HCP, INC.
Form 424B5
November 16, 2012



**Filed Pursuant to Rule 424(b)(5)**
**Registration No. 333-182824**

**Calculation of Registration Fee**

| Title of Each Class of Securities to be Registered | Amount to be Registered | Proposed Maximum Offering Price | Proposed Maximum Aggregate Offering Price | Amount of Registration Fee(1) |
|---|---|---|---|---|
| 2.625% Senior Notes due 2020 | $800,000,000 | 99.729% | $797,832,000 | $108,824.28 |

(1) Calculated in accordance with Rule 456(b) and 457(r) of the Securities Act of 1933.

**PROSPECTUS SUPPLEMENT**
**(To Prospectus dated July 24, 2012)**

# $800,000,000

# 2.625% Senior Notes due 2020

# HCP, Inc.

We are offering $800,000,000 aggregate principal amount of 2.625% Senior Notes due 2020 (the "notes"). Unless redeemed prior to maturity, the notes will mature on February 1, 2020. We will pay interest on the notes on February 1 and August 1 of each year, beginning on February 1, 2013.

We may redeem the notes, in whole or in part, at any time at the redemption prices described in this prospectus supplement.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

The notes will be our senior unsecured obligations and will rank equally with all of our existing and future unsecured senior indebtedness. The notes will be issued only in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

**Investing in the notes involves risks. See "Risk Factors" beginning on page S-12 of this prospectus supplement and page 2 of the accompanying prospectus and the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2011.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined that this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

| | Public Offering Price[1] | Underwriting Discount | Proceeds (before expenses) to HCP[1] |
|---|---|---|---|
| Per note | 99.729% | 0.625% | 99.104% |
| Total | $797,832,000 | $5,000,000 | $792,832,000 |

(1) Plus accrued interest, if any, from November 19, 2012, if settlement occurs after that date.

We expect that delivery of the notes will be made to investors through the book-entry delivery system of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme and Euroclear Bank, S.A./N.V., as operator for the Euroclear System, against payment in New York, New York on or about November 19, 2012.

*Joint Book-Running Managers*

**BofA Merrill Lynch** **Morgan Stanley** **UBS Investment Bank**

*Senior Co-Managers*

**Credit Agricole CIB** **Credit Suisse** **RBC Capital Markets**

*Co-Managers*

**BNY Mellon Capital Markets, LLC** **KeyBanc Capital Markets** **PNC Capital Markets LLC** **Scotiabank**

The date of this prospectus supplement is November 14, 2012.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus and, if applicable, any free writing prospectus we may provide you in connection with this offering. We have not, and the underwriters have not, authorized anyone to provide you with information that is different. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale of these securities is not permitted. This document may only be used where it is legal to sell these securities. You should assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide you in connection with this offering is accurate only as of their respective dates and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since those dates.

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**Prospectus Supplement**



**Prospectus**

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## ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. This prospectus supplement also adds to, updates and changes information contained in the accompanying prospectus. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. The accompanying prospectus is part of a registration statement that we filed with the Securities and Exchange Commission ("SEC") using a shelf registration statement. Under the shelf registration process, from time to time, we may offer and sell debt securities, warrants, common stock, preferred stock or depositary shares, or any combination thereof, in one or more offerings.

It is important that you read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in "Incorporation by Reference" on page S-4 of this prospectus supplement and "Where You Can Find More Information" on page ii of the accompanying prospectus.

In this prospectus supplement, unless otherwise indicated herein or the context otherwise indicates the terms "HCP," "we," "us," "our" and the "Company" refer to HCP, Inc., together with its consolidated subsidiaries, except in the "Description of the Notes" or where it is clear from the context that the terms means only the issuer, HCP, Inc.

Currency amounts in this prospectus supplement are stated in U.S. dollars.

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## CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this prospectus supplement and the information incorporated by reference in this prospectus supplement and the accompanying prospectus that are not historical factual statements are "forward-looking statements." We intend to have our forward-looking statements covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with those provisions. Forward-looking statements include, among other things, statements regarding our and our management's intent, belief or expectations as identified by the use of words such as "may," "will," "project," "expect," "believe," "intend," "anticipate," "seek," "forecast," "plan," "estimate," "could," "would," "should" and other comparable and derivative terms or the negatives thereof. In addition, we, through our management or otherwise, from time to time, make forward-looking oral and written public statements concerning our expected future operations, strategies, securities offerings, growth and investment opportunities, dispositions, capital structure changes, budgets and other developments. Investors are cautioned that, while forward-looking statements reflect our good faith belief and reasonable assumptions based upon current information, we can give no assurance that our expectations or forecasts will be attained. Therefore, investors should be mindful that forward-looking statements are not guarantees of future performance and that they are subject to known and unknown risks and uncertainties that are difficult to predict. As more fully set forth herein under "Risk Factors" in this prospectus supplement and under "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, factors that may cause our actual results to differ materially from the expectations contained in the forward-looking statements include:

