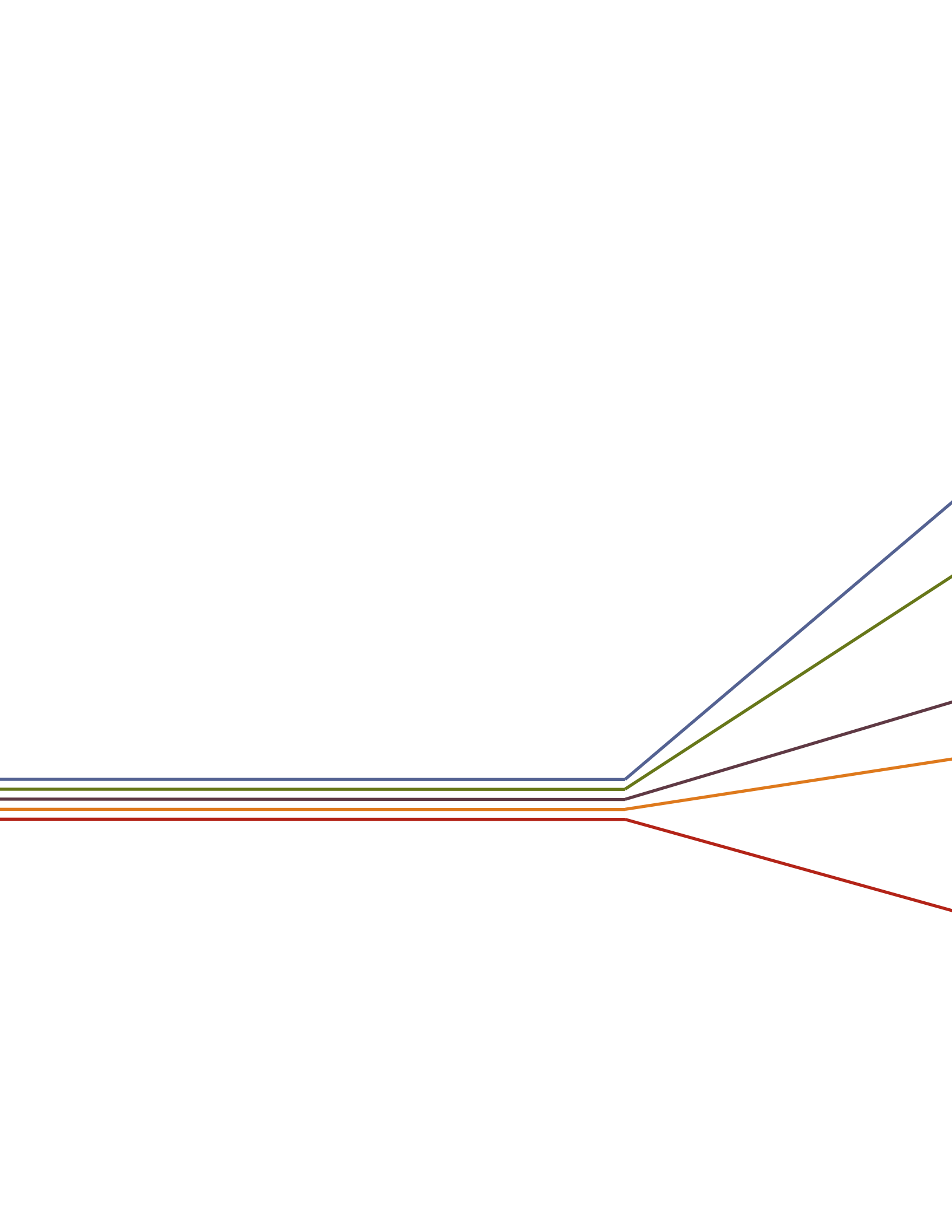


HEALTHCARE  REIT

1Q08 SUPPLEMENTAL INFORMATION



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HEALTH CARE REIT, INC. an equity real estate investment trust ("REIT") with an enterprise value of \$7.1 billion, invests in health care real estate including independent living, assisted living and skilled nursing facilities, continuing care retirement communities, hospitals and medical office buildings. The company's full service platform also offers property management and development services to its customers. Founded in 1970, the company was the first REIT to invest exclusively in health care properties.

DATA AS OF 3/31/08

NYSE: HCN

CLOSING PRICE: \$45.13

52 WEEK HI/LO: \$46.55/\$35.08

DIVIDEND/YIELD: \$2.72/6.03%

SHARES OUTSTANDING: 89.2 MILLION

ENTERPRISE VALUE: \$7.1 BILLION

GROSS REAL ESTATE ASSETS: \$5.7 BILLION

DEBT TO MARKET CAPITALIZATION: 39%

DEBT TO BOOK CAPITALIZATION: 52%

SENIOR DEBT RATINGS: Baa2/BBB-/BBB

INVESTMENT CONCENTRATION*

OWNED ASSETS: 92%

TOP 5 CUSTOMERS: 27%

TOP 5 STATES: 48%

*% of total investments

FULL SERVICE PLATFORM

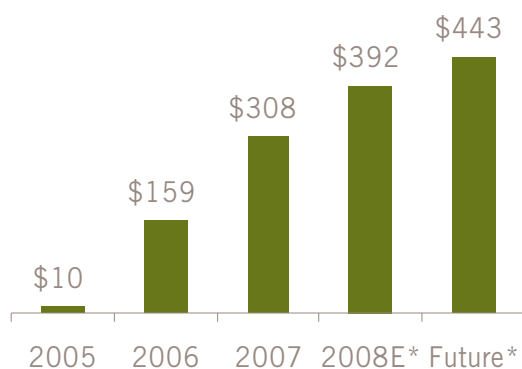
Health Care REIT provides senior housing operators and health care systems with a single source for facility planning, design and turn-key development, property management and monetization or expansion of existing real estate. By extending successful relationship investment programs to health care systems across higher acuity asset classes, the company has significantly increased potential investment opportunities.

PIPELINE FOR GROWTH

The company establishes relationships with growing operators and health care systems and invests in real estate to fuel the company's growth cycle. These relationship investment programs have generated a current pipeline of \$3 billion in health care real estate development and acquisition opportunities. As the company replicates these programs across higher acuity asset classes, the investment pipeline should further increase.

DEVELOPMENT FUNDING

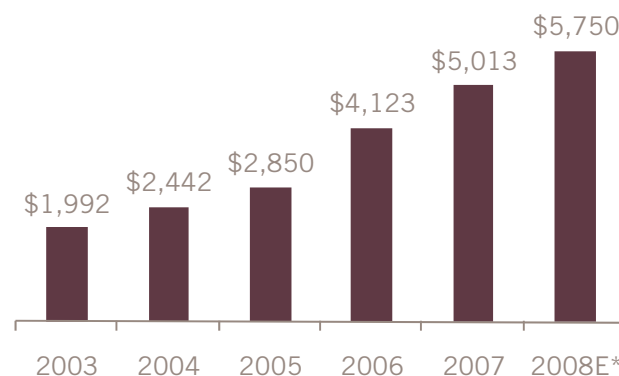
\$ millions



*represents projected future funding for projects underway as of 3/31/08.

