

VENTAS INC  
Form PRE 14A  
March 30, 2007  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of**

**the Securities Exchange Act of 1934**

**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**VENTAS, INC.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Edgar Filing: VENTAS INC - Form PRE 14A

---

(2) Aggregate number of securities to which transaction applies:

---

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

---

(4) Proposed maximum aggregate value of transaction:

---

(5) Total fee paid:

---

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

---

(2) Form, Schedule or Registration Statement No.:

---

(3) Filing Party:

---

(4) Date Filed:

---

**Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table of Contents**

**10350 Ormsby Park Place**

**Suite 300**

**Louisville, Kentucky 40223**

**(502) 357-9000**

April , 2007

Dear Stockholder:

I am pleased to invite you to attend our Annual Meeting of Stockholders to be held at 9:00 a.m., local time, on Wednesday, May 16, 2007. The meeting will be held at 111 South Wacker Drive, 29<sup>th</sup> Floor, Chicago, Illinois 60606.

The accompanying Notice of Annual Meeting of Stockholders and Proxy Statement describe the items to be considered and acted upon at the meeting.

Your vote is very important. Whether or not you plan to attend the meeting, you can vote by signing, dating and mailing the enclosed proxy card in the envelope provided. Also, registered and most beneficial stockholders may vote by toll-free telephone in the United States or Canada or over the Internet. The enclosed proxy card contains instructions for using these convenient services. We urge you to vote your shares at your earliest convenience.

The Board of Directors appreciates your interest in Ventas, Inc.

Sincerely,  
Debra A. Cafaro

*Chairman of the Board, Chief Executive Officer and  
President*

Table of Contents

10350 Ormsby Park Place

Suite 300

Louisville, Kentucky 40223

(502) 357-9000

---

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

---

To the Stockholders of Ventas, Inc.:

The Annual Meeting of Stockholders (the Annual Meeting ) of Ventas, Inc. will be held at 9:00 a.m., local time, on Wednesday, May 16, 2007, at 111 South Wacker Drive, 29<sup>th</sup> Floor, Chicago, Illinois 60606, to consider and vote on:

1. The election of directors for the ensuing year;
2. The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2007;
3. The approval of an amendment to our Certificate of Incorporation to increase the number of authorized shares of common stock;
4. The approval of an amendment to our Certificate of Incorporation to include certain provisions limiting the constructive ownership of our capital stock in order to provide further assurances for our continued compliance as a qualified real estate investment trust under U.S. federal income tax law; and
5. Such other business as may properly come before the Annual Meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on March 19, 2007 as the record date for determination of stockholders entitled to notice of, and to vote at, the Annual Meeting or any adjournments thereof. A list of all stockholders entitled to vote at the Annual Meeting will be available for inspection by any stockholder for any purpose reasonably related to the Annual Meeting during ordinary business hours for a period of ten days prior to the Annual Meeting at our principal executive offices located at 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223. Your attention is directed to the Proxy Statement accompanying this notice.

You are cordially invited to attend the Annual Meeting in person. **Even if you plan to attend in person, you are requested to vote by telephone, over the Internet or by signing, dating and mailing the enclosed proxy card at your earliest convenience.** This will not prevent you from voting your shares in person if you choose to attend the Annual Meeting.

By Order of the Board of Directors,

T. Richard Riney

Edgar Filing: VENTAS INC - Form PRE 14A

*Executive Vice President, Chief Administrative Officer, General  
Counsel and Corporate Secretary*

Louisville, Kentucky

April , 2007

**Table of Contents**

VENTAS, INC.

10350 Ormsby Park Place

Suite 300

Louisville, Kentucky 40223

(502) 357-9000

---

**PROXY STATEMENT**

for

**ANNUAL MEETING OF STOCKHOLDERS**

**May 16, 2007**

---

**TABLE OF CONTENTS**

	<b>Page</b>
<u>General Information About the Annual Meeting and Voting</u>	2
<b><u>Proposal 1: Election of Directors</u></b>	4
<u>Corporate Governance</u>	7
<u>Board of Directors</u>	7
<u>Board Committees</u>	8
<u>Guidelines on Governance</u>	12
<u>Code of Ethics and Business Conduct</u>	12
<u>Non-Employee Director Compensation</u>	13
<u>Executive Officers</u>	15
<u>Security Ownership of Principal Stockholders, Directors and Executive Officers</u>	16
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	18
<u>Transactions with Related Persons</u>	18
<u>Executive Compensation Matters</u>	19
Compensation Discussion and Analysis	
Compensation Committee Report	
Compensation Committee Interlocks and Insider Participation	
Executive Compensation and Other Information	
Employment Agreements with Named Executive Officers	
Potential Payments Upon Termination or Change of Control	
Executive Officer 10b5-1 Plans	
<u>Equity Compensation Plan Information</u>	19
<b><u>Proposal 2: Ratification of Independent Registered Public Accounting Firm for 2007</u></b>	20
<u>Audit Matters</u>	20
<u>Audit Committee Report</u>	20
<u>Policy on Pre-Approval of Audit and Permissible Non-Audit Services</u>	21
<u>Independent Registered Public Accounting Firm's Fees</u>	22
<b><u>Proposal 3: Approval of an Amendment to Our Certificate to Incorporation to Increase Our Authorized Common Stock</u></b>	22
	23

**Proposal 4: Approval of an Amendment to Our Certificate of Incorporation to Include Certain Provisions Limiting the Constructive Ownership of Our Capital Stock in Order to Provide Further Assurances for Our Continued Compliance as a Qualified Real Estate Investment Trust under U.S. Federal Income Tax Law**

Stockholder Proposals for the 2008 Annual Meeting of Stockholders

24

Other Matters

24

Additional Information

25

Annex A Text of Proposed Amendment to Certificate of Incorporation Under Proposal 3

A-1

Annex B Text of Proposed Amendment to Certificate of Incorporation Under Proposal 4

B-1

Annex C Proposed Amended and Restated Certificate of Incorporation

C-1

---

**Table of Contents**

**GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING**

*Solicitation of Proxies and Mailing Date*

This Proxy Statement is being furnished in connection with the solicitation of proxies by the Board of Directors (the Board) of Ventas, Inc. (Ventas, we or us) for use at our Annual Meeting of Stockholders (the Annual Meeting) to be held at 9:00 a.m., local time, on Wednesday, May 16, 2007, at 111 South Wacker Drive, 29<sup>th</sup> Floor, Chicago, Illinois 60606, and at any adjournments thereof. We are first distributing this Proxy Statement and the materials accompanying it to stockholders on or about April 11, 2007.

*Who Can Vote*

Only stockholders of record at the close of business on March 19, 2007 are entitled to vote at the Annual Meeting or any adjournments thereof. On the record date, 106,310,070 shares of our common stock, par value \$0.25 per share (Common Stock), were outstanding. Each share of Common Stock entitles the owner to one vote. However, certain shares designated as Excess Shares pursuant to our Certificate of Incorporation (which are generally any shares owned in excess of 9.0% of the outstanding Common Stock) may not be voted by the record owner thereof, but will instead be voted in accordance with Article XII of our Certificate of Incorporation.

*How to Vote*

Stockholders of record may vote in one of the following ways:

**By telephone** If you are located in the United States or Canada, you may vote your shares by calling the toll-free telephone number on the enclosed proxy card. You may vote by telephone 24 hours a day, 7 days a week until the time of the Annual Meeting. The telephone voting system has easy-to-follow instructions and allows you to confirm that the system has properly recorded your vote. If you vote by telephone, you do not need to return your proxy card. Please note that you may incur costs charged by telephone companies if you vote by telephone.

**Over the Internet** You may vote your shares via the Web site [www.cesvote.com](http://www.cesvote.com). You may vote over the Internet 24 hours a day, 7 days a week until the time of the Annual Meeting. As with telephone voting, you may confirm that the system has properly recorded your vote. If you vote over the Internet, you do not need to return your proxy card. Please note that you may incur costs charged by telephone companies or Internet access providers if you vote over the Internet.

**By mail** You may vote your shares by signing and dating the enclosed proxy card and returning it by mail in the accompanying postage-paid envelope.

**In person at the Annual Meeting** If you vote by telephone, over the Internet or by mail, you may still attend the Annual Meeting and vote your shares in person.

Stockholders who hold shares in street name should follow the instructions provided by their broker or nominee to instruct the broker or nominee how to vote the shares.

All shares that have been properly voted by proxy and not revoked will be voted at the Annual Meeting in accordance with the instructions contained therein. Shares represented by proxy cards that are signed and returned but do not contain any voting instructions will be voted as follows:

tement;

st & Young) as our independent registered public accounting firm for fiscal year 2007;



Edgar Filing: VENTAS INC - Form PRE 14A

to increase our authorized Common Stock;

to include certain provisions limiting the constructive ownership of our capital stock in order to provide further assurances for our continued compliance as a qualified

---

## **Table of Contents**

In the discretion of the proxy holders, on such other business as may properly come before the Annual Meeting.

### *Revocation of Proxies*

Stockholders of record may revoke a proxy at any time before it is voted at the Annual Meeting by:

Executing a later-dated proxy card;

Subsequently voting by telephone or over the Internet; or

Submitting a written notice of revocation to our General Counsel at our principal executive offices located at 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223.

A stockholder of record may also attend the Annual Meeting and vote in person, in which event any prior proxy given by the stockholder will be revoked automatically. Attendance at the Annual Meeting by itself will not constitute revocation of a proxy. Stockholders who hold shares in street name should follow the instructions provided by their broker or nominee to revoke a proxy, if applicable. No dissenters or appraisal rights are available with respect to the proposals presently being submitted to the stockholders for their consideration.

### *Quorum*

A majority of the outstanding shares of Common Stock as of the record date must be present in person or by proxy to constitute a quorum to transact business at the Annual Meeting. Abstentions and proxies relating to street name shares for which brokers or nominees do not have discretionary voting power with respect to one or more proposals and have not received voting instructions from the beneficial owner ( Broker Non-Votes ) are counted for purposes of establishing a quorum. Under current New York Stock Exchange ( NYSE ) rules, a broker or nominee that has not received voting instructions from the beneficial owner has discretion to vote on the election of directors (Proposal 1) and the ratification of the appointment of the independent registered public accounting firm (Proposal 2), but no other proposal.

### *Voting Requirements*

- Proposal 1 The vote of a plurality of the shares of Common Stock present in person or by proxy will be necessary to elect the director-nominees listed in this Proxy Statement. Therefore, the seven nominees receiving the greatest number of votes cast will be elected as directors, and abstentions and Broker Non-Votes will have no effect.
- Proposal 2 The affirmative vote of a majority of the shares of Common Stock present in person or by proxy and entitled to vote will be necessary to ratify the appointment of Ernst & Young as our independent registered public accounting firm for fiscal year 2007. Therefore, abstentions will have the same effect as votes against this proposal, whereas Broker Non-Votes will have no effect.
- Proposal 3 The affirmative vote of a majority of the outstanding shares of Common Stock entitled to vote will be necessary to approve the amendment to our Certificate of Incorporation to increase our authorized Common Stock. Therefore, abstentions and Broker Non-Votes will have the same effect as votes against this proposal.
- Proposal 4 The affirmative vote of a majority of the outstanding shares of Common Stock entitled to vote will be necessary to approve the amendment to our Certificate of Incorporation to include certain provisions limiting the constructive ownership of our capital stock in order to provide further assurances for our continued compliance as a qualified real estate investment trust under U.S. federal income tax law. Therefore, abstentions and Broker Non-Votes will have the same effect as votes against this proposal.

## **Table of Contents**

The affirmative vote of a majority of the shares of Common Stock present in person or by proxy and entitled to vote will be necessary to approve any other proposal that may properly come before the Annual Meeting. Accordingly, abstentions will have the same effect as votes against any such proposal, whereas Broker Non-Votes will have no effect.

### *Householding*

Stockholders who hold shares in street name (i.e., through a brokerage account) may receive only one copy of our 2006 Annual Report and this Proxy Statement if they have the same last name as and share a single address with another stockholder. This practice, known as householding, is designed to eliminate duplicate mailings, conserve natural resources and reduce our printing and mailing costs. More information about householding can be obtained from your bank, broker or other record holder. Stockholders wishing to receive a separate copy of the 2006 Annual Report and this Proxy Statement may write or call us at: Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary, telephone (502) 357-9000. Upon receipt of your request, we will promptly deliver the requested materials to you. Stockholders with the same last name and sharing an address who hold shares in street name and who desire in the future to receive separate copies of our annual reports and proxy statements if they are currently receiving only one copy, or who desire to receive a single copy if they are currently receiving multiple copies, may write or call ADP Investor Communications Services at: ADP Householding Department, 51 Mercedes Way, Edgewood, NY 11717, telephone (800) 542-1061.

### *Cost of Proxy Solicitation*

We will bear the cost of soliciting proxies by the Board. In addition to the solicitation of proxies by mail, solicitation may be made personally or by telephone or electronic communication by our directors, officers and employees, none of whom will receive additional compensation for these services, and by Georgeson Shareholder Communications, Inc., who we have retained to aid in the solicitation of proxies. We will pay Georgeson Shareholder Communications, Inc. approximately \$ plus expenses for these services. We will also reimburse brokers and other nominees for their reasonable out-of-pocket expenses incurred in connection with distributing forms of proxies and proxy materials to the beneficial owners of Common Stock.

## **PROPOSAL 1:**

### **ELECTION OF DIRECTORS**

Our Board of Directors currently consists of seven directors, all of whom the Board has nominated upon the recommendation of the Nominating and Corporate Governance Committee (the Nominating and Governance Committee) to be elected as directors at the Annual Meeting. Each director elected at the Annual Meeting will hold office until the next succeeding annual meeting of stockholders and his or her successor is duly elected and qualified, or until his or her earlier death, resignation or removal.

All nominees for director have consented to be named and have agreed to serve as directors if elected. We have no reason to believe that any of the nominees will be unable to accept election as a director. However, in the event that one or more nominees are unable or unwilling to accept election or are unavailable to serve for any reason, the persons named as proxies or their substitutes will have authority, according to their judgment, to vote or refrain from voting for such substitute nominees as may be designated by the Board.

**Table of Contents**

Set forth below is certain biographical information concerning each nominee proposed for election as a director. This information is based upon statements made or confirmed to us by or on behalf of such nominees, except to the extent certain information appears in our records. Ages shown for all nominees are as of March 31, 2007.

<b>Name</b>	<b>Age</b>	<b>Principal Occupation, Five-Year Business Experience and Directorships</b>	<b>Year First Became a Director</b>
DEBRA A. CAFARO	49	Ms. Cafaro joined us as Chief Executive Officer and President in 1999 and was appointed Chairman of the Board in January 2003. From 1997 to 1998, she served as President and Director of Ambassador Apartments, Inc. (NYSE: AAH), a real estate investment trust ( REIT ). Ms. Cafaro is admitted to the Bar in Illinois and Pennsylvania. She serves as a director of Weyerhaeuser Company (NYSE: WY), one of the world's largest integrated forest products companies, and is a member of the Executive Committee of the Board of Governors of the National Association of Real Estate Investment Trusts ( NAREIT ) and the Real Estate Roundtable and its Nominating Committee. She also chairs the Visiting Committee of the University of Chicago Law School.	1999
DOUGLAS CROCKER II	66	Mr. Crocker served as Vice Chairman of the Board of Trustees of Equity Residential Properties Trust (NYSE: EQR) ( EQR ), a prominent multifamily apartment REIT, from January 2003 to April 2003, and as Trustee and Chief Executive Officer of EQR from 1993 to December 2002. He also served as President of EQR from 1993 until April 2002. Mr. Crocker served as Executive Vice President of Equity Financial and Management Company, a subsidiary of Equity Group Investments, Inc. ( EGI ), which provides strategic direction and services for EGI's real estate and corporate activities, from 1992 to 1997. He has also previously served as President, Chief Executive Officer and a director of First Capital Corporation, a sponsor of public limited real estate partnerships. Mr. Crocker serves as a director of Wellsford Real Properties, Inc. (AMEX: WRP), a real estate merchant banking firm, Acadia Realty Trust (NYSE: AKR), a REIT that owns and operates shopping centers, Post Properties, Inc. (NYSE: PPS), an apartment REIT and Reckson Associates Realty Corp., an office and industrial REIT.	1998
RONALD G. GEARY	59	Mr. Geary, an attorney and certified public accountant, has served as a director of ResCare, Inc. (NASDAQ: RSCR) ( ResCare ), a provider of residential training and support services for persons with developmental disabilities and certain vocational training services, since 1990 and as Chairman of the Board of ResCare since 1998. Mr. Geary also served as President of ResCare from 1990 to June 2006 and as Chief Executive Officer of ResCare from 1993 to June 2006. Prior to becoming Chief Executive Officer, Mr. Geary was Chief Operating Officer of ResCare from 1990 to 1993. Mr. Geary served as a director of Alterra Healthcare Corporation, a national assisted living company, from May 2001 to December 2003.	1998

**Table of Contents**

Name	Age	Principal Occupation, Five-Year Business Experience and Directorships	Year First Became a Director
JAY M. GELLERT	53	Mr. Gellert has been President and Chief Executive Officer of Health Net, Inc. (formerly known as Foundation Health Systems, Inc.) (NYSE: HNT) ( Health Net ), an integrated managed care organization which administers the delivery of managed healthcare services, since 1998, and as a director of Health Net since 1999. Previously, Mr. Gellert was President and Chief Operating Officer of Health Net from 1997 to 1998. From 1996 to 1997, Mr. Gellert served as President and Chief Operating Officer of Health Net, then operating as Health Systems International, Inc. ( HSI ), a health maintenance organization, and as a director of HSI from 1996 to 1997. Prior to joining HSI, Mr. Gellert directed strategic advisory engagements for Shattuck Hammond Partners. Mr. Gellert serves as a director of the American Association of Health Plans and Miavita, Inc., a provider of online wellness programs.	2001
CHRISTOPHER T. HANNON	44	Mr. Hannon joined Province Healthcare Company (NYSE: PRV) ( Province ) in 1997 and served as its Senior Vice President and Chief Financial Officer from October 2002 to April 2005. Province was acquired by LifePoint Hospitals, Inc. (NASDAQ: LPNT) in April 2005, at which time Mr. Hannon retired from the company. Prior to 1997, Mr. Hannon was a vice president with SunTrust Banks, Inc. (NYSE: STI) ( SunTrust ), where he was a senior healthcare lender. He joined SunTrust in 1984. Mr. Hannon serves as a director of nTelagent, Inc., a healthcare services company, and is a member of the HFMA National Accounting Policy and Practices Board.	2004
SHELI Z. ROSENBERG	65	Ms. Rosenberg was Vice Chairman of Equity Group Investments, LLC ( EGI, LLC ), an investment company, from 2000 to October 2003 and Chief Executive Officer and President of EGI, LLC from 1999 to 2000. From 1994 to 1999, Ms. Rosenberg served as Chief Executive Officer, President and a director of EGI, an owner, manager and financier of real estate and corporations. Ms. Rosenberg was a principal in the law firm of Rosenberg & Liebenritt, P.C. from 1980 to 1997. She is a trustee of EQR and serves as a director of Equity Life Style Properties (NYSE: ELS), a manufactured home community REIT, CVS Corporation (NYSE: CVS), a drug store chain, and Avis Corporation (NYSE: CAR), a provider of automobile rental and related services. Ms. Rosenberg is also co-founder and President of The Center for Executive Women at the Kellogg School of Management.	2001

**Table of Contents**

Name	Age	Principal Occupation, Five-Year Business Experience and Directorships	Year First Became a Director
THOMAS C. THEOBALD	69	Mr. Theobald has served as Senior Advisor at Chicago Growth Capital, a Chicago-based private equity firm, since September 2004. From 1994 to September 2004, he served as a Managing Director at William Blair Capital Partners, and from 1987 to 1994, Mr. Theobald was Chairman and Chief Executive Officer of Continental Bank Corporation, a bank holding company. Prior to that, he worked at Citicorp/Citibank from 1960 to 1987, rising to the level of Vice Chairman. He serves as a director of Anixter International, Inc. (NYSE: AXE), a supplier of electrical apparatus and equipment, Columbia Funds, a mutual fund group, AMBAC Financial Group (NYSE: ABK), a financial guaranty underwriter, and Jones Lang LaSalle Incorporated (NYSE: JLL), a real estate services and investment management firm. Mr. Theobald is also a Life Trustee of Northwestern University and a member of the Board of Dean's Advisors at Harvard Business School.	2003

THE BOARD OF DIRECTORS RECOMMENDS A VOTE **FOR** EACH OF THE NAMED NOMINEES.

**CORPORATE GOVERNANCE**

**Board of Directors**

The Board of Directors provides oversight with respect to our overall performance, strategic plans and key corporate policies. It approves significant acquisitions, dispositions and other transactions, advises management on key financial and business objectives and monitors our progress with respect to these matters. Members of the Board are kept informed of our business by various reports and materials provided to them on a regular basis by management, including presentations made at Board and committee meetings by our Chief Executive Officer, Chief Financial Officer and other officers.

*Board Meeting Attendance*

During 2006, the Board held a total of 16 meetings, including 4 regular meetings and 12 special meetings. In conjunction with each regular meeting, the Board of Directors met in executive session, outside the presence of management. The non-management members of the Board are expected to meet in executive session, outside the presence of management, at a minimum, at each of its regularly scheduled quarterly Board meetings. On May 19, 2006, the Board of Directors appointed Mr. Crocker to serve as Presiding Director, whose duties include chairing the executive sessions of the non-management members. The Presiding Director must be an independent member of the Board and generally serves until the next annual meeting of stockholders and until his or her successor has been appointed or until his or her earlier resignation, removal or death.

It is our policy that all directors should attend our annual meetings of stockholders. All of our directors attended the 2006 Annual Meeting of Stockholders. In 2006, each director also attended at least 75% of the total number of meetings of the Board and committees on which he or she served.

*Board Independence*

Our Guidelines on Governance require that at least a majority of the Board be comprised of directors who meet the criteria for independence under the rules and regulations of the NYSE. The Board has reviewed and

---

**Table of Contents**

affirmatively determined that each of our current non-employee directors and nominees, namely, Messrs. Crocker, Geary, Gellert, Hannon and Theobald and Ms. Rosenberg, is independent of Ventas and our management and qualifies as independent under those standards. Ms. Cafaro, as our Chairman of the Board, Chief Executive Officer and President, is not independent under the rules of the NYSE. The Board's determination was based on a review conducted on March 13, 2007, pursuant to which each non-employee director's independence was evaluated on a case-by-case basis. The Board considered any matters that could affect the ability of each non-employee director to exercise independent judgment in carrying out his or her responsibilities as a director, including all transactions and relationships between, on one hand, each such director, the director's family members and organizations with which the director or the director's family members have an affiliation and, on the other hand, us, our subsidiaries and our management. Any such matters were evaluated both from the standpoint of the director and from that of persons or organizations with which the director has an affiliation. The Board has concluded that none of the directors (other than Ms. Cafaro) has a material relationship with us. Each director abstained from the vote pertaining to the determination of his or her independence.

In evaluating Mr. Geary's independence, the Board considered our relationship with ResCare pursuant to the Master Lease Agreement described under "Transactions with Related Persons" and has determined that such relationship is not material to Mr. Geary, ResCare or us from a financial perspective or otherwise. The total annual payments made to us under the Master Lease Agreement constitute less than one-tenth of one percent (0.1%) of the annual gross consolidated revenues of ResCare, and less than two-tenths of one percent (0.2%) of our annual gross consolidated revenues. Further, the Board believes that the terms of the Master Lease Agreement represent market rates. The Board does not believe this relationship will affect Mr. Geary's ability to exercise independent judgment in carrying out his responsibilities as a director of Ventas.

*Communications with the Board*

Stockholders and other parties interested in communicating directly with the Board may do so by writing to Board of Directors, Ventas, Inc., c/o Corporate Secretary, 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223 or by submitting an e-mail to the board at [bod@ventasreit.com](mailto:bod@ventasreit.com). Communications addressed to the board are screened by our Corporate Secretary for appropriateness before either forwarding to or notifying the members of the Board of receipt of a communication. Additionally, stockholders and other parties interested in communicating directly with the Presiding Director of the Board of Directors or with the non-management directors as a group may do so by writing to Presiding Director, Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223 or by submitting an e-mail to the independent members of the Board at [independentbod@ventasreit.com](mailto:independentbod@ventasreit.com).

**Board Committees**

The Board of Directors has five standing committees:

- (1) the Audit and Compliance Committee (the "Audit Committee");
- (2) the Executive Compensation Committee (the "Compensation Committee");
- (3) the Executive Committee;
- (4) the Investment Committee; and
- (5) the Nominating and Governance Committee.

**Table of Contents**

The following table shows each committee on which each director served, the chairperson of each committee and the number of meetings held by each committee in 2006.

Name	Audit Committee	Compensation Committee	Executive Committee	Investment Committee	Nominating and Governance Committee
Debra A. Cafaro			X	C	
Douglas Crocker II	X	X		X	
Ronald G. Geary	X		X	X	
Jay M. Gellert			C		X
Christopher T. Hannon	C		X		
Sheli Z. Rosenberg		C			C
Thomas C. Theobald		X			X
<b>Number of Meetings</b>	<b>4</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>

C = Chairperson

*Audit Committee*

The Board has determined that each member of the Audit Committee is independent and satisfies the independence standards of the Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act ) and related rules and regulations of the Securities and Exchange Commission (the Commission ) and the listing standards adopted by the NYSE, including the additional independence requirements for audit committee members. The Board has also determined that each member of the Audit Committee is financially literate and qualifies as an audit committee financial expert under the rules of the Commission.

The Audit Committee assists board oversight of the quality and integrity of our financial statements, our compliance with legal and regulatory requirements, the independent registered public accounting firm s qualifications and independence and the performance of our internal audit function and independent registered public accounting firm. Among other things, the Audit Committee:

prepares the report required by Commission rules to be included in our annual proxy statement;

annually assesses the adequacy of its charter and reviews its performance;

appoints and evaluates our independent registered public accounting firm, subject to stockholder ratification;

compensates, retains and oversees the work of the independent registered public accounting firm (including the resolution of disagreements between management and the independent registered public accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or related work; reviews and approves our annual audited financial statements, quarterly financial statements and other reports and statements filed with the Commission;

approves all audit services and permitted non-audit services (including the fees and terms thereof);

reviews significant issues and judgments concerning our financial statements, regulatory and accounting initiatives and internal controls;



## Edgar Filing: VENTAS INC - Form PRE 14A

reviews quarterly reports from the independent registered public accounting firm on all critical accounting policies to be used, alternative treatment of financial information and other material written communications between the independent registered public accounting firm and management;

reviews our earnings press releases, as well as any financial information and earnings guidance provided to analysts and ratings agencies;

**Table of Contents**

reviews our risk exposures, including our risk assessment and risk management policies and guidelines;

reviews disclosures by our Chief Executive Officer and Chief Financial Officer about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in our internal controls; discusses with the independent registered public accounting firm any problems relating to the conduct of the audit and management's response thereto;

reviews and evaluates the qualifications, performance and independence of the independent registered public accounting firm, including the lead partner of the audit team;

annually reviews a report from the independent registered public accounting firm regarding (i) the independent registered public accounting firm's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (iii) any steps taken to deal with any such issues, and (iv) all relationships between the independent registered public accounting firm and Ventas;

oversees our internal audit function;

reviews conflicts of interest and similar matters involving our directors or officers;

establishes procedures for the receipt, retention and treatment of complaints concerning financial matters;

reviews correspondence with regulators or governmental agencies and any published reports concerning our financial statements; and

reviews accounting and financial personnel.

The Audit Committee maintains free and open communication with the Board of Directors, the independent registered public accounting firm, the internal auditors and the financial management.

A more complete description of the functions of the Audit Committee is set forth in the Audit Committee's written charter, a copy of which is available on our Web site at [www.ventasreit.com](http://www.ventasreit.com). In addition, we will provide a copy of the Audit Committee charter, without charge, upon request to Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary.

*Compensation Committee*

The Board has determined that each member of the Compensation Committee is independent and satisfies the listing standards adopted by the NYSE. The Board has also determined that each member of the Compensation Committee meets the additional requirements for compensation committee members under Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), and Rule 16b-3 under the Securities Exchange Act of 1934, as amended. The functions of the Compensation Committee are to establish annual salary levels, approve fringe benefits and administer all incentive compensation plans and equity-based plans or programs for our executive officers. The Compensation Committee's compensation decisions for our Chief Executive Officer are subject to the review and approval of the independent members of the Board.

A more complete description of the functions of the Compensation Committee is set forth in the Compensation Committee's written charter, a copy of which is available on our Web site at [www.ventasreit.com](http://www.ventasreit.com). In addition, we will provide a copy of the Compensation Committee charter, without charge, upon request to Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary.



## **Table of Contents**

### *Executive Committee*

The Board of Directors has delegated to the Executive Committee the power to direct the management of our business and affairs in emergency situations during the intervals between meetings of the Board (except for matters reserved to the Board and other committees of the Board).

### *Investment Committee*

The function of the Investment Committee is to review and approve certain investments in, and acquisitions or development of, seniors housing and/or healthcare-related properties, as well as divestitures of properties, in accordance with our Investment and Divestiture Approval Policy.

### *Nominating and Governance Committee*

The Board has determined that each member of the Nominating and Governance Committee is independent and satisfies the listing standards adopted by the NYSE. The Nominating and Governance Committee (i) identifies individuals qualified to become members of the Board; (ii) selects, or recommends to the Board for selection, director-nominees; (iii) oversees the Board and Board committees; (iv) develops and recommends to the Board a set of corporate governance guidelines and the corporate code of ethics; and (v) generally advises the Board on corporate governance and related matters. Other specific authority and responsibilities of the Nominating and Governance Committee include:

establishing or approving the criteria for Board membership;

making recommendations to the Board regarding its size, composition and tenure of directors;

reviewing stockholder proposals and proposed responses;

advising the Board on appropriate structure and operations of all committees of the Board, including committee member qualifications;

reviewing and recommending to the Board committee assignments and additional committee members to fill vacancies as needed;

annually reviewing and recommending to the Board the amount and types of compensation to be paid to our non-employee directors;

annually reviewing with the Board succession planning with respect to our Chief Executive Officer and other executive officers;

periodically reviewing our policies and procedures, including without limitation the corporate governance guidelines and the corporate code of ethics, as it deems appropriate, and recommending any changes or modifications to the Board for approval;

developing, implementing, reviewing and monitoring an orientation program for new directors, as well as a continuing education program for existing directors;

monitoring developments, trends and best practices in corporate governance and taking such actions in accordance therewith, as it deems appropriate; and

overseeing, as it deems appropriate, an evaluation process of the Board and each of the Board committees, as well as an annual self-performance evaluation.

The Nominating and Governance Committee has the authority to form subcommittees of independent directors and delegate its authority, to the extent not otherwise inconsistent with its obligations and responsibilities.

## **Table of Contents**

A more complete description of the functions of the Nominating and Governance Committee is set forth in the Nominating and Governance Committee's charter, a copy of which is available on our Web site at [www.ventasreit.com](http://www.ventasreit.com). In addition, we will provide a copy of the Nominating Committee charter, without charge, upon request to Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary.

### **Guidelines on Governance**

Our Guidelines on Governance set forth, among other things, the process by which the Nominating and Governance Committee identifies and evaluates nominees for Board membership. Under this process, the Nominating and Governance Committee considers and recommends to the Board a slate of directors for election at our annual meeting of stockholders. In selecting such slate, the Nominating and Governance Committee considers (i) incumbent members of the Board who have indicated a willingness to continue to serve as such, (ii) candidates, if any, nominated by our stockholders, and (iii) other individuals as determined by the Nominating and Governance Committee. Additionally, if at any time during the year a seat on the Board becomes vacant or a new seat is created, the Nominating and Governance Committee recommends a candidate to the Board for appointment. The Nominating and Governance Committee evaluates each candidate considering, among other things, the criteria set forth below and any additional qualities that the Nominating and Governance Committee believes one or more directors should possess, based on an assessment of the perceived needs of the Board at that time. However, no single factor or group of factors is necessarily dispositive of whether a candidate will be recommended by the Nominating and Governance Committee. The Nominating and Governance Committee will consider individuals recommended for nomination by our stockholders in accordance with the procedures described under "Stockholder Proposals for the 2008 Annual Meeting of Stockholders."

The Nominating and Governance Committee will not recommend a nominee for a position on the Board unless the nominee possesses specific, minimum qualifications, regardless of whether such nominee was recommended by a stockholder or group of stockholders or otherwise. Under these criteria, nominees for membership on the Board of Directors should:

have demonstrated management or technical ability at high levels in successful organizations;

be currently employed in positions of significant responsibility and decision-making;

have experience relevant to our operations, such as real estate, real estate investment trusts, healthcare, finance or general management;

be well-respected in their business and home communities;

have time to devote to Board duties; and

be independent from Ventas and our management (other than our Chief Executive Officer).

We have on occasion in the past employed third parties to assist us in identifying potential candidates based on specific criteria that we provided to those third parties, which included the qualifications then required by us for nomination to the Board. We may employ such third parties on similar or other terms in the future.

A copy of our Guidelines on Governance is available on our Web site at [www.ventasreit.com](http://www.ventasreit.com). In addition, we will provide a copy of the Guidelines on Governance, without charge, upon request to Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary.

### **Code of Ethics and Business Conduct**

## Edgar Filing: VENTAS INC - Form PRE 14A

We have adopted a Code of Ethics and Business Conduct that applies to all of our directors and employees, including the Chief Executive Officer and all senior financial officers, such as the Chief Financial Officer and the Controller, as required by the Sarbanes-Oxley Act, as well as all of the directors and officers of our subsidiaries.

**Table of Contents**

A copy of the Code of Ethics and Business Conduct is available on our Web site at [www.ventasreit.com](http://www.ventasreit.com). In addition, we will provide a copy of the Code of Ethics and Business Conduct, without charge, upon request to Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary. Waivers from, and amendments to, the Code of Ethics and Business Conduct that apply to our Chief Executive Officer, Chief Financial Officer or persons performing similar functions will be timely posted on our Web site at [www.ventasreit.com](http://www.ventasreit.com).

**Non-Employee Director Compensation**

The following table sets forth the compensation awarded or paid to, or earned by, our non-employee directors during 2006:

Name	Fees Earned or Paid in Cash \$(1)	Stock Awards \$(2)	Option Awards \$(3)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Douglas Crocker II	\$ 92,678	\$ 51,722	\$ 15,181				\$ 159,581
Ronald G. Geary	60,178	51,722	15,181				127,081
Jay M. Gellert	59,178	51,722	15,181				126,081
Christopher T. Hannon	62,678	70,633	15,181				148,492
Sheli Z. Rosenberg	63,678	51,722	15,181				130,581
Thomas C. Theobald	63,678	51,722	15,181				130,581

(1) The amounts shown in this column reflect annual retainer and meeting fees described below under Cash Compensation. With respect to Mr. Crocker, includes \$25,000 paid for service as the Presiding Director. Directors may elect to defer receipt of, or take in the form of equity, all or a portion of their retainer and meeting fees as described below under Cash Compensation.

(2) The amounts shown in this column reflect the stock-based compensation expense recognized for financial statement reporting purposes in 2006 in accordance with Financial Accounting Standards Board Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment* ( SFAS No. 123(R) ), for shares of restricted stock or restricted stock units granted to the directors. See Note 10 of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2006 for a discussion of the relevant assumptions used in calculating grant date fair value pursuant to SFAS No. 123(R). The grant date fair value of restricted stock or restricted stock units granted to each non-employee director in 2006 was \$56,035.

As of December 31, 2006, the aggregate fair market value of shares of restricted stock and restricted stock units held by the non-employee directors, excluding restricted stock units received in lieu of retainer and meeting fees (based on the closing price of \$42.32 of our Common Stock on December 29, 2006, the last trading day of the fiscal year), was as follows:

Mr. Crocker	\$1,224,741 (28,940 shares)
Mr. Geary	\$ 304,958 (7,206 shares)
Mr. Gellert	\$ 222,180 (5,250 shares)
Mr. Hannon	\$ 232,760 (5,500 shares)
Ms. Rosenberg	\$ 222,180 (5,250 shares)
Mr. Theobald	\$ 222,180 (5,250 shares)

Directors are generally entitled to dividends paid on shares of restricted stock and dividend equivalents on restricted stock units.



**Table of Contents**

- (3) The amounts shown in this column reflect the stock-based compensation expense recognized for financial statement reporting purposes in 2006 in accordance with SFAS No. 123(R) for stock options granted to the directors. See Note 10 of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2006 for a discussion of the relevant assumptions used in calculating grant date fair value pursuant to SFAS No. 123(R). The grant date fair value of options granted to each non-employee director in 2006 was \$16,000.

As of December 31, 2006, the aggregate fair market value of shares underlying options held by the non-employee directors (based on the closing price of \$42.32 of our Common Stock on December 29, 2006, the last trading day of the fiscal year) was as follows:

Mr. Crocker	\$2,116,000 (50,000 shares)
Mr. Geary	\$2,116,000 (50,000 shares)
Mr. Gellert	\$1,481,200 (35,000 shares)
Mr. Hannon	\$ 423,200 (10,000 shares)
Ms. Rosenberg	\$1,481,200 (35,000 shares)
Mr. Theobald	\$1,058,000 (25,000 shares)

*Cash Compensation*

The cash compensation paid to, or earned by, our non-employee directors is comprised of two components: (i) an annual retainer and (ii) Board and committee meeting fees.

**Annual Retainer.** Effective May 19, 2006, each non-employee director receives a \$10,000 retainer for each calendar quarter in which he or she serves as a director. Prior to that date, the quarterly retainer was \$7,500. The Presiding Director receives an additional \$6,250 retainer for each calendar quarter served.

**Meeting Fees.** Each non-employee director receives \$1,500 for each board meeting (including telephonic meetings, unless the meeting is ten minutes or less) and \$1,000 for each committee meeting he or she attends.

Pursuant to our Nonemployee Director Deferred Stock Compensation Plan (the Director Deferred Compensation Plan), non-employee directors may elect to defer receipt of all or a portion of their retainer and meeting fees. Deferred fees are credited to each participating director in the form of restricted stock units, based on the fair market value of our Common Stock on the deferral date. At the election of the participating director, dividend equivalents on the restricted stock units are paid either in additional units or cash. After a participating director ceases to serve on our Board, or at such later time as he or she has previously designated, the director's stock unit account is settled in whole shares of Common Stock on a one-for-one basis and distributed either in one lump sum or in installments over a period of not more than ten years, at the director's election. Fractional stock units are paid out in cash.

Pursuant to our Common Stock Purchase Plan for Directors, non-employee directors may also elect to receive all or a portion of their retainer and meeting fees in the form of shares of Common Stock. Shares are paid directly to participating directors based on the fair market value of our Common Stock on the date on which the fees are scheduled to be paid.

*Equity-Based Compensation*

The equity-based compensation paid to our non-employee directors consists of shares of restricted stock or restricted stock units, at the director's election, and stock options.

**Restricted Stock/Restricted Stock Units.** Upon initial election or appointment to the board, each non-employee director receives a grant of 2,000 shares of restricted stock or restricted stock units, in his or her

**Table of Contents**

discretion, pursuant to the 2006 Stock Plan for Directors. In addition, beginning in 2007, on January 1 of each year, each non-employee director who is serving on such date receives a grant of shares of restricted stock or restricted stock units, in his or her discretion, having an aggregate value equal to \$90,000 minus the value of the same-day grant of options to purchase 5,000 shares of common stock (described below), pursuant to the 2006 Stock Plan for Directors. Previously, each director received a grant of 1,750 shares of restricted stock or restricted stock units on each January 1 that he or she served on our Board.

*Stock Options.* Upon initial election or appointment to the board, each non-employee director receives a grant of options to purchase 10,000 shares of common stock, having an exercise price equal to the fair market value on the date of grant, pursuant to the 2006 Stock Plan for Directors. In addition, on January 1 of each year, each non-employee director who is serving on such date receives a grant of options to purchase 5,000 shares of common stock, having an exercise price equal to the fair market value on the date of grant, pursuant to the 2006 Stock Plan for Directors.

*Reimbursement of Expenses*

We reimburse each non-employee director for travel and other expenses associated with attending board and committee meetings, director education programs and other board-related activities.

*Minimum Stock Ownership Guidelines*

On May 19, 2006, we adopted minimum share ownership guidelines for our non-employee directors. Under these guidelines, each non-employee director is required to maintain a minimum number of shares of common stock equal to the number of shares granted by us to the non-employee director as compensation during the 36 calendar month period immediately preceding the test date, minus any shares forfeited by the director to pay taxes on such shares under our share withholding program. Each non-employee director's compliance with the guidelines is reviewed on July 1 of each year. Each non-employee director has three years from the date that he or she first becomes subject to the guidelines to satisfy the minimum ownership guidelines.

**EXECUTIVE OFFICERS**

Set forth below is certain biographical information concerning each of our current executive officers. Ages shown for all executive officers are as of March 31, 2007.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Debra A. Cafaro	49	Chairman of the Board, President and Chief Executive Officer
Richard A. Schweinhart	57	Executive Vice President and Chief Financial Officer
Raymond J. Lewis	42	Executive Vice President and Chief Investment Officer
T. Richard Riney	49	Executive Vice President, Chief Administrative Officer, General Counsel and Corporate Secretary

**Debra A. Cafaro.** Ms. Cafaro's biographical information is set forth above under Proposal 1: Election of Directors.

**Richard A. Schweinhart.** Mr. Schweinhart joined us as our Senior Vice President and Chief Financial Officer in December 2002, after serving as a full-time consultant to Ventas from May to November 2002, and was promoted to Executive Vice President in January 2006. Previously, Mr. Schweinhart was Senior Vice President and Chief Financial Officer for Kindred Healthcare, Inc., where he was responsible for all financial aspects of the company, including accounting, finance, purchasing, insurance, tax, reimbursement and internal control. Prior to that, Mr. Schweinhart was a Senior Vice President of Finance for Columbia/HCA Healthcare Corporation (Columbia), Chief Financial Officer at Galen Health Care, Inc. (a spin off of Humana

**Table of Contents**

Inc. ( Humana )) prior to its acquisition by Columbia and a Senior Vice President of Finance at Humana. He is a Certified Public Accountant and serves on the board of directors of Health Enterprises Network of Louisville.

