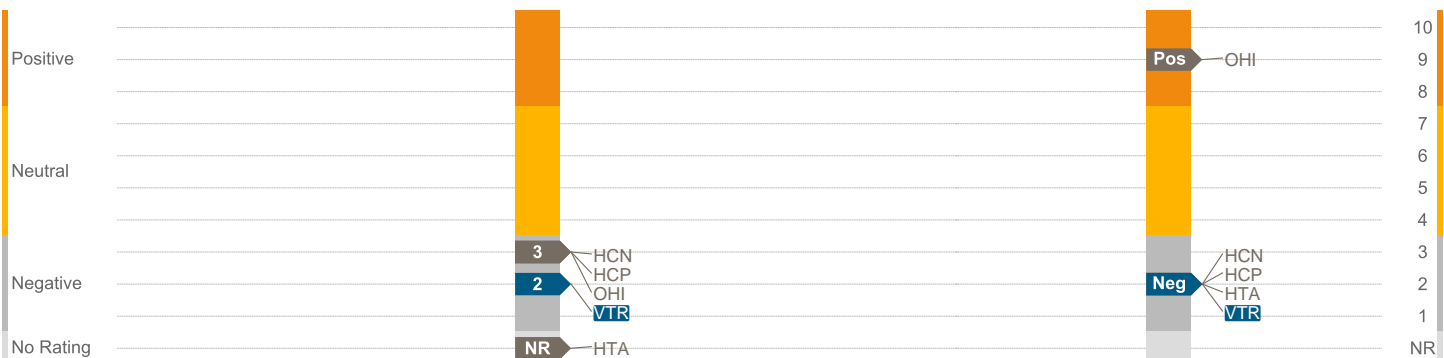


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
HTA	4	4	4	4	<b>4</b>	
OHI	9	9	2	3	<b>3</b>	
HCN	7	2	3	2	<b>2</b>	
HCP	9	5	3	2	<b>2</b>	
<b>VTR</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	

**INSIDER TRADING INDICATORS**

**Short-Term Insider (70% weight)**

**Long-Term Insider (30% weight)**



**Most Recent Buys and Sells (Last 90 Days)**

**Insider Summary (Last 6 Months)**

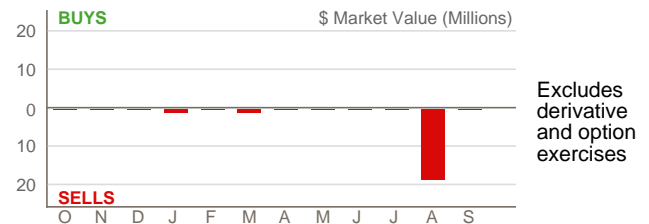
Insider Name	Role	Tran Date	Tran Type	Shares
Liebke, Gregory R	O	08/19/16	S	6,943
Riney, T Richard	GC	08/16/16 - 08/17/16	S	169,450
Cafaro, Debra A	CEO	08/12/16	S	10,757

Total Shares Acquired	224,090
Total Shares Disposed	<u>253,090</u>
Net Shares	<b>-29,000</b>
Sector Average	<b>-86,581</b>

**HIGHLIGHTS**

- Ventas Inc currently has an Insider Trading Rating of 1, which is significantly more bearish than both the Specialized REITs industry average of 5.20 and the Residential & Comm. REITs industry group average of 5.21.
- Since the beginning of the current quarter, sales by Ventas Inc executives have totaled \$18,185,877. This figure exceeds the five-year average Q3 sell total of \$7,470,677.

