Cogdell Spencer Inc.
Form PREM14A
January 25, 2012

Use these links to rapidly review the document
TABLE OF CONTENTS
TABLE OF CONTENTS

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
(Rule 14a-101)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

ý Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

o Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

Cogdell Spencer 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):

o No fee required.

ý 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:
Common Stock, $0.01 par value per share

8.500% Series A Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value per share
Operating Partnership Units
Long-Term Incentive Plan Units

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

51,223,641 shares of the Registrant's common stock
2,940,000 shares of 8.500% Series A Cumulative Redeemable Perpetual Preferred Stock
7,099,068 Operating Partnership Units
361,890 Long-Term Incentive Plan Units

(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):

Solely for the purpose of calculating the registration fee, the underlying value of the transaction was calculated as the *sum* of (A) 51,223,641 shares of common stock, *multiplied by* the merger consideration of $4.25 per common share, (B) 2,940,000 shares of Series A Cumulative Redeemable Perpetual Preferred Stock *multiplied by* the preferred merger consideration of $25.00 per share, (C) 7,099,068 Operating Partnership Units *multiplied by* the merger consideration of $4.25 per unit, and (D) 361,890 Long-Term Incentive Plan Units, whether vested or unvested and assuming conversion on a 1-for-1 basis of conversion to Operating Partnership Units, *multiplied by* the merger consideration of $4.25 per unit

(4) Proposed maximum aggregate value of transaction:

$322,909,546

(5) Total fee paid:

$37,005.43, determined based upon multiplying 0.00011460 by the proposed maximum aggregate value of the transaction

o Fee paid previously with preliminary materials.

o 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:

Table of Contents

PRELIMINARY PROXY STATEMENT DATED JANUARY 25, 2012
SUBJECT TO COMPLETION

[ ], 2012

Dear Stockholder:

We cordially invite you to attend a special meeting of stockholders of Cogdell Spencer Inc., a Maryland corporation, which we refer to as the Company, to be held on [ ], 2012 at [ ] a.m., local time, at [ ].

On December 24, 2011, the Company entered into a merger agreement providing for the acquisition of the Company by Ventas, Inc. The acquisition will be accomplished by (i) the merger of the Company with TH Merger Corp, Inc., a wholly-owned subsidiary of Ventas, pursuant to which the Company will become a wholly-owned subsidiary of Ventas, which we refer to as the Company Merger, and (ii) the merger of the Company's operating partnership, Cogdell Spencer LP, with TH Merger Sub, LLC, a wholly-owned subsidiary of Ventas, Inc., which we refer to as the Partnership Merger, and together with the Company Merger, the Mergers. At the special meeting, you will be asked to consider and vote upon a proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement.

If the Company Merger contemplated by the merger agreement is completed, you will be entitled to receive $4.25 in cash, without interest, less any applicable withholding taxes, for each share of our common stock you owned at the effective time of the Company Merger, which represents a premium of approximately 11.3% to the average closing price of our common stock during the 30-day trading period ended on December 23, 2011 (the last trading day prior to the public announcement of the execution of the merger agreement) and a premium of approximately 8.4% to the closing price of our common stock on December 23, 2011. If the Company Merger is not approved by the stockholders of the Company, the Partnership Merger will also not be completed.

In addition to voting upon a proposal to approve the Company Merger at the special meeting, you will be asked to vote on a proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger.

The board of directors of the Company has determined that the Company Merger is advisable to, and in the best interests of, the Company and its stockholders and has approved the merger agreement and the Company Merger. The board of directors of the Company made its determination after consideration of a number of factors, which are more fully described in the accompanying proxy statement. **The board of directors of the Company recommends that you vote "FOR" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, "FOR" the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger, and "FOR" the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.**

Approval of the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement requires the affirmative vote of holders of a majority of the outstanding shares of our common stock entitled to vote thereon. Approval of the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger requires the affirmative vote of a majority of the votes cast by our common stockholders at a duly called meeting and at which the presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting exists. Approval of the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of a majority of the votes cast

Table of Contents

by our common stockholders at a duly called meeting and at which the presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting exists.