**Raymond J. Lewis.** Mr. Lewis joined us as our Senior Vice President and Chief Investment Officer in October 2002 and was promoted to Executive Vice President in January 2006. Previously, Mr. Lewis was managing director of business development for GE Capital Healthcare Financial Services, a division of General Electric Capital Corporation ( GECC ), which is a subsidiary of General Electric Corporation, where he led a team focused on mergers and portfolio acquisitions of healthcare assets. Prior to that, Mr. Lewis was Executive Vice President of healthcare finance for Heller Financial, Inc. (acquired by GECC in 2001), where he had primary responsibility for healthcare lending. Mr. Lewis has served on the board of directors of the Assisted Living Federation of America and as Chairman and a director of the National Investment Center for the Seniors Housing & Care Industry ( NIC ). He is currently a member of the executive board of the American Seniors Housing Association.

**T. Richard Riney.** Mr. Riney has served as our Executive Vice President, General Counsel and Corporate Secretary since May 1998 and was also designated our Chief Administrative Officer in February 2007. Previously, he served as Transactions Counsel of Vencor, Inc. (Ventas s predecessor). Prior to that, Mr. Riney was a partner of Hirn, Reed & Harper, a law firm based in Louisville, Kentucky, where his areas of concentration were real estate and corporate finance. Mr. Riney is a member of NAREIT.

**SECURITY OWNERSHIP OF PRINCIPAL STOCKHOLDERS,****DIRECTORS AND EXECUTIVE OFFICERS**

The following table sets forth certain information with respect to the beneficial ownership of Common Stock as of March 19, 2007 (except as otherwise noted) by (i) each person known to us to be the beneficial owner of more than 5% of the outstanding Common Stock, (ii) each of our directors and director-nominees, (iii) each of our Named Executive Officers (defined below) and (iv) all of our directors and executive officers, as a group.

Name of Beneficial Owner	Common Stock Beneficially Owned (1)(2)	Percent of Class (1)
Debra A. Cafaro	1,082,321(3)(4)	1.01%
Douglas Crocker II	104,951(3)(5)	*
Ronald G. Geary	63,899(3)(5)	*
Jay M. Gellert	60,477(3)(5)	*
Christopher T. Hannon	19,626(3)	*
Sheli Z. Rosenberg	58,256(3)(5)	*
Thomas C. Theobald	46,081(3)(5)(6)	*
Richard A. Schweinhart	175,203(3)(7)	*
Raymond J. Lewis	185,661(3)	*
T. Richard Riney	357,117(3)(8)	*
All directors and executive officers as a group (10 persons)	2,153,592	2.03%
AMVESCAP PLC 30 Finsbury Square  London EC2A 1AG  England	5,659,717(9)	5.32%
Cohen & Steers, Inc. Cohen & Steers Capital Management, Inc.  280 Park Avenue  10 <sup>th</sup> Floor	9,958,416(10)	9.37%

New York, NY 10017

**Table of Contents**

Name of Beneficial Owner	Common Stock Beneficially Owned (1)(2)	Percent of Class (1)
ING Groep N.V. Amstelveenseweg 500  1081 KL Amsterdam  The Netherlands	6,033,309(11)	5.68%
Wellington Management Company 75 State Street  Boston, MA 02109	5,250,811(12)	4.94%

\* Less than 1%

- (1) Beneficial ownership of shares for purposes of this Proxy Statement, as determined in accordance with applicable rules of the Commission, includes shares as to which a person has or shares voting power and/or investment power (whether or not vested). Each named person is deemed to be the beneficial owner of securities which may be acquired within sixty days of March 19, 2007 through the exercise of options, warrants or rights, if any, and such securities are deemed to be outstanding for the purpose of computing the percentage of the class beneficially owned by such person; however, any such shares are not deemed to be outstanding for the purpose of computing the percentage of the class beneficially owned by any other person. Percentages are based on 106,310,070 shares of Common Stock outstanding on March 19, 2007.
- (2) Except as set forth in the accompanying footnotes, the named persons have sole voting power and sole investment power over the shares beneficially owned by them. The number of shares shown does not include the interest of certain persons in shares held by family members in their own right.
- (3) Includes the following number of shares of Common Stock which the respective directors, director-nominees and Named Executive Officers have or will have the right to acquire pursuant to options exercisable as of or within 60 days after March 19, 2007: Debra A. Cafaro, 338,693; Douglas Crocker II, 52,500; Ronald G. Geary, 52,500; Jay M. Gellert, 37,500; Christopher T. Hannon, 12,500; Sheli Z. Rosenberg, 37,500; Thomas C. Theobald, 27,500; Richard A. Schweinhart, 127,436; Raymond J. Lewis, 150,635; and T. Richard Riney, 61,499.
- (4) Includes 5,000 shares held in trust for the benefit of Ms. Cafaro's immediate family, as to which Ms. Cafaro's husband is the trustee. Ms. Cafaro has no voting power over these 5,000 shares. Ms. Cafaro has pledged 476,188 shares to secure the Cafaro Tax Loans (defined below).
- (5) Includes the following number of restricted stock units held by the respective directors: Douglas Crocker II, 10,031; Ronald G. Geary, 2,098; Jay M. Gellert, 7,470; Sheli Z. Rosenberg, 3,481; and Thomas C. Theobald, 8,046.
- (6) Includes 2,000 shares held in trust for the benefit of Mr. Theobald's son, as to which Mr. Theobald is the trustee.
- (7) Includes 805 shares held in Mr. Schweinhart's IRA. Excludes 800 shares held in Mr. Schweinhart's wife's IRA. Mr. Schweinhart has shared voting power and shared investment power over 10,000 shares of Common Stock.
- (8) Includes 1,300 shares held in Mr. Riney's IRA.

## Edgar Filing: VENTAS INC - Form PRE 14A

- (9) Based solely on information contained in a Schedule 13G filed by AMVESCAP PLC ( AMVESCAP ) on February 14, 2007. AMVESCAP has sole voting power and dispositive over 5,659,717 shares of Common Stock. AMVESCAP is the parent holding company of Atlantic Trust Company, N.A., INVESCO Asset Management Deutschland GmbH, INVESCO Institutional (N.A.), Inc., Stein Roe Investment Counsel, Inc. and PowerShares Capital Management, LLC, each an investment advisor registered under Section 203 of the Investment Advisers Act.
  
- (10) Based solely on information contained in a Schedule 13G/A filed jointly by Cohen & Steers, Inc. and Cohen & Steers Capital Management, Inc. (collectively, Cohen & Steers ) on February 13, 2007. Cohen &

---

**Table of Contents**

Steers has sole voting power over 9,652,112 shares of Common Stock and sole dispositive power over 9,958,416 shares of Common Stock. Cohen & Steers Capital Management, Inc. is an investment advisor registered under Section 203 of the Investment Advisers Act and a wholly owned subsidiary of Cohen & Steers, Inc. On June 24, 2003, the Board granted a limited waiver (the Waiver) from the 9.0% ownership limitation provisions of Article XII of our Certificate of Incorporation to Cohen & Steers. Under the Waiver, Cohen & Steers may beneficially own, in the aggregate, up to 14.0%, in number of shares or value, of the Common Stock.

- (11) Based solely on information contained in a Schedule 13G filed by ING Groep N.V. ( ING ) on February 14, 2007. ING has sole voting and dispositive power over 6,033,309 shares of Common Stock, including 5,014,720 shares held by indirect subsidiaries of ING in their role as discretionary manager of client portfolios and 29,430 shares held by indirect subsidiaries of ING in their role as trustee. Amount excludes 164,259 custodian shares.
- (12) Based solely on information contained in a Schedule 13G/A filed by Wellington Management Company, LLP ( Wellington Management ) on February 14, 2007. In its Schedule 13G/A, Wellington Management reported that it was the beneficial owner of 5.04% of our Common Stock at December 31, 2006 based on the number of shares outstanding on that date. Wellington Management has shared voting power over 4,313,511 shares of Common Stock and shared dispositive power over 5,250,811 shares of Common Stock. Wellington Management is an investment adviser registered under Section 203 of the Investment Advisers Act.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), requires our directors and officers and persons who own more than 10% of the Common Stock to file reports of beneficial ownership and changes in such ownership with the Commission. Based solely on a review of the copies of such reports furnished to us and on written representations from certain reporting persons that no Form 5 was required for any such persons, we believe that during 2006 all officers, directors and persons who own more than 10% of the Common Stock complied with all applicable Section 16(a) filing requirements.

**TRANSACTIONS WITH RELATED PERSONS**

Our Board of Directors has adopted an unwritten policy requiring that any transaction between us and any of our officers, directors or their affiliates be approved by the disinterested members of the Board and be on terms no less favorable to us than those available from unaffiliated parties. In addition, our Audit Committee charter provides that any such transaction and all other conflict of interest or similar matters involving any of our officers or directors must also be reviewed by the Audit Committee. Pursuant to our Conflicts of Interest Policy, officers and directors must disclose in writing to our General Counsel, who will review the matter with the Presiding Director, any existing or proposed transaction in which he or she has a personal interest, or in which there is or might appear to be a conflict of interest by reason of his or her connection to another business organization, and must refrain from voting on any such transaction.

*Transactions with ResCare*

On October 15, 1998, we acquired eight personal care facilities and related facilities for approximately \$7.1 million from Tangram Rehabilitation Services, Inc. ( Tangram ), a wholly owned subsidiary of ResCare, of which Mr. Geary is Chairman and also served as President and Chief Executive Officer until June 2006. The purchase price for the Tangram facilities was determined by an appraisal conducted by Graham & Associates, Inc., San Marcos, Texas, a certified General Real Estate Appraiser for the State of Texas. We lease the Tangram facilities to Tangram pursuant to a Master Lease Agreement, which is guaranteed by ResCare. During 2006, Tangram paid us approximately \$897,000 in base rent payments. We believe that the terms of the Master Lease Agreement represent market rates.

**Table of Contents***Cafaro Tax Loans*

Under the terms of the Ms. Cafaro's previous employment agreement, we made loans to Ms. Cafaro (the Cafaro Tax Loans) in the aggregate principal amounts of \$67,250 in 1999, \$184,551 in 2000, \$593,893 in 2001 and \$870,759 in 2002 to pay all federal, state, local and other taxes payable upon the vesting of restricted stock awards previously granted to her. Due to current interpretations of the Sarbanes-Oxley Act, since 2002 we have not made, and we will not be making, further tax loans to Ms. Cafaro. The principal amount of all of the Cafaro Tax Loans is payable on March 5, 2009. The Cafaro Tax Loans bear interest at the lowest applicable federal rate on the date incurred. Interest on the Cafaro Tax Loans is payable annually out of and only to the extent of dividends from the vested restricted stock. Ms. Cafaro has paid interest on the Cafaro Tax Loans through December 31, 2006. Each Cafaro Tax Loan is secured by a pledge of all of the restricted shares to which such Cafaro Tax Loan relates (a total of 476,188 shares), and the Cafaro Tax Loans are otherwise non-recourse to Ms. Cafaro. The Cafaro Tax Loans are to be forgiven in the event of a change of control of Ventas, Ms. Cafaro's death or disability or termination of her employment by us other than for cause or by her for good reason. If any Cafaro Tax Loan or its forgiveness results in taxable income to Ms. Cafaro, we are required to pay to Ms. Cafaro an amount sufficient for the payment of all taxes relative to the loan or its forgiveness.

**EXECUTIVE COMPENSATION MATTERS**

[To be included in Definitive Proxy Statement]

**EQUITY COMPENSATION PLAN INFORMATION**

The following table summarizes information with respect to our equity compensation plans as of December 31, 2006:

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by stockholders (1)	1,118,051	\$ 24.27	8,373,727
Equity compensation plans not approved by stockholders (2)	18,924	N/A	1,145,354
<b>Total</b>	<b>1,136,975</b>	<b>\$ 24.27</b>	<b>9,519,081</b>

- (1) These plans consist of (i) the 1987 Incentive Compensation Program (Employee Plan); (ii) the TheraTx, Incorporated 1996 Stock Option/Stock Issuance Plan; (iii) the 2000 Incentive Compensation Plan (Employee Plan) (formerly known as the 1997 Incentive Compensation Plan); (iv) the 2004 Stock Plan for Directors (which amended and restated the 2000 Stock Option Plan for Directors (formerly known as the 1997 Stock Option Plan for Non-Employee Directors)); (v) the Employee and Director Stock Purchase Plan; (vi) the 2006 Incentive Plan; and (vii) the 2006 Stock Plan for Directors.
- (2) These plans consist of (i) the Common Stock Purchase Plan for Directors, under which our non-employee directors may receive Common Stock in lieu of directors' fees, (ii) the Director Deferred Compensation Plan, under which our non-employee directors may receive units convertible on a one-for-one basis into Common Stock in lieu of director fees, and (iii) the Executive Deferred Stock Compensation Plan, under which our executive officers may receive units convertible on a one-for-one basis into Common Stock in lieu of compensation.



**Table of Contents**

**PROPOSAL 2:**

**RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**FOR FISCAL YEAR 2007**

The Audit Committee has appointed Ernst & Young as our independent registered public accounting firm for fiscal year 2007. Ernst & Young will examine our financial statements for fiscal year 2007. Although not required by our Third Amended and Restated Bylaws or otherwise, the Audit Committee and the Board believe it is appropriate, as a matter of good corporate practice, to request that stockholders ratify the appointment of Ernst & Young as our independent registered public accounting firm for 2007. If the stockholders do not ratify this appointment, the Audit Committee will reconsider the appointment and may retain another independent registered public accounting firm without resubmitting the matter to the stockholders. Even if the stockholders vote on an advisory basis in favor of the appointment, the Audit Committee may, in its discretion, direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in our best interests and those of our stockholders. One or more members of Ernst & Young are expected to be present at the Annual Meeting, will have the opportunity to make a statement if they so desire and are expected to be available to respond to appropriate questions.

Ratification of the appointment of Ernst & Young as our independent registered public accounting firm requires the affirmative vote of the holders of the majority of the shares represented at the Annual Meeting, in person or by proxy, and entitled to vote.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2007.**

**AUDIT MATTERS**

**Audit Committee Report**

The Audit Committee oversees Ventas's financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process including the systems of internal controls. In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited financial statements for the year ended December 31, 2006 with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Audit Committee reviewed with the independent registered public accounting firm, who is responsible for expressing an opinion on the conformity of those audited financial statements with accounting principles generally accepted in the United States, its judgments as to the quality, not just the acceptability, of Ventas's accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted auditing standards, including SAS 61 (Statement of Auditing Standards, AU 380 *Communication with Audit Committee*). Ventas's independent registered public accounting firm also provided to the Audit Committee the written disclosures required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees). In addition, the Audit Committee has discussed with the independent registered public accounting firm the firm's independence from management and Ventas, including the matters in the written disclosures required by the Independence Standards Board. The Audit Committee has also considered the compatibility of non-audit services with the firm's independence.

The Audit Committee discussed with the independent registered public accounting firm the overall scope and plans for its audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of its examination, its evaluations of Ventas's internal controls, and the overall quality of Ventas's financial reporting.

## **Table of Contents**

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the audited financial statements be included in Ventas's Annual Report on Form 10-K for the year ended December 31, 2006 for filing with the Commission. The Audit Committee and the Board have also recommended, subject to stockholder approval, the appointment of Ventas's independent registered public accounting firm.

The foregoing report of the Audit Committee shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act or the Exchange Act, and shall not otherwise be deemed filed under such Acts except to the extent that Ventas specifically incorporates this information by reference.

### **AUDIT COMMITTEE**

Christopher T. Hannon, Chair

Douglas Crocker II, Member

Ronald G. Geary, Member

### **Policy on Pre-Approval of Audit and Permissible Non-Audit Services**

The Audit Committee has implemented pre-approval policies related to the provision of both audit and non-audit services performed by our independent registered public accounting firm in order to assure that the provision of such services and related fees not impair the firm's independence. Under these procedures, the annual audit services and related fees of the independent registered public accounting firm are subject to the specific approval of the Audit Committee. The independent registered public accounting firm must provide the Audit Committee with an engagement letter prior to or during the first calendar quarter of each calendar year outlining the scope of the audit services proposed to be performed during the applicable calendar year and the proposed fees for such audit services. If agreed to by the Audit Committee, the engagement letter will be formally accepted by the Audit Committee as evidenced by the execution of the engagement letter by the Chair of the Audit Committee. The Audit Committee approves, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, company structure or other matters.

Also under these procedures, the Audit Committee may grant pre-approval for those permissible non-audit services that it believes are services that would not impair the independence of the independent registered public accounting firm. The Audit Committee may not grant approval for any services categorized as Prohibited Non-Audit Services by the Commission. Certain non-audit services have been pre-approved by the Audit Committee, and all other non-audit services must be separately approved by the Audit Committee. To obtain approval of other permissible non-audit services, management must submit to the Audit Committee those non-audit services for which it recommends the Audit Committee engage the independent registered public accounting firm. Management and the independent registered public accounting firm must each confirm to the Audit Committee that each non-audit service for which approval is requested is not a Prohibited Non-Audit Service. The term of any pre-approved non-audit service is 12 months from the date of pre-approval, unless the Audit Committee specifically provides for a different period. Fee levels for all non-audit services to be provided by the independent registered public accounting firm are established periodically by the Audit Committee. Any proposed services exceeding these levels require separate pre-approval by the Audit Committee. With respect to each proposed pre-approved non-audit service, the independent registered public accounting firm, as necessary, must provide detailed back-up documentation to the Audit Committee regarding the particular service to be provided.

At each regularly scheduled Audit Committee meeting, our management and the independent registered public accounting firm report on the non-audit services provided by the independent registered public accounting firm pursuant to the pre-approval process during the quarter and year-to-date and the fees incurred for such services during the periods. Our Chief Accounting Officer and Controller is responsible for tracking all independent registered public accounting firm fees for pre-approved non-audit services.

**Table of Contents****Independent Registered Public Accounting Firm's Fees**

Ernst & Young audited our financial statements for the year ended December 31, 2006 and has been our independent registered public accounting firm since May 1998. Fees billed by Ernst & Young for the years ended December 31, 2006 and 2005 were as follows:

	2006	2005
Audit Fees (1)	\$ 471,300	\$ 703,900
Audit-Related Fees (2)	35,500	
Tax Fees (3)	240,642	29,784
All Other Fees (4)		
<b>Total</b>	<b>\$ 747,442</b>	<b>\$ 733,684</b>

(1) The category of Audit Fees includes the aggregate fees billed for professional services rendered by Ernst & Young for the audit of our annual consolidated financial statements (including debt covenant compliance letters), audit of internal control over financial reporting estimate, review of interim financial statements included in our Quarterly Reports on Form 10-Q for such fiscal year, audit of annual financial statements and review of interim financial statements of ElderTrust Operating Limited Partnership, advice on audit and accounting matters that arose during, or as a result of, the audit or the review of interim financial statements and work on securities and other filings with the Commission, including comfort letters, consents and comment letters.

(2) The category of Audit-Related Fees consists principally of audits and consultations in connection with acquisitions.

(3) The category of Tax Fees consists principally of reviews of tax returns and advice on tax-planning matters primarily related to acquisitions.

(4) With respect to the category of All Other Fees, we did not incur fees except as indicated in the above categories. All audit-related services, tax services and other services were pre-approved by the Audit Committee in accordance with the Audit Committee's pre-approval policies described above. The Audit Committee determined that the provision of these services by Ernst & Young did not compromise Ernst & Young's independence and was consistent with its role as our independent registered public accounting firm.

**PROPOSAL 3:****APPROVAL OF AN AMENDMENT TO OUR CERTIFICATE OF****INCORPORATION TO INCREASE OUR AUTHORIZED COMMON STOCK**

The Board has approved and adopted resolutions proposing, declaring advisable and in our best interests and the best interests of our stockholders and recommending to stockholders for approval an amendment to our Certificate of Incorporation to increase the number of authorized shares of Common Stock from 180,000,000 to 300,000,000.

An increase in the authorized number of shares of Common Stock will provide us with the flexibility to engage in future corporate transactions, such as financings, investment opportunities, acquisitions of other companies, stock dividends or splits, restricted stock and stock option grants or other corporate purposes determined by the Board to be advisable. The availability of additional authorized shares for issuance from time to time in the Board's discretion is desirable in order to avoid repeated separate amendments to our Certificate of Incorporation and the delay and expense incurred in holding special meetings of the stockholders to approve such amendments. We currently have no specific plans, arrangements or agreements relating to an issuance of



## **Table of Contents**

additional shares of Common Stock. A vote to increase the number of authorized shares of Common Stock, though, will provide us with the flexibility for future activities required to support our business plan. If the proposal is approved, the shares will only be authorized and not immediately issued.

We will not solicit further authorization by vote of the stockholders for the issuance of the additional shares of Common Stock proposed to be authorized, except as required by law, regulatory authorities or any stock exchange on which our shares may then be listed. The issuance of additional shares of Common Stock could have the effect of diluting existing stockholder earnings per share, book value per share and voting power. Our stockholders do not have any preemptive right to purchase or subscribe for any part of any new or additional issuance of our securities.

The text of the proposed amendment under Proposal 3 is attached to this Proxy Statement as **Annex A**. In addition, if stockholders approve the proposal, we will make various ministerial changes to our Certificate of Incorporation to correct typographical errors, article references and other similar items not requiring stockholder approval.

Following stockholder approval of Proposal 3, we will file an Amended and Restated Certificate of Incorporation reflecting the increase in our authorized Common Stock and the various ministerial changes with the Delaware Secretary of State. The Amended and Restated Certificate of Incorporation will become effective upon filing in accordance with Delaware law.

Approval of the amendment to our Certificate of Incorporation to increase our authorized Common Stock requires the affirmative vote of the holders of a majority of the outstanding shares of Common Stock entitled to vote.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THE AMENDMENT TO OUR CERTIFICATE OF INCORPORATION TO INCREASE OUR AUTHORIZED COMMON STOCK.**

### **PROPOSAL 4:**

#### **APPROVAL OF AN AMENDMENT TO OUR CERTIFICATE OF INCORPORATION TO INCLUDE CERTAIN PROVISIONS LIMITING THE CONSTRUCTIVE OWNERSHIP OF OUR CAPITAL STOCK IN ORDER TO PROVIDE FURTHER ASSURANCES FOR OUR CONTINUED COMPLIANCE AS A QUALIFIED REAL ESTATE INVESTMENT TRUST UNDER U.S. FEDERAL INCOME TAX LAW**

The Board has approved and adopted resolutions proposing, declaring advisable and in our best interests and the best interests of our stockholders and recommending to the stockholders for approval an amendment to our Certificate of Incorporation to include certain provisions limiting the constructive ownership of our capital stock in order to provide further assurances for our continued compliance as a qualified REIT under U.S. federal income tax law. These provisions are intended to provide further assurances of our status as a REIT and relate to a purported stock transfer or other event that would otherwise cause rents received by us to fail to qualify as good rental income for REIT qualification purposes. However, these provisions, like other transfer restrictions and other limitations on ownership necessary for us to preserve our status as a REIT already contained in our Certificate of Incorporation, could delay, defer or prevent certain transactions in or a change in control of our company.

The text of the proposed amendment under Proposal 4 is attached to this Proxy Statement as **Annex B**. In addition, if stockholders approve the proposal, we will make various ministerial changes to our Certificate of Incorporation to correct typographical errors, article references and other similar items not requiring stockholder approval.

## **Table of Contents**

Following stockholder approval of Proposal 4, we will file an Amended and Restated Certificate of Incorporation reflecting the provisions limiting the constructive ownership of our capital stock in order to provide further assurances for our continued compliance as a qualified REIT under U.S. federal income tax law and the various ministerial changes with the Delaware Secretary of State. The Amended and Restated Certificate of Incorporation will become effective upon filing in accordance with Delaware law.

The full text of the proposed Amended and Restated Certificate of Incorporation, assuming stockholders approve both Proposals 3 and 4, is attached to this Proxy Statement as **Annex C** and has been marked to show all changes from our existing Certificate of Incorporation.

Approval of the amendment to our Certificate of Incorporation to include certain provisions limiting the constructive ownership of our capital stock in order to provide further assurances for our continued compliance as a qualified real estate investment trust under U.S. federal income tax law requires the affirmative vote of a majority of the outstanding shares of Common Stock entitled to vote.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THE AMENDMENT TO OUR CERTIFICATE OF INCORPORATION TO INCLUDE CERTAIN PROVISIONS LIMITING THE CONSTRUCTIVE OWNERSHIP OF OUR CAPITAL STOCK IN ORDER TO PROVIDE FURTHER ASSURANCES FOR OUR CONTINUED COMPLIANCE AS A QUALIFIED REAL ESTATE INVESTMENT TRUST UNDER U.S. FEDERAL INCOME TAX LAW.**

## **STOCKHOLDER PROPOSALS FOR THE 2008 ANNUAL MEETING OF STOCKHOLDERS**

Any stockholder proposal intended to be presented at the 2008 Annual Meeting of Stockholders must be received by our Corporate Secretary by December 31, 2007 and meet the requirements of our bylaws and Rule 14a-8 under the Exchange Act in order to be considered for inclusion in our proxy materials for that meeting.

According to our bylaws, a stockholder proposal, including stockholder recommendations regarding director nominations, must meet certain requirements described in the bylaws and may only be acted upon at an annual meeting of stockholders if the stockholder gives timely notice to us of such proposal (at least 60 but not more than 90 days before such annual meeting); *provided, however*, that if we give less than 70 days notice or prior public disclosure of the date of the annual meeting, notice by the stockholder must be given to us not later than the tenth day following the earlier of the date on which such notice of the meeting was mailed or the date on which such public disclosure was made. The persons appointed as proxies for the 2008 Annual Meeting will have discretionary voting authority with respect to any stockholder proposal, including any director nomination, that is submitted to us otherwise than in conformity with such requirements of our bylaws.

## **OTHER MATTERS**

The only matters to be considered at the Annual Meeting or any adjournment thereof, so far as known to the Board of Directors, are those set forth in the Notice of Meeting and routine matters incident to the conduct of the Annual Meeting. However, if any other matters should properly come before the Annual Meeting or any adjournment thereof, the persons named in the accompanying form of proxy, or their substitutes, will have discretionary voting authority with respect to any stockholder proposal that is submitted to us otherwise than in conformity with the requirements of our bylaws.

**Table of Contents**

**ADDITIONAL INFORMATION**

A copy of our 2006 Annual Report to stockholders accompanies this Proxy Statement. Stockholders may obtain a copy of our Annual Report on Form 10-K for the year ended December 31, 2006, excluding exhibits, without charge, upon request to Ventas, Inc., 10350 Ormsby Park Place, Suite 300, Louisville, Kentucky 40223, Attention: Corporate Secretary. Copies of the exhibits to our Annual Report on Form 10-K will be provided to any requesting stockholder, *provided* that such stockholder agrees to reimburse us for our reasonable costs to provide those exhibits.

By Order of the Board of Directors,

Debra A. Cafaro

*Chairman of the Board, Chief Executive Officer and President*

Louisville, Kentucky

April , 2007

**Table of Contents**

**ANNEX A**

**TEXT OF PROPOSED AMENDMENT TO CERTIFICATE OF INCORPORATION**

**UNDER PROPOSAL 3**

The first sentence of Article IV of the Certificate of Incorporation will be amended and restated in its entirety to read as follows:

The total number of shares of stock that the Corporation shall have authority to issue is 310,000,000 shares, of which 300,000,000 shall be shares of common stock, having a par value of twenty-five cents per share (the **Common Shares** ), and 10,000,000 shall be shares of preferred stock, having a par value of one dollar per share (the **Preferred Shares** ).



**Table of Contents**

ANNEX B

**TEXT OF PROPOSED AMENDMENT TO CERTIFICATE OF INCORPORATION**

**UNDER PROPOSAL 4**

There will be added a new Article X to the Certificate of Incorporation that will read as follows:

**ARTICLE X**

**Restrictions on Constructive Ownership Relating to REIT Status**

**A. (1) Definitions.** For the purposes of this Article X, the following terms shall have the following meanings:

Constructive Ownership shall mean ownership of Shares by a Person, whether the interest in such Shares is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned though the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms Constructive Owner, Constructively Owns and Constructively Owned shall have the correlative meanings.

Special Excess Shares shall mean Shares resulting from an event described in Section A.(3) of this Article X.

All other capitalized terms used in this Article X shall have the meanings, and be defined as, set forth in Article IX of this Certificate of Incorporation.

**(2) Restrictions on Constructive Ownership.** Except as provided in Section A.(4) of this Article X, from the Adoption Date and prior to the Ownership Limitation Termination Date, no Person shall Constructively Own any Shares to the extent that such Constructive Ownership would cause any income of the Corporation that would otherwise qualify as rents from real property for purposes of Section 856(d) of the Code to fail to qualify as such, and any Transfer that, if effective, would cause any income of the Corporation that would otherwise qualify as rents from real property for purposes of Section 856(d) of the Code to fail to qualify as such shall be void ab initio as to the Transfer of such Shares which would cause any income of the Corporation that would otherwise qualify as rents from real property for purposes of Section 856(d) of the Code to fail to qualify as such; and the intended transferee shall acquire no rights in such Shares.

**(3) Designation of Special Excess Shares.** If, notwithstanding the other provisions contained in this Article X or in Article IX, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a purported Transfer or other event (including an event described in Section A.(3)(a) through (g) of Article IX) which would, if effective, result in any Person Constructively Owning Shares in violation of Section A.(2) of this Article X, then, except as provided in Section A.(12) of Article IX, such number of Shares (rounded up to the nearest whole Share) in excess of the greatest amount of Shares as would not result in a violation of Section A.(2) of this Article X shall be automatically designated as Special Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of such purported Transfer or other event. In determining which Shares are designated as Special Excess Shares, Shares of the relevant class directly or indirectly owned (including by a nominee) by the Person prior to (or as a result of) the purported Transfer or other event shall be treated as designated as Special Excess Shares before any Shares that would be treated as owned though the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code, by the Person are so treated. Shares designated as Special Excess Shares pursuant to this Article X shall be treated as shares that were converted to Excess Shares pursuant to and for purposes of Article IX.

**(4) Exceptions.** The Board of Directors, with a ruling from the Internal Revenue Service or an opinion of counsel that such exemption will not cause the Corporation to fail to qualify as a REIT or such other evidence or documents as the Board of Directors deems appropriate, may exempt a Person from the application of this Article X if the Board of Directors obtains such representations and undertakings from such Persons as the Board of

**Table of Contents**

Directors determines are reasonably necessary, and such Person agrees that any violation or attempted violation of such representations or undertakings will result in, to the extent necessary, the designation of Shares held by such Person as Special Excess Shares in accordance with this Article X.

**B. Severability.** If any provision of this Article X or any application of any such provision is determined to be invalid by any Federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court.

**C. New York Stock Exchange Transactions.** Nothing in this Article X shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange. The fact that the settlement of any transaction occurs or takes place shall not negate the effect of any other provision of this Article X and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article X.

**D. Ambiguity.** In the case of an ambiguity in the application of any of the provisions of this Article X, including any definition contained in this Article X and any ambiguity with respect to which Shares are to be designated as Special Excess Shares in a given situation or in the treatment of such shares pursuant to Article IX, the Board of Directors shall have the power to determine the application of the provisions of this Article X with respect to any situation based on the facts known to it.

**Table of Contents**

ANNEX C

**VENTAS, INC.**  
**AMENDED AND RESTATED**  
**CERTIFICATE OF INCORPORATION**

Ventas, Inc., a corporation organized and existing under the laws of the State of Delaware (the Corporation ), hereby certifies as follows:

FIRST: The name of the Corporation is Ventas, Inc., formerly Vencor, Inc. The date of filing of its original Certificate of Incorporation with the Secretary of State was June 22, 1987.

SECOND: This Amended and Restated Certificate of Incorporation restates and integrates and further amends the provisions of the Corporation s Certificate of Incorporation, as amended.

THIRD: This Amended and Restated Certificate of Incorporation was duly proposed by the Board of Directors of the Corporation and duly adopted by a vote of the stockholders of the Corporation in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware.

FOURTH: The text of the Corporation s Certificate of Incorporation, as amended, is hereby amended and restated to read as herein set forth in full:

**ARTICLE I**

**Name**

The name of the Corporation is Ventas, Inc.

**ARTICLE II**

**Registered Office; Registered Agent**

The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

**ARTICLE III**

**Purposes and Powers**

The purposes for which the Corporation is organized are to engage in any lawful act or activity for which corporations may be organized under, and to exercise any power that corporations may now or hereafter exercise under, the General Corporation Law of the State of Delaware, including the general business of establishing and operating hospitals and providing acute care and specialized treatment of patients with complex medical or respiratory disorders.

**ARTICLE IV**

**Capital Stock**

The total number of shares of stock that the Corporation shall have authority to issue is ~~190,000,000~~310,000,000 shares, of which ~~180,000,000~~300,000,000 shall be shares of common stock, having a



## **Table of Contents**

par value of twenty-five cents per share (the Common Shares ), and 10,000,000 **shall be** shares of preferred stock, having a par value of one dollar per share (the Preferred Shares ). The designations, voting powers and relative rights and preferences of the two classes of shares of stock shall be as set forth below.

### **A. Common Shares.**

**1. Powers, Rights and Preferences.** The Common Shares shall be without distinction as to powers, rights and preferences, and shall have one vote per share on all matters on which shareholders are generally entitled to vote.

**2. Dividends.** After the requirements regarding ~~to~~ preferential dividends on the Preferred Shares (fixed in accordance with the provisions of paragraph B of this Article IV), if any, have been met and after the Corporation has complied with all the requirements, if any, regarding the setting aside of sums as sinking funds or redemption or purchase accounts (fixed in accordance with the provisions of paragraph B of this Article IV) and subject further to any other conditions which may be fixed in accordance with the provisions of paragraph B of this Article IV, then, but not otherwise, the holders of Common Shares shall be entitled to receive such dividends, if any, as may be declared from time to time by the Board of Directors.

**3. Distributions.** After distribution in full of the preferential amount (as may be fixed in accordance with the provisions of paragraph B of this Article IV), if any, to be distributed to the holders of Preferred Shares, and subject to any further rights of the holders of Preferred Shares (as may be fixed in accordance with the provisions of paragraph B of this Article IV) to further participate in a liquidation, distribution or sale of assets, dissolution or winding-up of the Corporation, the holders of Common Shares shall be entitled to receive, upon the liquidation, distribution or sale of assets, dissolution or winding-up of the Corporation, all its remaining assets, tangible and intangible, of whatever kind available for distribution to the shareholders, ratably in proportion to the number of Common Shares held by each.

### **B. Preferred Shares.**

**1. Issuance by Board Resolution; Series.** The Board of Directors of the Corporation shall have authority by resolution to issue from time to time Preferred Shares on such terms as it may determine and for such consideration as fixed by the Board of Directors. The Preferred Shares may be issued in one or more series as may be determined from time to time by the Board of Directors. Each series shall be distinctly designated by number, letter or title. All Preferred Shares of any one series shall be alike in every particular, except that there may be different dates from which dividends thereon, if any, shall be cumulative, if made cumulative. The powers, preferences and relative, participating, optional and other rights of each such series, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

**2. Preferences and Rights.** Subject to the provisions of subparagraph 3 of this paragraph B of Article IV, the Board of Directors of the Corporation is hereby expressly granted authority to fix by resolution or resolutions adopted prior to the issuance of any Preferred Shares of each particular series, the designation, powers, preferences and relative, participating, optional and other rights, and the qualifications, limits and restrictions thereof, if any, of such series, including the following:

(a) The voting rights of which the holders of any series of Preferred Shares are entitled, if any, including the right to vote as a separate class or as one class with the holders of any other series of Preferred Shares or the Common Shares or both;

(b) The distinctive designation of, and the number and class of Preferred Shares which shall constitute the series, which number from time to time may be increased or decreased (but not below the number of shares thereof then outstanding) from time to time by action of the Board of Directors;

(c) The rate and times at which, and the terms and conditions upon which, dividends on the shares of the series will be paid, whether the dividends shall be cumulative or non-cumulative, and if

---

**Table of Contents**

cumulative, from what date or dates, and the preferences or relation, if any, of such dividends to the dividends payable on any shares of any other series or class of the Corporation;

(d) Whether Preferred Shares of the series shall be subject to redemption, and the redemption price or prices (including a redemption price or prices payable in Common Shares), and the time or times at which, and the terms and conditions on which, Preferred Shares of the series may be redeemed;

(e) Whether holders of any series of Preferred Shares shall be entitled to the benefit of a sinking fund or redemption or purchase account to be applied to the purchase or redemption of Preferred Shares of the series and, if so entitled, the amount of such fund and the terms and conditions relative to its operation;

(f) Whether any series of Preferred Shares shall be convertible into, or exchangeable for, any Common **Shares** or other series of Preferred Shares of the Corporation or any other securities and, if so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and any adjustments thereof, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange;

(g) The rights, if any, of the holders of any series of Preferred Shares upon liquidation, merger, consolidation, distribution or sale of assets, dissolution or winding-up of the Corporation;

(h) Whether any series of Preferred Shares shall have priority over or parity with or be junior to Preferred Shares of any other series, or shall be entitled to the benefit of limitations restricting (i) the creation of indebtedness of the Corporation, (ii) the issuance of shares of any other class or series having priority over or being on a parity with the shares of such series, or (iii) the payment of dividends on, the making of other distributions with respect to, or the purchase or redemption of shares of any other class or series on parity with or ranking junior to Preferred Shares of any such series as to dividends or distributions, and the terms of any such restrictions, or any other restrictions with respect to shares of any class or series on parity with or ranking junior to Preferred Shares of such series in any respect; and

(i) Any other powers, preferences, privileges and relative, participating, optional or other special rights of such series, and the qualifications, limitations or restrictions thereof, to the full extent now and hereafter permitted by law.

**3. Issuance of Preferred Shares.** The relative powers, preferences and rights of each series of Preferred Shares in relation to the powers, preferences and rights of other series of Preferred Shares shall, in each case, be as fixed from time to time by the Board of Directors in resolutions adopted pursuant to authority granted in this paragraph B of Article IV, and the consent by series vote or otherwise, of the holders of such of the series of Preferred Shares as are from time to time outstanding shall not be required for the issuance by the Board of Directors of any other series of Preferred Shares, whether or not the powers, preferences and rights of such other series shall be fixed by the Board of Directors as senior to, or on a parity with, the powers, preferences and rights of such outstanding series, or any of them; provided, however, that the Board of Directors may provide in such resolutions regarding any series of Preferred Shares that the consent of the holders of a certain percentage, as fixed therein by the Board of Directors, of the outstanding Preferred Shares of such series shall be required for the issuance of any other series of Preferred Shares.

**ARTICLE V**

**Sole Incorporator**

~~W. Bruce Lunsford, whose address is Levy Building, Suite 500, 133 South Third Street, Louisville, Kentucky 40202, is the sole incorporator of the Corporation.~~

---

**Table of Contents**

**ARTICLE VI**

**Directors**

**A. Number of Directors.** The affairs of the Corporation shall be managed and conducted by a Board of Directors, and unless otherwise provided in the By-Laws, the election of directors need not be by written ballot. The number of directors which shall constitute the whole Board of Directors shall be fixed by, or in the manner provided in, the By-Laws of the Corporation. A majority of the number of directors so fixed shall constitute a quorum for the transaction of business, except that any vacancy on the Board of Directors, whether created by an increase in the number of directors or otherwise, may be filled by a majority of directors then in office, although less than a quorum, or by a sole remaining director.

**B. Power and Authority of the Board of Directors.** The Board of Directors shall have such powers as are conferred on the Board of Directors by the laws of the State of Delaware. In furtherance of such powers, the Board of Directors is expressly authorized to adopt, amend or repeal the By-Laws of the Corporation, without the consent or vote of the stockholders.

**ARTICLE VII**

**Initial Director**

~~The name and mailing address of the person who is to serve as the initial Director of the Corporation is W. Bruce Lunsford, Levy Building, Suite 500, 133 South Third Street, Louisville, Kentucky 40202, who shall serve until the first annual meeting of the stockholders and until his successor in office is elected and has qualified.~~

**ARTICLE VIII**

**Elimination of Certain Liability of Directors**

A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for a breach of a director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) **for** any transaction from which a director derived an improper personal benefit.

**ARTICLE ~~VII~~X**

**Indemnification of Directors and Officers**

**A. Right to Indemnification.** To the fullest extent authorized by the General Corporation Law of the State of Delaware, the Corporation shall indemnify each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative ( Proceeding ) because he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise, against all expenses, liabilities and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by him in connection with such Proceeding. The Corporation may provide, by action of its Board of Directors through agreement, resolution or by a provision in the By-Laws of the Corporation, indemnification of the Corporation's employees and agents with substantially the scope and effect as the indemnification provided in this Article ~~VII~~X.

**B. Advancement of Expenses.** Expenses incurred by such a person in his capacity as a director ~~or~~**for** officer of the Corporation (and not in any other capacity in which service was or is rendered by such person while a

---

**Table of Contents**

director or officer) in defending a Proceeding may be paid by the Corporation in advance of the final disposition of such Proceeding as authorized by the Board of Directors in a specific case upon receipt of an undertaking by or on behalf of that person to repay such amounts unless it is ultimately determined that that person is entitled to be indemnified by the Corporation as authorized by the General Corporation Law of the State of Delaware. Expenses incurred by a person in any capacity other than as an officer or director of the Corporation may be paid in advance of the final disposition of a Proceeding on such terms and conditions, if any, as the Board of Directors deems appropriate.