NET REAL ESTATE INVESTMENTS

\$ millions

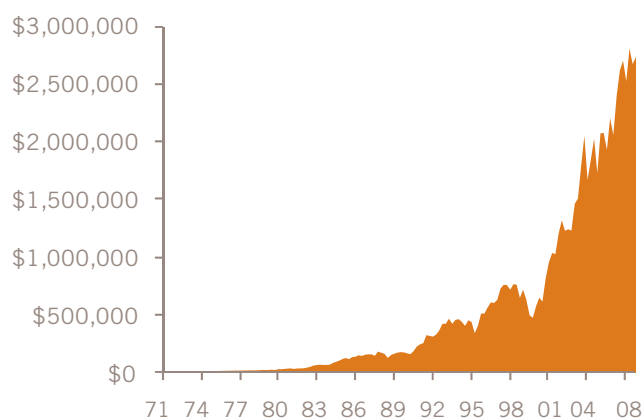


*based on mid-point of HCN 2008 net investment guidance of \$700 million to \$1.1 billion

SECURE AND GROWING DIVIDEND

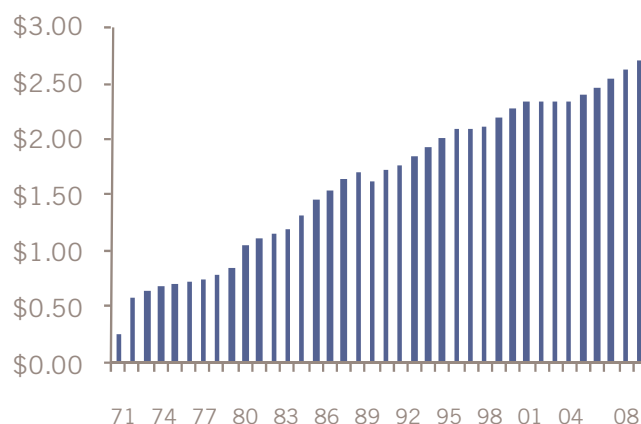
Health Care REIT maintains a commitment to investment grade ratings, conservative balance sheet management and underwriting, asset and property management protocols that ensure prudent investments and proactive management over the life of its long-term leases. The company has declared 148 consecutive quarterly dividends during its 38-year history and remains focused on delivering attractive stockholder returns.

GROWTH SINCE INCEPTION*



*value of \$10,000 investment made 6/30/1971, assuming reinvestment of dividends.

SOLID DIVIDEND PAYMENT RECORD*



*adjusted for stock splits.

TOTAL RETURNS*

1 year	9.1%
3 years	19.5%
5 years	19.0%
10 years	14.2%
20 years	14.5%
Since inception	16.5%

*includes reinvestment of dividends

RELATIONSHIP FOCUSED, LONG-TERM STRATEGY

With 67 operators and over 800 medical office tenants in 38 states, the company strives to provide each customer with the highest quality of service and attention to detail. Throughout the company's 38-year history, it has been a steady long-term capital provider to senior housing and health care systems throughout all market cycles. The relationship approach enables the company to partner with the best regionally focused operators and health systems and help them grow profitably while concentrating on what they do best – provide quality care to patients and residents.

SPEED AND CERTAINTY OF EXECUTION

Health Care REIT's experience and knowledge enable investment decisions within days, rather than weeks or months. The company has accessed over \$3.2 billion in capital in the last five years, including \$894 million in 2007 and \$143 million in the first quarter of 2008. The company's \$1.15 billion line of credit ensures new investments will be funded on time.

ANALYST COVERAGE

Bank of America Securities LLC
 BMO Capital Markets Corp.
 Cantor Fitzgerald
 Deutsche Bank Securities Inc.
 Green Street Advisors, Inc.
 KeyBanc Capital Markets
 Merrill Lynch
 Morgan Keegan & Co., Inc.
 Raymond James & Associates, Inc.
 Stifel Nicolaus & Company, Inc.
 UBS Securities

INVESTOR RELATIONS

ANALYST / INVESTOR CONTACT

Scott A. Estes
SVP & CFO
sestes@hcreit.com

Michael A. Crabtree
VP & Treasurer
mcrabtree@hcreit.com

GENERAL INQUIRIES

Erin C. Ibele
SVP-Administration & Corporate Secretary
info@hcreit.com



George L. Chapman
CEO & Chairman

Mr. Chapman is currently Chairman and Chief Executive Officer of the company, positions he has held since October 1996, and served as President of the company from September 1995 to May 2002. From January 1992 to September 1995, he served as Executive Vice President and General Counsel of the company.



Raymond W. Braun
President

Mr. Braun has served as President of the company since May 2002 and served as Chief Financial Officer of the company from July 2000 to March 2006. Since January 1993, Mr. Braun has served in various capacities, including Chief Operating Officer, Executive Vice President, Assistant Vice President and Assistant General Counsel of the company.



Scott A. Estes
SVP & CFO

Mr. Estes has served as Senior Vice President and Chief Financial Officer of the company since March 2006 and served as Vice President of Finance of the company from April 2003 to March 2006. From January 2000 to April 2003, Mr. Estes served as a Senior Equity Analyst and Vice President with Deutsche Bank Securities. From January 1998 to December 1999, Mr. Estes served as a Senior Equity Analyst and Vice President with Bank of America Securities.

Forward-Looking Statements and Risk Factors

This document may contain “forward-looking” statements as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements concern and are based upon, among other things, the possible expansion of the company’s portfolio; the sale of properties; the performance of its operators and properties; its occupancy rates; its ability to acquire or develop properties; its ability to manage properties; its ability to enter into agreements with new viable tenants for vacant space or for properties that the company takes back from financially troubled tenants, if any; its ability to make distributions; its policies and plans regarding investments, financings and other matters; its tax status as a real estate investment trust; its ability to appropriately balance the use of debt and equity; its ability to access capital markets or other sources of funds; its critical accounting policies; and its ability to meet its earnings guidance. When the company uses words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “estimate” or similar expressions, it is making forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties. The company’s expected results may not be achieved, and actual results may differ materially from expectations. This may be a result of various factors, including, but not limited to: the status of the economy; the status of capital markets, including prevailing interest rates; issues facing the health care industry, including compliance with, and changes to, regulations and payment policies, responding to government investigations and punitive settlements and operators’/tenants’ difficulty in cost-effectively obtaining and maintaining adequate liability and other insurance; changes in financing terms; competition within the health care and senior housing industries; negative developments in the operating results or financial condition of operators/tenants, including, but not limited to, their ability to pay rent and repay loans; the company’s ability to transition or sell facilities with profitable results; the failure to make new investments as and when anticipated; the failure of closings to occur as and when anticipated; acts of God affecting the company’s properties; the company’s ability to re-lease space at similar rates as vacancies occur; the company’s ability to timely reinvest sale proceeds at similar rates to assets sold; operator/tenant bankruptcies or insolvencies; government regulations affecting Medicare and Medicaid reimbursement rates and operational requirements; liability or contract claims by or against operators/tenants; unanticipated difficulties and/or expenditures relating to future acquisitions; environmental laws affecting the company’s properties; changes in rules or practices governing the company’s financial reporting; and legal and operational matters, including real estate investment trust qualification and key management personnel recruitment and retention. Finally, the company assumes no obligation to update or revise any forward-looking statements or to update the reasons why actual results could differ from those projected in any forward-looking statements.