Your vote is very important. Whether or not you plan to attend the special meeting, please complete, date, sign and return, as promptly as possible, the enclosed proxy card in the accompanying prepaid reply envelope, or authorize your proxy by telephone or the Internet. If you attend the special meeting and vote in person, your vote by ballot will revoke any proxy previously submitted. **The failure to vote your shares of our common stock will have (i) the same effect as a vote "AGAINST" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, (ii) no effect on the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger and (iii) no effect on the proposal to adjourn the meeting, if necessary or appropriate, for the purpose of soliciting additional proxies.**

If your shares of our common stock are held in "street name" by your bank, brokerage firm or other nominee, your bank, brokerage firm or other nominee will be unable to vote your shares of our common stock without instructions from you. You should instruct your bank, brokerage firm or other nominee to vote your shares of our common stock in accordance with the procedures provided by your bank, brokerage firm or other nominee. **The failure to instruct your bank, brokerage firm or other nominee to vote your shares of our common stock (i) "FOR" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement will have the same effect as voting "AGAINST" that proposal, (ii) "FOR" the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger will have no effect on that proposal, and (iii) "FOR" the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies will have no effect that proposal.**

The accompanying proxy statement provides you with detailed information about the special meeting, the merger agreement, the Company Merger and the other related transactions contemplated by the merger agreement. A copy of the merger agreement is attached as Annex A to the proxy statement. We encourage you to read the entire proxy statement and its annexes, including the merger agreement, carefully. You may also obtain additional information about the Company from documents we have filed with the Securities and Exchange Commission.

If you have any questions or need assistance voting your shares of our common stock, please call Okapi Partners LLC, the Company's proxy solicitor, toll-free at (877) 279-2311.

Thank you in advance for your cooperation and continued support.

Sincerely,

/s/ Raymond W. Braun

Raymond W. Braun
President and Chief Executive Officer

The proxy statement is dated [ ], 2012, and is first being mailed to our stockholders on or about [ ], 2012.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE COMPANY MERGER, PASSED UPON THE MERITS OR FAIRNESS OF THE MERGER AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE PROPOSED COMPANY MERGER, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Table of Contents

COGDELL SPENCER INC.

4401 Barclay Downs Drive, Suite 300
Charlotte, North Carolina 28209

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON [ ], 2012

NOTICE IS HEREBY GIVEN that a Special Meeting of holders of the common stock, par value $0.01 per share, of Cogdell Spencer Inc., a Maryland corporation, will be held at [ ], on [ ], 2012, commencing at [ ] a.m., local time, for the following purposes:

1. To consider and vote on a proposal to approve the merger of Cogdell Spencer Inc. with TH Merger Corp, which we refer to as the Company Merger, pursuant to the terms and conditions set forth in the Agreement and Plan of Merger, dated as of December 24, 2011, as it may be amended from time to time, which we refer to as the merger agreement, by and among the Company, Cogdell Spencer LP, a Delaware limited partnership and the Company's operating partnership, which we refer to as the Operating Partnership or OP, Ventas, Inc., a Delaware corporation, which we refer to as Ventas, TH Merger Corp, Inc., a Maryland corporation and a wholly-owned subsidiary of Ventas, which we refer to as MergerSub, and TH Merger Sub, LLC, a Delaware limited liability company and a wholly-owned subsidiary of Ventas, which we refer to as OP MergerSub. A copy of the merger agreement is attached as Annex A to the accompanying proxy statement.

2. To consider and vote on a proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger.

3. To consider and vote on a proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the proposal to approve the Company Merger.

4. To transact any other business that may properly come before the special meeting, or any adjournment or postponement of the special meeting, by or at the direction of the board of directors of the Company.

In accordance with our bylaws, the close of business on February 3, 2012, has been fixed as the record date for the determination of the Company's common stockholders entitled to notice of, and to vote at, the meeting or any adjournment thereof. All stockholders of record are cordially invited to attend the special meeting in person.

Your vote is very important, regardless of the number of shares of Company common stock you own. The Company Merger cannot be completed unless approved by the affirmative vote of the holders of a majority of the outstanding shares of Company common stock entitled to vote thereon. Even if you plan to attend the special meeting in person, we request that you complete, sign, date and return, as promptly as possible, the enclosed proxy card in the accompanying prepaid reply envelope or authorize your proxy by telephone or the Internet prior to the special meeting to ensure that your shares of Company common stock will be represented at the special meeting if you are unable to attend. If you do not attend the special meeting and you fail to return your proxy card or fail to authorize your proxy by phone or the Internet, your shares of Company common stock will not be counted for purposes of determining whether a quorum is present at the special meeting and will have (i) the same effect as a vote "AGAINST" the proposal to approve the Company Merger, (ii) no effect on the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger and (iii) no effect on the proposal to adjourn the meeting, if necessary or appropriate, for the purpose of soliciting additional proxies.