***C. Contract Right; Non-exclusivity of Rights.***

**1. Contract Right.** The indemnification provided for by this Article ~~VII~~ shall be a contract right and shall continue as to persons who cease to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person. No amendment to this Certificate of Incorporation or repeal of any Article of this Certificate of Incorporation shall increase the liability of any director or officer of the Corporation for acts or omissions of such persons occurring prior to such amendment or repeal.

**2. Non-exclusivity of Rights.** The right to indemnification conferred by this Article ~~VII~~ shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to actions taken in his official capacity and in any other capacity while holding such office.

**D. Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, partner, employee, or agent of another domestic or foreign corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, whether or not the Corporation would have the power or be obligated to indemnify him against such liability under the provisions of this Article ~~VII~~ or the General Corporation Law of the State of Delaware.

**E. Right of Claimant to Bring Suit.** If a claim under paragraph A of this Article ~~VII~~ is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of ~~conduct~~ **conduct**, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

**~~ARTICLE X~~**

**~~{Reserved}~~**



---

**Table of Contents**

**ARTICLE ~~XVIII~~**

**Consent Actions of Stockholders**

Any action required or permitted to be taken by the stockholders at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, only if a consent in writing, setting forth the actions so taken, shall be signed by the holders of at least eighty percent of all the issued and outstanding shares of stock of the Corporation entitled to vote thereon.

**ARTICLE ~~IXH~~**

**Restrictions of Ownership and Transfer;**

**Designation of Excess Shares**

**A. (1) Definitions.** For the purposes of this Article ~~IXH~~, the following terms shall have the following meanings:

**Adoption Date** shall mean the date upon which the Corporation filed the Certificate of Amendment to the Certificate of Incorporation of the Corporation adding this Article ~~IXH~~ with the Secretary of State of the State of Delaware.

**Beneficial Ownership** shall mean ownership of Shares by a Person who (i) would be treated as an owner of such Shares either directly or constructively through the application of Section 544 of the Code, as modified by Section 856(h) of the Code or (ii) would be treated as an owner of such Shares either directly or constructively through the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms **Beneficial Owner**, **Beneficially Own**, **Beneficially Owns** and **Beneficially Owned** shall have the correlative meanings.

**Beneficiary** shall mean an organization or organizations described in Sections 170(b)(1)(A) and 170(c) of the Code and identified by the Board of Directors as the beneficiary or beneficiaries of the Trust.

**Code** shall mean the Internal Revenue Code of 1986, as amended from time to time.

**Common Shares** shall mean outstanding Common Shares of the Corporation as may be authorized and issued from time to time pursuant to Article IV.

**Excess Shares** shall mean Shares resulting from an event described in Section 3 of this Article ~~IXII~~.

**Excess Common Shares** shall mean Common Shares that are designated as Excess Shares.

**Excess Preferred Shares** shall mean Preferred Shares that are designated as Excess Shares.

**Existing Holder** shall mean any Person who is the Beneficial Owner of Common Shares in excess of the Ownership Limit on the Adoption Date, so long as, but only so long as, such Person Beneficially Owns shares of Common Shares in excess of the Ownership Limit.

**Existing Holder Limit** for any Existing Holder shall mean, initially, the percentage of the outstanding Common Shares Beneficially Owned by such Existing Holder on the Adoption Date, and after any adjustment pursuant to Section A.(9) of this Article ~~IXH~~ shall mean the percentage of the outstanding Common Shares so adjusted; **provided, however**, that the Existing Holder Limit shall be 9.9% in number of shares or value of the outstanding Common Shares of the Corporation unless, from the Adoption Date until the Ownership Limitation Termination Date, each Existing Holder does not Beneficially Own more than 9.9%, in number of shares or value, of the outstanding shares of any class or series of capital stock of one or more Tenants (other than Vencor, Inc., a Delaware corporation formerly known as Vencor Healthcare, Inc.) if the failure of rents received or accrued, directly or indirectly, by the Corporation from such Tenant(s) to qualify as **rents from real property** for purposes of Section 856(d) of the Code, would in the judgment of the Board of Directors, cause the Corporation to fail to qualify as a REIT for federal income tax purposes.

---

**Table of Contents**

**Market Price** shall mean the last reported sales price reported on the New York Stock Exchange of Shares of the relevant class on the trading day immediately preceding the relevant date, or if the Shares of the relevant class are not then traded on the New York Stock Exchange, the last reported sales price of Shares of the relevant class on the trading day immediately preceding the relevant date as reported on any exchange or quotation system over which the Shares of the relevant class may be traded, or if the Shares of the relevant class are not then traded over any exchange or quotation system, then the market price of the Shares of the relevant class on the relevant date as determined in good faith by the Board of Directors of the Corporation.

**Ownership Limit** shall mean, with respect to the Common Shares for any Person other an Existing Holder, the Beneficial Ownership of nine percent (9.0%), in number of shares or value, of the outstanding Common Shares of the Corporation, and, with respect to the Preferred Shares for any Person, the Beneficial Ownership of nine and nine-tenths percent (9.9%), in number of shares or value, of the outstanding shares of any class or series of Preferred Shares of the Corporation. The value of any outstanding Common Shares or shares of any class or series of Preferred Shares of the Corporation shall be determined by the Board of Directors of the Corporation in good faith which determination shall be conclusive for all purposes hereof.

**Ownership Limit Termination Date** shall mean the first day after the date on which the Board of Directors determines that it is no longer in the best interests of the Corporation to attempt to, or continue to, qualify as a REIT.

**Person** shall mean an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Section 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity or any government or agency or political subdivision thereof and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended. **Person** does not include an underwriter which participates in a public offering of Shares for a period of 25 days following the purchase by such underwriter of those Shares.

**Preferred Shares** shall mean outstanding preferred shares of the Corporation as may be authorized and issued from time to time pursuant to Article IV.

**Purported Beneficial Transferee** shall mean, with respect to any purported Transfer which results in Excess Shares, the purported beneficial transferee for whom the Purported Record Transferee would have acquired Shares, if such Transfer had been valid under Section A.(2) of this Article ~~IXH~~.

**Purported Record Transferee** shall mean, with respect to any purported Transfer which results in Excess Shares, the record holder of the Shares, if such Transfer had been valid under Section A.(2) of this Article ~~IXH~~.

**REIT** shall mean a real estate investment trust under Section 856 of the Code.

**REIT Election Date** shall mean January 1, 1999 or such other date on which the Corporation elects to be taxed as a REIT under the Code.

**Shares** shall mean the shares of the Corporation as may be authorized and issued from time to time pursuant to Article IV.

**Tenant** shall mean any Person that leases (or subleases) real property from the Corporation.

**Transfer** shall mean any sale, transfer, gift, assignment, devise or other disposition of Shares (including (a) the granting of any option or entering into any agreement for the sale, transfer or other disposition of Shares or (b) the sale, transfer, assignment or other disposition of any securities or rights convertible into or exchangeable for Shares), whether voluntary or involuntary, whether of record or beneficially and whether by operation of law or otherwise.

**Trust** shall mean the trust created pursuant to Section C.(1) of this Article ~~IXII~~.

---

**Table of Contents**

Trustee shall mean a Person, who shall be unaffiliated with the Corporation, any Purported Beneficial Transferee and any Purported Record Transferee, identified by the Board of Directors as the trustee of the Trust.

***(2) Restrictions on Ownership and Transfer.***

(a) Except as provided in Section A.(12) of this Article **IXH**, from the Adoption Date and prior to the Ownership Limitation Termination Date, no Person (other than, in the case of Common Shares, an Existing Holder) shall Beneficially Own Shares of any class in excess of the Ownership Limit for such class of Shares and no Existing Holder shall Beneficially Own Common Shares in excess of the Existing Holder Limit for such Existing Holder.

(b) Except as provided in Section A.(12) of this Article **IXH**, from the Adoption Date and prior to the Ownership Limitation Termination Date, any Transfer that, if effective, would result in any Person (other than, in the case of a Transfer of Common Shares, an Existing Holder) Beneficially Owning Shares of any class in excess of the Ownership Limit with respect to Shares of such class shall be void ab initio as to the Transfer of such Shares which would be otherwise Beneficially Owned by such Person in excess of such Ownership Limit; and the intended transferee shall acquire no rights to such Shares.

(c) Except as provided in Section A.(12) of this Article **IXH**, from the Adoption Date and prior to the Ownership Limitation Termination Date, any Transfer that, if effective, would result in any Existing Holder Beneficially Owning Common Shares in excess of the applicable Existing Holder Limit shall be void ab initio as to the Transfer of such Common Shares which would be otherwise Beneficially Owned by such Existing Holder in excess of the applicable Existing Holder Limit; and such Existing Holder shall acquire no rights to such Common Shares.

(d) From the Adoption Date and prior to the Ownership Limitation Termination Date, any Transfer that, if effective, would result in Shares being Beneficially Owned by less than 100 Persons (determined without referring to any rules of attribution) shall be void ab initio as to the Transfer of such Shares which would be otherwise Beneficially Owned by the transferee; and the intended transferee shall acquire no rights in such Shares.

(e) From the Adoption Date and prior to the Ownership Limitation Termination Date, any Transfer that, if effective, would result in the Corporation being closely held within the meaning of Section 856(h) of the Code shall be void ab initio as to the Transfer of the Shares which would cause the Corporation to be closely held within the meaning of Section 856(h) of the Code; and the intended transferee shall acquire no rights in such Shares.

***(3) Designation of Excess Shares.***

(a) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a purported Transfer such that any Person (other than, in the case of Common Shares, an Existing Holder) would Beneficially Own Shares of any class in excess of the applicable Ownership Limit with respect to such class, then, except as otherwise provided in Section A.(12) of this Article **IXH**, such number of Shares in excess of such Ownership Limit (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the purported Transfer.

(b) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a purported Transfer such that an Existing Holder would Beneficially Own Common Shares in excess of the applicable Existing Holder Limit, then, except as otherwise provided in Section A.(12) of this Article **IXH**, such number of Common Shares in excess of such Existing Holder Limit (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the purported Transfer.

---

**Table of Contents**

(c) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a purported Transfer which, if effective, would cause the Corporation to become closely held within the meaning of Section 856(h) of the Code, then the Shares being Transferred which would cause the Corporation to be closely held within the meaning of Section 856(h) of the Code (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the purported Transfer.

(d) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, any Person other than, with respect to Common Shares, an Existing Holder (the Purchaser) purchases or otherwise acquires an interest in a Person which Beneficially Owns Shares (the Purchase) and, as a result, the Purchaser would Beneficially Own Shares of any class in excess of the applicable Ownership Limit with respect to such class, then, except as provided in Section A.(12) of this Article **IXH**, such number of Shares in excess of such Ownership Limit (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of Purchase. In determining which Shares are designated as Excess Shares, Shares of the relevant class Beneficially Owned by the Purchaser prior to the Purchase shall be treated as designated as Excess Shares before any Shares Beneficially Owned by the Person an interest in which is being so purchased or acquired are so treated.

(e) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, an Existing Holder purchases or otherwise acquires an interest in a Person which Beneficially Owns Shares (the Purchase) and, as a result, such Existing Holder would Beneficially Own Common Shares in excess of the applicable Existing Holder Limit, then, except as provided in Section A.(12) of this Article **IXH**, such number of Common Shares in excess of such Existing Holder Limit (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the Purchase. In determining which Common Shares are exchanged, Common Shares Beneficially Owned by the purchasing Existing Holder prior to the Purchase shall be treated as designated as Excess Shares before any Common Shares Beneficially Owned by the Person an interest in which is being so purchased or acquired are so treated.

(f) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a redemption, repurchase, restructuring or similar transaction with respect to a Person that Beneficially Owns Shares (the Entity) and, as a result, a Person (other than, in the case of Common Shares, an Existing Holder) holding an interest in the Entity would Beneficially Own Shares in excess of the applicable Ownership Limit with respect to such class, then except as provided in Section A.(12) of this Article **IXH**, such number of Shares in excess of such Ownership Limit (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the redemption, repurchase, restructuring or similar transaction. In determining which Shares are designated as Excess Shares, Shares of the relevant class Beneficially Owned by the Entity shall be treated as designated as Excess Shares before any Shares Beneficially Owned by the Person holding an interest in Entity (independently of such Person's interest in the Entity) are so treated.

(g) If, notwithstanding the other provisions contained in this Article **IXH**, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a redemption, repurchase, restructuring or similar transaction with respect to a Person that Beneficially Owns shares of Common Shares (the Entity) and, as a result, an Existing Holder would Beneficially Own Common Shares in excess of the applicable Existing Holder Limit, then, except as provided in Section A.(12) of this Article **IXH**, such number of Common Shares in excess of such Existing Holder Limit (rounded up to the nearest whole Share) shall be automatically designated as Excess Shares. Such

---

**Table of Contents**

designation shall be effective as of the close of business on the business day prior to the date of the transfer. In determining which Common Shares are designated as Excess Shares, Common Shares Beneficially Owned by the Entity shall be treated as so designated before any Common Shares Beneficially Owned by the Existing Holder (independently of such Existing Holder's interest in the Entity) are so treated.

(h) If, notwithstanding the other provisions contained in this Article ~~IXH~~, at any time from the Adoption Date and prior to the Ownership Limit Termination Date, an event, other than an event described in Sections A.(3)(a) through (g) of this Article ~~IXH~~, occurs which would, if effective, results in any Person (other than, in the case of Common Shares, an Existing Holder) Beneficially Owning Shares in excess of the applicable Ownership Limit, then, except as provided in Section A.(12) of this Article ~~IXH~~, the smallest number of Shares Beneficially Owned by such Person which, if designated as Excess Shares, would result in such Person's Beneficial Ownership of Shares not being in excess of such Ownership Limit, shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the relevant event.

(i) If, notwithstanding the other provisions contained in this Article ~~IXH~~, at any time from the Adoption Date and prior to the Ownership Limit Termination Date, an event, other than an event described in Section A.(3)(a) through (g) of this Article ~~IXH~~, occurs which would, if effective, result in any Existing Holder Beneficially Owning Shares in excess of the applicable Existing Holder Limit, then, except as provided in Section A.(12) of this Article ~~IXH~~, the smallest number of Common Shares Beneficially Owned by such Existing Holder which, if designated as Excess Shares, would result in such Existing Holder's Beneficial Ownership of Common Shares not being in excess of such Existing Holder Limit, shall be automatically designated as Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of the relevant event.

(j) In addition, if a Person (the nonreporting Person) does not provide all of the information required by Section A.(6) of this Article ~~IXH~~ and, as a result, the Corporation, but for the provisions of this paragraph, would not qualify as a REIT, then, as of the day prior to the date on which such aggregate ownership would have caused the Corporation to fail to qualify as a REIT, Shares Beneficially Owned by such Person shall be automatically designated as Excess Shares to the extent necessary to prevent the Corporation from failing to qualify as a REIT.

**(4) Remedies for Breach.** If the Board of Directors or its designees shall at any time determine in good faith that a Transfer has taken place in violation of Section A.(2) of this Article ~~IXH~~ or that a Person intends to acquire or has attempted to acquire Beneficial Ownership of any Shares in violation of Section A.(2) of this Article ~~IXH~~, the Board of Directors shall take such actions as it deems advisable to refuse to give effect or to prevent such Transfer (or any Transfer related to such intent), including, but not limited to, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer; provided, however, that any Transfers or attempted Transfers in violation of Sections A.(2)(a) through (c) of this Article ~~IXH~~ or Section A.(2)(e) of this Article ~~IXH~~ shall automatically result in the designation of Excess Shares described in Section A.(3) of this Article ~~IXH~~, irrespective of any action (or non-action) by the Board of Directors.

**(5) Notice of Ownership or Attempted Ownership in Violation of Section A.(2).** Any Person who acquires or attempts to acquire Beneficial Ownership of Shares in violation of Section A.(2) shall immediately give written notice to the Corporation of such event and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such acquisition or attempted acquisition on the Corporation's status (or, if prior to the REIT Election Date, expected status) as a REIT.

**(6) Owners Required to Provide Information.** From the Adoption Date and prior to the Ownership Limitation Termination Date:

(a) every Beneficial Owner of more than 5.0% (or such other lower percentages as required pursuant to regulations under the Code) of the outstanding number or value of any class or series of

---

**Table of Contents**

Shares shall, within 30 days after January 1 of each year, give written notice to the Corporation stating the name and address of such Beneficial Owner, the number of Shares Beneficially Owned, and a description of how such Shares are held. Each such Beneficial Owner shall provide to the Corporation such additional information as the Corporation may request in order to determine the effect, if any, of such Beneficial Ownership on the Corporation's status (or, if prior to the REIT Election Date, expected status) as a REIT.

(b) each Person who is a Beneficial Owner of Shares and each Person (including the shareholder of record) who is holding Shares for a Beneficial Owner shall provide to the Corporation such information as the Corporation may request, in good faith, in order to determine the Corporation's status (or, if prior to the REIT Election Date, expected status) as a REIT or to comply with regulations promulgated under the REIT provisions of the Code.

**(7) Remedies Not Limited.** Except as provided in Section E. of this Article ~~IXH~~, nothing contained in this Article ~~IXH~~ shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its stockholders by preservation of the Corporation's status (or, if prior to the REIT Election Date, expected status) as a REIT.

**(8) Ambiguity.** In the case of an ambiguity in the application of any of the provisions of this Article ~~IXH~~, including any definition contained in Section A.(1) of this Article ~~IXH~~ and any ambiguity with respect to which Shares are to be designated as Excess Shares in a given situation, the Board of Directors shall have the power to determine the application of the provisions of this Article ~~IXH~~ with respect to any situation based on the facts known to it.

**(9) Modification of Existing Holder Limit.** The Existing Holder Limit for any Existing Holder will be reduced after any transfer permitted in this Section A or any other event that reduces the percentage of the outstanding Common Shares Beneficially Owned by any Existing Holder of this Article ~~IXH~~ by such Existing Holder to a Person other than an Existing Holder by the amount of Shares Transferred; but in no event shall such Existing Holder Limit be reduced to less than the Ownership Limit for Common Shares.

**(10) Modification of Ownership Limit.** Subject to the limitations provided in Section A.(11) of this Article ~~IXH~~, the Board of Directors may from time to time increase or decrease the Ownership Limit with respect to a class of Shares.

**(11) Limitations on Modifications.**

(a) Neither the Ownership Limit with respect to a class of Shares nor any Existing Holder Limit may be increase (nor may any additional Existing Holder Limit be created) is, after giving effect to such increase (or creation), five Beneficial Owners of Shares (including all of the then-existing Existing Holders) could Beneficially Own, in the aggregate, more that 49.9% of the outstanding Shares of the class of Shares to which such Ownership Limit or Existing Holder Limit relates.

(b) Prior to the modification of any Existing Holder Limit or Ownership Limit pursuant to Section A.(9) or Section A.(10) of this Article ~~IXH~~, the Board of Directors may require such opinions of counsel, affidavits, undertakings or agreements as it may deem necessary or advisable in order to determine or ensure the Corporation's status (or, if prior to the REIT Election Date, expected status) as a REIT.

(c) The Ownership Limit with respect to a class of Shares may not be increased to a percentage which is greater than 9.9%.

**(12) Exceptions.** The Board of Directors, with a ruling from the Internal Revenue Service or an opinion of counsel that such exemption will not cause the Corporation to fail to qualify as a REIT or such other evidence or documents as the Board of Directors deems appropriate, may exempt a Person from the Ownership Limit with respect to a class of Shares or an Existing Holder Limit, as the case may be, if the Board of Directors obtains such representations and undertakings from such Persons as the Board of Directors determines are reasonably necessary, and such Person agrees that any violation or attempted

---

**Table of Contents**

violation of such representations or undertakings will result in, to the extent necessary, the designation of Shares held by such Person as Excess Shares in accordance with Section A.(3) of this Article ~~IXH~~.

**B. Legend. (1)** Each certificate for Common Shares shall bear the following legend:

The Common Shares represented by this certificate are subject to restrictions on ownership and transfer for the purpose of the Corporation's maintenance of its status (or, if prior to the REIT Election Date, expected status) as a real estate investment trust under the Internal Revenue Code of 1986, as amended (the Code). No Person may Beneficially Own Common Shares in excess of 9.0% (or such greater percentage as may be determined by the Board of Directors) of the outstanding Common Shares of the Corporation (unless such Person is an Existing Holder). Any Person who attempts to Beneficially Own Common Shares in excess of the above limitation must immediately notify the Corporation. All capitalized terms used in this Legend have the meanings set forth in the Certificate of Incorporation of the Corporation, ~~as amended~~, a copy of which, including the restrictions on ownership and transfer, will be sent without charge to each stockholder who so requests. If the restrictions on ownership and transfer are violated, the Common Shares represented hereby will be automatically designated as Excess Shares which will be held in trust by the Trustee for the benefit of the Beneficiary.

Instead of the foregoing legend, the certificate may state that the Corporation will furnish a full statement about certain restrictions on transferability to a stockholder on request and without charge.

**(2)** Each certificate for Preferred Shares shall bear the following legend:

The Preferred Shares represented by this certificate are subject to restrictions on ownership and transfer for the purpose of the Corporation's maintenance of its status (or, if prior to the REIT Election Date, expected status) as a real estate investment trust under the Internal Revenue Code of 1986, as amended (the Code). No Person may Beneficially Own Preferred Shares of any class in excess of 9.9% of the outstanding Preferred Shares of such class. Any Person who attempts to Beneficially Own Shares in excess of the above limitations must immediately notify the Corporation. All capitalized terms used in this legend have the meanings set forth in the Certificate of Incorporation of the Corporation, a copy of which, including the restrictions on ownership and transfer, will be sent without charge to each stockholder who so requests. If the restrictions on ownership and transfer are violated, the Preferred Shares represented hereby will be automatically designated as Excess Shares which will be held in trust by the Trustee for the benefit of the Beneficiary.

Instead of the foregoing legend, the certificate may state that the Corporation will furnish a full statement about certain restrictions on transferability to a stockholder on request and without charge.

**C. Excess Shares.**

**(1) Ownership in Trust.** Upon any purported Transfer or other event that results in the designation of Shares as Excess Shares pursuant to Section A.(3) of this Article ~~IXH~~, such Excess Shares shall be deemed to have been transferred to the Trustee, as trustee of the Trust for the exclusive benefit of the Beneficiary. The Trust shall name a Beneficiary if one does not already exist, within five days of the discovery of any designation of any Excess Shares; provided, however, that the failure to so name a Beneficiary shall not affect the designation of Shares as Excess Shares or the transfer thereof to the Trustee. Excess Shares so held in trust shall be issued and outstanding stock of the Corporation. The Purported Record Transferee shall have no rights in such Excess Shares except as provided in Section C.(5) of this Article ~~IXH~~.

**(2) Dividend Rights.** Any dividends (whether taxable as a dividend, return of capital or otherwise) on Excess Shares shall be paid to the Trust for the benefit of the Beneficiary. Upon liquidation, dissolution or winding up, the Purported Record Transferee shall receive, for each Excess Share, the lesser of (a) the amount per share of any distribution made upon liquidation, dissolution or winding up or (b) the price paid by the Purported Record Transferee for the Excess Shares, or if the Purported Record Transferee did not

---

**Table of Contents**

give value for the Excess Shares, the Market Price of the Excess Shares on the day of the event causing the Excess Shares to be held in trust. Any such dividend paid or distribution paid to the Purported Record Transferee in excess of the amount provided in the preceding sentence prior to the discovery by the Trust that the Shares with respect to which the dividend or distribution was made had been designated as Excess Shares shall be repaid, upon demand, to the Trust for the benefit of the Beneficiary.

**(3) Rights Upon Liquidation.** In the event of any voluntary or involuntary liquidation, dissolution or winding up of, or any distribution of the assets of, the Corporation, (a) subject to the preferential rights of the Preferred Shares, if any, as may be determined by the Board of Directors of the Corporation and the preferential rights of the Excess Preferred Shares, if any, each holder of Excess Common Shares shall be entitled to receive, ratably with each other holder of Common Shares and Excess Common Shares, that portion of the assets of the Corporation available for distribution to the holders of Common Shares or Excess Common Shares which bears the same relation to the total amount of such assets of the Corporation as the number of Excess Common Shares held by such holder bears to the total number of Common Shares and Excess Common Shares then outstanding, and (b) each holder of Excess Preferred Shares shall be entitled to receive that portion of the assets of the Corporation which a holder of the Preferred Shares that was exchanged for such Excess Preferred Shares would have been entitled to receive had such Preferred Shares remained outstanding. The Corporation, as holder of the Excess Shares in trust shall distribute ratably to the Beneficiaries of the Trust, when determined, any such assets received in respect of the Excess Shares in any liquidation, dissolution or winding up of, or any distribution of the assets of the Corporation.

**(4) Voting Rights.** The Trustee shall be entitled to vote the Excess Shares on behalf of the Beneficiary on any matter. Subject to Delaware law, any vote cast by a Purported Record Transferee with respect to the Excess Shares prior to the discovery by the Corporation that the Excess Shares were held in trust will be rescinded ab initio; provided, however, that if the Corporation has already taken irreversible action with respect to a merger, reorganization, sale of all or substantially all of the assets, dissolution of the Corporation or other action by the Corporation, then the vote cast by the Purported Record Transferee shall not be rescinded. The owner of the Excess Shares will be deemed to have given an irrevocable proxy to the Trustee to vote the Excess Shares for the benefit of the Beneficiary.

Notwithstanding the provisions of this Article **IXH**, until the Corporation has received notification that Excess Shares have been transferred into a Trust, the Corporation shall be entitled to rely on its share transfer and other stockholder records for purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of stockholders.

**(5) Restrictions on Transfer.** Excess Shares shall be transferable only as provided in this Section C.(5) of Article **IXH**. At the direction of the Board of Directors, the Trustee shall transfer the Shares held in the Trust to a Person or Persons whose ownership of such Shares will not violate the Ownership Limit. If such a transfer is made to such a Person or Persons, the interest of the Beneficiary shall terminate and the proceeds of the sale shall be payable to the Purported Record Transferee and to the Beneficiary. The Purported Record Transferee shall receive the lesser of (a) the price paid by the Purported Record Transferee for the Shares or, if the Purported Record Transferee did not give value for the Shares, the Market Price of the Shares on the day of the event causing the Shares to be held in trust, or (b) the price received by the Trust from the sale or other disposition of the Shares. Any proceeds in excess of the amount payable to the Purported Record Transferee will be paid to the Beneficiary. The Trustee shall be under no obligation to obtain the highest possible price for the Excess Shares. Prior to any transfer of any Excess Shares by the Trustee, the Corporation must have waived in writing its purchase rights under Section C.(6) of this Article **IXH**. It is expressly understood that the Purported Record Transferee may enforce the provisions of this Section against the Beneficiary.

If any of the foregoing restrictions on transfer of Excess Shares is determined to be void, invalid or unenforceable by any court of competent jurisdiction, then the Purported Record Transferee may be deemed, at the option of the Corporation, to have acted as an agent of the Corporation in acquiring such Excess Shares in trust and to hold such Excess Shares on behalf of the Corporation.



---

**Table of Contents**

**(6) Purchase Right in Excess Shares.** Excess Shares shall be deemed to have been offered for sale to the Corporation, or its designee, at a price per share equal to the lesser of (i) the price per share in the transaction that created such Excess Shares (or, in the case of a devise, gift or other transaction in which no value was given for such Excess Shares, the Market Price at the time of such devise, gift or other transaction) and (ii) the Market Price on the date the Corporation, or its designee accepts such offer (the Redemption Price ). The Trust shall have the right to accept such offer for a period of ninety days after the later of (i) the date of the purported Transfer or other event which resulted in the designation of the Shares as Excess Shares and (ii) the date the Board of Directors determines in good faith that a purported Transfer or other event resulting in the designation of Excess Shares has occurred, if the Corporation does not receive a notice of any such Transfer pursuant to Section A.(5) of this Article ~~IXH~~. Unless the Board of Directors determines that it is in the interests of the Corporation to make earlier payments of all of the amounts determined as the Redemption Price per Share in accordance with the preceding sentence, the Redemption Price may be payable at the option of the Board of Directors at any time up to but not later than five years after the date the Corporation accepts the offer to purchase the Excess Shares. In no event shall the Corporation have an obligation to pay interest to the Purported Record Transferee.

**D. Severability.** If any provision of this Article ~~IXH~~ or any application of any such provision is determined to be invalid by any Federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court.

**E. New York Stock Exchange Transactions.** Nothing in this Article ~~IXH~~ shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange. The fact that the settlement of any transaction occurs or takes place shall not negate the effect of any other provision of this Article ~~IXH~~ and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article ~~IXH~~.

**F. Amendment of Article ~~IXH~~.** This Article ~~IXH~~ may not be amended, modified or repealed except by the affirmative vote of not less than two-thirds (2/3) of the votes entitled to be cast by the holders of all Shares of the Corporation entitled to vote generally in the election of Directors voting together as one class.

**ARTICLE X**

**Restrictions on Constructive Ownership Relating to REIT Status**

**A. (1) Definitions.** For the purposes of this Article X, the following terms shall have the following meanings:

**Constructive Ownership** shall mean ownership of Shares by a Person, whether the interest in such Shares is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned though the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms **Constructive Owner** , **Constructively Owns** and **Constructively Owned** shall have the correlative meanings.

**Special Excess Shares** shall mean Shares resulting from an event described in Section A.(3) of this Article X.

**All other capitalized terms used in this Article X shall have the meanings, and be defined as, set forth in Article IX of this Certificate of Incorporation.**

**(2) Restrictions on Constructive Ownership.** Except as provided in Section A.(4) of this Article X, from the Adoption Date and prior to the Ownership Limitation Termination Date, no Person shall

---

**Table of Contents**

**Constructively Own any Shares to the extent that such Constructive Ownership would cause any income of the Corporation that would otherwise qualify as rents from real property for purposes of Section 856(d) of the Code to fail to qualify as such, and any Transfer that, if effective, would cause any income of the Corporation that would otherwise qualify as rents from real property for purposes of Section 856(d) of the Code to fail to qualify as such shall be void ab initio as to the Transfer of such Shares which would cause any income of the Corporation that would otherwise qualify as rents from real property for purposes of Section 856(d) of the Code to fail to qualify as such; and the intended transferee shall acquire no rights in such Shares.**

**(3) Designation of Special Excess Shares. If, notwithstanding the other provisions contained in this Article X or in Article IX, at any time from the Adoption Date and prior to the Ownership Limitation Termination Date, there is a purported Transfer or other event (including an event described in Section A.(3)(a) through (g) of Article IX) which would, if effective, result in any Person Constructively Owning Shares in violation of Section A.(2) of this Article X, then, except as provided in Section A.(12) of Article IX, such number of Shares (rounded up to the nearest whole Share) in excess of the greatest amount of Shares as would not result in a violation of Section A.(2) of this Article X shall be automatically designated as Special Excess Shares. Such designation shall be effective as of the close of business on the business day prior to the date of such purported Transfer or other event. In determining which Shares are designated as Special Excess Shares, Shares of the relevant class directly or indirectly owned (including by a nominee) by the Person prior to (or as a result of) the purported Transfer or other event shall be treated as designated as Special Excess Shares before any Shares that would be treated as owned through the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code, by the Person are so treated. Shares designated as Special Excess Shares pursuant to this Article X shall be treated as shares that were converted to Excess Shares pursuant to and for purposes of Article IX.**

**(4) Exceptions. The Board of Directors, with a ruling from the Internal Revenue Service or an opinion of counsel that such exemption will not cause the Corporation to fail to qualify as a REIT or such other evidence or documents as the Board of Directors deems appropriate, may exempt a Person from the application of this Article X if the Board of Directors obtains such representations and undertakings from such Persons as the Board of Directors determines are reasonably necessary, and such Person agrees that any violation or attempted violation of such representations or undertakings will result in, to the extent necessary, the designation of Shares held by such Person as Special Excess Shares in accordance with this Article X.**

**B. Severability. If any provision of this Article X or any application of any such provision is determined to be invalid by any Federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court.**

**C. New York Stock Exchange Transactions. Nothing in this Article X shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange. The fact that the settlement of any transaction occurs or takes place shall not negate the effect of any other provision of this Article X and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article X.**

**D. Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Article X, including any definition contained in this Article X and any ambiguity with respect to which Shares are to be designated as Special Excess Shares in a given situation or in the treatment of such shares pursuant to Article IX, the Board of Directors shall have the power to determine the application of the provisions of this Article X with respect to any situation based on the facts known to it.**

**Table of Contents**

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been signed by the Chairman, Chief Executive Officer and President and attested by the Corporate Secretary of Ventas, Inc. this            day of            , 2007.

Ventas, Inc.

By:

Debra A. Cafaro  
Chairman, Chief Executive Officer and President

ATTEST:

By:

T. Richard Riney  
Corporate Secretary

C-16

**Table of Contents**

c/o National City Bank

Shareholder Services Operations

**VOTE BY TELEPHONE**

Locator 5352

P. O. Box 94509

Have your proxy card available when you call **Toll-Free 1-888-693-8683** using a touch-tone phone and follow the simple instructions to record your vote.

Cleveland, OH 44101-4509

**VOTE BY INTERNET**

Have your proxy card available when you access the Web site **www.cesvote.com** and follow the simple instructions to record your vote.

**VOTE BY MAIL**

Please mark, sign and date your proxy card and return it in the **postage-paid envelope** provided or return it to: National City Bank, P.O. Box 535300, Pittsburgh, PA 15253.

**Vote by Telephone**  
Call Toll-Free using a  
touch-tone telephone:  
**1-888-693-8683**

**Vote by Internet**  
Access the Web site and  
cast your vote:  
**www.cesvote.com**

**Vote by Mail**  
Return your proxy  
in the postage-paid  
**envelope provided**

**Vote 24 hours a day, 7 days a week.**

**If you vote by telephone or over the Internet, do not mail your proxy card.**

ð

Edgar Filing: VENTAS INC - Form PRE 14A

Proxy card must be signed and dated below.

↓ Please fold and detach card at perforation before mailing. ↓

**VENTAS, INC.**

**PROXY SOLICITED BY THE BOARD OF DIRECTORS FOR THE  
ANNUAL MEETING OF STOCKHOLDERS ON MAY 16, 2007**

The undersigned hereby appoints Debra A. Cafaro and Richard A. Schweinhart, and each of them, proxies with full power of substitution and resubstitution, for and in the name of the undersigned, to vote all shares of common stock of Ventas, Inc., which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders to be held at 9:00 a.m., local time, on Wednesday, May 16, 2007 at 111 South Wacker Drive, 29th Floor, Chicago, Illinois 60606, and at any adjournment thereof, upon the matters described in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement, receipt of which is hereby acknowledged, and upon any other business that may properly come before the meeting or any adjournment thereof. Said proxies are directed to vote on matters described in the Notice of Annual Meeting and Proxy Statement as indicated on the reverse side, and otherwise in their discretion upon such other business as may properly come before the meeting or any adjournment thereof.

Dated \_\_\_\_\_  
\_\_\_\_\_, 2007

Signature(s)

Signature(s)

Please sign exactly as your name(s) appear on this proxy. Where more than one owner is shown above, each should sign. If signing in a fiduciary or representative capacity, please give your full title. If this proxy is submitted by a corporation or partnership, it should be executed in the full corporate or partnership name by a duly authorized person.

**Table of Contents**

**YOUR VOTE IS IMPORTANT**

If you do not vote by telephone or over the Internet, please sign and date this proxy card and return it promptly in the enclosed postage-paid envelope, or otherwise to National City Bank, P.O. Box 535300, Pittsburgh, PA 15253, so your shares may be represented at the Annual Meeting. If you vote by telephone or over the Internet, it is not necessary to return this proxy card.

⇓ Please fold and detach card at perforation before mailing. ⇓

**VENTAS, INC.**

**PROXY**

**This Proxy will be voted as directed, but if no direction is indicated for a given proposal, the Proxy will be voted FOR that proposal.**

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR PROPOSALS 1, 2 AND 3.**

1. Election of Directors: to elect seven (7) directors to terms expiring at the 2008 Annual Meeting of Stockholders:

- |                           |                        |                        |                     |
|---------------------------|------------------------|------------------------|---------------------|
| (1) Debra A. Cafaro       | (2) Douglas Crocker II | (3) Jay M. Gellert     | (4) Ronald G. Geary |
| (5) Christopher T. Hannon | (6) Sheli Z. Rosenberg | (7) Thomas C. Theobald |                     |

.. **FOR** all nominees listed above

.. **WITHHOLD AUTHORITY**

(except as marked to the contrary)

to vote for all nominees listed

**(INSTRUCTIONS: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDIVIDUAL NOMINEE, STRIKE A LINE THROUGH THE NOMINEE'S NAME ABOVE.) IF THIS PROXY IS EXECUTED BY THE UNDERSIGNED IN SUCH A MANNER SO AS TO NOT WITHHOLD AUTHORITY TO VOTE FOR THE ELECTION OF ANY NOMINEE, IT SHALL BE DEEMED TO GRANT SUCH AUTHORITY.**

2. **DIRECTORS PROPOSAL:** to ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm for fiscal year 2007:

.. **FOR**

.. **AGAINST**

.. **ABSTAIN**

3. **DIRECTORS PROPOSAL:** to approve an amendment to the Certificate of Incorporation to increase the authorized common stock:

.. **FOR**

.. **AGAINST**

.. **ABSTAIN**

4. **DIRECTORS PROPOSAL:** to approve an amendment to the Certificate of Incorporation to include certain provisions limiting the constructive ownership of the capital stock in order to provide further assurances for continued compliance as a qualified real estate investment trust under U.S. federal income tax law:

.. **FOR**

.. **AGAINST**

.. **ABSTAIN**

## Edgar Filing: VENTAS INC - Form PRE 14A

.. Please check this box if you plan to attend the Annual Meeting.

**PROXY TO BE SIGNED AND DATED ON THE REVERSE SIDE**

LIGN="bottom"> (10,926)

Kazakhmys Plc, Strike Price GBP 10.26, Expires 11/16/11, Broker Citigroup Global Markets, Inc.

88,700 (15,504)

Kosmos Energy Ltd.:

Strike Price USD 12.50, Expires 11/03/11, Broker Morgan Stanley & Co., Inc.

16,500 (49,503)

Strike Price USD 13.50, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.

16,500 (33,161)

MeadWestvaco Corp.:

Strike Price USD 28.13, Expires 11/01/11, Broker Citigroup Global Markets, Inc.

50,000 (5,404)

Strike Price USD 28.02, Expires 11/14/11, Broker Banc of America Securities

51,000 (34,261)

Strike Price USD 30.03, Expires 11/14/11, Broker Morgan Stanley & Co., Inc.

45,500 (2,330)

Minsur SA:

Strike Price PEN 3.34, Expires 11/16/11, Broker Citigroup Global Markets, Inc.

639,000 (332)

Strike Price PEN 2.88, Expires 11/29/11, Broker Citigroup Global Markets, Inc.

319,500 (7,748)

Strike Price PEN 2.49, Expires 12/13/11, Broker Credit Suisse First Boston

319,500 (31,215)

Mondi Plc, Strike Price GBP 5.27, Expires 11/16/11, Broker Societe General Securities Corp.

107,000 (6,457)

See Notes to Financial Statements.

82

ANNUAL REPORT

OCTOBER 31, 2011



**Table of Contents****Schedule of Investments (continued)****BlackRock Real Asset Equity Trust (BCF)**  
(Percentages shown are based on Net Assets)

<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (continued)</b>		
Newcrest Mining Ltd., Strike Price AUD 40.25, Expires 11/07/11, Broker UBS Securities LLC	53,200	\$ (2)
OGX Petroleo e Gas Participacoes SA, Strike Price BRL 11.90, Expires 11/16/11, Broker Banc of America Securities	132,400	(183,412)
Olin Corp., Strike Price USD 21, Expires 12/09/11, Broker Credit Suisse First Boston	10,000	(2,068)
OZ Minerals Ltd., Strike Price AUD 11.98, Expires 11/07/11, Broker UBS Securities LLC	184,700	(17,557)
Patterson-UTI Energy, Inc., Strike Price USD 21.68, Expires 12/07/11, Broker Morgan Stanley & Co., Inc.	27,000	(20,420)
Peabody Energy Corp.:		
Strike Price USD 47.39, Expires 11/01/11, Broker Citigroup Global Markets, Inc.	37,000	(1)
Strike Price USD 58.69, Expires 11/01/11, Broker Deutsche Bank Securities Corp.	20,000	
PetroChina Co. Ltd. - ADR, Strike Price USD 127.45, Expires 11/04/11, Broker Deutsche Bank Securities Corp.	4,700	(15,470)
Plains Exploration & Production Co., Strike Price USD 30.53, Expires 12/14/11, Broker Morgan Stanley & Co., Inc.	27,000	(74,373)
Praxair, Inc., Strike Price USD 101.49, Expires 11/15/11, Broker Banc of America Securities	22,500	(55,503)
QEP Resources, Inc.:		
Strike Price USD 39.24, Expires 11/01/11, Broker Banc of America Securities	18,000	(10)
Strike Price USD 38.08, Expires 11/08/11, Broker UBS Securities LLC	19,000	(5,709)
Range Resources Corp., Strike Price USD 61, Expires 11/01/11, Broker Deutsche Bank Securities Corp.	14,500	(113,680)
Rex Energy Corp., Strike Price USD 12, Expires 11/01/11, Broker Citigroup Global Markets, Inc.	50,000	(174,003)
Rio Tinto Plc, Strike Price GBP 35.83, Expires 11/16/11, Broker Citigroup Global Markets, Inc.	171,000	(251,907)
Rosetta Resources, Inc., Strike Price USD 44.90, Expires 11/01/11, Broker Deutsche Bank Securities Corp.	17,000	(6,910)
Seadrill Ltd., Strike Price NOK 164.84, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	31,465	(101,988)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (concluded)</b>		
Southwestern Energy Co.:		
Strike Price USD 37.54, Expires 11/01/11, Broker Deutsche Bank Securities Corp.	18,000	\$ (81,003)
Strike Price USD 40.72, Expires 11/04/11, Broker Morgan Stanley & Co., Inc.	15,000	(23,647)
Statoil ASA, Strike Price NOK 127.41, Expires 11/16/11, Broker Morgan Stanley & Co., Inc.	65,000	(162,955)
Technip SA, Strike Price EUR 64.89, Expires 11/09/11, Broker UBS Securities LLC	8,900	(52,420)
Vale SA - ADR, Strike Price USD 27.11, Expires 11/01/11, Broker Deutsche Bank Securities Corp.	124,500	(30)
Vedanta Resources Plc, Strike Price GBP 13.44, Expires 11/16/11, Broker Citigroup Global Markets, Inc.	143,000	(28,825)
Whiting Petroleum Corp.:		
Strike Price USD 63.88, Expires 11/02/11, Broker Deutsche Bank Securities Corp.	19,000	
Strike Price USD 51, Expires 11/08/11, Broker Morgan Stanley & Co., Inc.	19,000	(6,109)
Xstrata Plc, Strike Price GBP 9.49, Expires 11/16/11, Broker Credit Suisse First Boston	356,000	(608,506)
Zijin Mining Group Co. Ltd., Class H, Strike Price HKD 3.67, Expires 11/07/11, Broker Morgan Stanley & Co., Inc.	2,056,000	(6,146)
<b>Total Over-the-Counter Call Options</b>		<b>(4,216,022)</b>
<b>Total Options Written</b>		
<b>(Premiums Received \$11,693,091) (1.0)%</b>		<b>(7,107,324)</b>
<b>Total Investments Net of Outstanding Options Written 100.4%</b>		<b>714,765,952</b>
<b>Liabilities in Excess of Other Assets (0.4)%</b>		<b>(2,848,538)</b>

## Edgar Filing: VENTAS INC - Form PRE 14A

**Net Assets 100.0%** \$ 711,917,414

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011 as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 692,661,684
Gross unrealized appreciation	\$ 73,274,867
Gross unrealized depreciation	(44,063,275)
<b>Net unrealized appreciation</b>	<b>\$ 29,211,592</b>

(a) All or a portion of security has been pledged/segregated as collateral or held in connection with outstanding options written.