Consolidated Balance Sheets (unaudited)

(dollars in thousands)

	March 31,	
	2008	2007
Assets		
Real estate investments:		
Real property owned		
Land and land improvements	\$454,474	\$394,002
Buildings and improvements	4,329,405	3,783,163
Acquired lease intangibles	134,388	85,110
Real property held for sale, net of accumulated depreciation	2,150	4,236
Construction in progress	369,582	169,782
Gross real property owned	5,289,999	4,436,293
Less accumulated depreciation and amortization	(517,487)	(381,448)
Net real property owned	4,772,512	4,054,845
Real estate loans receivable	388,250	256,945
Less allowance for losses on loans receivable	(7,406)	(7,406)
Net real estate loans receivable	380,844	249,539
Net real estate investments	5,153,356	4,304,384
Other assets:		
Equity investments	1,168	4,700
Deferred loan expenses	28,817	19,767
Cash and cash equivalents	32,282	31,293
Receivables and other assets	171,833	98,510
Total other assets	234,100	154,270
Total assets	\$5,387,456	\$4,458,654
Liabilities and stockholders' equity		
Liabilities:		
Borrowings under unsecured lines of credit arrangements	\$432,500	\$381,000
Senior unsecured notes	1,847,709	1,542,103
Secured debt	478,228	377,013
Liability to subsidiary trust issuing preferred securities	-	52,205
Accrued expenses and other liabilities	110,715	95,595
Total liabilities	2,869,152	2,447,916
Minority interests	9,697	2,354
Stockholders' equity:		
Preferred stock	327,897	338,993
Common stock	88,992	73,931
Capital in excess of par value	2,510,260	1,902,186
Treasury stock	(3,986)	(3,941)
Cumulative net income	1,110,854	962,526
Cumulative dividends	(1,510,296)	(1,267,462)
Accumulated other comprehensive income	(18,474)	(135)
Other equity	3,360	2,286
Total stockholders' equity	2,508,607	2,008,384
Total liabilities and stockholders' equity	\$5,387,456	\$4,458,654

Consolidated Statements of Income (unaudited)

(dollars in thousands except per share data)

	Three Months Ended March 31,	
	2008	2007
Revenues:		
Rental income	\$125,044	\$103,496
Interest income	9,092	5,149
Other income	1,716	1,592
Total revenues	135,852	110,237
Expenses:		
Interest expense	34,329	31,330
Property operating expenses	11,367	7,168
Depreciation and amortization	39,555	32,682
General and administrative expenses	12,328	9,782
Loan expense	1,772	1,267
Loss (gain) on extinguishment of debt	(1,326)	-
Total expenses	98,025	82,229
Income from continuing operations before income taxes and minority interests	37,827	28,008
Income tax (expense) benefit	(1,279)	(11)
Income from continuing operations before minority interests	36,548	27,997
Minority interest	(62)	(126)
Income from continuing operations	36,486	27,871
Discontinued operations:		
Net gain (loss) on sales of properties	26	977
Income (loss) from discontinued operations, net	87	825
Discontinued operations, net	113	1,802
Net income	36,599	29,673
Preferred stock dividends	6,147	6,317
Net income available to common stockholders	\$30,452	\$23,356
Average number of common shares outstanding:		
Basic	86,100	73,224
Diluted	86,610	73,791
Net income available to common stockholders per share:		
Basic	\$0.35	\$0.32
Diluted	0.35	0.32
Common dividends per share	\$0.66	\$0.2991

Funds From Operations Reconciliation

(dollars in thousands except per share data)

	Three Months Ended March 31,	
	2008	2007
Net income available to common stockholders	\$30,452	\$23,356
Depreciation and amortization (1)	39,574	33,860
Loss (gain) on sales of properties	(26)	(977)
Minority interests	(87)	(32)
Funds from operations	69,913	56,207
Loss (gain) on extinguishment of debt	(1,326)	-
Non-recurring income tax expense	1,325	-
Funds from operations — normalized	\$69,912	\$56,207
Average common shares outstanding:		
Basic	86,100	73,224
Diluted	86,610	73,791
Per share data:		
Net income available to common stockholders		
Basic	\$0.35	\$0.32
Diluted	0.35	0.32
Funds from operations		
Basic	\$0.81	\$0.77
Diluted	0.81	0.76
Funds from operations — normalized		
Basic	\$0.81	\$0.77
Diluted	0.81	0.76
FFO Payout Ratio		
Dividends per share (2)	\$0.66	\$0.64
FFO per diluted share	\$0.81	\$0.76
FFO payout ratio	81%	84%
FFO Payout Ratio — Normalized		
Dividends per share (2)	\$0.66	\$0.64
FFO per diluted share — normalized	\$0.81	\$0.76
FFO payout ratio — normalized	81%	84%

Notes:

(1) Depreciation and amortization includes depreciation and amortization from discontinued operations.

(2) The \$0.3409 prorated dividend paid on December 28, 2006 in connection with the Windrose merger has been included in 2007.

Funds Available for Distribution Reconciliation

(dollars in thousands except per share data)

	Three Months Ended March 31,	
	2008	2007
Net income available to common stockholders	\$30,452	\$23,356
Depreciation and amortization (1)	39,574	33,860
Loss (gain) on sales of properties	(26)	(977)
Minority interests	(8)	(5)
Gross straight-line rental income	(5,336)	(4,231)
Prepaid/straight-line rent receipts	2,975	2,078
Amortization related to above (below) market leases, net	(263)	(460)
Amortization of deferred loan expenses	1,772	1,267
Cap-ex, tenant improvements, lease commissions	(765)	(1,063)
Funds available for distribution	68,375	53,825
Loss (gain) on extinguishment of debt	(1,326)	-
Non-recurring income tax expense	1,325	-
Prepaid/straight-line rent receipts	(2,975)	(2,078)
Funds available for distribution — normalized	\$65,399	\$51,747
Average common shares outstanding:		
Basic	86,100	73,224
Diluted	86,610	73,791
Per share data:		
Net income available to common stockholders		
Basic	\$0.35	\$0.32
Diluted	0.35	0.32
Funds available for distribution		
Basic	\$0.79	\$0.74
Diluted	0.79	0.73
Funds available for distribution — normalized		
Basic	\$0.76	\$0.71
Diluted	0.76	0.70
FAD Payout Ratio		
Dividends per share (2)	\$0.66	\$0.64
FAD per diluted share	\$0.79	\$0.73
FAD payout ratio	84%	88%
FAD Payout Ratio — Normalized		
Dividends per share (2)	\$0.66	\$0.64
FAD per diluted share — normalized	\$0.76	\$0.70
FAD payout ratio — normalized	87%	91%

Notes:

(1) Depreciation and amortization includes depreciation and amortization from discontinued operations.

(2) The \$0.3409 prorated dividend paid on December 28, 2006 in connection with the Windrose merger has been included in 2007.

EBITDA Reconciliation

(dollars in thousands except per share data)

	Three Months Ended March 31,	
	2008	2007
Net income	\$36,599	\$29,673
Interest expense (1)	34,345	31,999
Income tax expense (benefit)	1,279	11
Depreciation and amortization (1)	39,574	33,860
Amortization of deferred loan expenses	1,772	1,267
EBITDA	113,569	96,810
Stock-based compensation expense	3,848	3,177
Provision for loan losses	-	-
Loss (gain) on extinguishment of debt	(1,326)	-
EBITDA — adjusted	\$116,091	\$99,987
Interest Coverage Ratio		
Interest expense (1)	\$34,345	\$31,999
Capitalized interest	5,167	2,327
Total interest	39,512	34,326
EBITDA	\$113,569	\$96,810
Interest coverage ratio	2.87x	2.82x
EBITDA — adjusted	\$116,091	\$99,987
Interest coverage ratio — adjusted	2.94x	2.91x
Fixed Charge Coverage Ratio		
Total interest (1)	\$39,512	\$34,326
Secured debt principal amortization	2,093	1,894
Preferred dividends	6,147	6,317
Total fixed charges	47,752	42,537
EBITDA	\$113,569	\$96,810
Fixed charge coverage ratio	2.38x	2.28x
EBITDA — adjusted	\$116,091	\$99,987
Fixed charge coverage ratio - adjusted	2.43x	2.35x

Notes:

(1) Depreciation and amortization and interest expense include depreciation and amortization and interest expense from discontinued operations.