- changes in global, national and local economic conditions, including a prolonged period of weak economic growth;
- continued volatility in the capital markets, including changes in interest rates and the availability and cost of capital;
- our ability to manage our indebtedness level and changes in the terms of such indebtedness;
- changes in federal, state or local laws and regulations, including those affecting the healthcare industry that affect our costs of compliance or increase the costs, or otherwise affect the operations of our operators, tenants and borrowers;
- the potential impact of future litigation matters, including the possibility of larger than expected litigation costs, adverse results and related developments;
- competition for tenants and borrowers, including with respect to new leases and mortgages and the renewal or rollover of existing leases;
- our ability to negotiate the same or better terms with new tenants or operators if existing leases are not renewed or we exercise our right to replace an existing operator or tenant upon default;
- availability of suitable properties to acquire at favorable prices and the competition for the acquisition and financing of those properties;
- the financial, legal, regulatory and reputational difficulties of significant operators of our properties;
- the risk that we may not be able to achieve the benefits of investments within expected time-frames or at all, or within expected cost projections;
- the ability to obtain financing necessary to consummate acquisitions on favorable terms;

changes in the reimbursement available to our operators, tenants and borrowers by governmental or private payors (including the July 2011 Centers for Medicare & Medicaid

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Services final rule, which among other things, reduced Medicare skilled nursing facility Prospective Payment System payments in fiscal year 2012 by 11.1% compared to fiscal year 2011) and other potential changes in Medicare and Medicaid payment levels, which, among other effects, could negatively impact the value of our approximately 10% equity interest in the operations of HCR ManorCare, Inc.;

the risks associated with our investments in joint ventures and unconsolidated entities, including our lack of sole decision-making authority and our reliance on our joint venture partners' financial condition and continued cooperation;

the ability of our operators, tenants and borrowers to conduct their respective businesses in a manner sufficient to maintain or increase their revenues and to generate sufficient income to make rent and loan payments to us and our ability to recover investments made, if applicable, in their operations; and

the financial weakness of some operators and tenants, including potential bankruptcies and downturns in their businesses, which results in uncertainties regarding our ability to continue to realize the full benefit of such operators' and/or tenants' leases.

Except as required by law, we undertake no, and hereby disclaim any, obligation to update any forward-looking statements, whether as a result of new information, changed circumstances or otherwise.

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## INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" information into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to another document that HCP has filed separately with the SEC that contains that information. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. Information that HCP files with the SEC after the date of this prospectus supplement and that is incorporated by reference in this prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus to the extent that the subsequently filed information modifies or supersedes the existing information. We incorporate by reference (other than any portions of any such documents that are not deemed "filed" under the Securities Exchange Act of 1934, as amended (the "Exchange Act") in accordance with the Exchange Act and applicable SEC rules):

- our Current Report on Form 8-K/A filed on January 18, 2012 and our Current Reports on Form 8-K filed on January 23, 2012, February 1, 2012, March 7, 2012, March 22, 2012, March 27, 2012 (as to item 8.01 only), March 29, 2012 (as to items 1.01 and 2.03 only), April 20, 2012, May 1, 2012 (as to item 5.07 only), June 22, 2012, July 23, 2012, July 24, 2012 (two Current Reports on Form 8-K), October 16, 2012 (as to item 1.01 only), October 19, 2012 and November 9, 2012;

- our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012;

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, as updated by our Current Report on Form 8-K filed on July 24, 2012;

- those portions of our Definitive Proxy Statement on Schedule 14A, filed on March 13, 2012, that are incorporated by reference into Part III of our Annual Report on Form 10-K for the year ended December 31, 2011; and

- any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until we sell all of the securities offered by this prospectus supplement.

You may request a copy of any of these filings at no cost to you by contacting us by mail, telephone or e-mail using the information set forth below:

Legal Department
HCP, Inc.
3760 Kilroy Airport Way, Suite 300
Long Beach, California 90806
(562) 733-5100
legaldept@hcpi.com

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## SUMMARY

*The information below is a summary of the more detailed information included elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. You should read carefully the following summary together with the more detailed information contained in this prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide you in connection with this offering, and the information incorporated by reference into those documents, including the risk factors described on page S-12 of this prospectus supplement and on page 2 of the accompanying prospectus and the "Risk Factors" section in our Annual Report on Form 10-K for the year ended December 31, 2011. This summary is not complete and does not contain all of the information you should consider when making your investment decision. This prospectus supplement relates only to the offering of notes and not to the Acquisition or the Common Stock Offering (each as described below). Unless otherwise indicated, this prospectus supplement does not give pro forma effect to the Acquisition or the Common Stock Offering.*

