

HEALTH CARE PROPERTY INVESTORS INC

Form 10-Q

October 30, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

## **FORM 10-Q**



(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended September 30, 2006.

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-8895

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**HEALTH CARE PROPERTY INVESTORS, INC.**

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(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction of  
incorporation of organization)

**33-0091377**  
(I.R.S. Employer  
Identification No.)

**3760 Kilroy Airport Way, Suite 300**  
**Long Beach, CA 90806**  
(Address of principal executive offices)

**(562) 733-5100**  
(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of Accelerated Filer and Large Accelerated Filer in Rule 12b-2 of the Exchange Act. (check one):  
Large Accelerated Filer  Accelerated Filer  Non-accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)  
YES  NO

As of October 23, 2006, there were 164,808,806 shares of \$ 1.00 par value common stock outstanding.

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**HEALTH CARE PROPERTY INVESTORS, INC.**

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## HEALTH CARE PROPERTY INVESTORS, INC.

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	September 30, 2006 (Unaudited)	December 31, 2005
<b>ASSETS</b>		
Real estate:		
Buildings and improvements	\$ 3,754,173	\$ 3,365,869
Developments in process	19,822	22,286
Land	361,391	328,609
Less accumulated depreciation and amortization	657,552	573,767
Net real estate	3,477,834	3,142,997
Loans receivable, net:		
Joint venture partners	7,053	7,006
Others	138,258	179,825
Investments in and advances to unconsolidated joint ventures	49,757	48,598
Accounts receivable, net of allowance of \$1,188 and \$1,205, respectively	12,676	13,313
Cash and cash equivalents	645,363	21,342
Restricted cash	125,165	2,270
Intangibles, net	58,501	38,804
Real estate held for sale, net	27,964	98,855
Other assets, net	68,930	44,255
Total assets	\$ 4,611,501	\$ 3,597,265
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
Bank line of credit	\$	\$ 258,600
Senior unsecured notes	2,471,274	1,462,250
Mortgage debt	452,154	236,096
Accounts payable and accrued liabilities	89,371	68,718
Deferred revenue	31,372	22,551
Total liabilities	3,044,171	2,048,215
Minority interests:		
Joint venture partners	24,848	20,905
Non-managing member unitholders	127,763	128,379
Total minority interests	152,611	149,284
Stockholders equity:		
Preferred stock, \$1.00 par value: 50,000,000 shares authorized; 11,820,000 shares issued and outstanding, liquidation preference of \$25 per share	285,173	285,173
Common stock, \$1.00 par value: 750,000,000 shares authorized; 137,560,108 and 136,193,764 shares issued and outstanding, respectively	137,560	136,194
Additional paid-in capital	1,478,990	1,446,349
Cumulative net income	1,697,419	1,521,146
Cumulative dividends	(2,179,535)	(1,988,248)
Accumulated other comprehensive loss	(4,888)	(848)

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Total stockholders' equity		1,414,719		1,399,766
Total liabilities and stockholders' equity	\$	4,611,501	\$	3,597,265

See accompanying Notes to Condensed Consolidated Financial Statements.



**HEALTH CARE PROPERTY INVESTORS, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

**(In thousands, except per share data)**

**(Unaudited)**

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
<b>Revenues and other income:</b>				
Rental revenues and other income	\$ 130,952	\$ 111,948	\$ 376,499	\$ 316,796
Equity income (loss) from unconsolidated joint ventures	1,044	(531)	7,580	(232)
Interest and other income				