Net Operating Income Reconciliation

(dollars in thousands)

	Three Months Ended March 31,	
	2008	2007
Total revenues:		
Investment properties:		
Rental income:		
Independent living/CCRCs	\$13,414	\$9,387
Assisted living facilities	30,228	25,750
Skilled nursing facilities	40,100	41,011
Specialty care facilities	8,191	6,340
Sub-total rental income	91,933	82,488
Interest income	9,092	5,149
Other income	1,296	1,343
Total investment property income	102,321	88,980
Medical office buildings:		
Rental income	33,233	23,680
Other income	210	-
Total MOB income	33,443	23,680
Non-segment/corporate other income	210	249
Total revenues	135,974	112,909
Property operating expenses:		
Investment properties	-	-
Medical office buildings	11,367	7,168
Non-segment/corporate	-	-
Total property operating expenses	11,367	7,168
Net operating income:		
Investment properties	102,321	88,980
Medical office buildings	22,076	16,512
Non-segment/corporate	210	249
Net operating income	\$124,607	\$105,741

Note: All amounts include amounts from discontinued operations, if applicable.

Outlook Reconciliation

(dollars in thousands except per share data)

	Year Ended December 31, 2008	
	Low	High
Investments:		
Acquisitions	\$700,000	\$900,000
Development	400,000	500,000
Gross new investments	1,100,000	1,400,000
Dispositions	(400,000)	(300,000)
Net new investments	700,000	1,100,000
FFO Reconciliation:		
Net income available to common stockholders	\$135,677	\$142,927
Loss (gain) on sales of properties	(26)	(26)
Depreciation and amortization (1)	163,000	163,000
Funds from operations	298,651	305,901
Loss (gain) on extinguishment of debt	(1,326)	(1,326)
Non-recurring income tax expense	1,325	1,325
Funds from operations - normalized	\$298,650	\$305,900
Average common shares outstanding (diluted)	90,500	90,500
Per share data (diluted):		
Net income available to common stockholders	\$1.50	\$1.58
Funds from operations	3.30	3.38
Funds from operations - normalized	3.30	3.38
FAD Reconciliation:		
Net income available to common stockholders	\$135,677	\$142,927
Loss (gain) on sales of properties	(26)	(26)
Depreciation and amortization (1)	163,000	163,000
Gross straight-line rental income	(22,500)	(22,500)
Prepaid/straight-line rent receipts	2,975	2,975
Amortization related to above (below) market leases, net	(1,000)	(1,000)
Amortization of deferred loan expenses	7,250	7,250
Cap-ex, tenant improvements, lease commissions	(7,500)	(7,500)
Funds available for distribution	277,876	285,126
Loss (gain) on extinguishment of debt	(1,326)	(1,326)
Non-recurring income tax expense	1,325	1,325
Prepaid/straight-line rent receipts	(2,975)	(2,975)
Funds from operations - normalized	\$274,900	\$282,150
Average common shares outstanding (diluted)	90,500	90,500
Per share data (diluted):		
Net income available to common stockholders	\$1.50	\$1.58
Funds available for distribution	3.07	3.15
Funds available for distribution - normalized	3.04	3.12

Notes:

(1) Depreciation and amortization includes depreciation and amortization from discontinued operations.

Revenue and Lease Maturity

(dollars in thousands)

Year	Rental Income (1)					Total Rental Income	Interest Income (2)	Total Revenues	% of Total
	Independent Living / CCRC	Assisted Living	Skilled Nursing	Specialty Care	Medical Office				
2008	\$-	\$-	\$490	\$-	\$12,152	\$12,642	\$3,889	\$16,531	3.3%
2009	-	-	443	-	8,344	8,787	3,046	11,833	2.3%
2010	-	581	-	-	9,327	9,908	2,998	12,906	2.6%
2011	-	1,665	5,295	-	10,089	17,049	1,722	18,771	3.7%
2012	5,032	3,673	6,937	-	11,688	27,330	2,430	29,760	5.9%
2013	7,840	555	-	-	7,123	15,518	12,030	27,548	5.4%
2014	-	2,872	8,325	-	7,991	19,188	-	19,188	3.8%
2015	-	-	1,892	-	6,927	8,819	248	9,067	1.8%
2016	-	582	6,435	2,365	13,002	22,384	5	22,389	4.4%
2017	-	14,433	3,511	2,104	5,024	25,072	1,521	26,593	5.3%
Thereafter	42,570	96,882	127,343	28,679	6,356	301,830	9,180	311,010	61.5%
	\$55,442	\$121,243	\$160,671	\$33,148	\$98,023	\$468,527	\$37,069	\$505,596	100.0%

Notes:

(1) Rental income represents annualized base rent for active lease agreements. The amounts are derived from the current contracted monthly base rent including straight-line for leases with fixed escalators or annual cash rent for leases with contingent escalators, net of collectibility reserves if applicable. Rental income does not include common area maintenance charges or the amortization of above/below market lease intangibles.

(2) Reflects contract rate of interest for loans, net of collectibility reserves if applicable.

Debt Maturities and Principal Payments

(dollars in thousands)

Year	Line of Credit (1)	Senior Notes (2)	Secured Debt (2)	Total	% of Total
2008	\$ -	\$ -	\$20,684	\$20,684	0.8%
2009	-	-	39,741	39,741	1.4%
2010	-	-	15,403	15,403	0.6%
2011	432,500	-	52,575	485,075	17.6%
2012	-	250,000	21,788	271,788	9.9%
2013	-	300,000	54,738	354,738	12.9%
2014	-	-	122,753	122,753	4.4%
Thereafter	-	1,295,000	151,515	1,446,515	52.4%
Totals	\$432,500	\$1,845,000	\$479,197	\$2,756,697	100.0%
Weighted Avg					
Interest Rate (3)	3.3%	5.8%	6.1%	5.4%	
Weighted Avg					
Maturity	3.6	11.5	6.5	9.4	

Fixed and Floating Rate Debt

(dollars in thousands)

	Principal	% of Debt
Fixed Rate Debt		
Senior notes (2)	\$1,845,000	66.9%
Secured debt (2)	\$479,197	17.4%
Total fixed	\$2,324,197	84.3%
Floating Rate Debt		
Line of credit (1)	\$432,500	15.7%
Total floating	\$432,500	15.7%
Total debt	\$2,756,697	100.0%

Notes:

- (1) Current line of credit capacity of \$1.15 billion with remaining availability of \$717.5 million.
- (2) Amounts above represent principal amounts due and do not reflect unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet.
- (3) Line of credit interest rate represents 1-month LIBOR + 60 bps at 3/31/08. Senior notes and secured debt average interest rate represents the face value note rate.