### Our Company

We invest primarily in real estate serving the healthcare industry in the United States. We are a Maryland corporation and were organized to qualify as a self-administered real estate investment trust, or REIT, in 1985. We are headquartered in Long Beach, California, with offices in Nashville, Tennessee and San Francisco, California. We acquire, develop, lease, manage and dispose of healthcare real estate, and provide financing to healthcare providers. Our portfolio is comprised of investments in the following five healthcare segments: (i) senior housing, (ii) post-acute/skilled nursing, (iii) life science, (iv) medical office and (v) hospital. We make investments within our healthcare segments using the following five investment products: (i) properties under lease, (ii) debt investments, (iii) developments and redevelopments, (iv) investment management and (v) investments in senior housing operations utilizing the structure permitted by the Housing and Economic Recovery Act of 2008, which is commonly referred to as "RIDEA."

The delivery of healthcare services requires real estate and, as a result, tenants and operators depend on real estate, in part, to maintain and grow their businesses. We believe that the healthcare real estate market provides investment opportunities due to the following:

- compelling demographics driving the demand for healthcare services;
- specialized nature of healthcare real estate investing; and
- ongoing consolidation of the fragmented healthcare real estate sector.

Our principal executive offices are located at 3760 Kilroy Airport Way, Suite 300, Long Beach, California 90806, and our telephone number is (562) 733-5100.

### Recent Developments

*Senior Housing Portfolio Acquisition*

On October 16, 2012, we entered into a purchase agreement to acquire 133 senior housing communities (the "Communities") from a joint venture between Emeritus Corporation ("Emeritus") and Blackstone Real Estate Partners VI, an affiliate of Blackstone, for total cash consideration of $1.73 billion (the "Acquisition"). On October 31, 2012, we completed the acquisition of 127 of the 133 Communities. We expect to complete the acquisition of the remaining six Communities during the fourth quarter of 2012 after receipt of applicable third party consents. The Acquisition was funded from available cash, the net proceeds of the Common Stock Offering (described below) and a draw on our bank line of credit. We currently have $600 million outstanding on our bank line of credit. Pursuant to the Acquisition, the Communities were leased by us to Emeritus under triple-net master leases.

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*Common Stock Offering*

In October 2012, we sold 22,000,000 shares of our common stock in an underwritten public offering for net proceeds, before expenses, of $979 million (the "Common Stock Offering"). In addition, we granted the underwriter an option to purchase up to an additional 3,300,000 shares of our common stock. The net proceeds of the Common Stock Offering were used, together with a draw on our bank line of credit and available cash, to fund the purchase price of the Acquisition.

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**The Offering**

The summary below describes some of the principal terms of the notes. Some of the terms and conditions described below are subject to important limitations and exceptions. See "Description of the Notes" for a more detailed description of the terms and conditions of the notes.

| | |
|---|---|
| Issuer | HCP, Inc. |
| Securities Offered | $800,000,000 aggregate principal amount of 2.625% Senior Notes due February 1, 2020. |
| Interest Payment Dates | Interest on the notes is payable semi-annually on February 1 and August 1 of each year, commencing February 1, 2013. |
| Optional Redemption | At any time, we may redeem all or part of the notes at the redemption prices described in "Description of the Notes Optional Redemption." |
| Covenants | The indenture governing the notes contains covenants that limit our ability to incur additional indebtedness, including based upon our total indebtedness as a percentage of our total assets, our secured indebtedness as a percentage of our total assets, and our Annualized Interest Expense (as defined herein) coverage ratio compared to a minimum ratio. We are also required to maintain Total Unencumbered Assets (as defined herein) of at least 150% of our Unsecured Debt (as defined herein).<br>These covenants also restrict our ability to merge, consolidate or transfer all or substantially all of our assets.<br>These covenants are subject to important exceptions and qualifications, which exceptions and qualifications are described in "Description of the Notes Certain Covenants." |
| Ranking | The notes will be senior unsecured obligations of HCP, ranking equally in right of payment with other senior unsecured indebtedness of HCP from time to time outstanding. The notes will be effectively subordinated in right of payment to all of our existing and future secured indebtedness to the extent of the collateral securing that indebtedness. The notes will also be effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of our subsidiaries. |
| Use of Proceeds | The net proceeds from this offering are estimated to be approximately $790.7 million, after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering to repay $600 million currently outstanding under our bank line of credit, which borrowings were used to fund a portion of the purchase price of the Acquisition. We intend to use the additional proceeds raised in this offering for general corporate purposes that may include repayment of indebtedness (which may include up to $150 million of our 5.625% Medium-Term Notes, Series G, due February 28, 2013) and funding of future acquisitions or investments. |