Table of Contents

If you are a stockholder of record, voting in person at the special meeting will revoke any proxy previously submitted. If you hold your shares of Company common stock through a bank, brokerage firm or other nominee, you should follow the procedures provided by your bank, brokerage firm or other nominee in order to vote.

The board of directors of the Company has determined that the Company Merger is advisable to, and in the best interests of, the Company and its stockholders and has approved the merger agreement and the Company Merger. The board of directors of the Company made its determination after consideration of a number of factors, which are more fully described in the accompanying proxy statement. **The board of directors of the Company recommends that you vote "FOR" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, "FOR" the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger and "FOR" the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.**

If you plan to attend the special meeting in person, please mark the designated box on the enclosed proxy card. Alternatively, if you utilize the Internet voting system, please indicate your plans to attend the special meeting when prompted to do so by the system. If you are a stockholder of record, you should bring the bottom half of the enclosed proxy card as your admission card and present the card upon entering the special meeting. If you are planning to attend the special meeting and your shares are held in street name (by a bank or broker, for example), you should ask the record owner for a legal proxy or bring your most recent account statement to the special meeting so that we can verify your ownership of Cogdell Spencer common stock. Please note, however, that if your shares are held in street name and you do not bring a legal proxy from the record owner, you will be able to attend the special meeting, but you will not be able to vote at the special meeting.

By Order of the Board of Directors,

/s/ Charles M. Handy

Charles M. Handy
Corporate Secretary

Charlotte, North Carolina
[ ], 2012

STOCKHOLDERS WHO DO NOT EXPECT TO ATTEND IN PERSON, BUT WISH THEIR STOCK TO BE VOTED ON MATTERS TO BE TRANSACTED, ARE URGED TO SIGN, DATE, AND MAIL THE ENCLOSED PROXY IN THE ACCOMPANYING ENVELOPE, TO WHICH NO POSTAGE NEED BE AFFIXED IF MAILED IN THE UNITED STATES. YOU ALSO HAVE THE OPTION OF AUTHORIZING A PROXY TO VOTE YOUR SHARES BY TELEPHONE OR ON THE INTERNET. VOTING INSTRUCTIONS ARE PRINTED ON YOUR PROXY CARD. IF YOU AUTHORIZE A PROXY BY TELEPHONE OR INTERNET, YOU DO NOT NEED TO MAIL BACK YOUR PROXY. THE PROMPT RETURN OF YOUR SIGNED PROXY, REGARDLESS OF THE NUMBER OF SHARES YOU HOLD, WILL AID THE COMPANY IN REDUCING THE EXPENSE OF ADDITIONAL PROXY SOLICITATION. THE GIVING OF SUCH PROXY DOES NOT AFFECT YOUR RIGHT TO VOTE IN PERSON IN THE EVENT YOU ATTEND THE MEETING.

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

SUMMARY

The following summary highlights selected information in this proxy statement and may not contain all the information that may be important to you. Accordingly, we encourage you to read carefully this entire proxy statement, its annexes and the documents referred to or incorporated by reference in this proxy statement. Each item in this summary includes a page reference directing you to a more complete description of that topic. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions under "Where You Can Find More Information" beginning on page [ ].

Parties to the Merger Agreement (Page [ ])

Cogdell Spencer Inc., or the Company, we or us, is a Maryland corporation headquartered in Charlotte, North Carolina. The Company is a real estate investment trust, which we refer to as a REIT, focused on planning, owning, developing, constructing, and managing medical facilities. Our principal executive offices are located at 4401 Barclay Downs Drive, Suite 300, Charlotte, North Carolina 28209, and our telephone number is (704) 940-2900.

Ventas, Inc., or Ventas, is a Delaware corporation and a leading healthcare REIT. Its diverse portfolio of more than 1,300 assets in 47 states (including the District of Columbia) and two Canadian provinces consists of seniors housing communities, skilled nursing facilities, hospitals, medical office buildings and other properties. Through its Lillibridge subsidiary, Ventas provides management, leasing, marketing, facility development and advisory services to hospitals and health systems throughout the United States.