(b) Non-income producing security.

(c) Security, or a portion of security, is on loan.

(d) Represents the current yield as of report date.

(e) Investments in companies considered to be an affiliate of the Trust during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	<b>Shares/ Beneficial Interest Held at October 31,</b>	<b>Net Activity</b>	<b>Shares/ Beneficial Interest Held at October 31,</b>	<b>Realized Gain</b>	<b>Income</b>
<b>Affiliate</b>	<b>2010</b>	<b>2011</b>	<b>2011</b>	<b>2011</b>	<b>2011</b>
BlackRock Liquidity Funds, TempFund, Institutional Class	22,448,837	6,865,614	29,314,451	\$193	\$28,931
BlackRock Liquidity Series, LLC, Money Market Series	\$2,250,000	\$9,395,567	\$11,645,567		\$3,994

(f) Security was purchased with the cash collateral from loaned securities.

See Notes to Financial Statements.

**Table of Contents****Schedule of Investments (concluded)****BlackRock Real Asset Equity Trust (BCF)**

Foreign currency exchange contracts as of October 31, 2011 were as follows:

<b>Currency</b>	<b>Currency</b>	<b>Counterparty</b>	<b>Settlement Date</b>	<b>Unrealized Depreciation</b>
<b>Purchased</b>	<b>Sold</b>			
AUD 37,000	USD 39,594	Citigroup Global Markets, Inc.	11/02/11	\$ (600)

For Trust compliance purposes, the Trust's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. These definitions may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease.

**Fair Value Measurements** Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 - unadjusted price quotations in active markets/exchanges for identical assets and liabilities

Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available. In the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Trust's perceived risk of investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements. The following tables summarize the inputs used as of October 31, 2011 in determining the fair valuation of the Trust's investments and derivative financial instruments:

<b>Valuation Inputs</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Investments:				
Long-Term Investments:				
Common Stocks:				

## Edgar Filing: VENTAS INC - Form PRE 14A

Chemicals	\$ 78,736,007		\$ 78,736,007
Containers & Packaging	9,739,681		9,739,681
Energy Equipment & Services	36,240,624	\$ 5,593,579	41,834,203
Machinery	27,932,262		27,932,262
Metals & Mining	124,309,292	169,818,584	294,127,876
Oil, Gas & Consumable Fuels	186,282,642	4,973,318	191,255,960
Paper & Forest Products	26,434,107	2,452,914	28,887,021
Real Estate Investment Trusts (REITs)	8,394,862		8,394,862
Short-Term Securities	29,314,451	11,645,567	40,960,018
<b>Total</b>	<b>\$ 527,383,928</b>	<b>\$ 194,483,962</b>	<b>\$ 721,867,890</b>

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments <sup>1</sup>				
<b>Assets:</b>				
Equity contracts	\$ 2,314	3,072		\$ 5,386
<b>Liabilities:</b>				
Equity contracts	(2,246,973)	(4,860,351)		(7,107,324)
Foreign currency exchange contracts	(600)			(600)
<b>Total</b>	<b>\$ (2,245,259)</b>	<b>\$ (4,857,279)</b>		<b>\$ (7,102,538)</b>

<sup>1</sup> Derivative financial instruments are foreign currency exchange contracts and options. Foreign currency exchange contracts are valued at the unrealized appreciation/depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

**Table of Contents**

Consolidated Schedule of Investments October 31, 2011

**BlackRock Resources & Commodities Strategy Trust (BCX)**  
(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
<b>Chemicals 17.7%</b>		
Agrium, Inc. (a)	135,800	\$ 11,174,982
CF Industries Holdings, Inc. (a)	27,300	4,429,971
E.I. du Pont de Nemours & Co. (a)	238,100	11,445,467
Israel Chemicals Ltd.	507,000	6,011,818
K+S AG	110,800	7,020,930
Monsanto Co. (a)	281,500	20,479,125
The Mosaic Co. (a)	129,700	7,595,232
Potash Corp. of Saskatchewan, Inc. (a)	604,400	28,606,252
The Scotts Miracle-Gro Co., Class A	162,000	7,858,620
Sociedad Quimica y Minera de Chile SA - ADR	130,000	7,605,000
Syngenta AG (b)	49,000	14,931,330
Uralkali - GDR	262,800	11,324,541
		138,483,268
<b>Energy Equipment &amp; Services 2.8%</b>		
Baker Hughes, Inc. (a)	13,400	777,066
Basic Energy Services, Inc. (a)(b)	24,900	456,666
Calfrac Well Services Ltd.	7,700	238,706
Core Laboratories NV (a)	32,100	3,475,146
Halliburton Co. (a)	99,100	3,702,376
Key Energy Services, Inc. (a)(b)	166,600	2,154,138
Patterson-UTI Energy, Inc. (a)	90,400	1,836,928
Schlumberger Ltd. (a)	73,000	5,363,310
Seadrill Ltd.	51,536	1,692,394
Technip SA	13,500	1,276,520
Trican Well Service Ltd.	76,800	1,358,399
		22,331,649
<b>Food Products 3.1%</b>		
Archer-Daniels-Midland Co.	275,200	7,964,288
Bunge Ltd. (a)	120,300	7,430,931
China Agri-Industries Holdings Ltd.	7,460,000	5,947,114
SLC Agricola SA	300,600	2,985,252
		24,327,585
<b>Machinery 4.8%</b>		
AGCO Corp. (a)(b)	260,900	11,435,245
Caterpillar, Inc.	74,300	7,018,378

Edgar Filing: VENTAS INC - Form PRE 14A

Deere & Co. (a)	128,400	9,745,560
Joy Global, Inc. (a)	105,700	9,217,040
		37,416,223
<b>Metals &amp; Mining 24.6%</b>		
Agnico-Eagle Mines Ltd. (a)	195,195	8,469,511
Alexco Resource Corp. (a)(b)	521,100	3,991,626
Allegheny Technologies, Inc. (a)	130,800	6,069,120
Allied Nevada Gold Corp. (a)(b)	237,600	9,024,048
Augusta Resource Corp. (b)	916,800	3,502,176
Avalon Rare Metals, Inc. (b)	106,000	353,067
BHP Billiton Ltd. - ADR	72,500	5,660,800
Centerra Gold, Inc.	227,900	4,517,987
Compass Minerals International, Inc.	75,700	5,758,499
Detour Gold Corp. (b)	208,800	6,912,867
Eldorado Gold Corp. (a)	485,100	9,153,837
Franco-Nevada Corp.	328,900	13,030,610
Fresnillo Plc	414,500	11,237,481
Goldcorp, Inc. (a)	177,600	8,673,984
HudBay Minerals, Inc.	415,300	4,549,863
Kenmare Resources Plc (b)	4,399,400	2,858,927
MAG Silver Corp. (b)	449,200	4,213,715
New Gold, Inc. (a)(b)	417,500	5,168,650
Novagold Resources, Inc. (a)(b)	797,800	7,363,694
Pan American Silver Corp.	104,800	2,930,208
Quadra FNX Mining Ltd. (b)	564,000	6,507,148
<b>Common Stocks</b>	<b>Shares</b>	<b>Value</b>
<b>Metals &amp; Mining (concluded)</b>		
Rio Tinto Plc - ADR	97,000	\$ 5,243,820
Seabridge Gold, Inc. (a)(b)	448,400	10,649,500
Silver Wheaton Corp.	596,300	20,631,980
Silvercorp Metals, Inc. (a)	1,080,000	10,206,000
Teck Resources Ltd., Class B	178,500	7,156,117
Titanium Metals Corp. (a)	357,200	5,983,100
US Gold Corp. (a)(b)	729,800	3,313,292
		193,131,627
<b>Oil, Gas &amp; Consumable Fuels 32.7%</b>		
Alpha Natural Resources, Inc. (a)(b)	301,165	7,240,007
AltaGas Ltd.	320,300	9,450,738
Anadarko Petroleum Corp. (a)	28,800	2,260,800
Angle Energy, Inc. (b)	100,000	644,093
Apache Corp. (a)	54,200	5,399,946
Baytex Energy Corp.	76,400	4,038,642
Bill Barrett Corp. (b)	64,400	2,679,040
Bonavista Energy Corp.	136,600	3,516,585
BP Plc - ADR (a)	47,700	2,107,386
Cenovus Energy, Inc. (a)	69,600	2,380,320
Chesapeake Energy Corp. (a)	118,600	3,335,032
Concho Resources, Inc. (a)(b)	14,000	1,326,080
Consol Energy, Inc. (a)	242,500	10,369,300
Continental Resources, Inc. (a)(b)	25,400	1,540,510
Crescent Point Energy Corp.	189,200	8,080,506
Denbury Resources, Inc. (a)(b)	211,400	3,318,980
Enbridge Energy Partners LP	113,811	3,464,407
Energy XXI (Bermuda) Ltd. (a)(b)	47,200	1,386,264
Enterprise Products Partners LP (a)	289,400	12,973,802
EOG Resources, Inc. (a)	63,000	5,634,090
EQT Corp. (a)	63,900	4,057,650

## Edgar Filing: VENTAS INC - Form PRE 14A

Galleon Energy, Inc., Class A (b)	155,700	437,382
Gasco Energy, Inc. (b)	366,500	74,583
Hess Corp. (a)	31,000	1,939,360
James River Coal Co. (a)(b)	87,800	908,730
Keyera Corp.	207,600	9,470,351
Kosmos Energy Ltd. (a)	49,400	765,700
Lone Pine Resources, Inc. (b)	100	753
Magellan Midstream Partners LP (a)	140,200	8,960,182
MarkWest Energy Partners LP (a)	184,800	9,208,584
Noble Energy, Inc. (a)	46,700	4,172,178
Occidental Petroleum Corp. (a)	125,500	11,663,970
OGX Petroleo e Gas Participacoes SA (b)	205,500	1,721,228
ONEOK Partners LP (a)	295,000	14,750,000
Patriot Coal Corp. (a)(b)	63,000	791,280
Peabody Energy Corp. (a)	118,500	5,139,345
Penn West Petroleum Ltd.	254,500	4,560,640
Permian Basin Royalty Trust (a)	407,700	8,052,075
PetroBakken Energy Ltd., Class A	17,500	159,418
PetroChina Co. Ltd. - ADR (a)	7,100	920,231
Plains All American Pipeline LP	197,300	13,015,881
Plains Exploration & Production Co. (a)(b)	85,200	2,683,800
QEP Resources, Inc. (a)	61,600	2,189,880
Range Resources Corp. (a)	55,700	3,834,388
Rex Energy Corp. (a)(b)	70,400	1,089,792
Rosetta Resources, Inc. (a)(b)	46,200	2,048,508
Royal Dutch Shell Plc, Class A - ADR (a)	95,900	6,800,269
Ship Finance International Ltd. (a)	403,600	5,775,516
Southwestern Energy Co. (a)(b)	77,700	3,266,508
Statoil ASA	109,700	2,783,536
Suncor Energy, Inc. (a)	161,700	5,159,847
Targa Resources Partners LP (a)	100,000	3,590,000
Ultra Petroleum Corp. (a)(b)	45,300	1,443,258

See Notes to Financial Statements.

**Table of Contents**

## Consolidated Schedule of Investments (continued)

**BlackRock Resources & Commodities Strategy Trust (BCX)**  
(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
<b>Oil, Gas &amp; Consumable Fuels (concluded)</b>		
Vermilion Energy, Inc.	81,100	\$ 3,820,874
Whiting Petroleum Corp. (a)(b)	115,000	5,353,250
Williams Partners LP (a)	243,400	14,440,922
		256,196,397
<b>Total Long-Term Investments</b> (Cost \$749,707,698) 85.7%		671,886,749
<b>Short-Term Securities</b>		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.14% (c)(d)	90,423,660	90,423,660
<b>Total Short-Term Securities</b> (Cost \$90,423,660) 11.6%		90,423,660
<b>Options Purchased</b>		
<b>Exchange-Traded Call Options 0.0%</b>		
Agnico-Eagle Mines Ltd., Strike Price USD 60, Expires 11/21/11	950	4,750
<b>Total Options Purchased</b> (Cost \$7,621) 0.0%		4,750
<b>Total Investments Before Outstanding Options Written</b> (Cost \$840,138,979*) 97.3%		762,315,159
<b>Options Written</b>		
<b>Exchange-Traded Call Options (0.8)%</b>		
AGCO Corp., Strike Price USD 45, Expires 11/21/11	915	(121,236)
Agnico-Eagle Mines Ltd., Strike Price USD 70, Expires 11/19/11	950	(9,500)
Agrium, Inc., Strike Price USD 80, Expires 12/19/11	470	(270,250)
Alexco Resource Corp., Strike Price USD 10, Expires 1/23/12	450	(10,125)
Allegheny Technologies, Inc.:		
Strike Price USD 52.50, Expires 11/21/11	290	(15,950)
Strike Price USD 45, Expires 1/23/12	165	(92,400)



## Edgar Filing: VENTAS INC - Form PRE 14A

Allied Nevada Gold Corp.:		
Strike Price USD 45, Expires 11/21/11	280	(3,500)
Strike Price USD 40, Expires 12/19/11	550	(104,500)
Alpha Natural Resources, Inc., Strike Price USD 28, Expires 12/19/11	300	(32,100)
Anadarko Petroleum Corp.:		
Strike Price USD 77.50, Expires 11/21/11	20	(8,350)
Strike Price USD 82.50, Expires 11/21/11	80	(14,520)
Angle Energy, Inc., Strike Price CAD 9, Expires 11/21/11	180	(722)
Apache Corp., Strike Price USD 102, Expires 12/19/11	190	(88,021)
Baker Hughes, Inc., Strike Price USD 62, Expires 11/15/11	45	(3,885)
Basic Energy Services, Inc., Strike Price USD 20, Expires 12/19/11	85	(11,475)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Exchange-Traded Call Options (continued)</b>		
Baytex Energy Corp.:		
Strike Price CAD 54, Expires 11/21/11	130	\$ (11,086)
Strike Price CAD 56, Expires 12/19/11	130	(11,086)
Bonavista Energy Corp.:		
Strike Price CAD 25, Expires 12/19/11	250	(36,995)
Strike Price CAD 27, Expires 12/19/11	200	(10,534)
BP Plc - ADR, Strike Price USD 43, Expires 12/19/11	167	(40,748)
Bunge Ltd., Strike Price USD 65, Expires 11/21/11	420	(17,850)
Cenovus Energy, Inc., Strike Price USD 35, Expires 11/21/11	244	(23,180)
Centerra Gold, Inc., Strike Price CAD 22, Expires 12/19/11	800	(50,163)
CF Industries Holdings, Inc., Strike Price USD 165, Expires 12/19/11	100	(99,750)
Chesapeake Energy Corp.:		
Strike Price USD 33.25, Expires 11/01/11	105	
Strike Price USD 30, Expires 12/19/11	310	(35,960)
Concho Resources, Inc.:		
Strike Price USD 80, Expires 11/21/11	39	(62,595)
Strike Price USD 85, Expires 11/21/11	11	(12,870)
Consol Energy, Inc., Strike Price USD 46, Expires 11/21/11	850	(60,350)
Continental Resources, Inc., Strike Price USD 65, Expires 11/11/11	89	(6,378)
Core Laboratories NV, Strike Price USD 105, Expires 12/19/11	115	(96,600)
Crescent Point Energy Corp.:		
Strike Price CAD 42, Expires 11/21/11	515	(60,710)
Strike Price CAD 42.50, Expires 11/21/11	75	(6,772)
Strike Price CAD 44, Expires 11/21/11	75	(1,505)
Deere & Co.:		
Strike Price USD 80, Expires 11/21/11	75	(6,075)
Strike Price USD 82.50, Expires 11/21/11	75	(2,250)
Strike Price USD 75, Expires 12/19/11	300	(135,750)
Denbury Resources, Inc., Strike Price USD 16, Expires 12/19/11	740	(83,250)
E.I. du Pont de Nemours & Co.:		
Strike Price USD 46, Expires 11/21/11	335	(86,095)
Strike Price USD 47, Expires 12/19/11	335	(82,410)
Eldorado Gold Corp.:		
Strike Price USD 21.75, Expires 11/23/11	300	(1,562)
Strike Price USD 17.50, Expires 1/23/12	1,400	(343,000)
Energy XXI (Bermuda) Ltd., Strike Price USD 31, Expires 12/19/11	165	(28,050)
Enterprise Products Partners LP:		
Strike Price USD 43, Expires 11/21/11	43	(9,890)
Strike Price USD 44, Expires 11/21/11	233	(32,038)
Strike Price USD 43, Expires 12/19/11	250	(65,000)
Strike Price USD 46, Expires 12/19/11	240	(15,600)
EOG Resources, Inc., Strike Price USD 92.50, Expires 12/19/11	220	(87,552)
EQT Corp., Strike Price USD 70, Expires 12/19/11	220	(33,550)
Franco-Nevada Corp., Strike Price CAD 40, Expires 11/21/11	1,150	(126,912)

See Notes to Financial Statements.



**Table of Contents****BlackRock Resources & Commodities Strategy Trust (BCX)****Consolidated Schedule of Investments (continued)**

(Percentages shown are based on Net Assets)

<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Exchange-Traded Call Options (continued)</b>		
Goldcorp, Inc., Strike Price USD 49, Expires 12/19/11	600	\$ (155,700)
Halliburton Co.:		
Strike Price USD 38, Expires 12/19/11	175	(40,688)
Strike Price USD 37, Expires 1/23/12	175	(63,000)
Hess Corp., Strike Price USD 62.50, Expires 11/21/11	110	(28,050)
HudBay Minerals, Inc.:		
Strike Price CAD 10, Expires 11/21/11	475	(52,420)
Strike Price CAD 13, Expires 12/19/11	500	(7,524)
James River Coal Co., Strike Price USD 12, Expires 12/19/11	100	(7,000)
Joy Global, Inc.:		
Strike Price USD 90, Expires 12/19/11	185	(89,725)
Strike Price USD 95, Expires 12/19/11	185	(53,650)
K+S AG, Strike Price EUR 50, Expires 12/16/11	135	(15,321)
Key Energy Services, Inc., Strike Price USD 10, Expires 11/21/11	100	(31,250)
Keyera Corp., Strike Price CAD 46, Expires 1/23/12	360	(41,535)
Kosmos Energy Ltd.:		
Strike Price USD 12.50, Expires 11/21/11	90	(27,000)
Strike Price USD 15, Expires 11/21/11	80	(7,600)
MAG Silver Corp.:		
Strike Price CAD 10, Expires 11/21/11	785	(25,596)
Strike Price CAD 9, Expires 11/21/11	787	(69,087)
Magellan Midstream Partners LP, Strike Price USD 65, Expires 1/23/12	290	(47,125)
MarkWest Energy Partners LP, Strike Price USD 50, Expires 11/21/11	595	(56,525)
Monsanto Co.:		
Strike Price USD 72.50, Expires 11/21/11	695	(175,835)
Strike Price USD 75, Expires 12/19/11	290	(73,805)
The Mosaic Co., Strike Price USD 75, Expires 11/21/11	450	(91)
The Nasdaq OMX Group, Inc., Strike Price USD 9, Expires 11/21/11	1,800	(126,000)
New Gold, Inc.:		
Strike Price USD 12, Expires 11/21/11	350	(29,750)
Strike Price USD 14, Expires 11/21/11	440	(6,600)
Strike Price USD 15, Expires 11/21/11	670	(3,350)
Noble Energy, Inc., Strike Price USD 90, Expires 11/21/11	155	(42,625)
Novagold Resources, Inc., Strike Price USD 9, Expires 12/19/11	990	(103,950)
Occidental Petroleum Corp.:		
Strike Price USD 90, Expires 11/21/11	80	(40,000)
Strike Price USD 90, Expires 12/07/11	360	(217,909)
ONEOK Partners LP:		
Strike Price USD 45, Expires 11/21/11	250	(116,560)
Strike Price USD 50, Expires 12/19/11	150	(18,375)
Patriot Coal Corp., Strike Price USD 13, Expires 12/19/11	220	(27,500)
Patterson-UTI Energy, Inc., Strike Price USD 23, Expires 12/19/11	150	(9,000)
Peabody Energy Corp., Strike Price USD 49, Expires 11/21/11	415	(11,413)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Exchange-Traded Call Options (continued)</b>		
Permian Basin Royalty Trust:		
Strike Price USD 20, Expires 11/21/11	465	\$ (13,950)
Strike Price USD 22.50, Expires 11/21/11	715	(7,150)
PetroChina Co. Ltd. - ADR, Strike Price USD 125, Expires 12/19/11	25	(22,750)

## Edgar Filing: VENTAS INC - Form PRE 14A

Plains Exploration & Production Co., Strike Price USD 31, Expires 11/21/11	100	(19,250)
Potash Corp. of Saskatchewan, Inc.:		
Strike Price USD 57.50, Expires 11/21/11	1,200	(6,000)
Strike Price USD 52.50, Expires 12/19/11	758	(73,526)
Strike Price USD 55, Expires 12/19/11	458	(23,587)
QEP Resources, Inc., Strike Price USD 35, Expires 11/21/11	215	(47,838)
Quadra FNX Mining Ltd.:		
Strike Price CAD 12, Expires 11/21/11	283	(13,486)
Strike Price CAD 11, Expires 12/19/11	700	(87,785)
Range Resources Corp.:		
Strike Price USD 65, Expires 11/01/11	95	(36,812)
Strike Price USD 80, Expires 12/19/11	100	(24,250)
Rex Energy Corp., Strike Price USD 15, Expires 12/19/11	250	(43,125)
Rosetta Resources, Inc., Strike Price USD 45, Expires 11/21/11	70	(16,800)
Royal Dutch Shell Plc, Class A - ADR:		
Strike Price USD 65.50, Expires 11/01/11	90	(48,690)
Strike Price USD 65, Expires 11/21/11	200	(134,000)
Strike Price USD 67.50, Expires 11/21/11	30	(11,057)
Schlumberger Ltd.:		
Strike Price USD 70, Expires 11/21/11	130	(64,025)
Strike Price USD 72.50, Expires 12/19/11	65	(30,225)
Strike Price USD 75, Expires 12/19/11	65	(21,775)
Seabridge Gold, Inc.:		
Strike Price USD 28, Expires 11/21/11	500	(8,750)
Strike Price USD 30, Expires 11/21/11	225	(2,250)
Strike Price USD 31, Expires 11/21/11	150	(1,500)
Strike Price USD 35, Expires 11/21/11	100	(1,500)
Strike Price USD 28, Expires 12/19/11	500	(27,500)
Ship Finance International Ltd.:		
Strike Price USD 15, Expires 11/21/11	850	(21,250)
Strike Price USD 15, Expires 12/19/11	560	(28,000)
Silvercorp Metals, Inc.:		
Strike Price USD 10, Expires 11/21/11	1,550	(42,625)
Strike Price USD 11, Expires 12/19/11	2,230	(66,900)
Southwestern Energy Co., Strike Price USD 44, Expires 12/19/11	135	(21,803)
Suncor Energy, Inc.:		
Strike Price USD 32, Expires 11/21/11	340	(41,820)
Strike Price USD 33, Expires 12/19/11	115	(17,595)
Strike Price USD 34, Expires 12/19/11	115	(13,225)
Targa Resources Partners LP:		
Strike Price USD 35, Expires 11/21/11	250	(37,500)
Strike Price USD 36, Expires 12/19/11	100	(11,250)

See Notes to Financial Statements.

**Table of Contents****BlackRock Resources & Commodities Strategy Trust (BCX)****Consolidated Schedule of Investments (continued)****(Percentages shown are based on Net Assets)**

<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Exchange-Traded Call Options (concluded)</b>		
Titanium Metals Corp.:		
Strike Price USD 18, Expires 12/19/11	625	\$ (37,500)
Strike Price USD 19, Expires 1/23/12	625	(35,938)
Trican Well Service Ltd., Strike Price CAD 20, Expires 12/19/11	270	(14,898)
Ultra Petroleum Corp., Strike Price USD 36, Expires 11/21/11	160	(6,000)
US Gold Corp., Strike Price USD 5, Expires 1/23/12	900	(45,000)
Vermilion Energy, Inc., Strike Price CAD 50, Expires 12/19/11	280	(20,366)
Whiting Petroleum Corp.:		
Strike Price USD 47.50, Expires 11/21/11	125	(31,250)
Strike Price USD 47.50, Expires 12/19/11	100	(37,500)
Strike Price USD 50, Expires 1/23/12	150	(54,000)
Williams Partners LP:		
Strike Price USD 57, Expires 11/15/11	280	(77,560)
Strike Price USD 55, Expires 11/21/11	349	(148,325)
<b>Total Exchange-Traded Call Options</b>		<b>(5,990,095)</b>
<b>Exchange-Traded Put Options (0.0)%</b>		
CF Industries Holdings, Inc.:		
Strike Price USD 130, Expires 11/21/11	115	(9,142)
Strike Price USD 135, Expires 11/21/11	190	(20,900)
Strike Price USD 145, Expires 11/21/11	60	(14,490)
E.I. du Pont de Nemours & Co., Strike Price USD 45, Expires 11/21/11	1,250	(72,500)
The Mosaic Co.:		
Strike Price USD 52.50, Expires 11/21/11	587	(40,797)
Strike Price USD 57.50, Expires 11/21/11	63	(12,758)
Newmont Mining Corp.:		
Strike Price USD 60, Expires 11/21/11	570	(26,220)
Strike Price USD 62.50, Expires 11/21/11	570	(48,450)
<b>Total Exchange-Traded Put Options</b>		<b>(245,257)</b>
<b>Over-the-Counter Call Options (0.5)%</b>		
Alexco Resource Corp.:		
Strike Price USD 7.77, Expires 11/28/11, Broker UBS Securities LLC	57,000	(29,242)
Strike Price USD 8.05, Expires 12/01/11, Broker Deutsche Bank Securities Corp.	80,000	(34,650)
Angle Energy, Inc., Strike Price CAD 9, Expires 11/01/11, Broker Morgan Stanley & Co., Inc.	17,000	
Archer-Daniels-Midland Co., Strike Price USD 30, Expires 11/04/11, Broker Morgan Stanley & Co., Inc.	96,000	(6,318)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (continued)</b>		
Augusta Resource Corp.:		
Strike Price USD 4.55, Expires 11/11/11, Broker Citigroup Global Markets, Inc.	96,500	\$ (2,798)
Strike Price USD 4.50, Expires 11/15/11, Broker Morgan Stanley & Co., Inc.	67,500	(3,733)
Strike Price USD 3.12, Expires 12/01/11, Broker Morgan Stanley & Co., Inc.	96,500	(75,961)
Strike Price USD 4.50, Expires 12/09/11, Broker Morgan Stanley & Co., Inc.	50,000	(8,777)
BHP Billiton Ltd. - ADR, Strike Price USD 78.95, Expires 12/08/11, Broker Morgan Stanley & Co., Inc.	25,000	(91,725)

## Edgar Filing: VENTAS INC - Form PRE 14A

Bill Barrett Corp., Strike Price USD 45.11, Expires 11/01/11, Broker Citigroup Global Markets, Inc.	18,800	(16)
Caterpillar, Inc., Strike Price USD 92.06, Expires 12/08/11, Broker Deutsche Bank Securities Corp.	26,000	(148,566)
China Agri-industries Holdings Ltd., Strike Price HKD 5.12, Expires 11/30/11, Broker Deutsche Bank Securities Corp.	2,600,000	(402,231)
Compass Minerals International, Inc., Strike Price USD 78.68, Expires 11/10/11, Broker Morgan Stanley & Co., Inc.	26,500	(15,643)
Detour Gold Corp., Strike Price CAD 31.63, Expires 12/02/11, Broker Deutsche Bank Securities Corp.	73,000	(193,233)
E.I. du Pont de Nemours & Co.:		
Strike Price USD 48.81, Expires 11/10/11, Broker Morgan Stanley & Co., Inc.	8,000	(8,342)
Strike Price USD 48.81, Expires 11/17/11, Broker Morgan Stanley & Co., Inc.	8,000	(11,573)
Enterprise Products Partners LP, Strike Price USD 43.43, Expires 11/01/11, Broker Morgan Stanley & Co., Inc.	25,000	(34,925)
Fresnillo Plc:		
Strike Price GBP 19.54, Expires 11/09/11, Broker Societe General Securities Corp.	72,500	(13,775)
Strike Price GBP 19.54, Expires 11/16/11, Broker Societe General Securities Corp.	72,500	(27,213)
Goldcorp, Inc., Strike Price USD 54.50, Expires 11/01/11, Broker UBS Securities LLC	2,500	
HudBay Minerals, Inc., Strike Price CAD 12.18, Expires 11/29/11, Broker Goldman Sachs & Co.	47,500	(6,864)
Israel Chemicals Ltd., Strike Price ILS 47.62, Expires 11/16/11, Broker Citigroup Global Markets, Inc.	177,000	(27,062)
K+S AG, Strike Price EUR 43.72, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	25,000	(100,288)

See Notes to Financial Statements.

**Table of Contents****BlackRock Resources & Commodities Strategy Trust (BCX)****Consolidated Schedule of Investments (continued)**

(Percentages shown are based on Net Assets)

<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (continued)</b>		
Kenmare Resources Plc:		
Strike Price GBP 0.43, Expires 11/09/11, Broker Societe General Securities Corp.	650,000	\$ (13,382)
Strike Price GBP 0.44, Expires 11/09/11, Broker UBS Securities LLC	240,000	(3,385)
Strike Price GBP 0.44, Expires 11/16/11, Broker Societe General Securities Corp.	650,000	(15,624)
Key Energy Services, Inc., Strike Price USD 12.45, Expires 12/02/11, Broker Citigroup Global Markets, Inc.	48,000	(53,729)
Keyera Corp., Strike Price CAD 47.06, Expires 11/11/11, Broker Banc of America Securities	36,000	(6,706)
Magellan Midstream Partners LP, Strike Price USD 61, Expires 11/04/11, Broker Morgan Stanley & Co., Inc.	20,000	(58,200)
OGX Petroleo e Gas Participacoes SA, Strike Price BRL 11.90, Expires 11/16/11, Broker Banc of America Securities	72,000	(99,741)
ONEOK Partners LP:		
Strike Price USD 44.85, Expires 11/01/11, Broker Morgan Stanley & Co., Inc.	12,500	(64,438)
Strike Price USD 45.32, Expires 11/01/11, Broker Citigroup Global Markets, Inc.	3,600	(16,844)
Strike Price USD 46.61, Expires 11/30/11, Broker Deutsche Bank Securities Corp.	12,500	(49,648)
Strike Price USD 50.89, Expires 12/09/11, Broker Deutsche Bank Securities Corp.	25,000	(13,796)
Pan American Silver Corp., Strike Price USD 35, Expires 11/15/11, Broker UBS Securities LLC	36,500	(264)
Patterson-UTI Energy, Inc., Strike Price USD 21.68, Expires 12/07/11, Broker Morgan Stanley & Co., Inc.	15,000	(11,344)
Permian Basin Royalty Trust, Strike Price USD 20.46, Expires 12/09/11, Broker Morgan Stanley & Co., Inc.	25,000	(6,737)
Plains Exploration & Production Co., Strike Price USD 30.53, Expires 12/14/11, Broker Morgan Stanley & Co., Inc.	20,000	(55,091)
Quadra FNX Mining Ltd., Strike Price CAD 11.43, Expires 12/02/11, Broker Morgan Stanley & Co., Inc.	99,000	(81,572)
Rio Tinto Plc - ADR, Strike Price USD 54.22, Expires 12/08/11, Broker Citigroup Global Markets, Inc.	34,000	(158,519)
Rosetta Resources, Inc., Strike Price USD 44.90, Expires 11/01/11, Broker Deutsche Bank Securities Corp.	10,000	(4,065)
The Scotts Miracle-Gro Co., Class A, Strike Price USD 48.63, Expires 11/08/11, Broker Banc of America Securities	57,000	(53,288)
Seadrill Ltd., Strike Price NOK 178.40, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	18,000	(24,782)
Silver Wheaton Corp., Strike Price USD 36, Expires 11/30/11, Broker Citigroup Global Markets, Inc.	208,500	(301,820)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (concluded)</b>		
SLC Agricola SA:		
Strike Price BRL 16.48, Expires 11/03/11, Broker Credit Suisse First Boston	26,300	\$ (11,179)
Strike Price BRL 16.86, Expires 11/16/11, Broker Credit Suisse First Boston	16,000	(8,705)
Strike Price BRL 15.90, Expires 11/29/11, Broker Credit Suisse First Boston	31,500	(32,407)
Strike Price BRL 15.68, Expires 12/13/11, Broker Goldman Sachs & Co.	31,500	(38,828)
Sociedad Quimica y Minera de Chile SA - ADR:		
Strike Price USD 60.90, Expires 12/09/11, Broker Credit Suisse First Boston	22,000	(40,690)
Strike Price USD 62.29, Expires 12/20/11, Broker UBS Securities LLC	20,000	(7,243)
Southwestern Energy Co., Strike Price USD 40.72, Expires 11/04/11, Broker Morgan Stanley & Co., Inc.	13,500	(21,283)
Statoil ASA, Strike Price NOK 125.00, Expires 11/16/11, Broker Citigroup Global Markets, Inc.	38,400	(112,609)
Syngenta AG, Strike Price CHF 244.80, Expires 11/09/11, Broker UBS Securities LLC	17,200	(445,231)
Technip SA, Strike Price EUR 64.42, Expires 11/09/11, Broker Citigroup Global Markets, Inc.	4,800	(34,736)
Teck Resources Ltd., Class B, Strike Price CAD 39.11, Expires 12/07/11, Broker Goldman Sachs & Co.	62,500	(160,923)
Uralkali - GDR, Strike Price USD 40.39, Expires 11/30/11, Broker Credit Suisse First Boston	92,000	(462,679)
US Gold Corp., Strike Price USD 6.33, Expires 11/15/11, Broker Citigroup Global Markets, Inc.	90,000	(657)
Williams Partners LP:		

## Edgar Filing: VENTAS INC - Form PRE 14A

Strike Price USD 58.47, Expires 11/30/11, Broker Deutsche Bank Securities Corp.	10,000	(19,627)
Strike Price USD 57.90, Expires 12/09/11, Broker Deutsche Bank Securities Corp.	15,000	(36,739)
<b>Total Over-the-Counter Call Options</b>		(3,769,446)
<b>Over-the-Counter Put Options (0.0)%</b>		
Syngenta AG, Strike Price CHF 225, Expires 11/09/11, Broker Deutsche Bank Securities Corp.	13,600	(29)
<b>Total Options Written</b>		
<b>(Premiums Received \$9,371,512) (1.3)%</b>		(10,004,827)
<b>Total Investments Net of Outstanding Options Written 96.0%</b>		752,310,332
<b>Other Assets Less Liabilities 4.0%</b>		31,481,765
<b>Net Assets 100.0%</b>		\$ 783,792,097

See Notes to Financial Statements.



**Table of Contents****Consolidated Schedule of Investments (concluded)****BlackRock Resources & Commodities Strategy Trust (BCX)**

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011 as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 843,968,564
Gross unrealized appreciation	\$ 15,379,038
Gross unrealized depreciation	(97,032,443)
Net unrealized depreciation	\$ (81,653,405)

(a) All or a portion of security has been pledged/segregated as collateral or held in connection with outstanding options written.

(b) Non-income producing security.

(c) Represents the current yield as of report date.

(d) Investments in companies considered to be an affiliate of the Trust during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at March 30, 2011	Net Activity	Shares Held at October 31, 2011	Income
BlackRock Liquidity Funds, TempFund, Institutional Class		90,423,660	90,423,660	\$ 124,105

Foreign currency exchange contracts as of October 31, 2011 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation
USD 11,058	CAD 11,000	Citigroup Global Markets, Inc.	11/01/11	\$ 22

For Trust compliance purposes, the Trust's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Trust management. These definitions may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease.

## Edgar Filing: VENTAS INC - Form PRE 14A

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 - unadjusted price quotations in active markets/exchanges for identical assets and liabilities

Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available In the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Trust's perceived risk of investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements. The following tables summarize the inputs used as of October 31, 2011 in determining the fair valuation of the Trust's investments and derivative financial instruments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments:				
Long-Term Investments:				
Common Stocks:				
Chemicals	\$ 99,194,649	\$ 39,288,619		\$ 138,483,268
Energy Equipment & Services	19,362,735	2,968,914		22,331,649
Food Products	18,380,471	5,947,114		24,327,585
Machinery	37,416,223			37,416,223
Metals & Mining	179,035,219	14,096,408		193,131,627
Oil, Gas & Consumable Fuels	253,412,861	2,783,536		256,196,397
Short-Term Securities	90,423,660			90,423,660
<b>Total</b>	<b>\$ 697,225,818</b>	<b>\$ 65,084,591</b>		<b>\$ 762,310,409</b>

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments <sup>1</sup>				
<b>Assets:</b>				
Equity contracts	\$ 4,750			\$ 4,750
Foreign currency exchange contracts	22			22
<b>Liabilities:</b>				
Equity contracts	(5,640,515)	\$ (4,364,312)		(10,004,827)
<b>Total</b>	<b>\$ (5,635,743)</b>	<b>\$ (4,364,312)</b>		<b>\$ (10,000,055)</b>

## Edgar Filing: VENTAS INC - Form PRE 14A

Derivative financial instruments are foreign currency exchange contracts and options. Foreign currency exchange contracts are valued at the unrealized appreciation/ depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.