Current Capitalization

(dollars in thousands)

	Balance	% of Total
Book Capitalization		
Line of credit	\$432,500	8.2%
Long-term debt obligations	2,325,937	44.2%
Debt to total book capitalization	2,758,437	52.4%
Stockholders' equity	2,508,607	47.6%
Total book capitalization	\$5,267,044	100.0%
Undepreciated Book Capitalization		
Line of credit	\$432,500	7.5%
Long-term debt obligations	2,325,937	40.2%
Debt to undepreciated book capitalization	2,758,437	47.7%
Accumulated depreciation and amortization	517,487	8.9%
Stockholders' equity	2,508,607	43.4%
Total undepreciated book capitalization	\$5,784,531	100.0%
Enterprise Value		
Line of credit	\$432,500	6.1%
Long-term debt obligations	2,325,937	32.7%
Debt to total enterprise value	2,758,437	38.8%
Common shares outstanding	89,175	
Period end share price	\$45.13	
Common equity market capitalization	4,024,468	56.6%
Preferred stock	327,897	4.6%
Total enterprise value	\$7,110,802	100.0%
Secured Debt as % of Total Assets		
Secured debt	\$478,228	8.9%
Total assets	5,387,456	

Gross Investment Activity

(dollars in thousands)

	First Quarter 2008					
	Properties	Beds / Units / Square Feet		Amount	Investment Per Bed / Unit / Square Foot	Initial Cash Yield
Real Property Acquisitions						
CCRC - rental	1	181	units	\$11,800	\$65,193	8.1%
Freestanding assisted living	1	45	units	4,600	102,222	8.5%
Specialty care facility	1	40	beds	35,200	880,000	10.3%
Medical office buildings	3	172,575	sf	41,628	241	7.9%
Total acquisitions	6			\$93,228		8.8%
Construction in Progress						
Development projects:						
CCRC - entrance fee	3	851	units	\$14,356		
CCRC - rental	2	251	units	879		
Combination - entrance fee	4	741	units	20,161		
Combination - rental	14	1,556	units	17,374		
Freestanding dementia care	3	221	units	2,588		
Freestanding skilled nursing	2	240	beds	3,682		
Specialty care	3	146	beds	4,587		
Medical office	3	571,898	sf	3,954		
Total development projects	34			67,581		
Expansion projects:						
CCRC - entrance fee	2	140	beds	1,350		
Combination - entrance fee	3	155	beds	8,377		
Total expansion projects	5			9,727		
Total construction in progress	39			\$77,308		
Capital improvements to existing properties				2,998		9.9%
Loan advances				7,751		10.6%
Gross investments				\$181,285		

Investment Timing

(dollars in thousands)

	Acquisitions	Initial Cash Yield	Dispositions	Yield on Sale	Construction Conversions	Initial Cash Yield
January	\$42,500	10.3%	-	-	\$687	9.1%
February	38,928	7.5%	-	-	-	0.0%
March	11,800	8.1%	-	-	20,748	8.5%
Total	\$93,228	8.8%	\$ -	0.0%	\$21,435	8.5%

Disposition Activity

(dollars in thousands)

	First Quarter 2008	
	Amount	% of Total
Dispositions by Investment Type		
Total	\$ -	0.0%
Dispositions by Property Type		
Total	\$ -	0.0%

Discontinued Operations

(dollars in thousands)

	First Quarter,	
	2008	2007
Revenues		
Rental income	\$122	\$2,672
Expenses		
Interest expense	16	669
Depreciation and amortization	19	1,178
Income / (loss) from discontinued operations, net	\$87	\$825

Portfolio Composition

(dollars in thousands)

	Properties	Investment Balance	% of Total	Committed Balance	% of Total
Balance Sheet Data					
Real property	609	\$4,772,512	92.5%	\$5,530,137	93.4%
Loans	37	388,250	7.5%	388,250	6.6%
Total	646	\$5,160,762	100.0%	\$5,918,387	100.0%

Investment Concentration - By Predominant Service Type					
Independent living / CCRC	63	\$837,050	16.2%	\$1,189,696	20.1%
Assisted living	208	1,058,998	20.5%	1,259,543	21.3%
Skilled nursing	227	1,588,520	30.8%	1,609,490	27.2%
Specialty care	23	395,549	7.7%	414,713	7.0%
Medical office	125	1,280,645	24.8%	1,444,945	24.4%
Total	646	\$5,160,762	100.0%	\$5,918,387	100.0%

Investment Concentration - Senior Housing & Care and Medical Facilities					
Senior housing & care portfolio					
CCRC - entrance fee	5	\$117,727	2.3%	\$329,114	5.6%
CCRC - rental	12	185,884	3.6%	190,210	3.2%
Combination - entrance fee	8	216,653	4.2%	337,680	5.7%
Combination - rental	124	897,824	17.4%	1,095,489	18.5%
Subtotal combination / CCRC	149	\$1,418,088	27.5%	\$1,952,493	33.0%
Freestanding independent living	24	172,110	3.4%	172,110	2.9%
Freestanding assisted living	95	372,365	7.2%	372,365	6.3%
Freestanding dementia care	32	144,287	2.8%	163,074	2.8%
Freestanding skilled nursing	194	1,192,513	23.1%	1,213,482	20.5%
Subtotal freestanding	345	\$1,881,275	36.5%	\$1,921,031	32.5%
Land	4	6,510	0.1%	6,510	0.1%
Other Loans	-	178,695	3.4%	178,695	3.0%
Senior housing & care total	498	\$3,484,568	67.5%	\$4,058,729	68.6%
Medical facilities portfolio					
Specialty care	23	395,549	7.7%	414,713	7.0%
Medical office	125	1,280,645	24.8%	1,444,945	24.4%
Medical facilities total	148	\$1,676,194	32.5%	\$1,859,658	31.4%
Total portfolio	646	\$5,160,762	100.0%	\$5,918,387	100.0%

	Bed / Unit / Square Foot	Committed Balance (\$000)	Per Bed / Unit / Square Foot
Investment Metrics			
Independent living / CCRC	7,681 units	\$1,189,696	\$154,888
Assisted living	12,880 units	1,259,543	97,791
Skilled nursing	30,656 beds	1,609,490	52,502
Specialty care	1,581 beds	414,713	262,310
Medical office	5,317,024 sf	1,444,945	272
Total		\$5,918,387	

Portfolio Concentration

(dollars in thousands)

	Properties	Investment Balance	% of Total
By Operator / Tenant			
Emeritus Corporation	50	\$353,593	6.9%
Signature Healthcare	34	323,953	6.3%
Life Care Centers of America	25	257,902	5.0%
Brookdale Senior Living	84	256,901	5.0%
Senior Living Communities	8	205,768	4.0%
Merrill Gardens	13	175,661	3.4%
Delta Health Group	25	161,433	3.1%
Tara Cares	33	155,709	3.0%
Kindred Healthcare	13	148,725	2.9%
Lyric Health Care	27	147,961	2.9%
Remaining portfolio	334	2,973,156	57.5%
Total	646	\$5,160,762	100.0%

By Region*			
South Atlantic	199	\$1,429,685	27.8%
West South Central	119	790,258	15.3%
East North Central	72	697,447	13.5%
East South Central	70	516,300	10.0%
Mountain	53	510,116	9.9%
Pacific	41	460,884	8.9%
New England	50	421,095	8.2%
Middle Atlantic	33	250,216	4.8%
West North Central	9	84,761	1.6%
Total	646	\$5,160,762	100.0%

*Region definitions are derived from census bureau definitions and are itemized in the glossary.