TH Merger Corp, Inc., or MergerSub, is a Maryland corporation and a wholly-owned subsidiary of Ventas that was formed by Ventas solely for the purpose of entering into the merger agreement and completing the transactions contemplated by the merger agreement. Either MergerSub will merge with and into the Company, with the Company surviving as a wholly-owned subsidiary of Ventas, or the Company will merge with and into MergerSub, with MergerSub surviving as a wholly-owned subsidiary of Ventas. Regardless of the manner in which the Company Merger is structured, you will not be entitled to own any shares of the capital stock of the surviving corporation, which we refer to as the Surviving Company, after the Company Merger is completed. See section entitled "The Merger Agreement Direction of the Merger" on page [ ].

Cogdell Spencer LP, or the Operating Partnership or OP, is a Delaware limited partnership and the Company's operating partnership.

TH Merger Sub, LLC, or OP MergerSub, is a Delaware limited liability company and a wholly-owned subsidiary of Ventas that was formed by Ventas solely for the purpose of entering into the merger agreement and completing the transactions contemplated by the merger agreement. OP MergerSub will merge with and into the Operating Partnership and cease to exist, with the Operating Partnership surviving as a wholly-owned subsidiary of Ventas.

In this proxy statement, we refer to the Agreement and Plan of Merger, dated December 24, 2011, as it may be amended from time to time, among the Company, the Operating Partnership, Ventas, MergerSub, and OP MergerSub, as the merger agreement, and the merger of MergerSub with the Company as the Company Merger, and the merger of OP MergerSub with and into the Operating Partnership as the Partnership Merger, and together with the Company Merger, as the Mergers. Only the Company Merger contemplated by the merger agreement is being submitted to a vote of the holders of Company common stock. However, if the Company Merger is not approved by the stockholders of the Company, the Partnership Merger will not be completed.

Table of Contents

The Special Meeting (Page [ ])

Time, Place and Purpose of the Special Meeting (Page [ ])

The special meeting will be held on [ ], 2012 at [ ] a.m., local time, at [ ].

At the special meeting, holders of common stock of the Company, par value $0.01 per share, which we refer to as Company common stock, will be asked to consider and vote on the following:

a proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement;

a proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger; and

a proposal to approve the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies if there are insufficient votes at the time of the special meeting to approve the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement.

Record Date and Quorum (Page [ ])

You are entitled to receive notice of, and to vote at, the special meeting if you owned shares of Company common stock at the close of business on February 3, 2012, which the Company has set as the record date for the special meeting and which we refer to as the record date. You will have one vote for each share of Company common stock that you owned on the record date. As of the record date, there were [ ] shares of Company common stock outstanding and entitled to vote at the special meeting. For the transaction of business at the special meeting, the presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast at the special meeting constitutes a quorum.

Vote Required (Page [ ])

Company Merger. Approval of the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Company common stock entitled to vote thereon.

Advisory Vote on Golden Parachute Compensation. Approval of the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger, which is referred to as "golden parachute" compensation by applicable SEC disclosure rules, requires the affirmative vote of a majority of the votes cast by our common stockholders at a duly called meeting and at which a quorum is present.

Adjournment to Solicit Additional Proxies. Approval of the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of a majority of the votes cast by our common stockholders at a duly called meeting and at which a quorum is present.

Impact of Not Voting, Abstentions and Broker Non-Votes. If you fail to submit a proxy or to vote in person at the special meeting, or abstain, or you do not provide your bank, brokerage firm or other nominee with voting instructions, resulting in a broker non-vote, as applicable, your shares of Company common stock will not be voted on the proposals set forth in this proxy statement, which will have (i) the same effect as a vote "**AGAINST**" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, (ii) no effect on the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will

Table of Contents

or may receive in connection with the Company Merger and (iii) no effect on the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies.

Shares Held by Our Directors and Executive Officers (Page [ ])

As of the close of business on February 3, 2012, the record date, the directors and executive officers of the Company beneficially owned and were entitled to vote, in the aggregate, [ ] shares of Company common stock, representing [ ]% of the outstanding shares of Company common stock at the close of business on the record date. The directors and executive officers have informed the Company that they currently intend to vote all of their shares of Company common stock "**FOR**" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, "**FOR**" the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger, and "**FOR**" the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.

Proxies and Revocation (Page [ ])

Any stockholder of record entitled to vote at the special meeting may authorize a proxy by telephone, over the Internet or by returning the enclosed proxy card in the accompanying prepaid reply envelope, or may vote in person by appearing at the special meeting. If your shares of Company common stock are held in "street name" through a bank, brokerage firm or other nominee, you should instruct your bank, brokerage firm or other nominee on how to vote your shares of Company common stock using the instructions provided by your bank, brokerage firm or other nominee.