**MONTHLY BUYS AND SELLS**



**TOP INSTITUTIONAL HOLDERS**

Institution Name	Inst. Type	% O/S	Shares Held	Reported Date
The Vanguard Group Inc	Inv Mgmt	13.4%	47.1M	06/30/16
BlackRock Institutional	Inv Mgmt	7.1%	25.1M	06/30/16
State Street Global	Inv Mgmt	5.4%	19.1M	06/30/16
Fidelity Management	Inv Mgmt	5.1%	17.9M	06/30/16
APG Asset Management US	Inv Mgmt	3.9%	13.6M	06/30/16

Updated daily as of 09/30/16

**TOP EXECUTIVE HOLDERS**

Insider Name	Role	Direct Shares	Value	Reported Date
Cafaro, Debra A	CEO	0.55M	37.4M	08/16/16
Lewis, Raymond J	P	0.19M	12.9M	07/28/15
Schweinhart, Richard A	O	0.14M	9.57M	12/16/14
Riney, T Richard	GC	0.13M	8.81M	08/18/16
Gellert, Jay M	D	0.11M	7.56M	07/01/16

Updated monthly as of 09/18/16



## DETAILED STOCK REPORT TIPS

The Thomson Reuters Stock Report is a comprehensive, company-specific analysis that includes a proprietary Stock Rating along with underlying component indicators and supportive data elements. The report is updated daily, although some of the data elements and the ratings are updated weekly.

**Average Score**

The Average Score combines a quantitative analysis of six widely-used investment decision making tools - Earnings, Fundamental, Relative Valuation, Risk, Price Momentum, and Insider Trading. First, a simple average of the six underlying component ratings is calculated. Then, a normal distribution is used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A score of 8 to 10 is considered positive, 4 to 7 is neutral, and 1 to 3 is negative. These six factors may be evaluated differently using alternative methodologies, and the importance of individual factors varies across groups, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.

A company must have sufficient data available for at least four of the six component indicators in order to receive an overall Average Score. Approximately 85% of the stocks within the coverage universe meet the criteria to generate a score.

**Optimized Score**

As an alternative to the average score, the Stock Report includes an Optimized Score generated by independent research firm, Verus Analytics. It uses the same six component ratings, but rather than equally weighting each of the factors, the weighting varies by market capitalization of the underlying security based on backtesting research. These scores are also updated weekly and distributed normally on a 1 to 10 scale, with 10 being best. The variable size is assigned monthly by ranking the market capitalization and assigning the appropriate category as follows:

- Large - Top 5.55%
- Mid - Next 13.87%
- Small - Next 34.68%
- Micro - Remaining 45.9%

**Indicator Components**

The six indicators that comprise the stock rating are displayed. Like the stock rating, the component rating scale is 1 to 10, with 10 being best. A company will receive an 'NR' for No Rating if the required data elements or criteria are not met. A detailed section for each component is included in the report.

**Indicator Trends**

Within each component section, historical score trends are displayed, typically using a 4-week moving average over a timeframe of the past three years. The dotted orange line indicates the average of the scores over those three years. The most recent occurrences of the best and worst scores are also displayed on the chart in grey boxes to put the current score into historical context.

Next to the trend chart for the company, current score averages are included, along with peer company comparisons of values from 6 months ago, 3 months ago, 1 month ago, the most recent value from 1 week ago, and the current score. The four closest industry peers are presented based on similar market capitalization.

**Peer Analysis**

The Thomson Reuters Business Classification (TRBC) system is used for industry comparisons. It is designed to track and display the primary business of a corporation by grouping together correlated companies that offer products and services into similar end markets. The system includes 10 Economic Sectors, 28 Business Sectors, 54 Industry Groups, and 136 Industries.

The Peer Analysis section of the report compares the company to its ten closest peers. The peers are selected from the industry based on similar market capitalization. The peer listing may have fewer than ten companies if there are fewer than ten companies classified within that industry.

**Highlights**

The Thomson Reuters proprietary automated text-generation system creates highlights summarizing the most noteworthy data. The bullets will vary by company and will change from week to week as different criteria are met.

**Earnings**

The Earnings Rating is based on a combination of three factors: earnings surprises, estimate revisions, and recommendation changes. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least two of the three earnings factors in order to receive a score.

Earnings Surprises - The number of positive and negative surprises within the last 4 quarters.

Estimate Revisions - The number of up and down revisions and the average percentage change of those revisions within a 4 week period.

Recommendation Changes - The number of broker upgrades and downgrades in the last 120 days.

**Price Target**

The price target is based on the predictions of analysts covering the stock and shows the high, low and mean price expected within the next 12 months.