By State			
Florida	90	\$783,363	15.2%
Texas	87	670,519	13.0%
California	26	354,279	6.9%
Massachusetts	38	350,582	6.8%
Tennessee	33	305,551	5.9%
Ohio	31	282,568	5.5%
North Carolina	53	225,397	4.4%
Illinois	16	161,666	3.1%
Nevada	15	155,424	3.0%
Indiana	14	152,424	3.0%
Remaining portfolio	243	1,718,989	33.2%
Total	646	\$5,160,762	100.0%

Metropolitan Statistical Area Concentration *

(Investment balance in thousands)

	Top 31	Top 75	Top 100
Independent living / CCRC	\$282,896	\$461,875	\$543,058
% of independent living / CCRC	33.8%	55.2%	64.9%
Assisted living	362,580	578,565	626,346
% of assisted living	34.2%	54.6%	59.1%
Skilled nursing	455,151	825,870	919,880
% of skilled nursing	28.7%	52.0%	57.9%
Specialty care	164,266	299,757	321,717
% of specialty care	41.5%	75.8%	81.3%
Medical office	920,308	1,151,651	1,155,395
% of medical office	71.9%	89.9%	90.2%
Total portfolio	\$2,185,201	\$3,317,718	\$3,566,396
% of total portfolio	42.3%	64.3%	69.1%

*Metropolitan statistical areas are as defined by the census bureau. Top 31, 75 and 100 classifications are reported per the National Investment Center Market Area Profiles Subscription Service.

Portfolio Performance

	Age	Occupancy	TTM CBMF (1)	TTM CAMF (1)	Facility Revenue Mix		
					Private Pay	Medicaid	Medicare
Stable Portfolio*							
Independent living / CCRC	11	91.4%	1.45x	1.23x	92.7%	1.7%	5.6%
Assisted living	10	88.5%	1.59x	1.37x	85.9%	13.9%	0.2%
Skilled nursing	22	84.7%	2.26x	1.66x	19.4%	52.3%	28.3%
Specialty care	14	55.0%	2.64x	2.07x	25.8%	15.7%	58.5%
Medical office	13	88.9%	n/a	n/a	100.0%	0.0%	0.0%
Total	15		1.99x	1.55x	65.4%		

*Data as of 3/31/08 for medical office and 12/31/07 for remaining asset types.

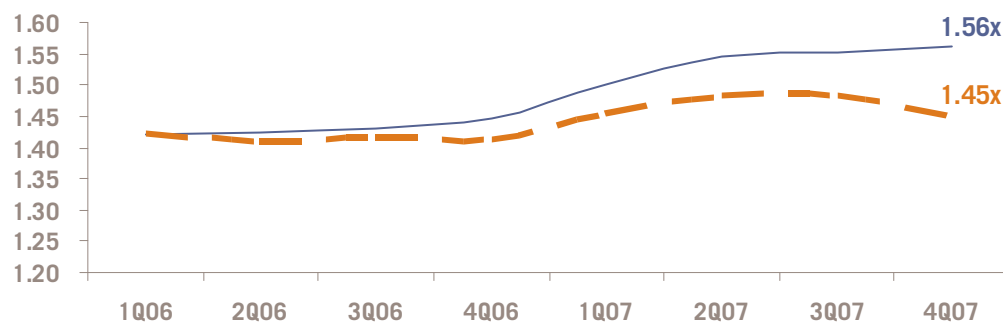
Notes:

(1) Represents trailing twelve month coverage metrics.

Portfolio Performance - Independent Living / CCRC

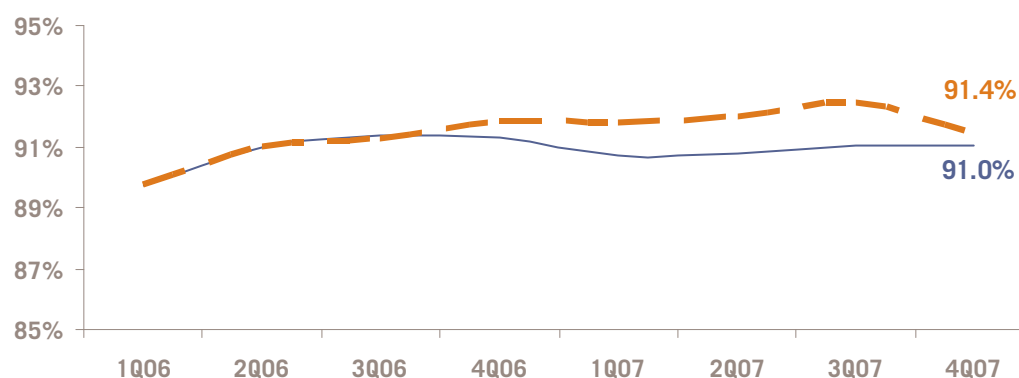
— Same Store (15 properties)
 - - - Stable

Trailing Twelve Month Payment Coverage Before Management Fees



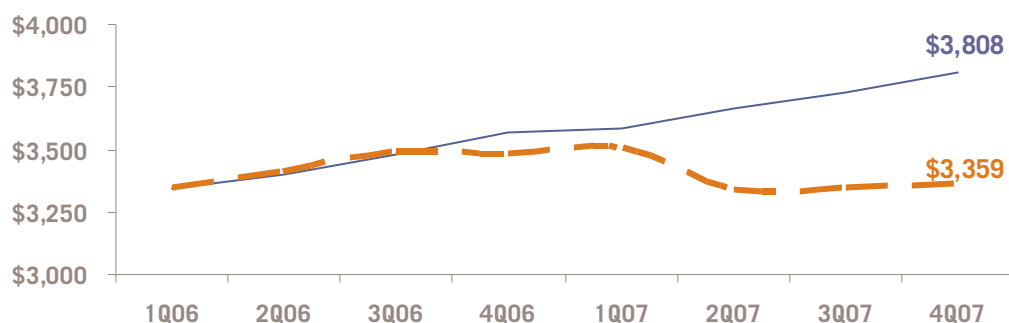
basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store	11	1
Stable	4	(3)

Occupancy



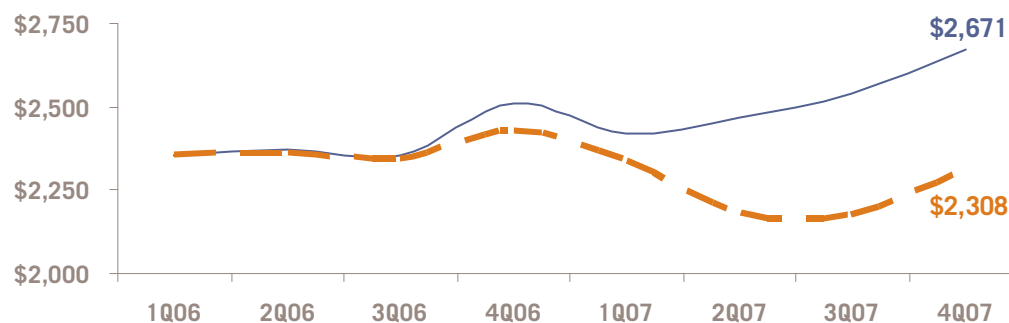
basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store	(30)	(10)
Stable	(50)	(110)