You have the right to revoke a proxy, whether delivered over the Internet, by telephone or by mail, at any time before it is exercised, by authorizing a proxy again at a later date through any of the methods available to you, by giving written notice of revocation to our Corporate Secretary, which must be filed with our Corporate Secretary by the time the special meeting begins, or by attending the special meeting and voting in person.

The Company Merger (Page [ ])

The merger agreement provides that either (i) MergerSub will merge with and into the Company, with the Company surviving as a wholly-owned subsidiary of Ventas, or (ii) the Company will merge with and into MergerSub, with MergerSub surviving as a wholly-owned subsidiary of Ventas. As a result of the Company Merger, the Company will cease to be a publicly traded company. Regardless of the manner in which the Company Merger is structured, you will not be entitled to own any shares of the capital stock of the Surviving Company after the Company Merger is completed.

In the Company Merger, each outstanding share of Company common stock (other than shares of Company common stock owned directly or indirectly by the Company, or any of the Company's subsidiaries, Ventas, MergerSub or any other subsidiary of Ventas, which shall be cancelled and retired and shall cease to exist and for which no consideration shall be delivered and which we refer to collectively as the excluded shares) will automatically be converted into the right to receive $4.25 in cash, without interest, which amount we refer to as the per share merger consideration, less any applicable withholding taxes.

Additionally, OP MergerSub will merge with and into the Operating Partnership, with the Operating Partnership surviving as a wholly-owned subsidiary of Ventas. Only the Company Merger contemplated by the merger agreement is being submitted to a vote of the holders of Company common stock. However, if the Company Merger is not approved by the stockholders of the Company, the Partnership Merger will not be completed.

Table of Contents

Reasons for the Company Merger; Recommendation of the Board of Directors (Page [ ])

After careful consideration of various factors described in the section entitled "The Merger Reasons for the Company Merger; Recommendation of the Board of Directors," the board of directors of the Company, other than Mr. David Lubar, who was excluded from, and did not participate in, deliberations of the Company's board of directors regarding the merger agreement and related transactions, determined that the Company Merger is advisable to, and in the best interests of, the Company and its stockholders and approved the merger agreement and the Company Merger. References to the board of directors in this proxy statement shall mean the board of directors of the Company, other than Mr. David Lubar, unless otherwise expressly stated. Mr. David Lubar resigned from the Company's board of directors on January 5, 2012.

In considering the recommendation of the board of directors with respect to the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, you should be aware that some of our directors and executive officers have interests in the Company Merger that are different from, or in addition to, yours. The board of directors was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the Company Merger, and in recommending that the Company Merger be approved by the stockholders of the Company. See the section entitled "The Merger Interests of the Company's Directors and Executive Officers in the Company Merger" beginning on page [ ].

The board of directors recommends that you vote "FOR" the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, "FOR" the proposal to approve, on a non-binding advisory basis, the compensation that certain executive officers of the Company will or may receive in connection with the Company Merger and "FOR" the proposal to adjourn the special meeting, if necessary or appropriate.

Opinion of the Company's Financial Advisor

In connection with the Mergers, the Company's board of directors received a written opinion, dated December 23, 2011, from Citigroup Global Markets Inc., which we refer to as Citi, as to the fairness, from a financial point of view and as of the date of the opinion, of the $4.25 per share merger consideration to be received in the Company Merger by holders of Company common stock. The full text of Citi's written opinion, which is attached to this proxy statement as **Annex B**, sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken. **Citi's opinion was provided for the information of the Company's board of directors (in its capacity as such) in connection with its evaluation of the Company Merger and only addressed the fairness, from a financial point of view, of the $4.25 per share merger consideration to be received by holders of Company common stock in the Company Merger. Citi's opinion did not address any other aspects or implications of the Mergers or any related transaction. Citi was not requested to consider, and its opinion did not address, the underlying business decision of the Company to effect the Mergers or any related transaction, the relative merits of the Mergers or any related transaction as compared to any alternative business strategies that might exist for the Company or OP or the effect of any other transaction in which the Company or OP might engage. Citi's opinion is not intended to be and does not constitute a recommendation to any security holder as to how such security holder should vote or act on any matters relating to the proposed Mergers, any related transaction or otherwise.**

Financing of the Mergers (Page [ ])

Ventas has represented and warranted to the Company that, on the closing date, Ventas, MergerSub and OP MergerSub will have sufficient funds to satisfy all of the obligations of Ventas, MergerSub and OP MergerSub under the merger agreement.