**Table of Contents****BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY)**

Schedule of Investments October 31, 2011

(Percentages shown are based on Net Assets)

Common Stocks	Shares	Value
<b>Australia 5.1%</b>		
Australia & New Zealand Banking Group Ltd.	22,700	\$ 512,937
BHP Billiton Ltd. - ADR (a)	8,712	680,233
Foster's Group Ltd.	107,800	605,541
National Australia Bank Ltd.	42,100	1,124,463
Santos Ltd.	84,300	1,138,520
Treasury Wine Estates Ltd.	37,766	147,456
		4,209,150
<b>Belgium 0.7%</b>		
Mobistar SA	4,720	268,593
Solvay SA	3,400	346,357
		614,950
<b>Canada 5.0%</b>		
Bank of Montreal	22,300	1,317,529
Bank of Nova Scotia	12,900	679,848
Enbridge, Inc.	29,000	1,004,635
National Bank of Canada	6,100	435,369
Suncor Energy, Inc.	3,950	125,821
TransCanada Corp.	11,900	505,847
		4,069,049
<b>Finland 0.4%</b>		
Kesko Oyj, Class B	9,800	347,843
<b>France 4.8%</b>		
Bouygues SA	10,400	388,427
PPR	1,600	248,281
Sanofi SA	4,300	307,618
Schneider Electric SA	9,940	583,674
Total SA	34,800	1,815,768
Vinci SA	13,100	642,402
		3,986,170

## Edgar Filing: VENTAS INC - Form PRE 14A

### Germany 2.9%

Allianz SE	5,300	589,689
BASF SE	12,200	890,549
SAP AG - ADR (a)	7,250	437,610
Siemens AG - ADR (a)	4,300	451,371

2,369,219

### Hong Kong 2.1%

Esprit Holdings Ltd.	67,460	97,570
Hang Seng Bank Ltd.	20,300	261,757
Hopewell Holdings Ltd.	174,500	453,175
Power Assets Holdings Ltd.	118,900	903,499

1,716,001

### Italy 0.4%

Enel SpA	63,300	298,656
----------	--------	---------

### Japan 4.0%

Canon, Inc. - ADR (a)	10,900	496,495
Hitachi Koki Co. Ltd.	36,400	272,983
Mitsui & Co. Ltd.	48,700	710,753
Oracle Corp.	13,300	458,885
Ricoh Co. Ltd.	49,000	401,604
Sharp Corp.	36,000	331,850
Takeda Pharmaceutical Co. Ltd.	13,800	622,123

3,294,693

### Netherlands 0.4%

Koninklijke KPN NV	26,000	340,416
--------------------	--------	---------

### Singapore 1.5%

Keppel Corp. Ltd.	68,800	515,045
<b>Common Stocks</b>	<b>Shares</b>	<b>Value</b>

### Singapore (concluded)

K-Green Trust	14,200	\$ 10,082
Singapore Technologies Engineering Ltd.	165,000	369,634
United Overseas Bank Ltd.	24,347	330,207

1,224,968

### Spain 1.1%

ACS Actividades de Construccion y Servicios SA	7,900	299,269
Iberdrola SA	41,727	301,894
Indra Sistemas SA	15,900	266,425

Edgar Filing: VENTAS INC - Form PRE 14A

		867,588
<b>Sweden 3.6%</b>		
Axfood AB	8,700	329,912
Hennes & Mauritz AB, Class B	25,500	843,141
Ratos AB, Class B	44,400	590,555
Scania AB, Class B	44,800	751,741
TeliaSonera AB	58,800	408,714
		2,924,063
<b>Switzerland 0.9%</b>		
Nestle SA	6,700	387,513
Zurich Financial Services AG (b)	1,424	328,152
		715,665
<b>United Kingdom 6.2%</b>		
AstraZeneca Plc	17,700	849,761
BHP Billiton Plc	14,150	445,576
British American Tobacco Plc	17,300	793,210
GlaxoSmithKline Plc	32,425	727,693
Man Group Plc	76,400	182,636
Royal Dutch Shell Plc, Class A - ADR	16,000	567,354
SSE Plc	35,000	756,215
Standard Chartered Plc	33,550	782,866
		5,105,311
<b>United States 42.2%</b>		
Abbott Laboratories (a)	12,900	694,921
Altria Group, Inc. (a)	48,700	1,341,685
Ameren Corp.	26,000	828,880
American Express Co. (a)	10,600	536,572
AT&T Inc. (a)	74,850	2,193,854
Automatic Data Processing, Inc. (a)	10,800	565,164
Bristol-Myers Squibb Co. (a)	44,100	1,393,119
Caterpillar, Inc.	12,450	1,176,027
CenturyLink, Inc.	15,000	528,900
Chevron Corp. (a)	10,200	1,071,510
The Chubb Corp.	7,300	489,465
Cincinnati Financial Corp.	14,500	419,630
The Coca-Cola Co. (a)	12,500	854,000
Consolidated Edison, Inc. (a)	18,000	1,041,660
Dominion Resources, Inc. (a)	10,200	526,218
Equity Residential - REIT (a)	12,100	710,028
Exxon Mobil Corp. (a)	31,400	2,452,026
General Electric Co. (a)	61,500	1,027,665
Genuine Parts Co. (a)	7,100	407,753
HCP, Inc. - REIT	13,825	550,926
Health Care REIT, Inc. (a)	12,500	658,625
Home Depot, Inc. (a)	13,800	494,040
Intel Corp. (a)	47,700	1,170,558
International Business Machines Corp. (a)	8,525	1,573,971
Johnson & Johnson (a)	8,500	547,315
Kraft Foods, Inc., Class A (a)	14,100	496,038

Edgar Filing: VENTAS INC - Form PRE 14A

See Notes to Financial Statements.

ANNUAL REPORT

OCTOBER 31, 2011

91

**Table of Contents****Schedule of Investments (continued)****BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY)**  
(Percentages shown are based on Net Assets)

<b>Common Stocks</b>	<b>Shares</b>	<b>Value</b>
<b>United States (concluded)</b>		
Liberty Property Trust-REIT (a)	9,100	\$ 291,200
M&T Bank Corp. (a)	5,700	433,827
McDonald's Corp. (a)	14,400	1,337,040
Merck & Co., Inc. (a)	21,400	738,300
MetLife, Inc. (a)	9,200	323,472
Microchip Technology, Inc. (a)	21,700	784,672
Microsoft Corp. (a)	41,800	1,113,134
PepsiCo, Inc. (a)	9,400	591,730
Pfizer, Inc. (a)	33,300	641,358
Philip Morris International, Inc. (a)	13,400	936,258
PPG Industries, Inc. (a)	8,500	734,485
Reynolds American, Inc. (a)	15,000	580,200
The Southern Co. (a)	11,000	475,200
T. Rowe Price Group, Inc. (a)	7,300	385,732
United Technologies Corp. (a)	2,400	187,152
Ventas, Inc. (a)	13,313	740,336
Wal-Mart Stores, Inc.	11,050	626,756
		34,671,402
<b>Total Long-Term Investments</b> (Cost \$67,406,377) 81.3%		66,755,144
<b>Short-Term Securities</b>		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.14% (c)(d)	10,393,859	10,393,859
<b>Total Short-Term Securities</b> (Cost \$10,393,859) 12.7%		10,393,859
<b>Options Purchased</b>		
<b>Over-the-Counter Call Options 0.1%</b>		
Financial Select Sector SPDR Fund, Strike Price USD 13, Expires 11/02/11, Broker Jefferies & Co., Inc.	1,460	81,195
<b>Total Options Purchased</b> (Cost \$40,913) 0.1%		81,195
<b>Total Investments Before Outstanding Options Written</b> (Cost \$77,841,149*) 94.1%		77,230,198



**Options Written****Exchange-Traded Call Options (0.6)%**

Abbott Laboratories, Strike Price USD 52.50, Expires 11/21/11	50	(8,924)
Altria Group, Inc., Strike Price USD 27, Expires 11/01/11	200	(11,000)
American Express Co., Strike Price USD 49, Expires 11/21/11	42	(10,857)
AT&T Inc., Strike Price USD 30, Expires 11/21/11	300	(5,850)
Automatic Data Processing, Inc., Strike Price USD 50, Expires 11/21/11	45	(12,038)
Bank of Montreal, Strike Price CAD 61, Expires 12/19/11	90	(5,102)
Bank of Nova Scotia, Strike Price CAD 52, Expires 11/21/11	50	(6,070)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>

**Exchange-Traded Call Options (continued)**

BHP Billiton Ltd. - ADR, Strike Price USD 85, Expires 11/21/11	35	\$ (2,748)
Bristol-Myers Squibb Co., Strike Price USD 32, Expires 11/21/11	180	(7,650)
Canon, Inc. - ADR, Strike Price USD 50, Expires 11/02/11	44	
The Coca-Cola Co., Strike Price USD 70, Expires 11/21/11	50	(1,950)
Consolidated Edison, Inc., Strike Price USD 55, Expires 11/21/11	72	(22,320)
Dominion Resources, Inc, Strike Price USD 50.75, Expires 11/21/11	40	(5,191)
Equity Residential - REIT, Strike Price USD 60, Expires 11/21/11	48	(4,800)
Exxon Mobil Corp., Strike Price USD 75, Expires 11/21/11	70	(25,550)
General Electric Co., Strike Price USD 17, Expires 12/19/11	125	(6,938)
Genuine Parts Co., Strike Price USD 55, Expires 11/21/11	30	(10,425)
Health Care REIT, Inc., Strike Price USD 50, Expires 11/01/11	50	(13,450)
Home Depot, Inc., Strike Price USD 34, Expires 11/21/11	55	(11,908)
Intel Corp., Strike Price USD 23, Expires 11/21/11	190	(30,020)
International Business Machines Corp., Strike Price USD 175, Expires 11/21/11	34	(35,700)
Johnson & Johnson: Strike Price USD 65.35, Expires 11/01/11	20	(24)
Strike Price USD 65, Expires 12/19/11	15	(1,665)
Kraft Foods, Inc., Class A, Strike Price USD 35, Expires 12/19/11	30	(3,045)
Liberty Property Trust - REIT, Strike Price USD 30, Expires 11/21/11	35	(7,700)
M&T Bank Corp., Strike Price USD 80, Expires 1/23/12	23	(7,130)
McDonald's Corp., Strike Price USD 92.50, Expires 11/01/11	58	(3,022)
Merck & Co., Inc.: Strike Price USD 33, Expires 11/01/11	40	(6,000)
Strike Price USD 34, Expires 11/01/11	45	(2,281)
MetLife, Inc., Strike Price USD 35, Expires 11/01/11	37	(1,415)
Microchip Technology, Inc., Strike Price USD 35, Expires 11/01/11	87	(10,266)
Microsoft Corp., Strike Price USD 28, Expires 11/21/11	170	(1,615)
National Bank of Canada, Strike Price CAD 72, Expires 11/21/11	25	(2,195)
PepsiCo, Inc., Strike Price USD 62.50, Expires 11/21/11	37	(4,551)
Pfizer, Inc.: Strike Price USD 18, Expires 11/21/11	46	(6,141)
Strike Price USD 19, Expires 11/21/11	66	(3,663)
Strike Price USD 20, Expires 11/21/11	20	(330)
Philip Morris International, Inc., Strike Price USD 75, Expires 11/01/11	54	
PPG Industries, Inc., Strike Price USD 75, Expires 11/21/11	34	(40,120)
PPR, Strike Price EUR 110, Expires 12/16/11	6	(5,324)

See Notes to Financial Statements.



**Table of Contents****Schedule of Investments (continued)****BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY)**  
(Percentages shown are based on Net Assets)

<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Exchange-Traded Call Options (concluded)</b>		
Reynolds American, Inc., Strike Price USD 37, Expires 11/21/11	60	\$ (12,600)
SAP AG - ADR, Strike Price USD 55, Expires 11/21/11	29	(18,270)
Siemens AG - ADR, Strike Price USD 120, Expires 1/23/12	17	(3,528)
Southern Co.:		
Strike Price USD 41, Expires 11/21/11	25	(5,612)
Strike Price USD 42, Expires 11/21/11	20	(2,550)
Suncor Energy, Inc., Strike Price CAD 34, Expires 12/19/11	15	(1,181)
T. Rowe Price Group, Inc., Strike Price USD 50, Expires 11/21/11	30	(13,263)
TransCanada Corp., Strike Price CAD 42, Expires 11/21/11	47	(6,083)
United Technologies Corp., Strike Price USD 75, Expires 11/21/11	24	(9,240)
Ventas, Inc., Strike Price USD 50, Expires 11/21/11	53	(34,450)
Zurich Financial Services AG, Strike Price CHF 175, Expires 11/18/11	57	(17,717)
<b>Total Exchange-Traded Call Options</b>		<b>(469,472)</b>
<b>Exchange-Traded Put Options (0.1)%</b>		
Aflac, Inc., Strike Price USD 32.50, Expires 11/02/11	85	
Barclays Plc, Strike Price USD 14, Expires 12/19/11	133	(26,932)
Chevron Corp., Strike Price USD 102.50, Expires 11/21/11	92	(20,621)
Emerson Electric Co., Strike Price USD 42.25, Expires 11/01/11	303	
The Goldman Sachs Group, Inc., Strike Price USD 95.50, Expires 11/02/11	34	
Hudson City Bancorp, Inc., Strike Price USD 5.70, Expires 11/02/11	306	(1)
United Technologies Corp., Strike Price USD 72.50, Expires 11/21/11	94	(6,157)
Wells Fargo & Co., Strike Price USD 24.55, Expires 11/02/11	252	(321)
<b>Total Exchange-Traded Put Options</b>		<b>(54,032)</b>
<b>Over-the-Counter Call Options (0.9)%</b>		
ACS Actividades de Construccion y Servicios SA, Strike Price EUR 29.03, Expires 11/09/11, Broker Societe General Securities Corp.	3,200	(560)
Allianz SE, Strike Price EUR 65.52, Expires 11/09/11, Broker Societe General Securities Corp.	2,200	(45,353)
Ameren Corp., Strike Price USD 30.50, Expires 11/28/11, Broker Morgan Stanley & Co., Inc.	10,400	(16,988)
AstraZeneca Plc, Strike Price GBP 28.25, Expires 11/09/11, Broker Citigroup Global Markets, Inc.	7,000	(18,609)
Australia & New Zealand Banking Group Ltd., Strike Price AUD 20.67, Expires 11/07/11, Broker Morgan Stanley & Co., Inc.	9,000	(7,851)
Axfood AB, Strike Price SEK 235.78, Expires 11/09/11, Broker UBS Securities LLC	3,500	(7,027)
BASF SE, Strike Price EUR 54.31, Expires 11/09/11, Broker UBS Securities LLC	4,900	(7,879)
BHP Billiton Plc, Strike Price GBP 19.72, Expires 11/16/11, Broker Societe General Securities Corp.	5,700	(5,095)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (continued)</b>		
Bouygues SA, Strike Price EUR 25.67, Expires 11/09/11, Broker Citigroup Global Markets, Inc.	4,200	\$ (7,995)
British American Tobacco Plc, Strike Price GBP 28.75, Expires 11/09/11, Broker Credit Suisse First Boston	7,000	(2,558)
Caterpillar, Inc., Strike Price USD 92.06, Expires 12/08/11, Broker Deutsche Bank Securities Corp.	5,000	(28,570)
CenturyLink, Inc., Strike Price USD 33.43, Expires 11/03/11, Broker Goldman Sachs & Co.	6,000	(10,980)
Chevron Corp., Strike Price USD 100, Expires 11/14/11, Broker UBS Securities LLC	7,800	(43,813)
The Chubb Corp., Strike Price USD 60.83, Expires 11/10/11, Broker Morgan Stanley & Co., Inc.	3,000	(18,660)
Cincinnati Financial Corp., Strike Price USD 27.19, Expires 11/03/11, Broker Banc of America Securities	6,000	(10,494)
Enbridge, Inc., Strike Price CAD 33.02, Expires 11/07/11, Broker Banc of America Securities	11,500	(17,696)

## Edgar Filing: VENTAS INC - Form PRE 14A

Enel SpA, Strike Price EUR 3.20, Expires 11/09/11, Broker UBS Securities LLC	25,300	(7,454)
Esprit Holdings Ltd., Strike Price HKD 20.18, Expires 11/07/11, Broker Goldman Sachs & Co.	27,000	
Exxon Mobil Corp., Strike Price USD 72.11, Expires 11/11/11, Broker UBS Securities LLC	5,500	(32,890)
Foster s Group Ltd., Strike Price AUD 4.89, Expires 11/07/11, Broker UBS Securities LLC	43,200	(20,105)
General Electric Co., Strike Price USD 16.25, Expires 11/11/11, Broker Goldman Sachs & Co.	12,000	(7,480)
GlaxoSmithKline Plc, Strike Price GBP 13.43, Expires 11/09/11, Broker Citigroup Global Markets, Inc.	13,000	(11,304)
Hang Seng Bank Ltd., Strike Price HKD 112.71, Expires 11/07/11, Broker Deutsche Bank Securities Corp.	8,100	(11)
HCP, Inc. - REIT, Strike Price USD 37.18, Expires 11/01/11, Broker Credit Suisse First Boston	5,500	(14,669)
Hennes & Mauritz AB, Class B, Strike Price SEK 200.85, Expires 11/09/11, Broker UBS Securities LLC	10,200	(23,121)
Hitachi Koki Co. Ltd., Strike Price JPY 580.38, Expires 11/07/11, Broker Deutsche Bank Securities Corp.	14,600	(2,687)
Hopewell Holdings Ltd., Strike Price HKD 24.02, Expires 11/07/11, Broker Goldman Sachs & Co.	71,539	
Iberdrola SA, Strike Price EUR 4.60, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	17,000	(14,978)
Indra Sistemas SA, Strike Price EUR 11.72, Expires 11/16/11, Broker Societe General Securities Corp.	6,400	(4,862)
Keppel Corp. Ltd., Strike Price SGD 9.00, Expires 11/08/11, Broker Goldman Sachs & Co.	28,000	(11,124)
Kesko Oyj, Class B, Strike Price EUR 24.66, Expires 11/09/11, Broker UBS Securities LLC	3,900	(7,475)

See Notes to Financial Statements.

ANNUAL REPORT

OCTOBER 31, 2011

93

**Table of Contents****Schedule of Investments (continued)****BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY)**  
(Percentages shown are based on Net Assets)

<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (continued)</b>		
Koninklijke KPN NV, Strike Price EUR 9.94, Expires 11/16/11, Broker Citigroup Global Markets, Inc.	10,400	\$ (753)
Kraft Foods, Inc., Class A, Strike Price USD 34.76, Expires 11/04/11, Broker Goldman Sachs & Co.	2,700	(1,538)
Man Group Plc, Strike Price GBP 2.15, Expires 11/09/11, Broker UBS Securities LLC	31,000	(1)
Mitsui & Co. Ltd., Strike Price JPY 1,289.18, Expires 11/07/11, Broker Goldman Sachs & Co.	19,500	(89)
Mobistar SA, Strike Price EUR 42.92, Expires 11/09/11, Broker UBS Securities LLC	1,900	(513)
National Australia Bank Ltd., Strike Price AUD 23.80, Expires 11/07/11, Broker Morgan Stanley & Co., Inc.	16,900	(27,769)
Nestle SA, Strike Price CHF 50.10, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	2,700	(2,127)
Oracle Corp., Strike Price JPY 2,608.14, Expires 11/07/11, Broker Morgan Stanley & Co., Inc.	5,400	(7,143)
Power Assets Holdings Ltd., Strike Price HKD 62.23, Expires 11/07/11, Broker Deutsche Bank Securities Corp.	47,500	(919)
Ratos AB, Class B, Strike Price SEK 91.91, Expires 11/09/11, Broker UBS Securities LLC	17,800	(2,866)
Ricoh Co. Ltd., Strike Price JPY 763.35, Expires 11/07/11, Broker Morgan Stanley & Co., Inc.	20,000	(3)
Royal Dutch Shell Plc, Class A - ADR, Strike Price EUR 23.37, Expires 11/09/11, Broker UBS Securities LLC	6,400	(20,010)
Sanofi SA, Strike Price EUR 47.13, Expires 11/28/11, Broker Morgan Stanley & Co., Inc.	1,800	(11,739)
Santos Ltd., Strike Price AUD 11.83, Expires 11/07/11, Broker UBS Securities LLC	33,800	(36,957)
Scania AB, Class B, Strike Price SEK 110.15, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	18,000	(11,996)
Schneider Electric SA, Strike Price EUR 42.46, Expires 11/09/11, Broker Citigroup Global Markets, Inc.	4,000	(10,065)
Sharp Corp., Strike Price JPY 616.49, Expires 11/07/11, Broker Goldman Sachs & Co.	15,000	(20,024)
Singapore Technologies Engineering Ltd., Strike Price SGD 3.00, Expires 11/08/11, Broker Goldman Sachs & Co.	66,000	(86)
Solvay SA, Strike Price EUR 79.56, Expires 11/09/11, Broker Morgan Stanley & Co., Inc.	1,400	(1,559)
SSE Plc, Strike Price GBP 13.29, Expires 11/09/11, Broker UBS Securities LLC	14,000	(5,705)
<b>Options Written</b>	<b>Contracts</b>	<b>Value</b>
<b>Over-the-Counter Call Options (concluded)</b>		
Standard Chartered Plc, Strike Price GBP 14.75, Expires 11/09/11, Broker Societe General Securities Corp.	13,400	\$ (8,716)
Takeda Pharmaceutical Co. Ltd., Strike Price JPY 3,737, Expires 11/07/11, Broker Goldman Sachs & Co.	5,600	(2)
TeliaSonera AB, Strike Price SEK 45.44, Expires 11/09/11, Broker UBS Securities LLC	23,600	(1,597)
Total SA, Strike Price EUR 31.92, Expires 11/30/11, Broker UBS Securities LLC	14,000	(112,366)
United Overseas Bank Ltd., Strike Price SGD 18.19, Expires 11/08/11, Broker Deutsche Bank Securities Corp.	10,000	(297)
Vinci SA, Strike Price EUR 33.53, Expires 11/09/11, Broker Citigroup Global Markets, Inc.	5,300	(16,855)
Wal-Mart Stores, Inc., Strike Price USD 52.22, Expires 11/04/11, Broker Goldman Sachs & Co.	4,400	(19,800)
<b>Total Over-the-Counter Call Options</b>		<b>(729,783)</b>
<b>Over-the-Counter Put Options (0.1)%</b>		
Banco Santander SA - ADR, Strike Price USD 7.70, Expires 11/02/11, Broker Deutsche Bank Securities Corp.	43,700	(2)
Bank of America Corp., Strike Price USD 6.34, Expires 11/02/11, Broker Deutsche Bank Securities Corp.	22,300	(169)
HSBC Holdings Plc, Strike Price USD 46.25, Expires 11/30/11, Broker Citigroup Global Markets, Inc.	26,000	(85,791)
Societe Generale, Strike Price EUR 24, Expires 12/02/11, Broker Morgan Stanley & Co., Inc.	4,300	(21,601)
<b>Total Over-the-Counter Put Options</b>		<b>(107,563)</b>

Edgar Filing: VENTAS INC - Form PRE 14A

<b>Total Options Written</b>		
<b>(Premiums Received \$1,270,395) (1.7)%</b>		(1,360,850)
<b>Total Investments Net of Outstanding Options Written 92.4%</b>		75,869,348
<b>Other Assets Less Liabilities 7.6%</b>		6,226,450
<b>Net Assets 100.0%</b>		\$ 82,095,798

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2011 as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 80,765,144
Gross unrealized appreciation	\$ 3,701,505
Gross unrealized depreciation	(7,236,451)
Net unrealized depreciation	\$ (3,534,946)

- (a) All or a portion of security has been pledged/segregated as collateral or held in connection with outstanding options written.
- (b) Non-income producing security.
- (c) Represents the current yield as of report date.

(d) Investments in companies considered to be an affiliate of the Trust during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

0000000000000 0000000000000 0000000000000 0000000000000 0000000000000

Affiliate	Shares				
	Shares Held at October 31, 2010	Net Activity	Shares Held at October 31, 2011	Realized Gain	Income
BlackRock Liquidity Funds, TempFund, Institutional Class	5,624,436	4,769,423	10,393,859	\$48	\$7,728

See Notes to Financial Statements.

**Table of Contents****Schedule of Investments (concluded)****BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY)**

Foreign currency exchange contracts as of October 31, 2011 were as follows:

<b>Currency</b>					<b>Unrealized</b>
<b>Purchased</b>		<b>Currency Sold</b>	<b>Counterparty</b>	<b>Settlement Date</b>	<b>Appreciation (Depreciation)</b>
CAD	6,000 USD	6,032	Deutsche Bank Securities Corp.	11/01/11	\$ (13)
GBP	11,000 USD	17,742	Deutsche Bank Securities Corp.	11/01/11	(55)
USD	6,032 CAD	6,000	Citigroup Global Markets, Inc.	11/01/11	12
USD	152,624 EUR	109,000	Citigroup Global Markets, Inc.	11/02/11	1,801
USD	1,339,574 GBP	831,000	Citigroup Global Markets, Inc.	11/03/11	3,411
<b>Total</b>					<b><u>\$5,156</u></b>

Fair Value Measurements Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 - unadjusted price quotations in active markets/exchanges for identical assets and liabilities

Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available In the circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments and derivative financial instruments) Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and does not necessarily correspond to the Trust's perceived risk of investing in those securities. For information about the Trust's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements. The following tables summarize the inputs used as of October 31, 2011 in determining the fair valuation of the Trust's investments and derivative financial instruments:

<b>Valuation Inputs</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
-------------------------	----------------	----------------	----------------	--------------

**Assets:**

## Edgar Filing: VENTAS INC - Form PRE 14A

Investments:

Long-Term Investments:

Common Stocks:

Australia	\$ 1,285,774	\$ 2,923,376	\$ 4,209,150
Belgium		614,950	614,950
Canada	4,069,049		4,069,049
Finland		347,843	347,843
France		3,986,170	3,986,170
Germany	888,981	1,480,238	2,369,219
Hong Kong		1,716,001	1,716,001
Italy		298,656	298,656
Japan	496,495	2,798,198	3,294,693
Netherlands		340,416	340,416
Singapore		1,224,968	1,224,968
Spain		867,588	867,588
Sweden		2,924,063	2,924,063
Switzerland		715,665	715,665
United Kingdom		5,105,311	5,105,311
United States	34,671,402		34,671,402
Short-Term Securities	10,393,859		10,393,859
<b>Total</b>	<b>\$ 51,805,560</b>	<b>\$ 25,343,443</b>	<b>\$ 77,149,003</b>

Valuation Inputs	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments <sup>1</sup>				
<b>Assets:</b>				
Equity contracts		\$ 81,195		\$ 81,195
Foreign currency exchange contracts	\$ 5,224			5,224
<b>Liabilities:</b>				
Equity contracts	(413,607)	(947,243)		(1,360,850)
Foreign currency exchange contracts	(68)			(68)
<b>Total</b>	<b>\$ (408,451)</b>	<b>\$ (866,048)</b>		<b>\$ (1,274,499)</b>

<sup>1</sup> Derivative financial instruments are foreign currency exchange contracts and options. Foreign currency exchange contracts are valued at the unrealized appreciation/ depreciation on the instrument and options are shown at value.

See Notes to Financial Statements.



**Table of Contents****Statements of Assets and Liabilities**

	<b>BlackRock</b>		<b>BlackRock</b>		
	<b>BlackRock</b>	<b>Enhanced</b>	<b>Strategic</b>	<b>BlackRock</b>	<b>BlackRock</b>
	<b>Equity</b>	<b>Equity</b>	<b>Equity</b>	<b>EcoSolutions</b>	<b>Energy and</b>
	<b>Dividend</b>	<b>Dividend</b>	<b>Dividend</b>	<b>Investment</b>	<b>Resources</b>
<b>October 31, 2011</b>	<b>Trust (BDV)</b>	<b>Trust (BDJ)</b>	<b>Trust (BDT)</b>	<b>Trust (BQR)</b>	<b>Trust (BGR)</b>
<b>Assets</b>					
Investments at value unaffiliated <sup>2,3</sup>	\$ 534,201,286	\$ 554,705,463	\$ 292,815,139	\$ 108,583,779	\$ 836,152,252
Investments at value affiliated	23,258,766	30,601,274	12,976,225	11,307,957	75,533,316
Cash				1,059,190	
Foreign currency at value <sup>5</sup>	50,571	5,513		94,019	2,158
Investments sold receivable	1,250,646	3,630,134	3,332,762	5,647	
Dividends receivable	887,271	915,952	411,472	128,233	356,156
Cash pledged as collateral for options written	333,158	2,250,904	277,677	710,000	790,000
Dividends receivable affiliated	1,381	1,893	1,092	580	689
Unrealized appreciation on foreign currency exchange contracts	100	104			
Securities lending income receivable affiliated		1,370		1,939	15,770
Other assets	208,074	234,752	57,775	10,098	248,886
<b>Total assets</b>	<b>560,191,253</b>	<b>592,347,359</b>	<b>309,872,142</b>	<b>121,901,442</b>	<b>913,099,227</b>
<b>Liabilities</b>					
Collateral at value - securities loaned		446,250		1,800,329	60,660,178
Options written at value <sup>6</sup>	4,178,188	11,526,764	3,128,041	2,313,399	7,876,510
Investments purchased payable	972,433	3,681,310	3,241,484		2,000
Unrealized depreciation on foreign currency exchange contracts				244	
Bank overdraft					3,282
Investment advisory fees payable	293,284	470,296	182,941	114,124	707,408
Licensing fee payable	183,260	88,095	99,036		
Officers and Trustees fees payable	173,116	165,804	41,741		201,455
Other accrued expenses payable	243,877	256,713	179,034	176,444	319,929
<b>Total liabilities</b>	<b>6,044,158</b>	<b>16,635,232</b>	<b>6,872,277</b>	<b>4,404,540</b>	<b>69,770,762</b>
<b>Net Assets</b>	<b>\$ 554,147,095</b>	<b>\$ 575,712,127</b>	<b>\$ 302,999,865</b>	<b>\$ 117,496,902</b>	<b>\$ 843,328,465</b>

**Net Assets Consist of**

Edgar Filing: VENTAS INC - Form PRE 14A

Paid-in capital	\$	651,925,710	\$	803,182,202	\$	330,422,100	\$	190,246,427	\$	680,602,964
Undistributed (distributions in excess of) net investment income		(173,217)		(165,909)		92,559		(9,754)		1,970,162
Accumulated net realized gain (loss)		(99,321,819)		(228,830,754)		(28,115,350)		(53,625,367)		(2,808,123)
Net unrealized appreciation/depreciation		1,716,421		1,526,588		600,556		(19,114,404)		163,563,462
<b>Net Assets</b>	\$	554,147,095	\$	575,712,127	\$	302,999,865	\$	117,496,902	\$	843,328,465
Net asset value <sup>7</sup>	\$	10.14	\$	8.03	\$	11.26	\$	9.38	\$	28.33

<sup>1</sup> Consolidated Statement of Assets and Liabilities.

<sup>2</sup> Investments at cost

unaffiliated	\$	531,511,086	\$	550,621,306	\$	291,273,028	\$	127,220,603	\$	678,277,532
--------------	----	-------------	----	-------------	----	-------------	----	-------------	----	-------------

<sup>3</sup> Securities on loan at value			\$	429,000			\$	1,650,182		\$	56,727,527
--	--	--	----	---------	--	--	----	-----------	--	----	------------

<sup>4</sup> Investments at cost affiliated	\$	23,258,766	\$	30,601,274	\$	12,976,225	\$	11,307,957	\$	75,533,316
---	----	------------	----	------------	----	------------	----	------------	----	------------

<sup>5</sup> Foreign currency at cost	\$	50,838	\$	5,527			\$	87,804	\$	2,142
---------------------------------------	----	--------	----	-------	--	--	----	--------	----	-------

<sup>6</sup> Premiums received	\$	3,204,761	\$	8,947,908	\$	2,186,486	\$	1,826,626	\$	13,563,526
--------------------------------	----	-----------	----	-----------	----	-----------	----	-----------	----	------------

<sup>7</sup> Shares outstanding, unlimited number of shares authorized, \$0.001 par value		54,638,903		71,655,012		26,908,028		12,521,049		29,766,217
---	--	------------	--	------------	--	------------	--	------------	--	------------

See Notes to Financial Statements.

**Table of Contents**

<b>BlackRock Global Opportunities Equity Trust (BOE)</b>	<b>BlackRock Health Sciences Trust (BME)</b>	<b>BlackRock International  Growth and Income Trust (BGY)</b>	<b>BlackRock Real Asset Equity Trust (BCF)</b>	<b>BlackRock Resources &amp;  Commodities Strategy Trust (BCX)<sup>1</sup></b>	<b>BlackRock S&amp;P Quality  Rankings Global Equity Managed Trust (BQY)</b>
\$ 1,091,393,425	\$ 180,611,027	\$ 880,097,070	\$ 680,913,258	\$ 671,891,499	\$ 66,836,339
30,113,366	15,121,270	96,127,030	40,960,018	90,423,660	10,393,859
419,742		799,721	1,965,929	7,099,655	
4,963,788	2,804	1,810,225	4,446,202	32,170	13,343
23,137,799	18,508,315	11,959,464	2,520,270	2,955,904	1,566,042
1,885,171	279,327	3,056,815	859,209	805,227	180,457
11,573,000	10,816,345	11,623,085		22,810,575	4,709,150
2,663	1,026	5,204	2,482	7,825	717
98,024		9,271		22	5,224
227	764		737		
1,147,172	23,872	363,341	498,544	349	16,265
1,164,734,377	225,364,750	1,005,851,226	732,166,649	796,026,886	83,721,396
	7,320,205		11,645,567		
33,264,806	2,876,307	32,292,222	7,107,324	10,004,827	1,360,850
15,608,247	12,132,967	12,504,724	109,784	1,061,527	16,459
87,308	12,934	176,535	600		68
906,138	167,201	782,042	586,832	623,527	50,211
302,721	13,041	268,966	166,076		10,855
645,283	167,465	674,200	633,052	544,908	187,155
50,814,503	22,690,120	46,698,689	20,249,235	12,234,789	1,625,598
\$ 1,113,919,874	\$ 202,674,630	\$ 959,152,537	\$ 711,917,414	\$ 783,792,097	\$ 82,095,798
\$ 1,350,492,274	\$ 177,248,489	\$ 1,561,066,808	\$ 685,827,105	\$ 866,273,836	\$ 82,951,843
(311,226)	(108)	(101,531)	(3,241,230)	1,402,450	2,106,652
(197,016,350)	7,538,118	(545,303,961)	(59,780,834)	(5,427,626)	(2,259,463)
(39,244,824)	17,888,131	(56,508,779)	89,112,373	(78,456,563)	(703,234)
\$ 1,113,919,874	\$ 202,674,630	\$ 959,152,537	\$ 711,917,414	\$ 783,792,097	\$ 82,095,798
\$ 16.03	\$ 26.65	\$ 8.72	\$ 12.45	\$ 16.83	\$ 13.61

Edgar Filing: VENTAS INC - Form PRE 14A

\$ 1,122,496,758	\$ 162,643,662	\$ 924,760,700	\$ 596,423,883	\$ 749,715,319	\$ 67,447,290
	\$ 6,756,652		\$ 10,665,579		
\$ 30,113,366	\$ 15,121,270	\$ 96,660,952	\$ 40,960,018	\$ 90,423,660	\$ 10,393,859
\$ 4,822,815	\$ 2,685	\$ 1,807,587	\$ 4,508,994	\$ 31,830	\$ 13,334
\$ 24,253,732	\$ 2,771,548	\$ 20,868,865	\$ 11,693,091	\$ 9,371,512	\$ 1,270,395
69,483,161	7,605,601	109,989,277	57,173,280	46,575,310	6,033,028

ANNUAL REPORT

OCTOBER 31, 2011

97

**Table of Contents****Statements of Operations**

	<b>BlackRock</b>	<b>BlackRock</b>	<b>BlackRock</b>	<b>BlackRock</b>	<b>BlackRock</b>
	<b>Equity</b>	<b>Enhanced</b>	<b>Strategic</b>	<b>EcoSolutions</b>	<b>Energy and</b>
	<b>Dividend</b>	<b>Equity</b>	<b>Equity</b>	<b>Investment</b>	<b>Resources</b>
<b>Period Ended October 31, 2011</b>	<b>Trust (BDV)</b>	<b>Trust (BDJ)</b>	<b>Trust (BDT)</b>	<b>Trust (BQR)</b>	<b>Trust (BGR)</b>
<b>Investment Income</b>					
Dividends - unaffiliated	\$ 17,640,986	\$ 18,270,507	\$ 10,099,090	\$ 3,195,199	\$ 12,231,976
Foreign taxes withheld	(106,592)	(108,970)		(139,434)	(605,161)
Dividends - affiliated	30,339	40,474	13,992	6,453	49,862
Securities lending - affiliated		9,119		11,916	75,685
<b>Total income</b>	<b>17,564,733</b>	<b>18,211,130</b>	<b>10,113,082</b>	<b>3,074,134</b>	<b>11,752,362</b>
<b>Expenses</b>					
Investment advisory	3,664,408	5,934,728	2,310,742	1,546,315	10,495,500
Licensing	563,754	490,440	308,099		
Printing	118,736	129,864	56,023	37,470	159,714
Custodian	103,488	81,691	91,727	98,450	135,630
Professional	71,600	49,711	51,155	59,965	95,628
Officer and Trustees	52,187	42,913	36,998	14,156	70,967
Insurance	32,238	35,912	16,922	8,223	44,554
Registration	24,354	23,305	12,395	14,947	14,074
Transfer agent	13,449	13,448	13,232	12,386	12,538
Organization					
Miscellaneous	6,310	3,597	14,728	17,011	13,849
<b>Total expenses</b>	<b>4,650,524</b>	<b>6,805,609</b>	<b>2,912,021</b>	<b>1,808,923</b>	<b>11,042,454</b>
Less fees waived by advisor	(10,084)	(16,007)	(6,653)	(3,878)	(965,039)
<b>Total expenses after fees waived</b>	<b>4,640,440</b>	<b>6,789,602</b>	<b>2,905,368</b>	<b>1,805,045</b>	<b>10,077,415</b>
<b>Net investment income (loss)</b>	<b>12,924,293</b>	<b>11,421,528</b>	<b>7,207,714</b>	<b>1,269,089</b>	<b>1,674,947</b>
<b>Realized and Unrealized Gain (Loss)</b>					
Net realized gain (loss) from:					
Investments - unaffiliated	50,485,864	8,464,331	11,427,763	(15,904,393)	23,492,194
Investments - affiliated	124	255	79	44	377

Edgar Filing: VENTAS INC - Form PRE 14A

Options written	9,164,214	26,304,695	5,579,058	5,900,435	17,004,029
Foreign currency transactions	(803)	7,140		53,127	57,189
	59,649,399	34,776,421	17,006,900	(9,950,787)	40,553,789
Net change in unrealized appreciation/depreciation on:					
Investments	(28,976,485)	(5,762,307)	(1,124,114)	5,847,975	67,847,332
Options written	(324,834)	(1,548,935)	(469,769)	246,351	11,497,618
Foreign currency transactions	(352)	(955)		(1,262)	545
	(29,301,671)	(7,312,197)	(1,593,883)	6,093,064	79,345,495
Total realized and unrealized gain (loss)	30,347,728	27,464,224	15,413,017	(3,857,723)	119,899,284
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	\$ 43,272,021	\$ 38,885,752	\$ 22,620,731	\$ (2,588,634)	\$ 121,574,231

<sup>1</sup> Consolidated Statement of Operations.

<sup>2</sup> Commencement of operations was March 30, 2011. This information includes the initial investment by BlackRock HoldCo 2, Inc.

<sup>3</sup> Net of \$749 and \$(196,854) foreign capital gain tax for BME and BCF, respectively.

See Notes to Financial Statements.

**Table of Contents**

<b>BlackRock Global Opportunities Equity Trust (BOE)</b>	<b>BlackRock Health Sciences Trust (BME)</b>	<b>BlackRock International Growth and Income Trust (BGY)</b>	<b>BlackRock Real Asset Equity Trust (BCF)</b>	<b>BlackRock Resources &amp; Commodities Strategy Trust (BCX)<sup>1,2</sup></b>	<b>BlackRock S&amp;P Quality Rankings Global Equity Managed Trust (BQY)</b>
\$ 26,747,134 (1,706,070) 370,789 9,132	\$ 2,377,707 (64,578) 14,311 18,798	\$ 29,454,447 (2,587,823) 332,209 205	\$ 15,404,306 (451,384) 41,858 3,994	\$ 6,985,855 (377,399) 124,105	\$ 3,282,583 (172,380) 8,515
25,420,985	2,346,238	27,199,038	14,998,774	6,732,561	3,118,718
12,394,480	2,111,855	11,009,927	9,641,544	5,751,888	643,389
266,608	47,241	228,590	156,182	213,019	128,678
441,327	113,442	426,863	250,972	235,899	22,212
232,417	59,955	137,712	130,056	98,525	104,644
103,320	25,544	86,758	77,479	61,111	49,332
54,819	11,011	73,027	45,179		10,015
12,782	8,957	44,311	28,225	45,988	4,999
14,290	12,369	12,725	12,488	5,986	2,011
				33,000	12,267
63,156	10,625	87,299	26,767	19,038	43,893
13,583,199	2,400,999	12,107,212	10,368,892	6,464,454	1,021,440
(23,064)	(8,124)	(37,488)	(1,595,753)	(1,046,957)	(4,635)
13,560,135	2,392,875	12,069,724	8,773,139	5,417,497	1,016,805
11,860,850	(46,637)	15,129,314	6,225,635	1,315,064	2,101,913
2,319,778 (3,063,507)	12,520,728 128	(13,574,365) 197,572	(12,336,977) 193	(14,500,916)	1,053,202 48
80,347,050 (384,697)	5,968,551 22,818	64,317,487 347,966	21,398,029 (116,798)	20,824,651 (432,695)	2,776,920 24,639

Edgar Filing: VENTAS INC - Form PRE 14A

79,218,624	18,512,225	51,288,660	8,944,447	5,891,040	3,854,809
(123,672,191)	(6,592,874) <sup>3</sup>	(111,803,374)	(25,828,677) <sup>3</sup>	(77,823,820)	(3,861,503)
6,296,937	979,503	(2,521,063)	17,298,967	(633,315)	(6,649)
(28,901)	8,486	61,897	(57,073)	572	(6,451)
(117,404,155)	(5,604,885)	(114,262,540)	(8,586,783)	(78,456,563)	(3,874,603)
(38,185,531)	12,907,340	(62,973,880)	357,664	(72,565,523)	(19,794)
\$ (26,324,681)	\$ 12,860,703	\$ (47,844,566)	\$ 6,583,299	\$ (71,250,459)	\$ 2,082,119

ANNUAL REPORT

OCTOBER 31, 2011

99



**Table of Contents****Statements of Changes in Net Assets**

Increase (Decrease) in Net Assets:	BlackRock Equity Dividend Trust (BDV) Year Ended October 31,		BlackRock Enhanced Equity Dividend Trust (BDJ) Year Ended October 31,	
	2011	2010	2011	2010
<b>Operations</b>				
Net investment income	\$ 12,924,293	\$ 12,774,122	\$ 11,421,528	\$ 12,053,505
Net realized gain (loss)	59,649,399	21,350,952	34,776,421	(18,624,524)
Net change in unrealized appreciation/depreciation	(29,301,671)	48,266,248	(7,312,197)	88,956,779
Net increase (decrease) in net assets resulting from operations	43,272,021	82,391,322	38,885,752	82,385,760
<b>Dividends and Distributions to Shareholders From</b>				
Net investment income	(35,495,691)	(35,436,905)	(36,586,504)	(12,098,232)
Net realized gains				
Tax return of capital			(22,727,186)	(57,140,851)
Decrease in net assets resulting from dividends and distributions to shareholders	(35,495,691)	(35,436,905)	(59,313,690)	(69,239,083)
<b>Capital Share Transactions</b>				
Reinvestment of dividends	1,242,056		3,812,506	7,115,353
<b>Net Assets</b>				
Total increase (decrease) in net assets	9,018,386	46,954,417	(16,615,432)	20,262,030
Beginning of year	545,128,709	498,174,292	592,327,559	572,065,529
End of year	\$ 554,147,095	\$ 545,128,709	\$ 575,712,127	\$ 592,327,559
Undistributed (distributions in excess of) net investment income	\$ (173,217)	\$ (170,108)	\$ (165,909)	\$ (161,718)

See Notes to Financial Statements.