Revenue per Occupied Unit



(% chg)	4Q07 / 4Q06	4Q07 / 3Q07
Same Store	6.7%	2.2%
Stable	-3.6%	0.4%

Expense per Occupied Unit

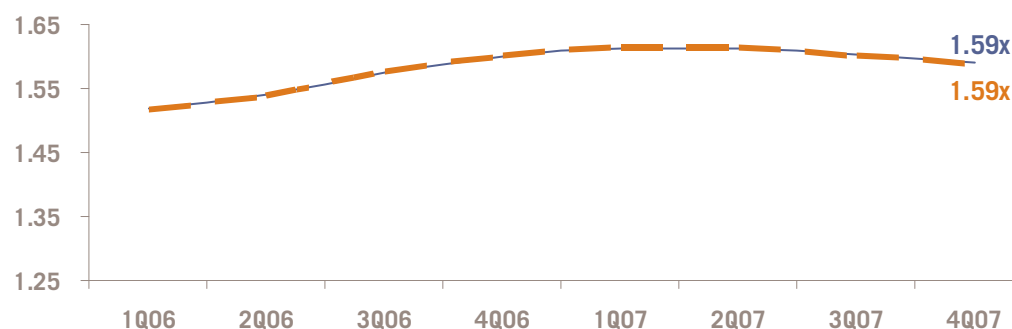


(% chg)	4Q07 / 4Q06	4Q07 / 3Q07
Same Store	6.5%	5.1%
Stable	-4.9%	6.3%

Portfolio Performance - Assisted Living

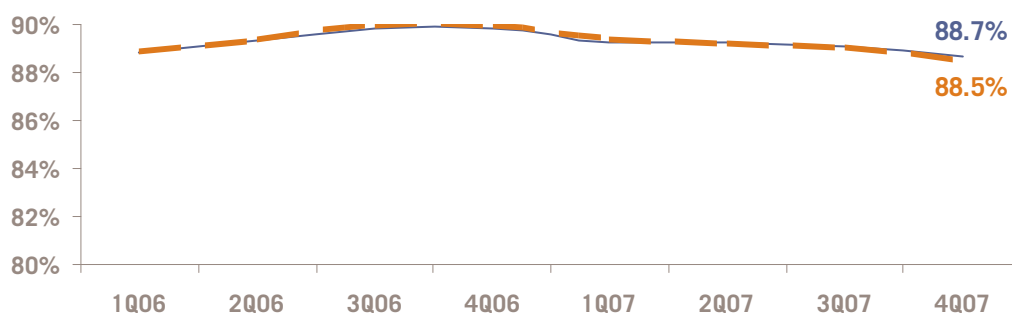
— Same Store (165 properties)
 - - - Stable

Trailing Twelve Month Payment Coverage Before Management Fees



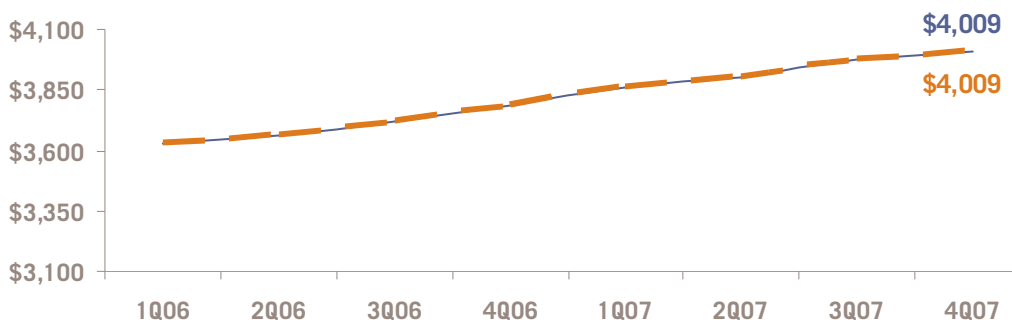
	basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		(1)	(1)
Stable		(1)	(1)

Occupancy



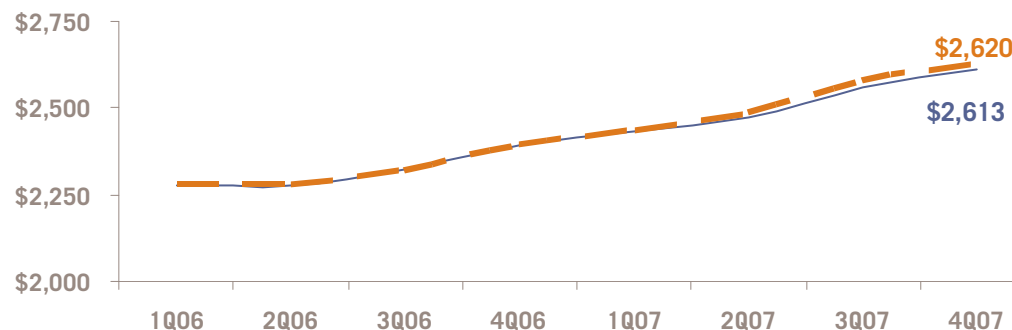
	basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		(110)	(40)
Stable		(140)	(50)

Revenue per Occupied Unit



	(% chg)	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		6.0%	0.9%
Stable		6.0%	0.9%

Expense per Occupied Unit

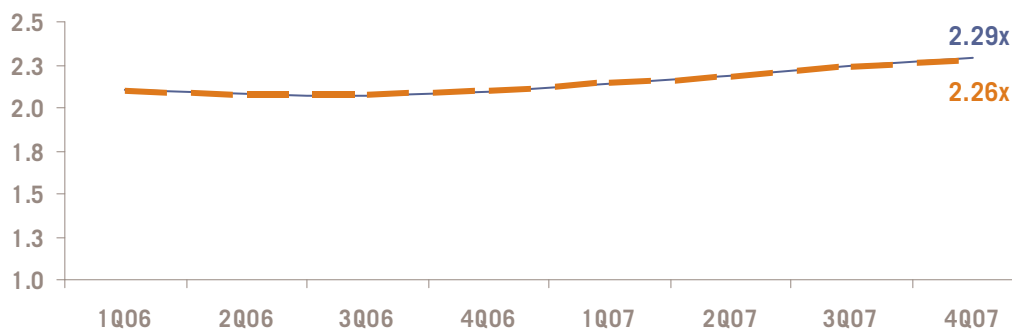


	(% chg)	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		9.1%	2.1%
Stable		9.5%	1.8%

Portfolio Performance - Skilled Nursing

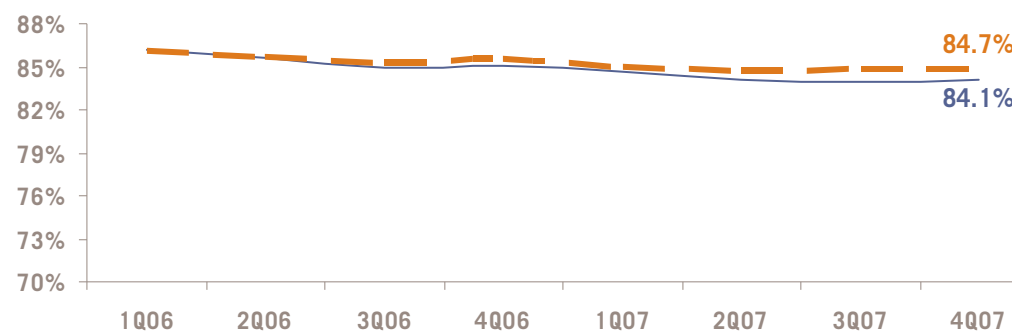
— Same Store (185 properties)
 - - - Stable