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| | |
|---|---|
| Conflicts of Interest | Affiliates of certain underwriters are lenders and/or agents under our bank line of credit and therefore will receive a portion of the net proceeds from this offering through the repayment of borrowings under our bank line of credit. See "Underwriting Conflicts of Interest." |
| Risk Factors | You should carefully consider the information set forth in the section of this prospectus supplement entitled "Risk Factors" and the "Risk Factors" section in our Annual Report on Form 10-K for the year ended December 31, 2011, as well as the other information included or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide you in connection with this offering before deciding whether to invest in the notes. |
| No Listing of the Notes | The notes are a new issue of securities for which there is currently no established trading market. The underwriters have advised us that they currently intend to make a market in the notes. However, you should be aware that they are not obligated to make a market and may discontinue their market-making activities at any time without notice. As a result, a liquid market for the notes may not be available if you try to sell your notes. We do not intend to apply for a listing of the notes on any securities exchange or any automated dealer quotation system. |

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**Summary Historical Financial Data of HCP**

The following table sets forth our summary consolidated financial data. You should read this information together with our consolidated financial statements, including the related notes, included in our Annual Report on Form 10-K for the year ended December 31, 2011, as updated by our Current Report on Form 8-K filed on July 24, 2012, and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, from which such information has been derived, and which are incorporated by reference herein. Our unaudited financial data for the nine months ended September 30, 2012 and 2011 has been prepared on the same basis as our annual consolidated financial statements and includes all adjustments, consisting of only normal recurring adjustments, necessary for the fair presentation of this data in all material respects. The results for any interim period are not necessarily indicative of the results of operations to be expected for a full fiscal year. The following data is presented on a historical basis.

| | Nine Months Ended September 30, | | Year Ended December 31, | | |
|---|---|---|---|---|---|
| | 2012 | 2011 | 2011 | 2010 | 2009 |
| | (in thousands, except per share data) | | | | |
| **Revenues:** | | | | | |
| Rental and related revenues | $ 736,645 | $ 758,322 | $ 1,015,280 | $ 917,001 | $ 875,775 |
| Tenant recoveries | 69,656 | 69,764 | 92,258 | 89,011 | 89,457 |
| Resident fees and services | 107,824 | 15,314 | 50,619 | 32,596 | |
| Income from direct financing leases | 465,345 | 310,553 | 464,704 | 49,438 | 51,495 |
| Interest income | 12,313 | 99,199 | 99,864 | 160,163 | 124,146 |
| Investment management fee income | 1,423 | 1,605 | 2,073 | 4,666 | 5,312 |
| Total revenues | 1,393,206 | 1,254,757 | 1,724,798 | 1,252,875 | 1,146,185 |
| **Costs and expenses:** | | | | | |
| Depreciation and amortization | 259,039 | 265,742 | 356,623 | 311,008 | 315,736 |
| Interest expense | 309,875 | 315,695 | 419,337 | 288,538 | 298,600 |
| Operating | 210,083 | 151,103 | 220,169 | 210,204 | 183,298 |
| General and administrative | 54,356 | 76,471 | 96,150 | 83,046 | 77,899 |
| Litigation provision | | | 125,000 | | 101,973 |
| Impairments (recoveries) | 7,878 | 15,400 | 15,400 | (11,900) | 75,389 |
| Total costs and expenses | 841,231 | 824,411 | 1,232,679 | 880,896 | 1,052,895 |
| Other income, net | 2,233 | 17,056 | 12,335 | 15,818 | 7,768 |
| **Income before income taxes and equity income from and impairments of investments in unconsolidated joint ventures** | 554,208 | 447,402 | 504,454 | 387,797 | 101,058 |
| Income taxes | 1,131 | (289) | (1,249) | (412) | (1,910) |
| Equity income from unconsolidated joint ventures | 42,803 | 32,798 | 46,750 | 4,770 | 3,511 |
| Impairments of investments in unconsolidated joint ventures | | | | (71,693) | |
| **Income from continuing operations** | 598,142 | 479,911 | 549,955 | 320,462 | 102,659 |
| **Discontinued operations:** | | | | | |
| Income (loss) before gain on sales of real estate, net of income taxes | (416) | 3,796 | 1,432 | 4,008 | 6,296 |
| Impairments | | | | | (125) |
| Gain on sales of real estate, net of income taxes | 2,856 | | 3,107 | 19,925 | 37,321 |
| Total discontinued operations | 2,440 | 3,796 | 4,539 | 23,933 | 43,492 |
| **Net income** | 600,582 | | | | |