**Table of Contents**

<b>BlackRock Strategic Equity Dividend Trust (BDT)</b>		<b>BlackRock EcoSolutions Investment Trust (BQR)</b>		<b>BlackRock Energy and Resources Trust (BGR)</b>	
<b>Year Ended October 31,</b>		<b>Year Ended October 31,</b>		<b>Year Ended October 31,</b>	
<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
\$ 7,207,714	\$ 7,854,309	\$ 1,269,089	\$ 591,108	\$ 1,674,947	\$ 7,856,849
17,006,900	17,406,479	(9,950,787)	(16,492,323)	40,553,789	43,600,450
(1,593,883)	28,627,135	6,093,064	31,576,755	79,345,495	58,150,619
22,620,731	53,887,923	(2,588,634)	15,675,540	121,574,231	109,607,918
(17,490,218)	(17,490,218)	(1,319,946)	(582,037)	(7,176,790)	(5,141,482)
		(11,960,055)	(13,928,324)	(41,044,482)	(43,079,790)
(17,490,218)	(17,490,218)	(13,280,001)	(14,510,361)	(48,221,272)	(48,221,272)
		2,363,095	2,811,900		
5,130,513	36,397,705	(13,505,540)	3,977,079	73,352,959	61,386,646
297,869,352	261,471,647	131,002,442	127,025,363	769,975,506	708,588,860
\$ 302,999,865	\$ 297,869,352	\$ 117,496,902	\$ 131,002,442	\$ 843,328,465	\$ 769,975,506
\$ 92,559	\$ 180,124	\$ (9,754)	\$ 592	\$ 1,970,162	\$ 9,441,928

**Table of Contents****Statements of Changes in Net Assets (concluded)**

	<b>BlackRock Global Opportunities Equity Trust (BOE)</b>		<b>BlackRock Health Sciences Trust (BME)</b>	
<b>Increase (Decrease) in Net Assets:</b>	<b>Year Ended October 31,</b>		<b>Year Ended October 31,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Operations</b>				
Net investment income (loss)	\$ 11,860,850	\$ 13,025,662	\$ (46,637)	\$ 183,378
Net realized gain (loss)	79,218,624	106,884,446	18,512,225	19,645,424
Net change in unrealized appreciation/depreciation	(117,404,155)	39,742,566	(5,604,885)	5,633,072
Net increase (decrease) in net assets resulting from operations	(26,324,681)	159,652,674	12,860,703	25,461,874
<b>Dividends and Distributions to Shareholders From</b>				
Net investment income	(58,540,479)	(99,018,419)		(136,268)
Net realized gains	(42,165,166)	(16,795,876)	(16,991,401)	(11,535,663)
Tax return of capital	(56,895,764)	(40,455,279)		
Decrease in net assets resulting from dividends and distributions to shareholders	(157,601,409)	(156,269,574)	(16,991,401)	(11,671,931)
<b>Capital Share Transactions</b>				
Net proceeds from the issuance of shares				
Net proceeds from the underwriters' over allotment option exercised				
Reinvestment of dividends	7,741,126	8,551,415	413,595	
Net increase in net assets derived from shares transactions	7,741,126	8,551,415	413,595	
<b>Net Assets</b>				
Total increase (decrease) in net assets	(176,184,964)	11,934,515	(3,717,103)	13,789,943
Beginning of period	1,290,104,838	1,278,170,323	206,391,733	192,601,790
End of period	\$ 1,113,919,874	\$ 1,290,104,838	\$ 202,674,630	\$ 206,391,733
Undistributed (distributions in excess of) net investment income	\$ (311,226)	\$ (322,244)	\$ (108)	\$ (13,144)

Edgar Filing: VENTAS INC - Form PRE 14A

<sup>1</sup> Consolidated Statement of Changes in Net Assets.

See Notes to Financial Statements.

102

ANNUAL REPORT

OCTOBER 31, 2011

**Table of Contents**

<b>BlackRock International Growth and Income Trust (BGY)</b>		<b>BlackRock Real Asset Equity Trust (BCF)</b>		<b>BlackRock Resources &amp; Commodities Strategy Trust (BCX) Period March 30, 2011<sup>2</sup> to October 31, 2011</b>		<b>BlackRock S&amp;P Quality Rankings Global Equity Managed Trust (BQY)</b>	
<b>Year Ended October 31, 2011</b>	<b>2010</b>	<b>Year Ended October 31, 2011</b>	<b>2010</b>			<b>Year Ended October 31, 2011</b>	<b>2010</b>
\$ 15,129,314	\$ 15,908,603	\$ 6,225,635	\$ 9,774,635	\$ 1,315,064	\$ 2,101,913	\$ 1,975,474	
51,288,660	(34,783,078)	8,944,447	12,868,530	5,891,040	3,854,809	3,939,256	
(114,262,540)	147,763,569	(8,586,783)	135,575,929	(78,456,563)	(3,874,603)	4,317,334	
(47,844,566)	128,889,094	6,583,299	158,219,094	(71,250,459)	2,082,119	10,232,064	
(74,188,180)	(13,597,240)	(11,926,127)	(42,492,192)		(1,299,837)	(664,248)	
(75,397,237)	(159,367,997)	(28,641,464)	(19,209,691)	(11,264,280)	(4,733,191)	(4,237,588)	
(149,585,417)	(172,965,237)	(21,521,515)	(61,701,883)	(21,259,041)	(6,033,028)	(4,901,836)	
				834,041,200			
				49,393,801			
	22,011,255	1,960,017	4,017,701	4,130,876			
	22,011,255	1,960,017	4,017,701	887,565,877			
(197,429,983)	(22,064,888)	(53,545,790)	100,534,912	783,792,097	(3,950,909)	5,330,228	
1,156,582,520	1,178,647,408	765,463,204	664,928,292		86,046,707	80,716,479	
\$ 959,152,537	\$ 1,156,582,520	\$ 711,917,414	\$ 765,463,204	\$ 783,792,097	\$ 82,095,798	\$ 86,046,707	
\$ (101,531)	\$ (244,802)	\$ (3,241,230)	\$ (5,355,947)	\$ 1,402,450	\$ 2,106,652	\$ 1,300,748	



**Table of Contents****Financial Highlights****BlackRock Equity Dividend Trust (BDV)**

Year Ended October 31,

	2011	2010	2009	2008	2007
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 10.00	\$ 9.14	\$ 10.33	\$ 15.49	\$ 15.95
Net investment income <sup>1</sup>	0.24	0.23	0.30	0.41	0.45
Net realized and unrealized gain (loss)	0.55	1.28	(0.84)	(4.67)	(0.01)
Net increase (decrease) from investment operations	0.79	1.51	(0.54)	(4.26)	0.44
Dividends and distributions from:					
Net investment income	(0.65)	(0.65)	(0.30)	(0.43)	(0.44)
Net realized gain					(0.38)
Tax return of capital			(0.35)	(0.47)	(0.08)
Total dividends and distributions	(0.65)	(0.65)	(0.65)	(0.90)	(0.90)
Net asset value, end of year	\$ 10.14	\$ 10.00	\$ 9.14	\$ 10.33	\$ 15.49
Market price, end of year	\$ 9.21	\$ 9.88	\$ 8.27	\$ 9.20	\$ 13.64
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	8.33%	17.36%	(3.75)%	(27.56)%	3.15%
Based on market price	(0.41)%	28.15%	(2.21)%	(26.73)%	(2.50)%
<b>Ratios to Average Net Assets</b>					
Total expenses	0.82%	0.82%	0.85%	0.83%	0.82%
Total expenses after fees waived	0.82%	0.82%	0.85%	0.83%	0.82%
Net investment income	2.29%	2.44%	3.46%	3.46%	2.87%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 554,147	\$ 545,129	\$ 498,174	\$ 563,030	\$ 844,633
Portfolio turnover	120%	104%	56%	23%	12%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.



**Table of Contents****Financial Highlights****BlackRock Enhanced Equity Dividend Trust (BDJ)**

Year Ended October 31,

	2011	2010	2009	2008	2007
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 8.32	\$ 8.13	\$ 9.59	\$ 14.10	\$ 14.88
Net investment income <sup>1</sup>	0.16	0.17	0.25	0.34	0.39
Net realized and unrealized gain (loss)	0.38	1.00	(0.55)	(3.73)	0.06
Net increase (decrease) from investment operations	0.54	1.17	(0.30)	(3.39)	0.45
Dividends and distributions from:					
Net investment income	(0.51)	(0.17)	(0.25)	(0.52)	(0.43)
Net realized gain					(0.80)
Tax return of capital	(0.32)	(0.81)	(0.91)	(0.60)	
Total dividends and distributions	(0.83)	(0.98)	(1.16)	(1.12)	(1.23)
Net asset value, end of year	\$ 8.03	\$ 8.32	\$ 8.13	\$ 9.59	\$ 14.10
Market price, end of year	\$ 7.29	\$ 8.99	\$ 7.89	\$ 8.47	\$ 12.68
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	6.88%	15.23%	(1.63)%	(24.35)%	3.21%
Based on market price	(10.20)%	28.30%	8.08%	(25.70)%	(7.43)%
<b>Ratios to Average Net Assets</b>					
Total expenses	1.15%	1.16%	1.20%	1.18%	1.17%
Total expenses after fees waived	1.14%	1.16%	1.20%	1.18%	1.17%
Net investment income	1.92%	2.06%	3.11%	3.20%	2.76%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 575,712	\$ 592,328	\$ 572,066	\$ 668,969	\$ 983,762
Portfolio turnover	231%	232%	117%	86%	91%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock Strategic Equity Dividend Trust (BDT)**

Year Ended October 31,

	2011	2010	2009	2008	2007
<b>Per Share Operating Performance</b>					
Per Share Operating Performance					
Net asset value, beginning of year	\$ 11.07	\$ 9.72	\$ 10.67	\$ 15.22	\$ 16.13
Net investment income <sup>1</sup>	0.27	0.29	0.30	0.37	0.40
Net realized and unrealized gain (loss)	0.57	1.71	(0.60)	(4.02)	(0.41)
Net increase (decrease) from investment operations	0.84	2.00	(0.30)	(3.65)	(0.01)
Dividends and distributions from:					
Net investment income	(0.65)	(0.65)	(0.31)	(0.40)	(0.40)
Net realized gain					(0.38)
Tax return of capital			(0.34)	(0.50)	(0.12)
Total dividends and distributions	(0.65)	(0.65)	(0.65)	(0.90)	(0.90)
Net asset value, end of year	\$ 11.26	\$ 11.07	\$ 9.72	\$ 10.67	\$ 15.22
Market price, end of year	\$ 9.76	\$ 9.98	\$ 8.37	\$ 9.01	\$ 13.19
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	8.31%	21.94%	(1.10)%	(23.93)%	0.24%
Based on market price	4.14%	27.67%	0.86%	(25.88)%	(3.56)%
<b>Ratios to Average Net Assets</b>					
Total expenses	0.95%	0.93%	0.97%	0.94%	0.95%
Total expenses after fees waived	0.94%	0.93%	0.97%	0.94%	0.95%
Net investment income	2.34%	2.76%	3.68%	3.40%	2.75%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 303,000	\$ 297,869	\$ 261,472	\$ 287,141	\$ 409,646
Portfolio turnover	51%	71%	66%	20%	18%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock EcoSolutions Investment Trust (BQR)**

	Year Ended October 31,				Period
	2011	2010	2009	2008	September 28, 2007 <sup>1</sup> through October 31, 2007
<b>Per Share Operating Performance</b>					
Net asset value, beginning of period	\$ 10.65	\$ 10.56	\$ 10.23	\$ 20.31	\$ 19.10 <sup>2</sup>
Net investment income <sup>3</sup>	0.10	0.05	0.06	0.03	
Net realized and unrealized gain (loss)	(0.30)	1.24	1.78	(8.51)	1.25
Net increase (decrease) from investment operations	(0.20)	1.29	1.84	(8.48)	1.25
Dividends and distributions from:					
Net investment income	(0.11)	(0.05)	(0.07)	(0.02)	
Net realized gain			(0.09)	(1.58)	
Tax return of capital	(0.96)	(1.15)	(1.35)		
Total dividends and distributions	(1.07)	(1.20)	(1.51)	(1.60)	
Offering costs resulting from the issuance of shares					(0.04)
Net asset value, end of period	\$ 9.38	\$ 10.65	\$ 10.56	\$ 10.23	\$ 20.31
Market price, end of period	\$ 8.58	\$ 11.69	\$ 10.23	\$ 9.20	\$ 19.75
<b>Total Investment Return<sup>4</sup></b>					
Based on net asset value	(2.13)%	13.04%	19.64%	(43.99)%	6.28% <sup>5</sup>
Based on market price	(18.45)%	28.08%	28.88%	(48.20)%	(1.25)% <sup>5</sup>
<b>Ratios to Average Net Assets</b>					
Total expenses	1.40%	1.45%	1.51%	1.36%	1.70% <sup>6</sup>
Total expenses after fees waived and paid indirectly	1.40%	1.45%	1.50%	1.35%	1.68% <sup>6</sup>
Net investment income	0.98%	0.47%	0.65%	0.38%	0.97% <sup>6</sup>
<b>Supplemental Data</b>					
Net assets, end of period (000)	\$ 117,497	\$ 131,002	\$ 127,025	\$ 120,282	\$ 238,731
Portfolio turnover	86%	124%	62%	45%	4%

<sup>1</sup> Commencement of investment operations. This information includes the initial investment by BlackRock HoldCo 2, Inc.

<sup>2</sup> Net asset value, beginning of period, reflects a deduction of \$0.8975 per share sales charge from the initial offering price of \$20.00 per share.

<sup>3</sup> Based on average shares outstanding.

<sup>4</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

<sup>5</sup> Aggregate total investment return.

<sup>6</sup> Annualized.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock Energy and Resources Trust (BGR)****Year Ended October 31,**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 25.87	\$ 23.81	\$ 20.71	\$ 37.60	\$ 29.67
Net investment income <sup>1</sup>	0.06	0.26	0.41	1.18	0.49
Net realized and unrealized gain (loss)	4.02	3.42	4.32	(14.63)	9.27
Net increase (decrease) from investment operations	4.08	3.68	4.73	(13.45)	9.76
Dividends and distributions from:					
Net investment income	(0.24)	(0.17)	(0.47)	(0.96)	(0.70)
Net realized gain	(1.38)	(1.45)	(0.19)	(2.48)	(1.13)
Tax return of capital			(0.97)		
Total dividends and distributions	(1.62)	(1.62)	(1.63)	(3.44)	(1.83)
Net asset value, end of year	\$ 28.33	\$ 25.87	\$ 23.81	\$ 20.71	\$ 37.60
Market price, end of year	\$ 26.54	\$ 25.36	\$ 22.18	\$ 17.99	\$ 32.14
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	16.09%	15.89%	25.54%	(38.15)%	34.98%
Based on market price	10.95%	21.95%	34.63%	(37.14)%	28.07%
<b>Ratios to Average Net Assets</b>					
Total expenses	1.26%	1.27%	1.30%	1.27%	1.27%
Total expenses after fees waived	1.15%	1.11%	1.10%	1.07%	1.07%
Net investment income	0.19%	1.04%	1.77%	1.38%	1.69%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 843,328	\$ 769,976	\$ 708,589	\$ 616,479	\$ 1,119,310
Portfolio turnover	111%	80%	62%	54%	47%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock Global Opportunities Equity Trust (BOE)**

Year Ended October 31,

	2011	2010	2009	2008	2007
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 18.68	\$ 18.64	\$ 18.03	\$ 31.09	\$ 26.72
Net investment income <sup>1</sup>	0.17	0.19	0.19	0.39	0.55
Net realized and unrealized gain (loss)	(0.54)	2.13	2.70	(10.39)	6.32
Net increase (decrease) from investment operations	(0.37)	2.32	2.89	(10.00)	6.87
Dividends and distributions from:					
Net investment income	(0.85)	(1.44)	(0.20)	(0.56)	(0.36)
Net realized gain	(0.61)	(0.25)		(2.48)	(2.14)
Tax return of capital	(0.82)	(0.59)	(2.08)	(0.02)	
Total dividends and distributions	(2.28)	(2.28)	(2.28)	(3.06)	(2.50)
Net asset value, end of year	\$ 16.03	\$ 18.68	\$ 18.64	\$ 18.03	\$ 31.09
Market price, end of year	\$ 14.95	\$ 19.06	\$ 18.40	\$ 15.89	\$ 28.76
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	(2.55)%	13.76%	20.50%	(35.08)%	27.47%
Based on market price	(10.93)%	17.58%	34.97%	(38.15)%	14.11%
<b>Ratios to Average Net Assets</b>					
Total expenses	1.10%	1.11%	1.21%	1.14%	1.15%
Total expenses after fees waived	1.09%	1.10%	1.20%	1.14%	1.15%
Net investment income	0.96%	1.03%	1.05%	1.60%	1.87%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$1,113,920	\$1,290,105	\$ 1,278,170	\$ 227,835	\$ 389,741
Portfolio turnover	253%	264%	300%	120%	111%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock Health Sciences Trust (BME)****Year Ended October 31,**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 27.19	\$ 25.37	\$ 23.66	\$ 30.33	\$ 27.74
Net investment income (loss) <sup>1</sup>	(0.01)	0.02	0.10	0.10	0.05
Net realized and unrealized gain (loss)	1.71	3.34	3.32	(4.70)	4.76
Net increase (decrease) from investment operations	1.70	3.36	3.42	(4.60)	4.81
Dividends and distributions from:					
Net investment income		(0.02)	(0.13)	(0.09)	(0.02)
Net realized gain	(2.24)	(1.52)	(1.01)	(1.98)	(2.20)
Tax return of capital			(0.57)		
Total dividends and distributions	(2.24)	(1.54)	(1.71)	(2.07)	(2.22)
Net asset value, end of year	\$ 26.65	\$ 27.19	\$ 25.37	\$ 23.66	\$ 30.33
Market price, end of year	\$ 25.81	\$ 27.14	\$ 22.61	\$ 21.62	\$ 27.05
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	6.43%	13.69%	16.31%	(15.55)%	18.62%
Based on market price	3.26%	27.33%	13.44%	(13.47)%	7.42%
<b>Ratios to Average Net Assets</b>					
Total expenses	1.14%	1.15%	1.15%	1.13%	1.13%
Total expenses after fees waived	1.13%	1.15%	1.15%	1.13%	1.13%
Net investment income (loss)	(0.02)%	0.09%	0.37%	0.20%	0.15%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 202,675	\$ 206,392	\$ 192,602	\$ 179,642	\$ 230,280
Portfolio turnover	226%	239%	167%	121%	89%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock International Growth and Income Trust (BGY)**

					Period
					May 30, 2007 <sup>1</sup>
	Year Ended October 31,				through October 31,
					2007
	2011	2010	2009	2008	
<b>Per Share Operating Performance</b>					
Net asset value, beginning of period	\$ 10.52	\$ 10.92	\$ 10.41	\$ 20.12	\$ 19.10 <sup>2</sup>
Net investment income <sup>3</sup>	0.14	0.14	0.29	0.27	0.14
Net realized and unrealized gain (loss)	(0.58)	1.05	2.04	(8.31)	1.50
Net increase (decrease) from investment operations	(0.44)	1.19	2.33	(8.04)	1.64
Dividends and distributions from:					
Net investment income	(0.67)	(0.12)	(0.30)	(0.30)	(0.10)
Net realized gain				(0.88)	(0.50)
Tax return of capital	(0.69)	(1.47)	(1.52)	(0.49)	
Total dividends and distributions	(1.36)	(1.59)	(1.82)	(1.67)	(0.60)
Offering costs resulting from the issuance of shares					(0.02)
Net asset value, end of period	\$ 8.72	\$ 10.52	\$ 10.92	\$ 10.41	\$ 20.12
Market price, end of period	\$ 7.88	\$ 10.56	\$ 10.92	\$ 9.09	\$ 17.76
<b>Total Investment Return<sup>4</sup></b>					
Based on net asset value	(4.55)%	12.06%	26.28%	(41.76)%	8.93% <sup>5</sup>
Based on market price	(14.07)%	12.49%	44.62%	(42.39)%	(8.17)% <sup>5</sup>
<b>Ratios to Average Net Assets</b>					
Total expenses	1.10%	1.13%	1.12%	1.11%	1.07% <sup>6</sup>
Total expenses after fees waived	1.10%	1.13%	1.12%	1.11%	1.07% <sup>6</sup>
Net investment income	1.37%	1.40%	2.68%	2.34%	1.75% <sup>6</sup>
<b>Supplemental Data</b>					
Net assets, end of period (000)	\$ 959,153	\$ 1,156,583	\$ 1,178,647	\$ 1,106,516	\$ 2,138,523
Portfolio turnover	217%	247%	198%	123%	46%

<sup>1</sup> Commencement of investment operations. This information includes the initial investment by BlackRock HoldCo 2, Inc.

<sup>2</sup> Net asset value, beginning of period, reflects a deduction of \$0.8975 per share sales charge from the initial offering price of \$20.00 per share.

<sup>3</sup> Based on average shares outstanding.

<sup>4</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

<sup>5</sup> Aggregate total investment return.

<sup>6</sup> Annualized.

See Notes to Financial Statements.

**Table of Contents****Financial Highlights****BlackRock Real Asset Equity Trust (BCF)****Year Ended October 31,**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 13.42	\$ 11.73	\$ 9.44	\$ 20.79	\$ 15.33
Net investment income <sup>1</sup>	0.11	0.17	0.08	0.20	0.20
Net realized and unrealized gain (loss)	0.01	2.61	3.30	(10.16)	6.35
Net increase (decrease) from investment operations	0.12	2.78	3.38	(9.96)	6.55
Dividends and distributions from:					
Net investment income	(0.21)	(0.74)	(0.11)	(0.17)	(0.29)
Net realized gain	(0.50)			(1.22)	(0.80)
Tax return of capital	(0.38)	(0.35)	(0.98)		
Total dividends and distributions	(1.09)	(1.09)	(1.09)	(1.39)	(1.09)
Net asset value, end of year	\$ 12.45	\$ 13.42	\$ 11.73	\$ 9.44	\$ 20.79
Market price, end of year	\$ 11.84	\$ 13.46	\$ 11.45	\$ 7.74	\$ 17.59
<b>Total Investment Return<sup>2</sup></b>					
Based on net asset value	0.58%	24.65%	40.96%	(50.14)%	45.34%
Based on market price	(4.64)%	28.08%	67.81%	(51.69)%	25.67%
<b>Ratios to Average Net Assets</b>					
Total expenses	1.29%	1.28%	1.32%	1.29%	1.21%
Total expenses after fees waived and paid indirectly	1.09%	1.08%	1.12%	1.09%	1.08%
Net investment income	0.77%	1.37%	0.68%	1.14%	1.37%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 711,917	\$ 765,463	\$ 664,928	\$ 535,257	\$ 1,179,087
Portfolio turnover	79%	71%	58%	29%	61%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.



**Table of Contents****Financial Highlights****BlackRock Resources & Commodities Strategy Trust (BCX)**

	<b>Period</b>
	<b>March 30, 2011<sup>1</sup> through October 31, 2011<sup>2</sup></b>
<b>Per Share Operating Performance</b>	
Net asset value, beginning of period	\$ 19.10 <sup>3</sup>
Net investment income <sup>4</sup>	0.03
Net realized and unrealized loss	(1.57)
Net increase from investment operations	(1.54)
Distributions from:	
Net realized gain	(0.24)
Tax return of capital	(0.46)
Total distributions	(0.70)
Capital charges with respect to the issuance of shares	(0.03)
Net asset value, end of period	\$ 16.83
Market price, end of period	\$ 14.95
<b>Total Investment Return<sup>5</sup></b>	
Based on net asset value	(7.80)% <sup>6</sup>
Based on market price	(21.79)% <sup>6</sup>
<b>Ratios to Average Net Assets</b>	
Total expenses	1.35% <sup>7</sup>
Total expenses after fees waived	1.13% <sup>7</sup>
Net investment income	0.27% <sup>7</sup>
<b>Supplemental Data</b>	
Net assets, end of period (000)	\$ 783,792
Portfolio turnover	27%
<sup>1</sup> Commencement of investment operations. This information includes the initial investment by BlackRock HoldCo 2, Inc.	
<sup>2</sup> Consolidated Financial Highlights.	
<sup>3</sup> Net asset value, beginning of period, reflects a deduction of \$0.8975 per share sales charge from the initial offering price of \$20.00 per share.	
<sup>4</sup> Based on average shares outstanding.	
<sup>5</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.	
<sup>6</sup> Aggregate total investment return.	
<sup>7</sup> Annualized.	

See Notes to Financial Statements.

**Table of Contents****Financial Highlights (concluded)****BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY)**

Year Ended October 31,

	2011	2010	2009	2008	2007
<b>Per Share Operating Performance</b>					
Net asset value, beginning of year	\$ 14.26	\$ 13.38	\$ 12.38	\$ 21.00	\$ 18.55
Net investment income <sup>1</sup>	0.35	0.33	0.36	0.50	0.46
Net realized and unrealized gain (loss)	(0.00) <sup>2</sup>	1.36	1.43	(8.22)	2.90
Net increase (decrease) from investment operations	0.35	1.69	1.79	(7.72)	3.36
Dividends and distributions from:					
Net investment income	(0.22)	(0.11)	(0.39)	(0.52)	(0.44)
Net realized gain	(0.78)	(0.70)	(0.33)		(0.40)
Tax return of capital			(0.07)	(0.38)	(0.07)
Total dividends and distributions	(1.00)	(0.81)	(0.79)	(0.90)	(0.91)
Net asset value, end of year	\$ 13.61	\$ 14.26	\$ 13.38	\$ 12.38	\$ 21.00
Market price, end of year	\$ 12.43	\$ 13.44	\$ 11.54	\$ 10.50	\$ 18.07
<b>Total Investment Return<sup>3</sup></b>					
Based on net asset value	2.79%	14.08%	17.64%	(37.53)%	19.10%
Based on market price	(0.40)%	24.67%	19.63%	(38.42)%	16.20%
<b>Ratios to Average Net Assets</b>					
Total expenses	1.19%	1.23%	1.17%	0.96%	1.20%
Total expenses after fees waived	1.19%	1.22%	1.16%	0.96%	1.20%
Net investment income	2.45%	2.40%	3.39%	3.11%	2.45%
<b>Supplemental Data</b>					
Net assets, end of year (000)	\$ 82,096	\$ 86,047	\$ 80,716	\$ 74,716	\$ 126,706
Portfolio turnover	97%	59%	64%	10%	12%

<sup>1</sup> Based on average shares outstanding.<sup>2</sup> Amounted to less than \$(0.01) per share outstanding.<sup>3</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of sales charges and include the reinvestment of dividends and distributions.

See Notes to Financial Statements.

**Table of Contents****Notes to Financial Statements****1. Organization and Significant Accounting Policies:**

BlackRock Equity Dividend Trust ( BDV ) (formerly BlackRock Dividend Achievers<sup>TM</sup> Trust), BlackRock Enhanced Equity Dividend Trust ( BDJ ) (formerly BlackRock Enhanced Dividend Achievers<sup>TM</sup> Trust), BlackRock Strategic Equity Dividend Trust ( BDT ) (formerly BlackRock Strategic Dividend Achievers<sup>TM</sup> Trust), BlackRock EcoSolutions Investment Trust ( BQR ), BlackRock Energy and Resources Trust ( BGR ), BlackRock Global Opportunities Equity Trust ( BOE ), BlackRock Health Sciences Trust ( BME ), BlackRock International Growth and Income Trust ( BGY ), BlackRock Real Asset Equity Trust ( BCF ), BlackRock Resources & Commodities Strategy Trust ( BCX ) and BlackRock S&P Quality Rankings Global Equity Managed Trust ( BQY ) (each, a Trust and collectively, the Trusts ) are organized as Delaware statutory trusts. BDV, BDJ, BDT, BOE and BQY are registered as diversified, closed-end management investment companies under the Investment Company Act of 1940, as amended (the 1940 Act ). BQR, BGR, BME, BGY, BCF and BCX are registered as non-diversified, closed-end management investment companies under the 1940 Act. Prior to commencement of operations on March 30, 2011, BCX had no operations other than those relating to organizational matters and the sale of 6,964 Common Shares on February 11, 2011 to BlackRock HoldCo 2, Inc. for \$100,012. Investment operations for BCX commenced on March 30, 2011. The Trusts' financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ( US GAAP ), which may require management to make estimates and assumptions that affect the reported amounts and disclosure in the financial statements. Actual results could differ from those estimates. The Trusts determine and make available for publication the NAV of their shares on a daily basis.

**Reorganizations:** On September 12, 2011, the Board of Trustees (the Board ) approved a plan of reorganization, subject to shareholder approval and certain other conditions, whereby BDJ will acquire substantially all of the assets and assume certain stated liabilities of BDV and BDT in exchange for newly issued shares of BDJ.

The following is a summary of significant accounting policies followed by the Trusts:

**Basis of Consolidation:** The accompanying consolidated financial statements of BCX include the accounts of BlackRock Cayman Resources & Commodities Strategy Fund, Ltd. (the Subsidiary ), a wholly owned subsidiary of BCX, which primarily invests in commodity-related instruments. The Subsidiary allows BCX to hold these commodity-related instruments and still satisfy Regulated Investment Company tax requirements. BCX may invest up to 25% of its total assets in the Subsidiary. Intercompany accounts and transactions have been eliminated. The Subsidiary is subject to the same investment policies and restrictions that apply to BCX.

**Valuation:** US GAAP defines fair value as the price the Trusts would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Trusts fair value their financial instruments at market value using

independent dealers or pricing services under policies approved by the Board. Equity investments traded on a recognized securities exchange or the NASDAQ Global Market System ( NASDAQ ) are valued at the last reported sale price that day or the NASDAQ official closing price, if applicable. For equity investments traded on more than one exchange, the last reported sale price on the exchange where the stock is primarily traded is used. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last available bid price. If no bid price is available, the prior day's price will be used unless it is determined that such prior day's price no longer reflects the fair value of the security. Investments in open-end investment companies are valued at net asset value each business day. Short-term securities with remaining maturities of 60 days or less may be valued at amortized cost, which approximates fair value.

The Trusts value their investments in BlackRock Liquidity Series, LLC Money Market Series (the Money Market Series ) at fair value, which is ordinarily based upon each Trust's pro rata ownership in the underlying fund's net assets. The Money Market Series seeks current income consistent with maintaining liquidity and preserving capital. Although the Money Market Series is not registered under the 1940 Act, its investments will follow the parameters of investments by a money market fund that is subject to Rule 2a-7 under the 1940 Act. The Trusts may withdraw up to 25% of their investment daily, although the manager of the Money Market Series, in its sole discretion, may permit an investor to withdraw more than 25% on any one day.

## Edgar Filing: VENTAS INC - Form PRE 14A

Securities and other assets and liabilities denominated in foreign currencies are translated into US dollars using exchange rates determined as of the close of business on the New York Stock Exchange ( NYSE ). Foreign currency exchange contracts are valued at the mean between the bid and ask prices and are determined as of the close of business on the NYSE. Interpolated values are derived when the settlement date of the contract is an interim date for which quotations are not available.

Exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade. An exchange-traded option for which there is no mean price is valued at the last bid (long positions) or ask (short positions) price. If no bid or ask price is available, the prior day's price will be used, unless it is determined that such prior day's price no longer reflects the fair value of the option. Over-the-counter ( OTC ) options are valued by an independent pricing service or through brokers using a mathematical model which incorporates a number of market data factors, such as the trades and prices of the underlying instruments.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment or if a price is not available, the investment will be valued in accordance with a policy approved by the Board as reflecting fair value ( Fair Value Assets ). When determining the price for Fair Value Assets, the investment advisor and/or sub-advisor seeks to determine the price that each Trust might reasonably expect to

---

**Table of Contents****Notes to Financial Statements (continued)**

receive from the current sale of that asset in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the investment advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of business on the NYSE.

Occasionally, events affecting the values of such instruments may occur between the foreign market close and the close of business on the NYSE that may not be reflected in the computation of each Trust's net assets. If events (for example, a company announcement, market volatility or a natural disaster) occur during such periods that are expected to materially affect the value of such instruments, those instruments may be Fair Value Assets and be valued at their fair value, as determined in good faith by the investment advisor using a pricing service and/or policies approved by the Board. Each business day, each Trust uses a pricing service to assist with the valuation of certain foreign exchange-traded equity securities and foreign exchange-traded and OTC options (the Systematic Fair Value Price). Using current market factors, the Systematic Fair Value Price is designed to value such foreign securities and foreign options at fair value as of the close of business on the NYSE, which follows the close of the local markets.

**Foreign Currency Transactions:** Each Trust's books and records are maintained in US dollars. Purchases and sales of investment securities are recorded at the rates of exchange prevailing on the date the transactions are entered into. Generally, when the US dollar rises in value against a foreign currency, the Trust's investments denominated in that currency will lose value because its currency is worth fewer US dollars; the opposite effect occurs if the US dollar falls in relative value.

The Trusts do not isolate the portion of the results of operations arising as a result of changes in the foreign exchange rates from the changes in the market prices of investments held or sold for financial reporting purposes. Accordingly, the effects of changes in foreign currency exchange rates on investments are not segregated on the Statements of Operations from the effects of changes in market prices of those investments but are included as a component of net realized and unrealized gain (loss) from investments. Each Trust reports realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are treated as ordinary income for federal income tax purposes.

**Segregation and Collateralization:** In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that a Trust either delivers collateral or segregates assets in connection with certain investments (e.g., foreign currency exchange contracts or options written), each Trust will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on its books and records cash or liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on

requirements and agreements with certain exchanges and third party broker-dealers, each party to such transactions has requirements to deliver/deposit securities as collateral for certain investments.

**Investment Transactions and Investment Income:** For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Dividends from foreign securities where the ex-dividend date may have passed are subsequently recorded when a Trust is informed of the ex-dividend date. Under the applicable foreign tax laws, a withholding tax at various rates may be imposed on capital gains, dividends and interest. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be redesignated as a reduction of cost of the related investment and/or realized gain. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

**Dividends and Distributions:** Dividends and distributions paid by the Trusts are recorded on the ex-dividend dates. Subject to each Trust's level distribution plan, a Trust intends to make quarterly cash dividends and/or distributions to shareholders, which may consist of net investment income, net options premium and net realized and unrealized gains on investments. The portion of dividends and distributions that exceeds a Trust's current and accumulated earnings and profits, which are measured on a tax basis, may be treated as a tax return of capital. The character of dividends and distributions is determined in accordance with federal income tax regulations, which may differ from US GAAP.

## Edgar Filing: VENTAS INC - Form PRE 14A

**Securities Lending:** The Trusts may lend securities to approved borrowers, such as banks, brokers and other financial institutions. The borrower pledges cash, securities issued or guaranteed by the US government or irrevocable letters of credit issued by a bank as collateral, which will be maintained at all times in an amount equal to at least 100% of the current market value of the loaned securities. The market value of the loaned securities is determined at the close of business of the Trusts and any additional required collateral is delivered to the Trust on the next business day. Securities lending income, as disclosed in the Statements of Operations, represents the income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to the securities lending agent. During the term of the loan, the Trusts earn dividends or interest income on the securities loaned but do not receive dividend or interest income on the securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions. In the event that the borrower defaults on its obligation to return borrowed securities because of insolvency or for any other reason, the Trusts could experience delays and costs in gaining access to the collateral. The Trusts also could suffer a loss if the value of an investment purchased with cash collateral falls below the market value of loaned securities or if the value of an

**Table of Contents****Notes to Financial Statements (continued)**

investment purchased with cash collateral falls below the value of the original cash collateral received. During the period ended October 31, 2011, participating Trusts accepted only cash collateral in connection with securities loaned.

**Income Taxes:** It is the Trusts' policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

The Trusts file US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Trusts' US federal tax returns remains open for each of the four years ended October 31, 2011 with the exception of BCX. The statute of limitations on BCX's US federal tax returns remains open for the period ended October 31, 2011. The statutes of limitations on each Trust's state and local tax returns may remain open for an additional year depending upon the jurisdiction. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

**Dividend Achievers Universe:** BDV, BDJ and BDT had been granted a revocable license by Indxis, Inc. ( Indxis ) to use the Dividend Achievers™ universe of common stocks. There is no assurance that a Trust would pursue or achieve its investment objective during the period in which it implements these replacement investment policies or strategies. Indxis and Dividend Achievers are trademarks of Indxis and have been licensed for use by BDV, BDJ, and BDT. The products were not sponsored, endorsed, managed, sold or promoted by Indxis and Indxis made no representation regarding the advisability of investing in BDV, BDJ and BDT. BDV, BDJ and BDT are each required to pay a quarterly licensing fee, which is shown in the Statements of Operations as licensing. Effective May 9, 2011, the Dividend Achievers universe is no longer used by BDV, BDJ or BDT.

**S&P Quality Rankings:** BQY has been granted a license by Standard & Poor ( S&P ) to use the S&P Quality Rankings and the S&P International Quality Rankings. If S&P terminates BQY's license to use either the S&P Quality Rankings or the S&P International Quality Rankings, the Board may need to adopt a new investment strategy and/ or new investment policies. There is no assurance that BQY would pursue or achieve its investment objective during the period in which it implements these replacement investment policies or strategies.

Standard & Poor's, S&P, Standard & Poor's Earnings and Dividend Rankings, S&P Earnings and Dividend Rankings, Standard & Poor's Quality Rankings, Standard & Poor's International Quality Rankings, S&P International Quality Rankings and S&P Quality Rankings are trademarks of S&P and have been licensed for use by BQY. BQY is not sponsored, endorsed, managed, sold or promoted by S&P and S&P makes no representation regarding the availability of investing in BQY. BQY is required to pay a quarterly licensing fee, which is shown in the Statements of Operations as licensing.

**Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan:** Under the deferred compensation plan approved by each Trust's Board, Independent Trustees ( Independent Trustees ) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees. This has approximately the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts directly in other certain BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Trust. Each Trust may, however, elect to invest in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees in order to match its deferred compensation obligations. Investments to cover each Trust's deferred compensation liability, if any, are included in other assets in the Statements of Assets and Liabilities. Dividends and distributions from the BlackRock Closed-End Fund investments under the plan are included in dividends - affiliated in the Statements of Operations.

**Recent Accounting Standard:** In May 2011, the Financial Accounting Standards Board issued amended guidance to improve disclosure about fair value measurements which will require the following disclosures for fair value measurements categorized as Level 3: quantitative information about the unobservable inputs and assumptions used in the fair value measurement, a description of the valuation policies and procedures and a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs and the

## Edgar Filing: VENTAS INC - Form PRE 14A

interrelationships between those unobservable inputs. In addition, the amounts and reasons for all transfers in and out of Level 1 and Level 2 will be required to be disclosed. The amended guidance is effective for financial statements for fiscal years beginning after December 15, 2011, and interim periods within those fiscal years. Management is evaluating the impact of this guidance on each Trust's financial statements and disclosures.

**Other:** Expenses directly related to a Trust are charged to that Trust. Other operating expenses shared by several funds are pro rated among those funds on the basis of relative net assets or other appropriate methods.

### **2. Derivative Financial Instruments:**

The Trusts engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Trusts and to economically hedge, or protect, their exposure to certain risks such as equity risk and foreign currency exchange rate risk. These contracts may be contracted on an exchange or OTC.

Losses may arise if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument or if the counterparty does not perform under the contract. The Trusts' maximum risk of loss from counterparty credit risk



---

**Table of Contents****Notes to Financial Statements (continued)**

on OTC derivatives is generally the aggregate unrealized gain netted against any collateral pledged by/posted to the counterparty. For OTC options purchased, the Trusts bear the risk of loss in the amount of the premiums paid plus the positive change in market values net of any collateral received on the options should the counterparty fail to perform under the contracts. Options written by the Trusts do not give rise to counterparty credit risk, as options written obligate the Trusts to perform and not the counterparty. Counterparty risk related to exchange-traded options is deemed to be minimal due to the protection against defaults provided by the exchange on which these contracts trade.

The Trusts mitigate counterparty risk by procuring collateral and through netting provisions included within an International Swaps and Derivatives Association, Inc. master agreement ( ISDA Master Agreement ) implemented between a Trust and each of its respective counterparties. The ISDA Master Agreement allows each Trust to offset with each separate counterparty certain derivative financial instrument s payables and/or receivables with collateral held. The amount of collateral moved to/from applicable counterparties is generally based upon minimum transfer amounts of up to \$500,000. To the extent amounts due to the Trusts from their counterparties are not fully collateralized contractually or otherwise, the Trusts bear the risk of loss from counterparty non-performance. See Note 1 Segregation and Collateralization for information with respect to collateral practices. In addition, the Trusts manage counterparty risk by entering into agreements only with counterparties that it believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties.

Certain ISDA Master Agreements allow counterparties to OTC derivatives to terminate derivative contracts prior to maturity in the event the Trusts net assets decline by a stated percentage or the Trusts fail to meet the terms of its ISDA Master Agreements, which would cause the Trusts to accelerate payment of any net liability owed to the counterparty.

**Foreign Currency Exchange Contracts:** Certain Trusts enter into foreign currency exchange contracts as an economic hedge against either specific transactions or portfolio instruments or to obtain exposure to foreign currencies (foreign currency exchange rate risk). A foreign currency exchange contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date. Foreign currency exchange contracts, when used by a Trust, help to manage the

overall exposure to the currencies in which some of the investments held by a Trust are denominated. The contract is marked-to-market daily and the change in market value is recorded by a Trust as an unrealized gain or loss. When the contract is closed, a Trust records a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. The use of foreign currency exchange contracts involves the risk that the value of a foreign currency exchange contract changes unfavorably due to movements in the value of the referenced foreign currencies and the risk that a counterparty to the contract does not perform its obligations under the agreement.