Table of Contents

Interests of the Company's Directors and Executive Officers in the Company Merger (Page [ ])

When considering the recommendation of the board of directors that you vote for the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, you should be aware that some of our directors and executive officers have interests in the Company Merger that are different from, or in addition to, your interests as a stockholder. The board of directors was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the Company Merger, and in recommending that the Company Merger be approved by the stockholders of the Company. These interests include the following:

- the vesting of all unvested long-term incentive plan units of limited partnership interest in the Operating Partnership, which we refer to as LTIP Units, and shares of restricted stock held by our executive officers and directors, and the cashing out of such awards;

- pursuant to employment agreements with certain of our executive officers, the payment of severance payments in connection with a termination of employment that may occur following the Company Merger;

- our current and former directors and officers will continue to be indemnified after the completion of the Company Merger and will have the benefit of liability insurance for six years after completion of the Company Merger; and

- Mr. David Lubar, one of the Company's former directors, who resigned from the Company's board of directors on January 5, 2012, is a principal of an investment fund that is providing equity funding to the buyer of the Erdman business in an amount necessary to consummate the Erdman Sale (as described below in this section under "Sale of the Erdman Business"). The closing of the Erdman Sale is a condition to the closing of the Company Merger.

Material U.S. Federal Income Tax Consequences of the Company Merger (Page [ ])

The receipt of the cash consideration in connection with the Company Merger will generally be treated as a taxable transaction for U.S. federal income tax purposes in which shareholders will recognize gain or loss in an amount equal to the difference between the total cash consideration received and each respective shareholder's adjusted basis in their shares of Company common stock, subject to certain exceptions described in the section entitled "Material U.S. Federal Income Tax Consequences" beginning on p. [ ]. In considering the recommendation of the board of directors that you vote for the proposal to approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, you should consider the matters discussed in the section entitled "Material U.S. Federal Income Tax Consequences".

The Merger Agreement (Page [ ])

Treatment of Common Stock, Series A Preferred Stock, Operating Partnership Units, Restricted Stock and LTIP Units (Pages [ ])

Common Stock. At the effective time of the Company Merger, each share of Company common stock issued and outstanding immediately prior to the effective time of the Company Merger (except for the excluded shares) will automatically convert into the right to receive the per share merger consideration of $4.25 in cash, without interest, less any applicable withholding taxes.

Series A Preferred Stock. At the effective time of the Company Merger, each share of Series A preferred stock of the Company, par value $0.01 per share, which we refer to as the Series A Preferred Stock, issued and outstanding immediately prior to the effective time of the Company Merger (other than shares of Series A Preferred Stock owned, directly or indirectly, by the Company, any of the Company's subsidiaries, Ventas, MergerSub or any other subsidiary of

Table of Contents

Ventas, which shall automatically be cancelled and retired and shall cease to exist and for which no consideration shall be delivered, and which we refer to collectively as the excluded preferred shares) will automatically convert into the right to receive $25.00 in cash, without interest, which amount we refer to as the preferred per share merger consideration, and subject to deduction for any required withholding tax, plus all accrued and unpaid dividends thereon through and including the closing date of the Company Merger.

Operating Partnership Units. At the effective time of the Partnership Merger, each unit representing a limited partnership interest in the Operating Partnership, which we refer to as an OP Unit, issued and outstanding immediately prior to the effective time of the Partnership Merger (other than OP Units owned directly or indirectly by the Company or any of the Company's subsidiaries, which we refer to as excluded OP Units, or any LTIP Units) will automatically convert into the right to receive the per share merger consideration, without interest and subject to deduction for any required withholding tax, and all such units will cease to exist. The general partnership interest of the Operating Partnership will remain outstanding and will be the only general partnership interest in the Operating Partnership after the effective time of the Partnership Merger. Each Series A Preferred Partnership Unit will be automatically cancelled without payment of any consideration.

Restricted Stock. At the effective time of the Company Merger, each share of Company common stock subject to restrictions on transfer and/or forfeiture granted under the Company's equity plans or otherwise that is outstanding immediately prior to the effective time will become fully vested and all such shares will automatically convert into the right to receive the per share merger consideration, without interest, less any applicable withholding taxes.

