

HCP Supplemental: Summary of Enhanced Disclosures in 3Q16

HCP's 3Q16 Supplemental Report reflects enhanced disclosures driven by the spin-off QCP and an interest in expanding our disclosures in certain areas such as capital expenditures and portfolio/tenant metrics. The following is a summary of the more significant changes.

1. **Summary** – Included trend for 5 quarters for financial metrics, debt ratios and occupancy
2. **Segments** - Reconfigured as follows:
 - Senior housing segments will be broken out into senior housing triple-net and senior housing operating portfolio (SHOP)
 - Created an Other segment that includes:
 - Hospitals (no longer reported as separate segment)
 - UK investments
 - Debt investments
 - Other
 - Created QCP segment for the spin-off transaction
 - Incorporated unconsolidated joint ventures into segments. For example, the CCRC JV is included in the SHOP segment
2. **Same property performance** - Modified to include HCP's share of revenues and expenses from the unconsolidated joint ventures
3. **Expirations and Maturities**- Expanded disclosure to include expirations and maturities assuming purchase and prepayment options are exercised
4. **Development and redevelopment** - Reporting expanded to include:
 - Percentage leased
 - Dates for project start, initial occupancy and projected stabilization
 - Investment and square feet for portion of project placed in service
5. **Land held for development** – Expanded reporting to include details by MSA and project
6. **Capital expenditures** – Reporting expanded to include QTD and YTD FAD, non-FAD and capitalized interest by segment
7. **Senior Housing New Supply** – Expanded disclosures include:
 - New schedule for senior housing triple-net similar to the SHOP schedule
 - Disclosing new supply for IL and CCRC, separate from AL for both SHOP and triple-net
 - Added affordability and Qualified Care Giver % (QCG) and removed total population
8. **Life science** – Expanded to include:
 - Credit ratings for tenants
 - Annualized base rent by type of tenant
9. **Medical office** – Expanded disclosures to include:
 - Metrics by MSA
 - Square footages by multi-tenant and single tenant
 - Portfolio analysis by health system, including square feet, % leased, and on/off campus
 - Footnote disclosing ground lease exposure
10. **Guidance** – Added disclosure reflecting 2017 Outlook and 2016 Guidance with a comparison to prior Guidance for FFO, FAD components and SPP by segment