**Options:** The Trusts purchase and write call and put options to increase or decrease their exposure to underlying instruments (including equity risk) and/or, in the case of options written, to generate gains from options premiums. A call option gives the purchaser (holder) of the option the right (but not the obligation) to buy, and obligates the seller (writer) to sell (when the option is exercised), the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. When the Trust purchases (write) an option, an amount equal to the premium paid (received) by the Trust is reflected as an asset (liability). The amount of the asset (liability) is subsequently marked-to-market to reflect the current market value of the option purchased (written). When an instrument is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the instrument acquired or deducted from (or added to) the proceeds of the instrument sold. When an option expires (or the Trust enters into a closing transaction), the Trust realizes a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premiums received or paid). When the Trust writes a call option, such option is covered, meaning that the Trust holds the underlying instrument subject to being called by the option counterparty. When the Trust writes a put option, such option is covered by cash in an amount sufficient to cover the obligation.

In purchasing and writing options, a Trust bears the risk of an unfavorable change in the value of the underlying instrument or the risk that the Trusts may not be able to enter into a closing transaction due to an illiquid market. Exercise of a written option could result in a Trust purchasing or selling a security at a price different from the current market value.



**Table of Contents**

## Notes to Financial Statements (continued)

**Derivative Financial Instruments Categorized by Risk Exposure:****Fair Values of Derivative Financial Instruments as of October 31, 2011**

		<b>Asset Derivatives</b>					
		<b>Statements of</b>					
		<b>Assets and</b>					
		<b>Liabilities</b>					
	<b>Location</b>	<b>BDV</b>	<b>BDJ</b>	<b>BGR</b>	<b>BOE</b>	<b>BME</b>	<b>BGY</b>
Equity contracts	Investments at value unaffiliated*			\$ 325,518	\$ 85,882	\$ 2,025	\$ 99,874
Foreign currency exchange contracts	Unrealized appreciation on foreign currency exchange contracts	\$ 100	\$ 104		98,024		9,271
<b>Total</b>		\$ 100	\$ 104	\$ 325,518	\$ 183,906	\$ 2,025	\$ 109,145

		<b>Asset Derivatives</b>			
		<b>Statements of</b>			
		<b>Assets and</b>			
		<b>Liabilities</b>			
	<b>Location</b>	<b>BCF</b>	<b>BCX</b>	<b>BQY</b>	
Equity contracts	Investments at value unaffiliated*	\$ 5,386	\$ 4,750		\$ 81,195
Foreign currency exchange contracts	Unrealized appreciation on foreign currency exchange contracts		22		5,224
<b>Total</b>		\$ 5,386	\$ 4,772		\$ 86,419

Edgar Filing: VENTAS INC - Form PRE 14A

Liability Derivatives

Statements of							
Assets and							
Liabilities							
	Location	BDV	BDJ	BDT	BQR	BGR	BOE
Equity contracts	Options written at value	\$ 4,178,188	\$ 11,526,764	\$ 3,128,041	\$ 2,313,399	\$ 7,876,510	\$ 33,264,806
Foreign currency exchange contracts	Unrealized depreciation on foreign currency exchange contracts				244		87,308
<b>Total</b>		\$ 4,178,188	\$ 11,526,764	\$ 3,128,041	\$ 2,313,643	\$ 7,876,510	\$ 33,352,114

Liability Derivatives

Statements of						
Assets and						
Liabilities						
	Location	BME	BGY	BCF	BCX	BQY
Equity contracts	Options written at value	\$ 2,876,307	\$ 32,292,222	\$ 7,107,324	\$ 10,004,827	\$ 1,360,850
Foreign currency exchange contracts	Unrealized depreciation on foreign currency exchange contracts	12,934	176,535	600		68
<b>Total</b>		\$ 2,889,241	\$ 32,468,757	\$ 7,107,924	\$ 10,004,827	\$ 1,360,918

\* Includes options purchased at value as reported in the Schedules of Investments.

Table of Contents

## Notes to Financial Statements (continued)

## The Effect of Derivative Financial Instruments in the Statements of Operations

## Period Ended October 31, 2011

## Net Realized Gain (Loss) From

	BDV	BDJ	BDT	BQR	BGR	BOE
Foreign currency exchange contracts:						
Foreign currency transactions	\$ (803)	\$ 7,140		\$ 53,127	\$ 57,189	\$ (384,697)
Equity contracts:						
Options**	9,164,214	26,304,695	\$ 5,579,058	5,899,838	16,995,322	80,329,697
<b>Total</b>	<b>\$ 9,163,411</b>	<b>\$ 26,311,835</b>	<b>\$ 5,579,058</b>	<b>\$ 5,952,965</b>	<b>\$ 17,052,511</b>	<b>\$ 79,945,000</b>

## Net Realized Gain (Loss) From

	BME	BGY	BCF	BCX <sup>1</sup>	BQY
Foreign currency exchange contracts:					
Foreign currency transactions	\$ 22,818	\$ 347,966	\$ (116,798)	\$ (432,695)	\$ 24,639
Equity contracts:					
Options**	5,965,797	64,297,957	21,388,280	20,818,644	2,776,920
<b>Total</b>	<b>\$ 5,988,615</b>	<b>\$ 64,645,923</b>	<b>\$ 21,271,482</b>	<b>\$ 20,385,949</b>	<b>\$ 2,801,559</b>

## Net Change in Unrealized Appreciation/Depreciation on

	BDV	BDJ	BDT	BQR	BGR	BOE
Foreign currency exchange contracts:						
Foreign currency transactions	\$ 100	\$ 104		\$ (244)	\$ 22	\$ 10,189
Equity contracts:						
Options**	(324,834)	(1,548,935)	\$ (469,769)	246,351	11,691,464	6,280,686
<b>Total</b>	<b>\$ (324,734)</b>	<b>\$ (1,548,831)</b>	<b>\$ (469,769)</b>	<b>\$ 246,107</b>	<b>\$ 11,691,486</b>	<b>\$ 6,290,875</b>

**Net Change in Unrealized Appreciation/Depreciation on**

	<b>BME</b>	<b>BGY</b>	<b>BCF</b>	<b>BCX<sup>1</sup></b>	<b>BQY</b>
Foreign currency exchange contracts:					
Foreign currency transactions	\$ (12,926)	\$ (155,030)	\$ (578)	\$ 22	\$ 5,234
Equity contracts:					
Options**	979,682	(2,521,653)	17,274,057	(636,186)	33,633
<b>Total</b>	<b>\$ 966,756</b>	<b>\$ (2,676,683)</b>	<b>\$ 17,273,479</b>	<b>\$ (636,164)</b>	<b>\$ 38,867</b>

<sup>1</sup> Commenced operations on March 30, 2011.

\*\* Options purchased are included in the net realized gain (loss) from investments-unaffiliated and net change in unrealized appreciation/depreciation on investments.

For the period ended October 31, 2011, the average quarterly balances of outstanding derivative financial instruments were as follows:

	<b>BDV</b>	<b>BDJ</b>	<b>BDT</b>	<b>BQR</b>	<b>BGR</b>	<b>BOE</b>
Foreign currency exchange contracts:						
Average number of contracts - US dollars purchased	1	1		4	6	6
Average number of contracts - US dollars sold				2	6	7
Average US dollar amounts purchased	\$ 48,089	\$ 49,616		\$ 124,658	5,179,791	\$ 5,657,197
Average US dollar amounts sold				\$ 223,760	12,049,138	\$ 10,684,085
Options:						
Average number of contracts purchased					171,590	41,890
Average number of contracts written	749,094	2,180,280	982,918	10,610,152	2,575,790	32,453,405
Average notional value of contracts purchased					\$ 14,707,025	\$ 3,692,563
Average notional value of contracts written	\$ 107,321,941	\$ 304,439,138	\$ 59,584,210	\$ 55,305,664	\$ 279,333,848	\$ 687,394,714

**Table of Contents****Notes to Financial Statements (continued)**

	<b>BME</b>	<b>BGY</b>	<b>BCF</b>	<b>BCX</b>	<b>BQY</b>
Foreign currency exchange contracts:					
Average number of contracts - US dollars purchased	2	7	3	2	3
Average number of contracts - US dollars sold	2	6	1	6	2
Average US dollar amounts purchased	\$ 72,757	\$ 4,848,739	\$ 450,592	\$ 148,934	\$ 426,352
Average US dollar amounts sold	\$ 766,595	\$ 6,411,011	\$ 39,594	\$ 16,254,500	\$ 23,774
Options:					
Average number of contracts purchased	148	45,245	710	788	1,460
Average number of contracts written	378,192	56,133,990	9,529,567	4,979,717	952,696
Average notional value of contracts purchased	\$ 477,500	\$ 7,026,075	\$ 5,064,400	\$ 4,381,250	\$ 1,898,000
Average notional value of contracts written	\$ 73,261,346	\$ 578,530,775	\$ 240,783,685	\$ 237,039,201	\$ 33,075,728

**3. Investment Advisory Agreement and Other Transactions with Affiliates:**

The PNC Financial Services Group, Inc. ( PNC ) and Barclays Bank PLC ( Barclays ) are the largest stockholders of BlackRock, Inc. ( BlackRock ). Due to the ownership structure, PNC is an affiliate for 1940 Act purposes, but Barclays is not.

Each Trust entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager ), the Trusts' investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Trust's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Trust. For such services, each Trust pays the Manager a monthly fee at the following annual rates of the average weekly value of each Trust's net assets: 0.65% for BDV, 1.00% for BDJ, 0.75% for BDT, 1.20% for BQR, 1.20% for BGR, 1.00% for BOE, 1.00% for BME, 1.00% for BGY, 1.20% for BCF and 0.75% for BQY. BCX pays the Manager a monthly fee at the annual rate of 1.20% of the average daily value of the Trust's net assets. The Manager has voluntarily agreed to waive a portion of the investment advisory fees on BGR and BCF as a percentage of their average weekly net assets as follows:

		<b>Expiration Date</b>
BGR	0.15%	December 29, 2010
	0.10%	December 29, 2011
BCF	0.05%	December 29, 2012
	0.20%	September 29, 2011
	0.15%	September 29, 2012
	0.10%	September 29, 2013
	0.05%	September 29, 2014

The Manager has voluntarily agreed to waive a portion of the investment advisory fees on BCX as a percentage of its average daily net assets as follows:

## Edgar Filing: VENTAS INC - Form PRE 14A

		<b>Expiration Date</b>
BCX	0.20%	October 31, 2015
	0.15%	October 31, 2016
	0.10%	October 31, 2017
	0.05%	October 31, 2018

The Manager entered into separate sub-advisory agreements with BlackRock Financial Management, Inc. for BDV, BDJ, BDT and BQY, State Street Research & Management Co. for BGR, BlackRock Investment Management, LLC ( BIM ) and BlackRock Capital Management, Inc. for BGY, BCF and BCX, and BlackRock International Ltd. for BQR and BCF, each an affiliate of the Manager. The Manager pays each sub-advisor for services they provide, a monthly fee that is a percentage of the investment advisory fee paid by each Trust to the Manager.

Certain Trusts received an exemptive order from the SEC permitting them, among other things, to pay an affiliated securities lending agent a fee based on a share of the income derived from the securities lending activities and has retained BIM as the securities lending agent. BIM may, on behalf of the Trusts, invest cash collateral received by the Trusts for such loans, among other things, in a private investment company managed by the Manager or in registered money market funds advised by the Manager or its affiliates. The market value of securities on loan and the value of the related collateral, if applicable, are shown in the Statements of Assets and Liabilities as securities loaned at value and collateral on securities loaned at value, respectively. The cash collateral invested by BIM is disclosed in the Schedules of Investments. The share of income earned by the Trusts on such investments is shown as securities lending affiliated in the Statements of Operations. For the period ended October 31, 2011, BIM received \$53,982 in securities lending agent fees related to securities lending activities for the Trusts.

Certain officers and/or trustees of the Trusts are officers and/or trustees of BlackRock or its affiliates. The Trusts reimburse the Manager for compensation paid to the Trusts Chief Compliance Officer.



**Table of Contents****Notes to Financial Statements (continued)****4. Investments:**

Purchases and sales of investment securities, excluding short-term securities for the period ended October 31, 2011, were as follows:

	<b>Purchases</b>	<b>Sales</b>
BDV	\$ 663,794,049	\$ 680,565,494
BDJ	\$ 1,344,500,373	\$ 1,344,895,769
BDT	\$ 152,591,307	\$ 159,542,120
BQR	\$ 107,902,224	\$ 112,957,043
BGR	\$ 964,697,404	\$ 970,438,303
BOE	\$ 3,120,245,592	\$ 3,100,595,275
BME	\$ 449,867,234	\$ 460,823,659
BGY	\$ 2,307,892,090	\$ 2,308,207,147
BCF	\$ 622,593,720	\$ 642,690,976
BCX	\$ 913,728,203	\$ 139,252,849
BQY	\$ 77,308,139	\$ 87,163,392

Transactions in options written for the period ended October 31, 2011, were as follows:

	<b>Calls</b>		<b>Puts</b>	
	<b>Contracts</b>	<b>Premiums Received</b>	<b>Contracts</b>	<b>Premiums Received</b>
	<b>BDV</b>			
Options outstanding at beginning of year	1,058,624	\$ 2,081,824		
Options written	5,961,152	18,883,452	300	\$ 16,049
Options expired	(3,251,992)	(7,867,401)	(200)	(5,832)
Options closed	(224,807)	(1,813,778)		
Options exercised	(2,879,524)	(8,079,336)	(100)	(10,217)
Options outstanding at end of year	663,453	\$ 3,204,761		\$
	<b>BDJ</b>			
Options outstanding at beginning of year	3,415,728	\$ 5,867,239		
Options written	17,571,894	52,998,329	910	\$ 45,698
Options expired	(9,573,012)	(22,470,097)	(720)	(32,825)
Options closed	(677,762)	(4,241,228)		
Options exercised	(8,810,048)	(23,206,335)	(190)	(12,873)
Options outstanding at end of year	1,926,800	\$ 8,947,908		\$

Edgar Filing: VENTAS INC - Form PRE 14A

<b>BDT</b>				
Options outstanding at beginning of year	1,184,538	\$ 1,666,095		
Options written	6,563,496	10,726,329		
Options expired	(3,289,598)	(4,781,337)		
Options closed	(551,386)	(1,258,138)		
Options exercised	(3,128,647)	(4,166,463)		
Options outstanding at end of year	778,403	\$ 2,186,486		
			<b>Calls</b>	<b>Puts</b>
	<b>Contracts</b>	<b>Premiums Received</b>	<b>Contracts</b>	<b>Premiums Received</b>
<b>BQR</b>				
Options outstanding at beginning of year	10,733,762	\$ 1,877,185		
Options written	74,664,029	12,700,615		
Options expired	(41,853,234)	(7,019,201)		
Options closed	(26,049,387)	(2,467,250)		
Options exercised	(7,349,725)	(3,264,723)		
Options outstanding at end of year	10,145,445	\$ 1,826,626		
<b>BGR</b>				
Options outstanding at beginning of year	3,926,254	\$ 10,749,311	60,000	\$ 54,000
Options written	14,810,882	63,399,973	30	2,820
Options expired	(5,660,855)	(24,157,234)	(60,030)	(56,820)
Options closed	(2,713,339)	(11,849,654)		
Options exercised	(6,246,872)	(24,578,870)		
Options outstanding at end of year	4,116,070	\$ 13,563,526		\$
<b>BOE</b>				
Options outstanding at beginning of year	38,327,827	\$ 21,081,150	61,617	\$ 703,043
Options written	252,546,662	164,043,031	472,707	1,437,266
Options expired	(134,769,331)	(76,651,535)	(452,145)	(728,012)
Options closed	(65,597,195)	(35,137,147)	(5,820)	(487,899)
Options exercised	(59,886,163)	(49,406,927)	(53,479)	(599,238)
Options outstanding at end of year	30,621,800	\$ 23,928,572	22,880	\$ 325,160
<b>BME</b>				
Options outstanding at beginning of year	876,625	\$ 2,356,405	491,849	\$ 679,120
Options written	2,393,468	13,228,636	112,008	1,025,721
Options expired	(1,323,624)	(5,002,686)	(129,181)	(636,262)
Options closed	(490,921)	(3,238,602)	(35,863)	(311,084)
Options exercised	(1,192,117)	(5,081,143)	(335,994)	(248,557)
Options outstanding at end of year	263,431	\$ 2,262,610	102,819	\$ 508,938
<b>BGY</b>				
Options outstanding at beginning of year	95,251,880	\$ 20,135,143	189,715	\$ 307,112
Options written	468,292,297	150,434,846	1,282,601	1,748,718

## Edgar Filing: VENTAS INC - Form PRE 14A

Options expired	(239,990,781)	(75,014,400)	(1,206,571)	(919,876)
Options closed	(175,983,506)	(36,891,777)	(82,855)	(299,055)
Options exercised	(91,702,298)	(37,831,864)	(173,790)	(799,982)
Options outstanding at end of year	55,867,592	\$ 20,831,948	9,100	\$ 36,917

**Table of Contents****Notes to Financial Statements (continued)**

		<b>Calls</b>		<b>Puts</b>	
		<b>Contracts</b>	<b>Premiums Received</b>	<b>Contracts</b>	<b>Premiums Received</b>
	<b>BCF</b>				
Options outstanding at beginning of year		11,941,951	\$ 11,565,925	17,690	\$ 23,507
Options written		61,529,829	66,248,827	725	41,392
Options expired		(35,024,563)	(30,712,677)	(18,415)	(64,899)
Options closed		(13,457,013)	(14,503,725)		
Options exercised		(15,789,869)	(20,905,259)		
Options outstanding at end of year		9,200,335	\$ 11,693,091		\$

	<b>BCX</b>				
Options outstanding at beginning of period					
Options written		22,942,316	\$ 27,691,355	3,691,217	\$ 15,041,790
Options expired		(14,526,338)	(13,116,164)	(1,101,432)	(5,979,408)
Options closed		(676,895)	(2,524,600)	(429,234)	(1,468,718)
Options exercised		(1,141,519)	(3,436,291)	(2,143,546)	(6,836,452)
Options outstanding at end of period		6,597,564	\$ 8,614,300	17,005	\$ 757,212

		<b>Calls</b>		<b>Puts</b>	
		<b>Contracts</b>	<b>Premiums Received</b>	<b>Contracts</b>	<b>Premiums</b>
	<b>BQY</b>				
Options outstanding at beginning of year		958,208	\$ 783,029		
Options written		6,025,511	5,337,061	\$ 97,599	\$ 388,050
Options expired		(3,815,362)	(2,608,340)		
Options closed		(681,940)	(841,027)		
Options exercised		(1,683,253)	(1,788,378)		
Options outstanding at end of year		803,164	\$ 882,345	\$ 97,599	\$ 388,050

As of October 31, 2011, the value of portfolio securities subject to covered call options written were as follows:

	<b>Value</b>
BDV	\$ 106,445,585

Edgar Filing: VENTAS INC - Form PRE 14A

BDJ	\$ 301,935,516
BDT	\$ 58,077,153
BQR	\$ 47,277,959
BGR	\$ 258,879,536
BOE	\$ 600,985,759
BME	\$ 64,692,574
BGY	\$ 469,056,488
BCF	\$ 223,601,734
BCX	\$ 225,466,304
BQY	\$ 27,246,896

**5. Income Tax Information:**

Reclassifications: US GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. The following permanent differences as of October 31, 2011 attributable to foreign currency transactions, net operating losses, the sale of stock of passive foreign investment companies, non-deductible expenses, income recognized from pass-through entities, distributions paid in excess of taxable income and the accounting for real estate investment trusts were reclassified to the following accounts:

	<b>BDV</b>	<b>BDJ</b>	<b>BDT</b>	<b>BQR</b>	<b>BGR</b>	<b>BOE</b>
Paid-in capital	\$ (22,566,241)	\$ (25,151,080)	\$ (10,230,958)			\$ (47,039,544)
Distributions in excess of net investment income	\$ 22,568,289	\$ 25,160,785	\$ 10,194,939	\$ 40,510	\$ (1,969,923)	\$ 46,690,647
Accumulated net realized gain (loss)	\$ (2,048)	\$ (9,705)	\$ 36,019	\$ (40,510)	\$ 1,969,923	\$ 348,897

  

	<b>BME</b>	<b>BGY</b>	<b>BCF</b>	<b>BCX</b>	<b>BQY</b>
Paid-in capital		\$ (58,786,382)	\$ (7,772,360)	\$ (33,000)	
Distributions in excess of net investment income	\$ 59,673	\$ 59,202,137	\$ 7,815,209	\$ 87,386	\$ 3,828
Accumulated net realized gain (loss)	\$ (59,673)	\$ (415,755)	\$ (42,849)	\$ (54,386)	\$ (3,828)

**Table of Contents****Notes to Financial Statements (continued)**

The tax character of distributions paid during the fiscal periods ended October 31, 2011 and October 31, 2010 was as follows:

	<b>BDV</b>	<b>BDJ</b>	<b>BDT</b>	<b>BQR</b>	<b>BGR</b>	<b>BOE</b>
Ordinary income						
10/31/2011	\$ 35,495,691	\$ 36,586,504	\$ 17,490,218	\$ 1,319,946	\$ 48,221,272	\$ 95,268,134
10/31/2010	35,436,905	12,098,232	17,490,218	582,037	48,221,272	115,814,295
Long-term capital gains						
10/31/2011						5,437,511
10/31/2010						
Tax return of capital						
10/31/2011		22,727,186		11,960,055		56,895,764
10/31/2010		57,140,851		13,928,324		40,455,279
Total						
10/31/2011	\$ 35,495,691	\$ 59,313,690	\$ 17,490,218	\$ 13,280,001	\$ 48,221,272	\$ 157,601,409
10/31/2010	\$ 35,436,905	\$ 69,239,083	\$ 17,490,218	\$ 14,510,361	\$ 48,221,272	\$ 156,269,574
		<b>BME</b>	<b>BGY</b>	<b>BCF</b>	<b>BCX</b>	<b>BQY</b>
Ordinary income						
10/31/2011		\$ 16,827,606	\$ 74,188,180	\$ 40,567,591	\$ 11,264,280	\$ 3,275,226
10/31/2010		2,917,983	13,597,240	42,492,192		3,078,482
Long-term capital gains						
10/31/2011		163,795				2,757,802
10/31/2010		8,753,948				1,823,354
Tax return of capital						
10/31/2011			75,397,237	21,521,515	21,259,041	
10/31/2010			159,367,997	19,209,691		
Total						
10/31/2011		\$ 16,991,401	\$ 149,585,417	\$ 62,089,106	\$ 32,523,321	\$ 6,033,028
10/31/2010		\$ 11,671,931	\$ 172,965,237	\$ 61,701,883		\$ 4,901,836

As of October 31, 2011, the tax components of accumulated earnings (losses) were as follows:

	<b>BDV</b>	<b>BDJ</b>	<b>BDT</b>	<b>BQR</b>	<b>BGR</b>	<b>BOE</b>
Undistributed ordinary income					\$ 15,521,633	
Capital loss carryforwards	\$(88,945,074)	\$(209,411,636)	\$(14,710,971)	\$(32,015,809)		\$(173,479,816)
Net unrealized gains (losses)*	(8,833,541)	(18,058,439)	(12,711,264)	(40,733,716)	147,203,868	(63,092,584)

Edgar Filing: VENTAS INC - Form PRE 14A

**Total** \$(97,778,615) \$(227,470,075) \$(27,422,235) \$(72,749,525) \$162,725,501 \$(236,572,400)

	<b>BME</b>	<b>BGY</b>	<b>BCF</b>	<b>BCX</b>	<b>BQY</b>
Undistributed ordinary income	\$ 1,055,274				\$ 2,839,420
Undistributed long-term capital gains	9,187,883				
Capital loss carryforwards		\$ (522,754,566)			
Net unrealized gains (losses)*	15,182,984	(79,159,705)	\$ 26,090,309	\$ (82,481,739)	(3,695,465)
<b>Total</b>	\$ 25,426,141	\$ (601,914,271)	\$ 26,090,309	\$ (82,481,739)	\$ (856,045)

\*The difference between book-basis and tax-basis net unrealized gains (losses) was attributable primarily to the tax deferral of losses on wash sales and straddles, the realization for tax purposes of unrealized gains (losses) on certain foreign currency contracts, the realization for tax purposes of unrealized gains on investments in passive foreign investment companies, the timing and recognition of partnership income, the deferral of compensation to trustees and the accounting for real estate investment trusts.

**Table of Contents****Notes to Financial Statements (continued)**

As of October 31, 2011, the Trusts had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

Expires October 31,	BDV	BDJ	BDT	BQR	BOE	BGY
2016		\$ 4,550,945			\$135,331,775	
2017	\$88,945,074	196,333,943	\$14,710,971	\$21,140,114	38,148,041	\$467,149,104
2018		8,526,748		9,080,494		55,605,462
2019				1,795,201		
<b>Total</b>	\$88,945,074	\$209,411,636	\$14,710,971	\$32,015,809	\$173,479,816	\$522,754,566

Under the recently enacted Regulated Investment Company Modernization Act of 2010, capital losses incurred by the Trust after October 31, 2011 will not be subject to expiration. In addition, any such losses must be utilized prior to the losses incurred in pre-enactment taxable years.

**6. Concentration, Market and Credit Risk:**

BOE and BQY invest a substantial amount of their assets in issuers located in a single country or a limited number of countries. Please see the Schedules of Investments for concentrations in specific countries.

In the normal course of business, the Trusts invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Trusts may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Trusts; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Trusts may be exposed to counterparty risk, or the risk that an entity with which the Trusts have unsettled or open transactions may fail to or be unable to perform on its commitments. The Trusts manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Trusts to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Trusts' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Trusts Statements of Assets and Liabilities, less any collateral held by the Trusts.

As of October 31, 2011, the Trusts listed below invest a significant portion of their assets in the following sectors:

Financials  
Materials  
Utilities  
Energy  
Health Care

BDT  
BQR, BCF, BCX  
BDT, BQR  
BGR, BCF, BCX  
BME

Changes in economic conditions affecting these sectors would have a greater impact on these Trusts, and could affect the value, income and/or liquidity of positions in such securities.



## Edgar Filing: VENTAS INC - Form PRE 14A

As of October 31, 2011, the industry classifications of the Trusts' long-term investments are listed below:

Industry	BOE	BGY	BQY
Oil, Gas & Consumable Fuels	8%	7%	13%
Commercial Banks	8	12	9
Pharmaceuticals	7	5	10
Insurance	5	6	3
Food Products	5	5	1
Metals & Mining	4	6	2
Diversified Financial Services	4	6	
Semiconductors & Semiconductor Equipment	4	5	3
Diversified Telecommunication	3	4	5
Tobacco	1	2	5
Other*	51	42	49

\* All other industries held were each less than 5%.

### 7. Capital Share Transactions:

There are an unlimited number of \$0.001 par value common shares of beneficial interest authorized for each Trust. At October 31, 2011, 6,964 shares of BCX were owned by an affiliate of the Manager.

Transactions in common shares of beneficial interest for the period ended October 31, 2011 were as follows:

Trust	Commencement of Investment Operations	Initial Public Offering	Underwriters Exercising the Over-Allotment Option
BCX	March 30, 2011	43,756,964	2,591,500

Upon commencement of operations, organization costs associated with the establishment of BCX were expensed by BCX. Offering costs incurred in connection with BCX's offering of shares have been charged against the proceeds from the initial share offering in the amount of \$1,544,562.

**Table of Contents****Notes to Financial Statements (concluded)**

Shares issued and outstanding during the period ended October 31, 2011 and the year ended October 31, 2010 increased by the following amounts as a result of dividend reinvestments:

	<b>Period Ended October 31, 2011</b>	<b>Year Ended October 31, 2010</b>
BDV	120,588	
BDJ	451,773	874,108
BQR	217,185	279,540
BOE	426,634	486,833
BME	14,101	
BGY		2,045,205
BCF	128,189	337,063
BCX	226,846	N/A

Shares issued and outstanding remained constant for BDT, BGR and BQY for the years ended October 31, 2011 and 2010.

**8. Subsequent Events:**

Management's evaluation of the impact of all subsequent events on the Trusts' financial statements was completed through the date the financial statements were issued and the following items were noted:

Subsequent to October 31, 2011, the Board declared distributions per common share as follows:

	<b>Record Date</b>	<b>Payable Date</b>	<b>Distribution per Common Share</b>
BOE	11/15/11	11/30/11	\$ 0.56875
BQY	11/15/11	11/30/11	\$ 0.25000

---

**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

**To the Board of Trustees and Shareholders of:**

**BlackRock Equity Dividend Trust (formerly known as BlackRock Dividend Achievers Trust)**

**BlackRock Enhanced Equity Dividend Trust (formerly known as BlackRock Enhanced Dividend Achievers Trust)**

**BlackRock Strategic Equity Dividend Trust (formerly known as BlackRock Strategic Dividend Achievers Trust)**

**BlackRock EcoSolutions Investment Trust**

**BlackRock Energy and Resources Trust**

**BlackRock Global Opportunities Equity Trust BlackRock Health Sciences Trust**

**BlackRock International Growth and Income Trust BlackRock Real Asset Equity Trust**

**BlackRock S&P Quality Rankings Global Equity Managed Trust**

**BlackRock Resources & Commodities Strategy Trust ( BCX ) (Collectively, the Trusts )**

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of the Trusts and the consolidated statement of assets and liabilities, including the consolidated schedule of investments, of BCX, as of October 31, 2011, and the related statements of operations for the Trusts for the year then ended, the consolidated statement of operations for BCX for the period March 30, 2011 (commencement of operations) through October 31, 2011, the statements of changes in net assets for the Trusts for each of the two years in the period ended October 31, 2011, the consolidated statement of changes in net assets for BCX for the period March 30, 2011 (commencement of operations) through October 31, 2011, and the financial highlights for the Trusts, and for BCX, for each of the periods presented. These financial statements and financial highlights are the responsibility of the management of the Trusts and BCX. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards

require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trusts and BCX are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts and BCX's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2011, by correspondence with the custodian and counterparties; where replies were not received from counterparties, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the respective financial positions of the Trusts and BCX as of October 31, 2011, the results of the operations for the Trusts for the year then ended and BCX for the period March 30, 2011 (commencement of operations) through October 31, 2011, the changes in net assets for the Trusts for each of the two years in the period ended October 31, 2011, and BCX for the period March 30, 2011 (commencement of operations) through October 31, 2011, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Edgar Filing: VENTAS INC - Form PRE 14A

Deloitte & Touche LLP

Philadelphia, Pennsylvania

December 22, 2011

ANNUAL REPORT

OCTOBER 31, 2011

127

**Table of Contents****Important Tax Information**

The following information is provided with respect to the distributions paid during the taxable period ended October 31, 2011.

	Payable Date	Long-Term Capital Gains	Non-Taxable Return of Capital	Qualifying Dividend Income for Individuals <sup>1</sup>	Dividends Qualifying for the Dividends Received Deduction for Corporations <sup>1</sup>	Short-Term Capital Gain Dividends for Non-U.S. Residents <sup>2</sup>	Foreign Source Income	Foreign Taxes Paid <sup>3</sup>
<b>BDV</b>	12/31/10			35.08%	35.08%			
	3/31/11 - 9/30/11			51.14%	52.39%			
<b>BDJ</b>	12/31/10			19.01%	19.01%			
	3/31/11 - 9/30/11		54.28%	27.98%	30.47%			
<b>BDT</b>	12/31/10			43.06%	43.06%			
	3/31/11 - 9/30/11			49.70%	49.98%			
<b>BQR</b>	12/31/10			12.05%	3.82%			
	3/31/11 - 9/30/11		100.00%					
<b>BGR</b>	12/31/10			26.96%	17.05%	68.93%		
	3/31/11 - 9/30/11			11.69%	3.05%	90.51%		
<b>BOE</b>	11/30/10			9.90%	4.03%			
	2/28/11 - 8/31/11	4.60%	48.08%	14.51%	5.87%	31.04%		
<b>BME</b>	12/31/10	1.99%		21.65%	13.37%	98.01%		
	3/31/11 - 9/30/11			21.60%	16.41%	100.00%		
<b>BGY</b>	12/31/10			9.29%	0.44%		3.60%	0.54%
	3/31/11 - 9/30/11		65.71%	15.86%			14.17%	2.22%
<b>BCF</b>	12/31/10			11.84%	7.59%			
	3/31/11 - 9/30/11		46.20%	22.50%	7.94%	61.48%		
<b>BCX</b>	3/31/11 - 9/30/11		65.37%	13.70%	4.17%	34.63%		
<b>BQY</b>	11/30/10			72.74%	39.57%	64.08%		
	2/28/11 - 8/31/11	60.95%		36.61%	15.16%	22.30%		

<sup>1</sup> The Trusts hereby designate the percentages indicated above to the maximum amount allowable by law.

<sup>2</sup> Represents the portion of the dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

<sup>3</sup> The foreign taxes paid represent taxes incurred by the fund on dividends received from foreign sources. Foreign taxes paid may be included in taxable income with an offsetting deduction from gross income or may be taken as a credit for taxes paid to foreign governments. You should consult your tax advisor regarding the appropriate treatment of foreign taxes paid.



**Table of Contents****Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement**

The Board of Trustees (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members) of BlackRock Equity Dividend Trust (BDV), BlackRock Enhanced Equity Dividend Trust (BDJ), BlackRock Strategic Equity Dividend Trust (BDT), BlackRock EcoSolutions Investment Trust (BQR), BlackRock Energy and Resources Trust (BGR), BlackRock Global Opportunities Equity Trust (BOE), BlackRock Health Sciences Trust (BME), BlackRock International Growth and Income Trust (BGY), BlackRock Real Asset Equity Trust (BCF) and BlackRock S&P Quality Rankings Global Equity Managed Trust (BQY and together with BDV, BDJ, BDT, BQR, BGR, BOE, BME, BGY and BCF, each a Fund and, collectively, the Funds) met on April 14, 2011 and May 12-13, 2011 to consider the approval of each Fund's investment advisory agreement (each, an Advisory Agreement) with BlackRock Advisors, LLC (the Manager), each Fund's investment advisor. Each Board also considered the approval of the sub-advisory agreement (each, a Sub-Advisory Agreement) between the Manager and one of the following sub-advisors, as the case may be: BlackRock Financial Management, Inc.; State Street Research & Management Company; BlackRock Investment Management, LLC; BlackRock International Limited; and BlackRock Capital Management, Inc. (each, a Sub-Advisor), with respect to its respective Fund. The Manager and the Sub-Advisor are referred to herein as BlackRock. The Advisory Agreements and the Sub-Advisory Agreements are referred to herein as the Agreements.

**Activities and Composition of the Board**

Each Board consists of eleven individuals, nine of whom are not interested persons of such Fund as defined in the Investment Company Act of 1940 (the 1940 Act) (the Independent Board Members). The Board Members are responsible for the oversight of the operations of the Funds and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of the Board is an Independent Board Member. Each Board has established five standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee and an Executive Committee, each of which is composed of Independent Board Members (except for the Executive Committee, which also has one interested Board Member) and is chaired by an Independent Board Member. The Boards, together with the boards of other BlackRock-managed funds, also had established an ad hoc committee, the Joint Product Pricing Committee, which consisted of Independent Board Members and the directors/trustees of the boards of certain other BlackRock-managed funds, who were not interested persons of their respective funds.

**The Agreements**

Pursuant to the 1940 Act, the Boards are required to consider the continuation of the Agreements on an annual basis. In connection with this process, the Boards assessed, among other things, the nature, scope and quality of the services provided to the Funds by BlackRock, its personnel and its affiliates, including investment management, administrative and shareholder services, oversight of fund accounting and custody, marketing services, risk oversight, compliance program and assistance in meeting applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, considered at each of their meetings, and from time to time as appropriate, factors that are relevant to their annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-, three- and five-year periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management's and portfolio managers' analyses of the reasons for any over performance or underperformance against their peers and/or benchmark, as applicable; (b) fees, including advisory and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center and fund accounting; (c) Fund operating expenses and how BlackRock allocates expenses to the Funds; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Funds' investment objectives, policies and restrictions; (e) the Funds' compliance with their Code of Ethics and other compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock's and other service providers' internal controls and risk and compliance oversight mechanisms; (h) BlackRock's implementation of the proxy voting policies approved by the Boards; (i) the use of brokerage commissions and execution quality of portfolio transactions; (j) BlackRock's implementation of the Funds' valuation and liquidity procedures; (k) analyses of contractual and actual management fee ratios for products with similar investment objectives across the open-end fund, closed-end fund and institutional account product channels, as applicable; (l) BlackRock's compensation methodology for its investment professionals and the incentives it creates; and (m) periodic updates on BlackRock's business.

**Board Considerations in Approving the Agreements**

**The Approval Process:** Prior to the April 14, 2011 meeting, the Boards requested and received materials specifically relating to the Agreements. The Boards are engaged in a process with BlackRock to review periodically the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the April meeting included (a) information independently compiled and prepared by Lipper, Inc. ( Lipper ) on Fund fees and expenses and the investment performance of the Funds as compared with their respective peer group of funds as determined by Lipper ( Peers ); (b) information on the profitability of the Agreements to BlackRock and a discussion of fall-out benefits to BlackRock and its affiliates and significant



**Table of Contents****Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement**

shareholders; (c) general analyses provided by BlackRock concerning investment management fees (a combination of the advisory fee and the administration fee, if any) charged to other clients, such as institutional clients and open-end funds, under similar investment mandates, as applicable; (d) the impact of economies of scale; (e) a summary of aggregate amounts paid by each Fund to BlackRock and (f) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At an in-person meeting held on April 14, 2011, the Boards reviewed materials relating to their consideration of the Agreements. As a result of the discussions that occurred during the April 14, 2011 meeting, and as a culmination of the Boards' year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the May 12-13, 2011 Board meeting.

At an in-person meeting held on May 12-13, 2011, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund and the Sub-Advisory Agreement between the Manager and the Sub-Advisor with respect to its Fund, each for a one-year term ending June 30, 2012. In approving the continuation of the Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Funds; (d) economies of scale; (e) fall-out benefits to BlackRock as a result of its relationship with the Funds; and (f) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as services related to the valuation and pricing of Fund portfolio holdings, direct and indirect benefits to BlackRock and its affiliates and significant shareholders from their relationship with Funds and advice from independent legal counsel with respect to the review process and materials submitted for the Boards' review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as controlling, and each Board Member may have attributed different weights to the various items considered.

**A. Nature, Extent and Quality of the Services Provided by BlackRock**

The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the Funds. Throughout the year, the Boards compared Fund performance to the performance of a comparable group of closed-end funds and/or the performance of a relevant benchmark, if any. The Boards met with BlackRock's senior management personnel responsible for investment operations, including the senior investment officers. Each Board also reviewed the materials provided by its Fund's portfolio management

team discussing Fund performance and the Fund's investment objective, strategies and outlook.

The Boards considered, among other factors, the number, education and experience of BlackRock's investment personnel generally and their Funds' portfolio management teams, investments by portfolio managers in the funds they manage, BlackRock's portfolio trading capabilities, BlackRock's use of technology, BlackRock's commitment to compliance, BlackRock's credit analysis capabilities, BlackRock's risk analysis capabilities and BlackRock's approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock's compensation structure with respect to their Funds' portfolio management teams and BlackRock's ability to attract and retain high-quality talent and create performance incentives.

In addition to advisory services, the Boards considered the quality of the administrative and non-investment advisory services provided to the Funds. BlackRock and its affiliates provide the Funds with certain services (in addition to any such services provided to the Funds by third parties) and officers and other personnel as are necessary for the operations of the Funds. In addition to investment advisory services, BlackRock and its affiliates provide the Funds with other services, including (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) assisting with daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; and (viii) performing other administrative

## Edgar Filing: VENTAS INC - Form PRE 14A

functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock's fund administration, accounting, legal and compliance departments and considered BlackRock's policies and procedures for assuring compliance with applicable laws and regulations.

### **B. The Investment Performance of the Funds and BlackRock**

The Boards, including the Independent Board Members, also reviewed and considered the performance history of their Funds. In preparation for the April 14, 2011 meeting, the Boards worked with BlackRock and Lipper to develop a template for, and was provided with reports independently prepared by Lipper, which included a comprehensive analysis of each Fund's performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper's rankings. In connection with its review, each Board received and reviewed information regarding the investment performance, based on net asset value (NAV), of its Fund as compared to funds in that Fund's applicable Lipper category. The Boards were provided with a description of the methodology used by Lipper to select peer funds. The Boards and each

---

**Table of Contents**

## Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement

Board's Performance Oversight Committee regularly review, and meet with Fund management to discuss, the performance of the Funds throughout the year.

The Board of BQR noted that BQR performed below the median of its Lipper Performance Universe in each of the one-year, three-year and since-inception periods reported. The Board of BQR and BlackRock reviewed and discussed the reasons for BQR's underperformance during these periods compared with its Peers. The Board of BQR was informed that, among other things, BQR's new energy segment detracted from performance.

The Board of BDJ noted that BDJ performed below the median of its Lipper Performance Universe in the three- and five-year periods reported, but that BDJ performed at or above the median of its Lipper Performance Universe in the one-year period reported. The Board of BDJ and BlackRock reviewed and discussed the reasons for BDJ's underperformance during the three- and five-year periods compared with its Peers. The Board of BDJ was informed that, over the three-year period an underweight position in energy combined with weak stock selection was the only notable detractor from performance. Over the five-year period the leading detractor was the energy sector, as an underweight position and weak stock selection detracted from relative performance.

The Board of BGY noted that BGY performed below the median of its Lipper Performance Universe in each of the one-year, three-year and since-inception periods reported. The Board of BGY and BlackRock reviewed and discussed the reasons for BGY's underperformance during these periods compared with its Peers. The Board of BGY was informed that, among other things, there is a material difference in investment mandates amongst the Peers. Though BGY did underperform the constructed peer group, the predominance of the stronger-performing U.S. exposure held by the vast majority of Peers explains most, if not all, of the performance differential.