**Earnings Per Share**

The quarterly and annual earnings per share are presented when available, along with the mean, high and low. Quarterly data is displayed for the past 4 quarters (actual) and the next 2 quarters (estimated). Annual data is displayed for the past 2 years (actual) and the next 2 years (estimated).

**Mean Estimate Trend**

The mean estimates show how the consensus has changed over the past 30 days and 90 days for the upcoming two quarters and two years. The percentage change is calculated for the company as a means for comparison by measuring the difference between the current consensus estimate and that of 90 days ago.

**Analyst Recommendations**

The I/B/E/S Mean is the mean recommendation of all analysts covering the stock, as provided by Thomson Reuters I/B/E/S (Institutional Brokers Estimate System). The recommendations are presented on a five-point standardized scale: strong buy, buy, hold, reduce, and sell.

**Earnings Surprises**

The surprise summary includes the total number of quarters (and percentage) in the past 12 quarters in which earnings surprises were positive, negative, or in-line. In order to be recognized as a positive or negative surprise, the percent must be greater than 2% above or 2% below the consensus, respectively.

The surprise detail section includes a listing of the company's quarterly earnings reported for the most recent 6 quarters. The consensus analyst estimate is provided to determine if the actual earnings report represented a positive surprise, negative surprise, or in-line result.

**Fundamental**

The Fundamental Rating is based on a combination of four factors: profitability, debt, earnings quality, and dividend. Companies that do not pay a dividend are not penalized. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least three of the four fundamental factors present for a given fiscal quarter in order to receive a score.

Profitability is comprised of four data elements.

- Revenue Growth: (Net Sales – Previous Net Sales) / Previous Net Sales
- Gross Margin: Gross Profit / Net Sales
- Return on Equity: Net Income / Total Equity
- Net Margin: Net Profit / Net Sales

Debt is comprised of four data elements.

- Current Ratio: Current Assets / Current Liabilities
- Debt-to-Capital: Total Debt / Total Capital
- Interest Funding: Interest Expense / Operating Cash Flow
- Interest Coverage: (Pre-Tax Income + Interest Expense) / Interest Expense

Earnings Quality is comprised of two data elements.

- Days Sales in Inventory: 365 / (Cost of Goods Sold / Inventory)
- Days Sales in Receivables: 365 / (Net Sales (Revenues) / Receivables)

Dividend is comprised of four data elements. The company must have a current dividend yield.

- Dividend Growth Rate: (Dividends per Share – Previous Dividends per Share) / Previous Dividends per Share
- Dividend Funding: Dividends / Operating Cash Flow
- Dividend Coverage: (Pre-Tax Income + Interest Expense) / (Interest Expense + Dividends)
- Dividend Yield: Annual Dividends per Share / Current Market Price per Share

**Indicator Trend**

The fundamental indicator trend displays quarterly scores over the past three years. The best and worst scores over that timeframe can be easily determined from the values shown on the chart for each quarter.



**Relative Valuation**

The Relative Valuation Rating is based on a combination of three factors: Forward PEG (50% weight), Trailing P/E (25% weight), and Forward P/E (25% weight). After the weightings are considered to combine individual factors, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. These common valuation metrics are evaluated against the overall market, the index, and the company's own historic 5-year averages. A stock needs to have at least one of the three relative valuation factors in order to receive a score.

Trailing P/E: Close Price / Most Recent 4 Quarters of Earnings  
Forward P/E: Close Price/ Upcoming 4 Quarters of Earnings  
Forward PEG: Forward P/E / Long-Term Forecasted Growth Rate

**Valuation Averages**

Negative values are excluded when calculating the averages. A maximum value of 100 is placed on Trailing P/E and Forward P/E, a maximum value of 5 is placed on Forward PEG, and a maximum value of 20 is placed on Price to Sales when calculating the averages. Higher values are rounded down to the maximum for the averages.

**Valuation Multiples**

The valuation multiples provide the Trailing P/E, Forward P/E, Forward PEG, and Price to Sales for the company and the S&P 500 index average. In addition, a comparison of the current company's values to its 5-year average and an industry average are presented. A discount occurs when the company's ratio is valued more favorably (lower) than that to which it is compared.