LTIP Units. Immediately before the effective time of the Partnership Merger, each unvested LTIP Unit granted under the Operating Partnership's long-term incentive plans or otherwise that is outstanding at such time will become fully vested and each vested LTIP Unit will automatically convert into an OP Unit, or fraction thereof. Accordingly, holders of LTIP Units will generally receive the per share merger consideration, without interest, less any applicable withholding taxes.

Restrictions on Solicitation of Other Acquisition Proposals (Page [ ])

We have agreed that we, the Operating Partnership and our other subsidiaries will not, and will use reasonable best efforts to cause our and their respective officers, directors, employees, consultants, agents, advisors and other representatives not to, directly or indirectly:

initiate, solicit, knowingly facilitate or encourage (including by way of providing non-public information) the submission of any acquisition proposal or any inquiries, proposals or offers that reasonably may be expected to lead to, any acquisition proposal;

engage in any discussions or negotiations or otherwise cooperate with or assist or participate in, or facilitate any such inquiries, proposals, discussions or negotiations;

approve, adopt or recommend, or propose to approve, adopt or recommend, an acquisition proposal or enter into any other similar agreement providing for or relating to an acquisition proposal;

enter into any agreement or agreement in principle requiring the Company or the Operating Partnership to abandon, terminate or fail to consummate the Mergers or breach its obligations under the merger agreement; or

terminate, waive, amend, release or fail to enforce any standstill agreement.

Table of Contents

We, the Operating Partnership and our other subsidiaries have also agreed to immediately cease and cause to be terminated any and all activities, solicitations, encouragement, discussions or negotiations with any person other than Ventas and MergerSub or any representatives of such persons conducted previously with respect to any acquisition proposal and to request the prompt return or destruction of all confidential information previously furnished to other parties.

However, at any time prior to the time our stockholders approve the Company Merger pursuant to the terms and conditions set forth in the merger agreement, if we receive a bona fide written acquisition proposal from any person that did not result from a breach of our obligations under the preceding paragraph, and that our board of directors determines in good faith (after consultation with our outside counsel and financial advisor) constitutes or is reasonably likely to lead to a superior proposal, we may (i) furnish information with respect to the Company, the Operating Partnership and the other subsidiaries of the Company to the person making the acquisition proposal (pursuant to an acceptable confidentiality agreement); provided that any non-public information concerning the Company, the Operating Partnership or any other subsidiary of the Company provided to such person is promptly provided to Ventas to the extent not previously provided; and (ii) participate in discussions or negotiations with such person regarding the acquisition proposal; provided, that we shall notify Ventas in writing within 24 hours of any such determination by our board of directors that such acquisition proposal constitutes or is reasonably likely to constitute a superior proposal and that failure to take such action would be reasonably likely to lead to a breach of the duties of our directors to our stockholders under applicable law.

Furthermore, at any time before the Company Merger is approved by our stockholders, if our board of directors determines in good faith (after consultation with our outside legal counsel and financial advisor) that an acquisition proposal is a superior proposal, we may terminate the merger agreement and enter into any acquisition, merger or similar agreement, which we refer to as an alternative acquisition agreement, with respect to such superior proposal, so long as we comply with certain terms of the merger agreement, including paying a termination fee and expense reimbursement to Ventas. See "The Merger Agreement Termination Fees" beginning on page [ ].

Conditions to the Mergers (Page [ ])

The respective obligations of the Company, the Operating Partnership, Ventas, MergerSub and OP MergerSub to consummate the Mergers are subject to the satisfaction or waiver of certain customary conditions, including the approval of the Company Merger by our stockholders, the absence of any restraining orders, injunctions or other legal restraints prohibiting the Mergers, the accuracy of the representations and warranties of the parties, compliance by the parties with their respective obligations under the merger agreement, our continuing qualification as a REIT and the closing of the Erdman Sale (described below in this section under "Sale of the Erdman Business"). The obligation of Ventas, MergerSub and OP MergerSub to consummate the Mergers is also subject to the absence of any event, change or occurrence that has had, individually or in the aggregate, a material adverse effect on us, as described under "The Merger Agreement Representations and Warranties" beginning on page [ ].

Termination (Page [ ])

We and Ventas may, by mutual written consent, terminate the merger agreement and abandon the Mergers at any time prior to the effective time of the Company Merger, whether before or after the approval of the Company Merger by our stockholders.