The Board of BQY noted that BQY performed below the median of its Lipper Performance Universe in the one- and three-year periods reported, but that BQY performed at or above the median of its Lipper Performance Universe in the five-year period reported. The Board of BQY and BlackRock reviewed and discussed the reasons for BQY's underperformance during the one- and three-year periods compared with its Peers. The Board of BQY was informed that, among other things, over the one-year period stock selection in energy and consumer discretionary sectors detracted from relative performance.

The Board of each of BQR, BDJ, BGY and BQY and BlackRock discussed BlackRock's strategy for improving its respective Fund's performance and BlackRock's commitment to providing the resources necessary to assist the Fund's portfolio managers and to improve the Fund's performance.

The Board of each of BGR and BDT noted that, in general, its respective Fund performed better than its Peers in that the Fund's performance was at or above the median of its Lipper Performance Universe in each of the one-, three- and five-year periods reported.

The Board of each of BDV, BOE and BME noted that, in general, its respective Fund performed better than its Peers in that the Fund's performance was at or above the median of its Lipper Performance Universe in two of the one-, three- and five-year periods reported.

The Board of BCF noted that, in general, BCF performed better than its Peers in that BCF's performance was at or above the median of its Lipper Performance Universe in two of the one-year, three-year and since-inception periods reported.

The Boards noted that BlackRock has made changes to the organization of the overall equity group management structure designed to result in a strengthened leadership team.

### **C. Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds:**

## Edgar Filing: VENTAS INC - Form PRE 14A

Each Board, including the Independent Board Members, reviewed its Fund's contractual management fee ratio compared with the other funds in its Lipper category. It also compared the Fund's total expense ratio, as well as actual management fee ratio, to those of other funds in its Lipper category. Each Board considered the services provided and the fees charged by BlackRock to other types of clients with similar investment mandates, including separately managed institutional accounts.

The Boards received and reviewed statements relating to BlackRock's financial condition and profitability with respect to the services it provided the Funds. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock's profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2010 compared to available aggregate profitability data provided for the years ended December 31, 2009, and December 31, 2008. The Boards reviewed BlackRock's profitability with respect to other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, expense allocations and business mix, and the difficulty of comparing profitability as a result of those factors.

---

**Table of Contents**

## Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards considered BlackRock's overall operating margin, in general, compared to the operating margin for leading investment management firms whose operations include advising closed-end funds, among other product types. That data indicates that operating margins for BlackRock, in general and with respect to its registered funds, are generally consistent with margins earned by similarly situated publicly traded competitors. In addition, the Boards considered, among other things, certain third party data comparing BlackRock's operating margin with that of other publicly-traded asset management firms. That third party data indicates that larger asset bases do not, in themselves, translate to higher profit margins.

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock's and its affiliates' profits relating to the management of the Funds and the other funds advised by BlackRock and its affiliates. As part of its analysis, the Boards reviewed BlackRock's methodology in allocating its costs to the management of the Funds. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards.

The Board of each of BQR, BDJ, BDV, BOE, BME, BGY, BQY and BDT noted that its respective Fund's contractual management fee ratio (a combination of the advisory fee and the administration fee, if any) was lower than or equal to the median contractual management fee ratio paid by the Fund's Peers, in each case before taking into account any expense reimbursements or fee waivers.

The Board of BGR noted that BGR's contractual management fee ratio (a combination of the advisory fee and the administration fee, if any) was above the median contractual management fee ratio paid by BGR's Peers, in each case before taking into account any expense reimbursements or fee waivers. The Board of BGR also noted, however, that BGR's actual management fee ratio, after giving effect to any expense reimbursements or fee waivers by BlackRock, was lower than or equal to the median actual management fee ratio paid by BGR's Peers, after giving effect to any expense reimbursements or fee waivers.

The Board of BCF noted that BCF's contractual management fee ratio (a combination of the advisory fee and the administration fee, if any) was above the median contractual management fee ratio paid by BCF's Peers, in each case before taking into account any expense reimbursements or fee waivers. The Board of BCF also noted, however, that BCF's contractual management fee ratio was reasonable relative to the median contractual management fee ratio paid by BCF's Peers.

### **D. Economies of Scale**

Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Fund increase. Each Board also considered the extent to which its Fund benefits from such economies and whether there should be changes in the advisory fee rate or structure in order to enable the Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of the Fund. Based on the ad hoc Joint Product Pricing Committee's and each Board's review and consideration of this issue, each Board concluded that closed-end funds are typically priced at scale at a fund's inception; therefore, the implementation of breakpoints was not necessary.

The Boards noted that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. The Boards noted that only one closed-end fund in the Fund Complex has breakpoints in its advisory fee structure.

### **E. Other Factors Deemed Relevant by the Board Members**

The Boards, including the Independent Board Members, also took into account other ancillary or fall-out benefits that BlackRock or its affiliates and significant shareholders may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock's ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock's profile in the investment advisory community, and the engagement of BlackRock's affiliates as service providers to the Funds, including securities lending services. The Boards also considered BlackRock's overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain

## Edgar Filing: VENTAS INC - Form PRE 14A

registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that BlackRock's funds may invest in affiliated ETFs without any offset against the management fees payable by the funds to BlackRock.

In connection with its consideration of the Agreements, the Boards also received information regarding BlackRock's brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace and that shareholders are able to sell their Fund shares in the secondary market if they believe that the Fund's fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

---

**Table of Contents**

## Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement (concluded)

### **Conclusion**

Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund for a one-year term ending June 30, 2012 and the Sub-Advisory Agreement between the Manager and the Sub-Advisor, with respect to its Fund, for a one-year term ending June 30, 2012. As part of its approval, each Board considered the detailed review of BlackRock's fee structure, as it applies to its Fund, conducted by the ad hoc Joint Product Pricing Committee. Based upon its evaluation of all of the aforementioned factors in their totality, each Board, including the Independent Board Members, was satisfied that the terms of the Agreements were fair and reasonable and in the best interest of its Fund

and its shareholders. In arriving at its decision to approve the Agreements, no Board identified any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making these determinations. The contractual fee arrangements for the Funds reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board Members' conclusions may be based in part on their consideration of these arrangements in prior years.

## Automatic Dividend Reinvestment Plans

Pursuant to each Trust's Dividend Reinvestment Plan (the "Reinvestment Plan"), Common Shareholders are automatically enrolled, to have all distributions of dividends and capital gains reinvested by BNY Mellon Shareowner Services (the "Reinvestment Plan Agent") in the respective Trust's shares pursuant to the Reinvestment Plan. Shareholders who do not participate in the Reinvestment Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Reinvestment Plan Agent, which serves as agent for the shareholders in administering the Reinvestment Plan.

After the Trusts declare a dividend or determines to make a capital gain distribution, the Reinvestment Plan Agent will acquire shares for the participants' account, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Trust ( "newly issued shares") or (ii) by purchase of outstanding shares on the open market, on a Trust's primary exchange ( "open market purchases"). If, on the dividend payment date, the net asset value per share ( "NAV") is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as "market premium"), the Reinvestment Plan Agent will invest the dividend amount in newly issued shares acquired on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the dividend payment date, the dollar amount of the dividend will be divided by 95% of the market price on the dividend payment date. If, on the dividend payment date, the NAV is greater than the market price per share plus estimated brokerage commissions (such condition being referred to herein as "market discount"), the Reinvestment Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases. If the Reinvestment Plan Agent is unable to invest the full dividend amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Reinvestment Plan Agent will

## Edgar Filing: VENTAS INC - Form PRE 14A

invest any un-invested portion in newly issued shares. Investments in newly issued shares made in this manner would be made pursuant to the same process described above and the date of issue for such newly issued shares will substitute for the dividend payment date.

Participation in the Reinvestment Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Reinvestment Plan Agent prior to the dividend record date. Additionally, the Reinvestment Plan Agent seeks to process notices received after the record date but prior to the payable date and such notices often will become effective by the payable date. Where late notices are not processed by the applicable payable date, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Reinvestment Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by each Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Reinvestment Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any federal income tax that may be payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Reinvestment Plan. There is no direct service charge to participants in the Reinvestment Plan; however, each Trust reserves the right to amend the Reinvestment Plan to include a service charge payable by the participants. Participants that request a sale of shares through the BNY Mellon Shareowner Services are subject to a \$0.02 per share sold brokerage commission. All correspondence concerning the Reinvestment Plan should be directed to the Reinvestment Plan Agent: BNY Mellon Share owner Services, P.O. Box 358035, Pittsburgh, PA 15252-8035; Telephone 1-866-216-0242.



**Table of Contents****Officers and Trustees**

<b>Name, Address, and Year of Birth</b>	<b>Position(s) Held with Trust</b>	<b>Length of Time Served as a Trustee<sup>2</sup></b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Number of BlackRock-Advised Registered Investment Companies ( RICs ) Consisting of Investment Portfolios ( Portfolios ) Overseen</b>	<b>Public Directorships</b>
<b>Non-Interested Trustees<sup>1</sup></b>					
<b>Richard E. Cavanagh</b> 55 East 52nd Street New York, NY 10055 1946	Chairman of the Board and Trustee	Since 2003	Trustee, Aircraft Finance Trust since 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Trustee, Educational Testing Service since 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007.	97 RICs consisting of 97 Portfolios	Arch Chemical (chemical and allied products)
<b>Karen P. Robards</b> 55 East 52nd Street New York, NY 10055 1950	Vice Chairperson of the Board, Chairperson of the Audit Committee and Trustee	Since 2007	Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development (a not-for-profit organization) since 1987; Director of Care Investment Trust, Inc. (health care real estate investment trust) from 2007 to 2010; Director of Enable Medical Corp. from 1996 to 2005; Investment Banker at Morgan Stanley from 1976 to 1987.	97 RICs consisting of 97 Portfolios	AtriCure, Inc. (medical devices)
<b>Michael J. Castellano</b> 55 East 52nd Street New York, NY 10055 1946	Trustee and Member of the Audit Committee	Since 2011	Managing Trustee and Chief Financial Officer of Lazard Group LLC from 2001 to 2011; Chief Financial Officer of Lazard Ltd. from 2004 to 2011; Director, Support Our Aging Religions (non-profit) since 2009; Director, National Advisory Board of Church Management at Villanova University since 2010.	97 RICs consisting of 97 Portfolios	None
<b>Frank J. Fabozzi</b> 55 East 52nd Street New York, NY 10055 1948	Trustee and Member of the Audit Committee	Since 2003	Editor of and Consultant for The Journal of Portfolio Management since 1986; Professor of Finance, EDHEC Business School since 2011; Professor in the Practice of Finance and Becton Fellow, Yale University, School of Management from 2006 to 2011; Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006.	97 RICs consisting of 97 Portfolios	None
<b>Kathleen F. Feldstein</b> 55 East 52nd Street New York, NY 10055	Trustee	Since 2005	President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member of the Board of Partners Community	97 RICs consisting of 97 Portfolios	The McClatchy Company (publishing); BellSouth (telecommunications); Knight Ridder (publishing)

## Edgar Filing: VENTAS INC - Form PRE 14A

1941			Healthcare, Inc. from 2005 to 2009; Member of the Corporation of Partners HealthCare since 1995; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003; Director, Catholic Charities of Boston since 2009.		
<b>James T. Flynn</b>	Trustee and	Since 2007	Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995.	97 RICs consisting of	None
55 East 52nd Street	Member of the			97 Portfolios	
New York, NY 10055	Audit Committee				
1939					
<b>Jerrold B. Harris</b>	Trustee	Since 2007	Trustee, Ursinus College since 2000; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation since 2001; President and Chief Executive Officer, VMR Scientific Products Corporation from 1990 to 1999.	97 RICs consisting of	BlackRock Kelso Capital Corp. (business development company)
55 East 52nd Street				97 Portfolios	
New York, NY 10055					
1942					
<b>R. Glenn Hubbard</b>	Trustee	Since 2004	Dean, Columbia Business School since 2004; Columbia faculty member since 1988; Co-Director, Columbia Business School's Entrepreneurship Program from 1997 to 2004; Chairman, U.S. Council of Economic Advisers under the President of the United States from 2001 to 2003; Chairman, Economic Policy Committee of the OECD from 2001 to 2003.	97 RICs consisting of	ADP (data and information services), KKR Financial Corporation (finance), Metropolitan Life Insurance Company (insurance)
55 East 52nd Street				97 Portfolios	
New York, NY 10055					
1958					

**Table of Contents****Officers and Trustees (continued)**

Name, Address, and Year of Birth	Position(s) Held with Trust	Length of Time Served as a Trustee <sup>2</sup>	Principal Occupation(s) During Past Five Years	Number of BlackRock-Advised Registered Investment Companies ( RICs ) Consisting of Investment Portfolios	Overseen Public Directorships
----------------------------------	-----------------------------	---	--	--	-------------------------------

**Non-Interested Trustees<sup>1</sup> (concluded)**

<b>W. Carl Kester</b> 55 East 52nd Street New York, NY 10055 1951	Trustee and Member of the Audit Committee	Since 2007	George Fisher Baker Jr. Professor of Business Administration, Harvard Business School; Deputy Dean for Academic Affairs, from 2006 to 2010; Chairman of the Finance Department, Harvard Business School, from 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program of Harvard Business School, from 1999 to 2005; Member of the faculty of Harvard Business School since 1981.	97 RICs consisting of 97 Portfolios	None
--	---	------------	---	--	------

<sup>1</sup>Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 72. In 2011, the Trust s Board unanimously approved extending the mandatory retirement age for James T. Flynn by one additional year, which the Board believes would be in the best interest of shareholders.

<sup>2</sup>Date shown is the earliest date a person has served for any of Trusts covered by this annual report. Following the combination of Merrill Lynch Investment Managers, L.P. ( MLIM ) and BlackRock, Inc. ( BlackRock ) in September 2006, the various legacy MLIM and legacy BlackRock Fund boards were realigned and consolidated into three new Fund boards in 2007. As a result, although the chart shows certain Trustees as joining the Fund s board in 2007, each Trustee first became a member of the board of other legacy MLIM or legacy BlackRock Funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995 and Karen P. Robards, 1998.

**Interested Trustees<sup>3</sup>**

<b>Henry Gabbay</b> 55 East 52nd Street New York, NY 10055 1947	Trustee	Since 2007	Consultant, BlackRock from 2007 to 2008; Managing Director, BlackRock from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Bond Allocation Target Shares from 2005 to 2007; Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.	159 RICs consisting of 286 Portfolios	None
--	---------	---------------	--	---	------

## Edgar Filing: VENTAS INC - Form PRE 14A

<b>Paul L. Audet</b>  55 East 52nd Street  New York, NY 10055  1953	Trustee       Since    2011	Senior Managing Director, BlackRock, and Head of BlackRock's Real Estate business from 2008 to 2011; Member of BlackRock's Global Operating and Corporate Risk Management Committees and of the BlackRock Alternative Investors Executive Committee and Investment Committee for the Private Equity Fund of Funds business since 2008; Head of BlackRock's Global Cash Management business from 2005 to 2010; Acting Chief Financial Officer of BlackRock from 2007 to 2008; Chief Financial Officer of BlackRock from 1998 to 2005	159 RICs    s consisting of  286 Portfolios	None
---	--	---	---	------

<sup>3</sup>Mr. Audet is an interested person, as defined in the 1940 Act, of the Trust based on his position with BlackRock and its affiliates. Mr. Gabbay is an interested person of the Trust based on his former positions with BlackRock and its affiliates as well as his ownership of BlackRock and The PNC Financial Services Group, Inc. securities. Mr. Audet and Mr. Gabbay are also Directors of the BlackRock registered open-end funds. Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.

ANNUAL REPORT

OCTOBER 31, 2011

135

**Table of Contents****Officers and Trustees (continued)**

<b>Name, Address, and Year of Birth</b>	<b>Position(s) Held with Trust</b>	<b>Length of Time Served as a Trustee</b>	<b>Principal Occupation(s) During Past Five Years</b>
<b>Trust Officers<sup>1</sup></b>			
<b>John Perlowski</b> 55 East 52nd Street New York, NY 10055 1964	President and Chief Executive Officer	Since 2011	Managing Director of BlackRock since 2009; Global Head of BlackRock Fund Administration since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009.
<b>Anne Ackerly</b> 55 East 52nd Street New York, NY 10055 1962	Vice President	Since 2007 <sup>2</sup>  (VP 2011)	Managing Director of BlackRock since 2000; President and Chief Executive Officer of the BlackRock-advised funds from 2009 to 2011; Vice President of the BlackRock-advised funds from 2007 to 2009; Chief Operating Officer of BlackRock's Global Client Group since 2009; Chief Operating Officer of BlackRock's U.S. Retail Group from 2006 to 2009; Head of BlackRock's Mutual Fund Group from 2000 to 2006.
<b>Brendan Kyne</b> 55 East 52nd Street New York, NY 10055 1977	Vice President	Since 2009	Managing Director of BlackRock since 2010; Director of BlackRock from 2008 to 2009; Head of Product Development and Management for BlackRock's U.S. Retail Group since 2009 and Co-head thereof from 2007 to 2009; Vice President of BlackRock from 2005 to 2008.
<b>Neal Andrews</b> 55 East 52nd Street	Chief Financial Officer	Since 2007	Managing Director of BlackRock since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006.

## Edgar Filing: VENTAS INC - Form PRE 14A

New York, NY  
10055

1966

<b>Jay Fife</b>	Treasurer	Since	Managing Director of BlackRock since 2007; Director of BlackRock in 2006; Assistant Treasurer of the MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.
55 East 52nd Street		2007	
New York, NY 10055			

1970

<b>Brian Kindelan</b>	Chief Compliance Officer and Anti-Money Laundering Officer	Since	Chief Compliance Officer of the BlackRock-advised funds since 2007; Managing Director and Senior Counsel of BlackRock since 2005.
55 East 52nd Street		2007	
New York, NY 10055			

1959

<b>Ira P. Shapiro</b>	Secretary	Since	Managing Director of BlackRock since 2009; Managing Director and Associate General Counsel of Barclays Global Investors from 2008 to 2009; Principal thereof from 2004 to 2008.
55 East 52nd Street		2010	
New York, NY 10055			

1963

<sup>1</sup>Officers of the Trusts serve at the pleasure of the Board.

<sup>2</sup>Ms. Ackerly was President and Chief Executive Officer from 2009 to 2011.

Effective September 13, 2011, Richard S. Davis resigned as Trustee of the Trust and Paul L. Audet became Trustee of the Trust.

**Table of Contents**

**Officers and Trustees (concluded)**

**Investment Advisor**

BlackRock Advisors, LLC

Wilmington, DE 19809

**Sub-Advisors**

BlackRock Financial Management, Inc.<sup>1</sup>

New York, NY 10022

State Street Research & Management Co.<sup>2</sup>

One Financial Center

Boston, MA 02111

BlackRock Capital Management, Inc.<sup>3</sup>

Wilmington, DE 19809

BlackRock Investment Management, LLC<sup>4</sup>

Plainsboro, NJ 08536

BlackRock International Ltd.<sup>4</sup>

Edinburgh, EH3 8JB

United Kingdom

**Accounting Agent**

The Bank of New York Mellon

Brooklyn, NY 11217

**Custodian**

The Bank of New York Mellon

New York, NY 10286

**Transfer Agent**

BNY Mellon Shareowner Services

Jersey City, NJ 07310

**Independent Registered Public Accounting Firm**

Deloitte & Touche LLP

Philadelphia, PA 19103

**Legal Counsel**

Skadden, Arps, Slate, Meagher & Flom LLP

New York, NY 10036

**Address of the Trusts**

100 Bellevue Parkway

Wilmington, DE 19809

<sup>1</sup>For BDV, BDJ, BDT and BQY.

<sup>2</sup>For BGR.

<sup>3</sup>For BGY, BCF and BCX

<sup>4</sup>For BQR and BCF



**Table of Contents****Additional Information****Proxy Results**

The Annual Meeting of Shareholders was held on July 28, 2011, for shareholders of record on May 31, 2011, to elect trustee nominees for each Trust. There were no broker non-votes with regard to any of the Trusts.

Approved the Class I Trustees as follows:

	Paul L. Audet			Michael J. Castellano			R. Glenn Hubbard			W. Carl Kester		
	Votes For	Votes Withheld	Abstain	Votes For	Votes Withheld	Abstain	Votes For	Votes Withheld	Abstain	Votes For	Votes Withheld	Abstain
BDV	44,780,391	930,449	0	44,764,762	946,078	0	44,808,683	902,157	0	44,738,605	972,235	0
BDJ	60,223,658	1,771,312	0	60,225,700	1,769,270	0	60,171,253	1,823,717	0	60,235,906	1,759,064	0
BDT	20,317,700	401,920	0	20,283,163	436,457	0	20,175,337	544,283	0	20,286,875	432,745	0
BQR	11,792,759	183,271	0	11,781,307	194,723	0	11,786,685	189,345	0	11,790,973	185,057	0
BGR	26,991,225	466,952	0	26,979,972	478,205	0	26,973,196	484,981	0	26,988,132	470,045	0
BOE	58,687,951	1,357,170	0	58,635,602	1,409,519	0	58,676,363	1,368,758	0	58,752,076	1,293,045	0
BME	7,078,583	102,142	0	7,081,771	98,954	0	7,096,680	84,045	0	7,098,700	82,025	0
BGY	100,794,845	2,165,848	0	100,808,846	2,151,847	0	100,743,609	2,217,084	0	100,810,615	2,150,078	0
BCF	51,025,994	1,036,677	0	50,976,872	1,085,798	0	50,952,677	1,109,993	0	50,980,577	1,082,093	0
BQY	4,668,191	76,144	0	4,686,662	77,673	0	4,685,221	79,114	0	4,691,075	73,260	0

For the Trusts listed above, Trustees whose term of office continued after the Annual Meeting of Shareholders because they were not up for election are Richard E. Cavanagh, Frank J. Fabozzi, Kathleen F. Feldstein, James T. Flynn, Henry Gabbay, Jerrold B. Harris and Karen P. Robards.

**Trust Certification**

All Trusts, except BQY, are listed for trading on the New York Stock Exchange ( NYSE ) and have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE s listing standards. The Trusts filed with the SEC the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

## Section 19(a) Notices

These reported amounts and sources of distributions are estimates and are not being provided for tax reporting purposes. The actual amounts and sources for tax reporting purposes will depend upon each Trust's investment experience during the year and may be subject to changes based on the tax regulations. Each Trust will provide a Form 1099-DIV each calendar year that will explain the character of these dividends and distributions for federal income tax purposes.

October 31, 2011

	Total Cumulative Distributions for the Fiscal Year Return			% Breakdown of the Total Cumulative Distributions for the Fiscal Year				
	Net Investment Income	Net Realized Capital Gains	of Capital	Total Per Common Share	Net Investment Income	Net Realized Capital Gains	Return of Capital	Total Per Common Share
BDV	\$ 0.216089		\$ 0.433911	\$ 0.650000	33%		67%	100%
BDJ	\$ 0.145149		\$ 0.684851	\$ 0.830000	17%		83%	100%
BDT	\$ 0.243913		\$ 0.406087	\$ 0.650000	38%		62%	100%
BQR	\$ 0.099701		\$ 0.970299	\$ 1.070000	9%		91%	100%
BGR	\$ 0.076221	\$ 1.543779		\$ 1.620000	5%	95%		100%
BOE	\$ 0.149897		\$ 2.125103	\$ 2.275000	7%		93%	100%
BME		\$ 2.237500		\$ 2.237500		100%		100%
BGY	\$ 0.130143		\$ 1.229857	\$ 1.360000	10%		90%	100%
BCF	\$ 0.099056		\$ 0.988144	\$ 1.087200	9%		91%	100%
BCX	\$ 0.026256	\$ 0.098652	\$ 0.575092	\$ 0.700000	4%	14%	82%	100%
BQY	\$ 0.300154	\$ 0.699846		\$ 1.000000	30%	70%		100%

Each Trust estimates that it has distributed more than the amount of earned income and net realized gains; therefore, a portion of the distribution may be a return of capital. A return of capital may occur, for example, when some or all of the shareholder's investment in a Trust is returned to the shareholder. A return of capital does not necessarily reflect a Trust's investment performance and should not be confused with yield or income.

---

**Table of Contents**

**Additional Information (continued)**

**General Information**

The Trusts do not make available copies of their Statements of Additional Information because the Trusts' shares are not continuously offered, which means that the Statement of Additional Information of each Trust has not been updated after completion of the respective Trust's offerings and the information contained in each Trust's Statement of Additional Information may have become outdated.

Other than the revisions discussed in the Board approvals on page 136, there were no material changes in the Trusts' investment objectives or policies or to the Trusts' charters or by-laws that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts' portfolios.

Quarterly performance, semi-annual and annual reports and other information regarding each Trust may be found on BlackRock's website, which can be accessed at <http://www.blackrock.com>. This reference to BlackRock's website is intended to allow investors public access to information regarding each Trust and does not, and is not intended to, incorporate BlackRock's website into this report.

**Electronic Delivery**

Electronic copies of most financial reports are available on the Trusts' websites or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports and prospectuses by enrolling in the Trusts' electronic delivery program.

**Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:**

Please contact your financial advisor. Please note that not all investment advisors, banks or brokerages may offer this service.

**Householding**

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Trusts at (800) 441-7762.

**Availability of Quarterly Schedule of Investments**

The Trusts file their complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q. Each Trust's Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. Each Trust's Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

**Availability of Proxy Voting Policies and Procedures**

A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free (800) 441-7762; (2) at [www.blackrock.com](http://www.blackrock.com); and (3) on the SEC's website at

<http://www.sec.gov>.

**Availability of Proxy Voting Record**

Information about how each Trust voted proxies relating to securities held in each Trust's portfolio during the most recent 12-month period ended June 30 is available upon request and without charge (1) at [www.blackrock.com](http://www.blackrock.com) or by calling (800) 441-7762 and (2) on the SEC's website at <http://www.sec.gov>.

**Availability of Trust Updates**

BlackRock will update performance and certain other data for the Trusts on a monthly basis on its website in the Closed-end Funds section of [www.blackrock.com](http://www.blackrock.com). Investors and others are advised to periodically check the website for updated performance information and the release of other material information about the Trusts.

---

**Table of Contents****Additional Information (continued)****Board Approval**

BDV's, BDJ's, and BDT's Boards each approved changes to certain non-fundamental investment objectives and policies employed by each Trust. As a result of these changes, the Trusts no longer use Indxis's Dividend Achievers<sup>TM</sup> as the underlying universe for investment in equity securities. Pursuant to the new non-fundamental investment objectives and policies, effective May 9, 2011, each Trust broadened its investment guidelines to investing across the broader spectrum of dividend paying equities. Under normal market conditions, at least 80% of the Trust's total assets will be invested in dividend paying equities. Also, for BDT, under normal market conditions, at least 80% of the Trust's total assets will be invested in small- and mid-capitalization companies, as defined by the Russell Mid Cap Index. Similarly, the investment strategy described in the Trusts' non-fundamental investment objectives or investment policies, as the case may be for each Trust, has been modified to remove reference to "above average" dividend paying equities.

The Board has taken this action as a consequence of recent market events, during which a number of companies reduced, suspended or failed to raise their dividends over the past several years, resulting in their exclusion from consideration as Dividend Achievers<sup>TM</sup> and reducing the number of available companies for purchase in the Trusts. Given the need to raise dividends for at least ten consecutive calendar years, such companies would be excluded from consideration as Dividend Achievers<sup>TM</sup> for the foreseeable future.

In addition to the foregoing, the Board also approved changes to the Trusts' restriction on other eligible investments. Previously, the Trusts were restricted to investing, under normal market conditions, no more than 20% of their total assets in equity securities that are not identified as Dividend Achievers<sup>TM</sup> by Indxis, Inc. In similar concept to the 80% policy change, the amended policy allows the Trusts to invest, under normal market conditions, up to 20% in equity securities of issuers that do not pay dividends.

Each Trust has also removed investment policies limiting the market cap, position size or number of holdings permitted in such Trust.

BDT has removed its policy that under current market conditions, BDT's investment advisor and subadvisor will consider an issuer with a market capitalization ranking in the bottom 90% of the market capitalization of all issuers included in the Russell 3000 Index to be a small to mid-capitalization company. BDT will now invest at least 80% of its total assets in small to mid-capitalization companies, as defined by the Russell Mid Cap Index.

BDV and BDJ have each removed its policy limiting its maximum weighting of any individual issuer in its portfolio to 5% at the time of purchase. BDT has removed its policy limiting its investments under current market conditions to no more than (i) 2% of its total assets in mid-capitalization issuers; (ii) 1.5% of its total assets in any small/mid-capitalization issuer; and (iii) 0.5% of its total assets in any small capitalization issuer, at the time of purchase.

BDV and BDJ have each removed its policy limiting its portfolio to approximately 60 to 90 issuers from the top 100 highest yielding common stocks in the Dividend Achievers<sup>TM</sup> Universe. BDT has removed its policy limiting its portfolio to approximately 100 small to mid-capitalization companies included in the Russell 3000 Index.

Each Trust will remain subject to the fundamental investment restriction that such Trust may not invest 25% or more of the value of its total assets in any one industry or invest, with respect to 75% of its total assets, more than 5% of the value of its total assets in the securities of any single issuer or purchase more than 10% of the outstanding securities of any one issuer.

As disclosed in its prospectus, each Trust is required to provide shareholders 60 days notice of a change to its current non-fundamental policies described above. Accordingly, a notice describing the changes discussed above were mailed to shareholders of record as of March 9, 2011. No

## Edgar Filing: VENTAS INC - Form PRE 14A

action is required by shareholders of the Trusts in connection with this change.

Upon the completion of the 60-day notice period, each Trust's name changed to reflect this change in non-fundamental policy. Each Trust will continue to trade on the New York Stock Exchange under its current ticker symbol even after the name change becomes effective.

---

**Table of Contents**

**Additional Information (concluded)**

**Dividend Policy**

Each Trust's dividend policy is to distribute all or a portion of its net investment income to its shareholders on a quarterly basis. In order to provide shareholders with a more stable level of dividend distributions, the Trusts may at times pay out less than the entire amount of net investment income earned in any particular quarter and may at times in any particular quarter pay out such accumulated but undistributed income in addition to net investment income earned in that quarter. As a

result, the dividends paid by the Trusts for any particular quarter may be more or less than the amount of net investment income earned by the Trusts during such quarter. The Trusts' current accumulated but undistributed net investment income, if any, is disclosed in the Statement of Assets and Liabilities, which comprises part of the financial information included in this report.

**BlackRock Privacy Principles**

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, "Clients") and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following:

(i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.





**Table of Contents**

[THIS PAGE INTENTIONALLY LEFT BLANK.]

**Table of Contents**

[THIS PAGE INTENTIONALLY LEFT BLANK.]

**Table of Contents**

This report is transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. Statements and other information herein are as dated and are subject to change.

#CEF-AR-BK11-1011

**Table of Contents**

**Item 2 Code of Ethics** The registrant (or the Fund ) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at [www.blackrock.com](http://www.blackrock.com).

**Item 3 Audit Committee Financial Expert** The registrant's board of directors (the board of directors ), has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

The registrant's board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kester's financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant's financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is a member of the audit committee of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an expert for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification. The designation or identification of a person as an audit committee financial expert does not affect the duties, obligations, or liability of any other member of the audit committee or board of directors.

**Table of Contents**

Item 4 Principal Accountant Fees and Services

The following table presents fees billed by Deloitte & Touche LLP ( D&T ) in each of the last two fiscal years for the services rendered to the Fund:

Entity Name	(a) Audit Fees		(b) Audit-Related Fees <sup>1</sup>		(c) Tax Fees <sup>2</sup>		(d) All Other Fees <sup>3</sup>	
	Current Fiscal Year	Previous Fiscal Year	Current Fiscal Year	Previous Fiscal Year	Current Fiscal Year	Previous Fiscal Year	Current Fiscal Year	Previous Fiscal Year
	End	End	End	End	End	End	End	End
BlackRock Health Sciences Trust	\$ 39,200	\$ 38,000	\$ 0	\$ 0	\$ 16,100	\$ 6,100	\$ 0	\$ 0

The following table presents fees billed by D&T that were required to be approved by the registrant's audit committee (the Committee) for services that relate directly to the operations or financial reporting of the Fund and that are rendered on behalf of BlackRock Advisors, LLC ( Investment Adviser or BlackRock ) and entities controlling, controlled by, or under common control with BlackRock (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) that provide ongoing services to the Fund ( Fund Service Providers ):

	Current Fiscal Year End	Previous Fiscal Year End
(b) Audit-Related Fees <sup>1</sup>	\$ 0	\$ 0
(c) Tax Fees <sup>2</sup>	\$ 0	\$ 0
(d) All Other Fees <sup>3</sup>	\$ 3,030,000	\$ 2,950,000

<sup>1</sup> The nature of the services includes assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

<sup>2</sup> The nature of the services includes tax compliance, tax advice and tax planning.

<sup>3</sup> Aggregate fees borne by BlackRock in connection with the review of compliance procedures and attestation thereto performed by D&T with respect to all of the registered closed-end funds and some of the registered open-end funds advised by BlackRock.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

The Committee has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the Investment Adviser and Fund Service Providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are a) consistent with the SEC's auditor independence rules and b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis ( general pre-approval ). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the registrant which have a direct impact on the operations or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed \$10,000 attributable to the registrant or \$50,000 per project. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved

**Table of Contents**

subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to the Committee Chairman the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

(e)(2) None of the services described in each of Items 4(b) through (d) were approved by the Committee pursuant to the de minimis exception in paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) The aggregate non-audit fees paid to the accountant for services rendered by the accountant to the registrant, the Investment Adviser and the Fund Service Providers were:

Entity Name	Current Fiscal Year End	Previous Fiscal Year End
BlackRock Health Sciences Trust	\$ 16,100	\$ 16,877

Additionally, SAS No. 70 fees for the current and previous fiscal years of \$3,030,000 and \$2,950,000, respectively, were billed by D&T to the Investment Adviser.

(h) The Committee has considered and determined that the provision of non-audit services that were rendered to the Investment Adviser, and the Fund Service Providers that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

**Item 5 Audit Committee of Listed Registrants**

(a) The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(58)(A)):

Michael Castellano

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

(b) Not Applicable

**Item 6 Investments**

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

**Table of Contents**

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies The board of directors has delegated the voting of proxies for the Fund’s portfolio securities to the Investment Adviser pursuant to the Investment Adviser’s proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund’s stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser’s Equity Investment Policy Oversight Committee, or a sub-committee thereof (the Oversight Committee) is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser’s clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser’s Portfolio Management Group and/or the Investment Adviser’s Legal and Compliance Department and concluding that the vote cast is in its client’s best interest notwithstanding the conflict. A copy of the Fund’s Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at www.blackrock.com and (ii) on the SEC’s website at http://www.sec.gov.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of October 31, 2011.

- (a)(1) The Fund is managed by a team of investment professionals comprised of Thomas P. Callan, CFA, Managing Director at BlackRock and Erin Xie, PhD, MBA, Managing Director at BlackRock. Mr. Callan and Ms. Xie are the Fund’s portfolio managers responsible for the day-to-day management of the Fund’s portfolio and the selection of its investments. Mr. Callan and Ms. Xie have been members of the Fund’s portfolio management team since 2005.

<b>Portfolio Manager</b>	<b>Biography</b>
Thomas P. Callan, CFA	Managing Director of BlackRock since 1998; Head of BlackRock’s Global Opportunities equity team; Member of BlackRock’s Leadership Committee.
Erin Xie, PhD, MBA	Managing Director of BlackRock since 2006; Director of BlackRock from 2005 to 2006; Senior Vice President of State Street Research & Management from 2001 to 2005.

- (a)(2) As of October 31, 2011:

<b>(i) Name of Portfolio Manager</b>	<b>(ii) Number of Other Accounts Managed</b>			<b>(iii) Number of Other Accounts and Assets for Which Advisory Fee is</b>		
	<b>and Assets by Account Type</b>			<b>Performance-Based</b>		
	<b>Other</b>			<b>Other</b>		
	<b>Registered</b>	<b>Other Pooled</b>		<b>Registered</b>	<b>Other Pooled</b>	
<b>Investment</b>	<b>Investment</b>	<b>Other</b>	<b>Investment</b>	<b>Investment</b>	<b>Other</b>	
<b>(i) Name of Portfolio Manager</b>	<b>Companies</b>	<b>Vehicles</b>	<b>Accounts</b>	<b>Companies</b>	<b>Vehicles</b>	<b>Accounts</b>
Thomas P. Callan	14	13	9	0	1	4
	\$10.68 Billion	\$2.36 Billion	\$1.98 Billion	\$0	\$320.2 Million	\$1.56 Billion



**Table of Contents**

Erin Xie	6	7	3	0	1	3
	\$3.79 Billion	\$1.29 Billion	\$690.9 Million	\$0	\$320.2 Million	\$690.9 Million

(iv) Potential Material Conflicts of Interest

BlackRock has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, Inc., its affiliates and significant shareholders and any officer, director, shareholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, Inc., or any of its affiliates or significant shareholders, or any officer, director, shareholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock, Inc.'s (or its affiliates' or significant shareholders') officers, directors or employees are directors or officers, or companies as to which BlackRock, Inc. or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Certain portfolio managers also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. It should also be noted that Ms. Xie may be managing certain hedge fund and/or long only accounts, or may be part of a team managing certain hedge fund and/or long only accounts, subject to incentive fees. Ms. Xie may therefore be entitled to receive a portion of any incentive fees earned on such accounts.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock, Inc. has adopted policies that are intended to ensure reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base, as appropriate.

(a)(3) As of October 31, 2011:

**Portfolio Manager Compensation Overview**

BlackRock's financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary,

**Table of Contents**

a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock.

**Base compensation.** Generally, portfolio managers receive base compensation based on their position with the firm.

**Discretionary Incentive Compensation**

Generally, discretionary incentive compensation for Active Equity portfolio managers is based on a formulaic compensation program. BlackRock’s formulaic portfolio manager compensation program is based on team revenue and pre-tax investment performance relative to appropriate competitors or benchmarks over 1-, 3- and 5-year performance periods, as applicable. In most cases, these benchmarks are the same as the benchmark or benchmarks against which the performance of the funds or other accounts managed by the portfolio managers are measured. BlackRock’s Chief Investment Officers determine the benchmarks or rankings against which the performance of funds and other accounts managed by each portfolio management team is compared and the period of time over which performance is evaluated. With respect to these portfolio managers, such benchmarks for the Fund and other accounts include the following:

**Portfolio Manager**

Thomas P. Callan

Erin Xie

**Applicable Benchmarks**

Lipper Mid-Cap Core, International Multi-Cap Core, and Global/Health/Biotechnology Funds Classification

Lipper Mid-Cap Core Funds Classification

A smaller element of portfolio manager discretionary compensation may include consideration of: financial results, expense control, profit margins, strategic planning and implementation, quality of client service, market share, corporate reputation, capital allocation, compliance and risk control, leadership, technology and innovation. These factors are considered collectively by BlackRock management and the relevant Chief Investment Officers.

**Distribution of Discretionary Incentive Compensation**

Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. For some portfolio managers, discretionary incentive compensation is also distributed in deferred cash awards that notionally track the returns of select BlackRock investment products they manage and that vest ratably over a number of years. The BlackRock, Inc. restricted stock units, upon vesting, will be settled in BlackRock, Inc. common stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year at risk based on BlackRock’s ability to sustain and improve its performance over future periods. Providing a portion of annual bonuses in deferred cash awards that notionally track the BlackRock investment products they manage provides direct alignment with investment product results.

*Long-Term Incentive Plan Awards* From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. Mr. Callan and Ms. Xie have each received long-term incentive awards.

**Table of Contents**

*Deferred Compensation Program* A portion of the compensation paid to eligible BlackRock employees may be voluntarily deferred into an account that tracks the performance of certain of the firm's investment products. Each participant in the deferred compensation program is permitted to allocate his deferred amounts among various BlackRock investment options. Mr. Callan and Ms. Xie have each participated in the deferred compensation program.

**Other compensation benefits.** In addition to base compensation and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following incentive savings plans. BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock, Inc. employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 8% of eligible pay contributed to the plan capped at \$5,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation. The RSP offers a range of investment options, including registered investment companies and collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, absent participant investment direction, are invested into an index target date fund that corresponds to, or is closest to, the year in which the participant attains age 65. The ESPP allows for investment in BlackRock, Inc. common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares or a dollar value of \$25,000.

(a)(4) *Beneficial Ownership of Securities* As of October 31, 2011.

<b>Portfolio Manager</b>	<b>Dollar Range of Equity Securities of the Fund Beneficially Owned</b>
Thomas P. Callan	None
Erin Xie	None
(b) Not Applicable	

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable due to no such purchases during the period covered by this report.

Item 10 Submission of Matters to a Vote of Security Holders There have been no material changes to these procedures.

Item 11 Controls and Procedures

(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

**Table of Contents**

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12 Exhibits attached hereto

(a)(1) Code of Ethics See Item 2

(a)(2) Certifications Attached hereto

(a)(3) Not Applicable

(b) Certifications Attached hereto

(c) Notices to the registrant's common shareholders in accordance with the order under Section 6(c) of the 1940 Act granting an exemption from Section 19(b) of the 1940 Act and Rule 19b-1 under the 1940 Act, dated May 9, 2009<sup>1</sup>

<sup>1</sup> The Fund has received exemptive relief from the Securities and Exchange Commission permitting it to make periodic distributions of long-term capital gains with respect to its outstanding common stock as frequently as twelve times each year, and as frequently as distributions are specified by or in accordance with the terms of its outstanding preferred stock. This relief is conditioned, in part, on an undertaking by the Fund to make the disclosures to the holders of the Fund's common shares, in addition to the information required by Section 19(a) of the 1940 Act and Rule 19a-1 thereunder. The Fund is likewise obligated to file with the SEC the information contained in any such notice to shareholders and, in that regard, has attached hereto copies of each such notice made during the period.

**Table of Contents**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock Health Sciences Trust

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Health Sciences Trust  
Date: January 3, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Health Sciences Trust  
Date: January 3, 2012

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Health Sciences Trust  
Date: January 3, 2012