**Risk**

The Risk Rating displays stocks on a scale of 1 to 10 with 10 being awarded to the least risky stocks. It is derived by looking at a series of long-term (5-year) and short-term (90-day) stock performance measures including volatility, magnitude of returns, beta, and correlation. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market. A stock needs to have at least two of the four risk factors in order to receive a score.

Magnitude of Returns – The best / worst daily returns in the past 90 days and the best / worst monthly returns in the past 60 months.

Volatility – The standard deviation of the stock price over the last 90 days and last 60 months, along with the average and largest intra-day stock swing.

Beta – Measures the tendency of a security's returns to respond to swings in the market, based on the beta of the company versus the relevant index.

Correlation – Determines how closely the returns of the stock and the relevant index move together, measured over the last 90 days and last 60 months.

**Risk Analysis**

Price analysis for the company and the S&P 500 is provided over two time periods. Daily analysis is provided for the last 90 days, whereas monthly statistics are used for the last 60 months.

**Price Momentum**

The Price Momentum Rating is based on a combination of two technical performance factors: relative strength (70% weight) and seasonality (30% weight). After the weightings are considered to combine individual factors, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have data for the relative strength factor in order to receive a score.

Relative Strength – The relative strength of the company for the last 1 month, 3 months, and 6 months on a scale of 1 to 100.

Seasonality – The average monthly return (price performance) for the current month and next 2 months for the company and industry, over the past 10 years. A lower industry rank indicates a higher return.

**Price Performance**

Daily close prices are used to calculate the price performance of the stock. The performance of the S&P 500 is also displayed as a means of comparison.

**Insider Trading**

The Insider Trading Rating is based on short-term (70% weight) and long-term (30% weight) legal insider trading behavior. After the weightings are considered to combine individual factors, a function similar to a normal distribution is used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least one of the two insider trading factors in order to receive a score.

Short-Term Insider – Uses insider buy and sell transactions within the past 90 days. This factor is based on the Thomson Reuters quantitative insider trading model that considers the insider's role, consensus, number of shares, market capitalization of the company, and the historic stock performance following trades by the given insider.

Long-Term Insider – Looks at buying, selling and option exercise decisions over the past six months relative to other stocks within the same business sector. The net shares are presented alongside the business sector average as a means of comparison.

**Monthly Buys and Sells**

The total market value of open-market buying and selling is displayed by month in the chart for easy comparison. Transactions by trusts and corporations are excluded, along with buys greater than \$10 million and sales greater than \$50 million. Transactions for the exercise of derivatives and option exercises are excluded from the totals.

**Institutional Holders**

The top five institutional holders of the company are listed in descending order, based on their total share holdings. Possible values for the institution type include Brokerage, Funds, Inv Mgmt, or Strategic.

**Executive Holders**

The top five executive insiders of the company are listed in descending order, based on their total direct common share holdings (options are not considered). Indirect holdings are excluded, as the owner may not actually have investment discretion over these shares. This table is updated monthly. Insiders who have not filed any transactions or holdings over the past two years are excluded as this may indicate that the individual is no longer associated with the company. Additionally, direct shares held must be greater than 1,000 to be considered.

**Insider Roles**

These role codes may appear in the data for recent insider buys and sells or top executive holders:

AF - Affiliate	IA - Investment Advisor
AI - Affiliate of Advisor	MC - Member of Committee
B - Beneficial Owner	MD - Managing Director
C - Controller	O - Officer
CB - Chairman	OB - Officer / Beneficial Owner
CEO - Chief Executive Officer	OD - Officer / Director
CFO - Chief Financial Officer	OE - Other Executive
CI - Chief Investment Officer	OS - Officer of Subsidiary
CO - Chief Operating Officer	OT - Officer / Treasurer
CT - Chief Technology Officer	OX - Divisional Officer
D - Director	P - President
DO - Director / Beneficial Owner	R - Retired
DS - Indirect Shareholder	S - Secretary
EC - Member of Exec Committee	SH - Shareholder
EVP - Exec Vice President	SVP - Senior Vice President
FO - Former	T - Trustee
GC - General Counsel	UT - Unknown
GP - General Partner	VC - Vice Chairman
H - Officer / Director / Owner	VP - Vice President

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