Table of Contents

The merger agreement may also be terminated and the Mergers abandoned at any time prior to the effective time of the Company Merger by either Ventas or the Company, if:

- the closing of the Mergers has not occurred on or before June 29, 2012, which we refer to as the termination date; provided that this termination right will not be available to a party if the failure of such party to perform or comply in all material respects with the covenants and agreements of such party set forth in the merger agreement shall have been the cause of, or that resulted in, the failure of the merger to have been consummated by the termination;

- if any governmental entity shall have issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting either of the Mergers or any of the other transactions contemplated by the merger agreement and such order, decree, ruling or other action shall have become final and non-appealable (provided that the termination right described in this bullet will only be available to a party that has used its reasonable best efforts to prevent the entry of and/or to procure the removal, reversal, dissolution, setting aside or invalidation of any such order, decree, ruling or other action); or

- our stockholders meeting has been held and completed and our stockholders have not approved the Company Merger pursuant to the terms and conditions set forth in the merger agreement at such meeting (provided that the termination right described in this bullet will not be available to us if the failure to obtain the stockholder approval is caused by any action or failure to act of the Company that constitutes a material breach of the merger agreement).

The merger agreement may also be terminated by the Company, if:

- at any time prior to the approval of the Company Merger by our stockholders, (i) we enter into an alternative acquisition agreement with respect to a superior proposal and (ii) we pay Ventas the termination fee and expense reimbursement discussed under "The Merger Agreement Termination Fees" beginning on page [ ] (provided that this right will not be available to us unless we have complied with the notice and other requirements of the merger agreement described under "The Merger Agreement Restrictions on Solicitation of Other Acquisition Proposals" beginning on page [ ]);

- Ventas, MergerSub or OP MergerSub shall have breached any of their respective representations or warranties in the merger agreement or they shall have failed to perform or comply with any covenant or agreement contained in the merger agreement and Ventas shall have failed within 15 days after notice thereof from the Company to cure such breach or failure, in either case such that the conditions to the obligations of the Company and the Operating Partnership under the merger agreement, as the case may be, would be incapable of being satisfied by the termination date; or

- the conditions to the obligations of Ventas to consummate the Mergers have been satisfied (other than those conditions that by their nature are to be satisfied by actions taken at the closing of the merger), and Ventas fails to consummate the transactions contemplated by the merger agreement within six business days following the date on which the closing of the Mergers should have occurred under the merger agreement and we stood ready, willing and able to consummate the Mergers on that date (subject to Ventas's right under the merger agreement to extend the date on which the closing of the Mergers should have occurred).

The merger agreement may also be terminated by Ventas, if:

- we or our board of directors shall have approved, endorsed or recommended that the Company enter into, or the Company shall have entered into, a definitive agreement or any letter of intent, memorandum of understanding or similar agreement providing for a transaction that is an acquisition proposal;

Table of Contents

our board of directors shall have withdrawn or modified in a manner adverse to Ventas the approval, recommendation or declaration of advisability of the Company Merger, the merger agreement or the transactions contemplated by the merger agreement, which we refer to as an adverse recommendation change;

we materially breach our obligations under the merger agreement with respect to the solicitation of acquisition proposals;

we breach any of our obligations under the merger agreement with respect to the preparation of this proxy statement or the calling of the special meeting;

we or our board of directors approves of or recommends that the stockholders tender their shares of Company common stock in any tender or exchange offer or if we fail to send to the stockholders, within ten business days after the commencement of such tender or exchange offer, a statement that the Company recommends rejection of such tender or exchange offer;

the Company or the Operating Partnership shall have breached any of their respective representations or warranties in the merger agreement or they shall have failed to perform or comply with any covenant or agreement contained in the merger agreement and the Company shall have failed within 15 days after notice thereof to the Company from Ventas to cure such breach or failure, in either case such that the conditions to the obligations of Ventas, MergerSub and OP MergerSub under the merger agreement, as the case may be, would be incapable of being satisfied by the termination date;

the Erdman purchase agreement shall have been terminated (other than as a result of the receipt of a superior proposal for the purchase of the Erdman Companies), or the Erdman Sale (as such terms are defined below) shall have failed to close within two business days of the satisfaction or waiver of the conditions contained in the merger agreement; or

Ventas is ready, willing and able to consummate the Mergers, and the closing does not occur within two business days after the first date all of the conditions to the Company's obligations to consummate the Mergers are satisfied or waived, and during that two business day period, the net debt closing condition (as described under "The Merger Agreement Conditions to the Mergers" on page [ ]) is not satis