Trailing Twelve Month Payment Coverage Before Management Fees



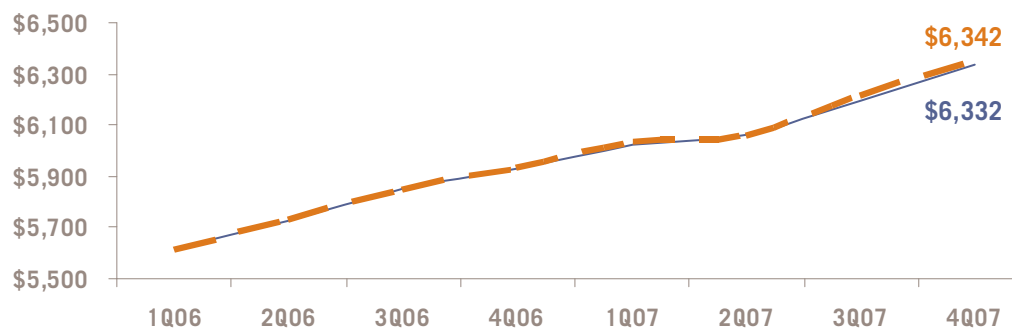
	basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		20	4
Stable		17	3

Occupancy



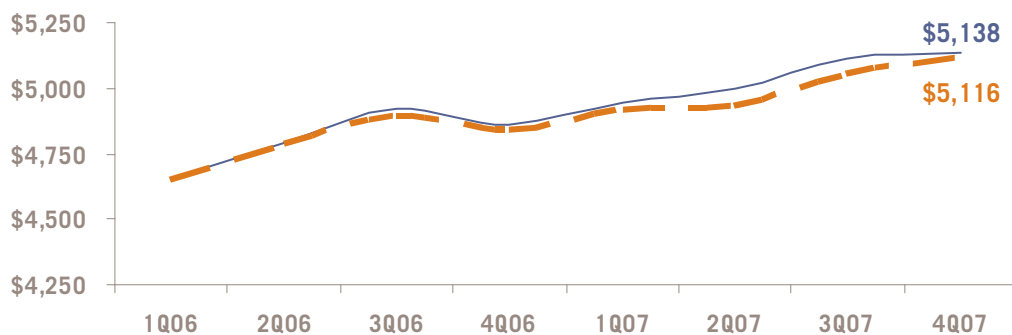
	basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		(90)	10
Stable		(80)	-

Revenue per Occupied Bed



	(% chg)	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		6.7%	2.2%
Stable		6.9%	2.1%

Expense per Occupied Bed

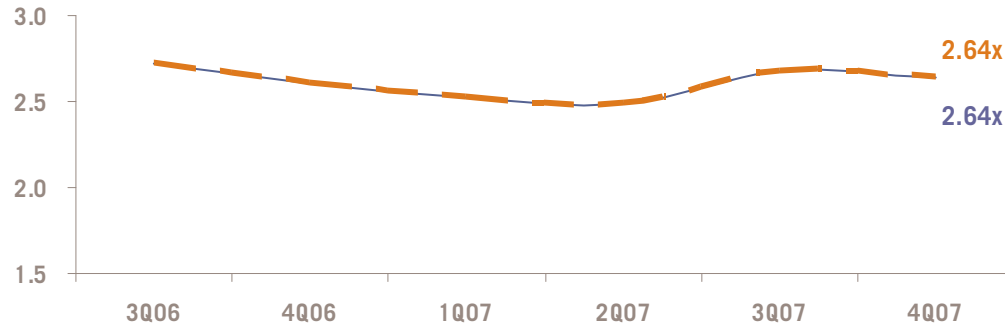


	(% chg)	4Q07 / 4Q06	4Q07 / 3Q07
Same Store		5.7%	0.5%
Stable		5.7%	1.3%

Portfolio Performance - Specialty Care*

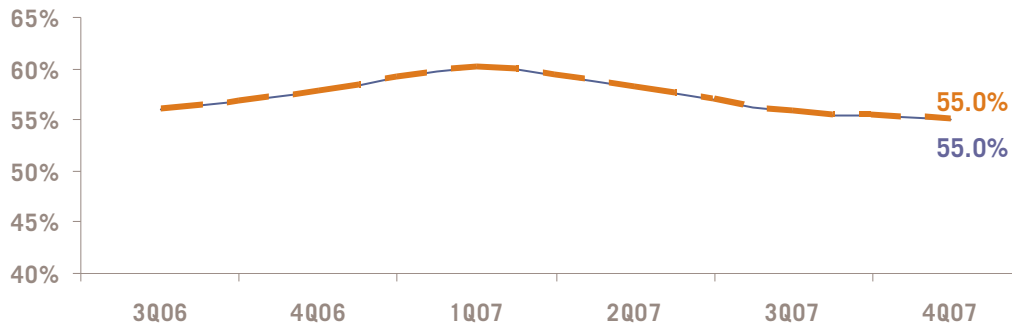
— Same Store (11 properties)
— Stable

Trailing Twelve Month Payment Coverage Before Management Fees



basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store	3	(4)
Stable	3	(4)

Occupancy



basis points	4Q07 / 4Q06	4Q07 / 3Q07
Same Store	(280)	(80)
Stable	(280)	(80)

*Per occupied unit metrics not applicable for specialty care.

Portfolio Composition - Medical Office Buildings

(dollars in thousands)

	Properties	Square Feet	Investment Balance	Total Revenues	Operating Expenses	NOI	Age	Occupancy
On Campus	45	2,415,661	\$667,509	\$17,601	\$6,169	\$11,432	12	90.4%
Off Campus-Affiliated	33	1,322,951	336,486	9,349	3,004	6,345	14	88.6%
Off Campus	44	1,006,514	258,008	6,493	2,194	4,299	12	86.0%
Subtotal	122	4,745,126	\$1,262,003	\$33,443	\$11,367	\$22,076	13	88.9%
Development	3	571,898	18,642	-	-	-		
Total	125	5,317,024	\$1,280,645	\$33,443	\$11,367	\$22,076		

Portfolio Performance - Medical Office Buildings

(dollars in thousands)

	4Q07A	1Q08A	2Q08E	3Q08E	4Q08E
Total MOB Performance					
Properties	119	122			
Square feet	4,573,073	4,745,126			
Investment balance	\$1,233,576	\$1,262,003			
Occupancy	90.1%	88.9%			
Total revenue	\$31,374	\$33,443			
Operating expenses	\$11,224	\$11,367			
NOI	\$20,150	\$22,076			
Total cap-ex / TI / LC	\$1,763	\$765	\$2,029	\$2,930	\$1,776
Expirations (square feet)*	67,062	177,647	212,410	76,812	146,196
Renewed (square feet)	45,630	125,928			
Renewal rate	68.0%	70.9%			

	4Q07	1Q08	2Q08	3Q08	4Q08
Same Store Performance					
Properties	116	116			
Square feet	4,448,771	4,448,771			
Investment balance	\$1,202,750	\$1,190,123			
Occupancy	89.9%	88.3%			
Total revenue	\$31,120	\$31,704			
Operating expenses	\$11,105	\$10,858			
NOI	\$20,015	\$20,846			

	2008	2009	2010	2011	2012
Remaining Lease Expirations*					
Square feet	435,418	356,874	437,871	462,196	553,846
% of total portfolio	9.2%	7.5%	9.2%	9.7%	11.7%

* Second quarter and full year 2008 forecasts include month-to-month and holdover leases.

Portfolio Concentration - Medical Office Buildings

(dollars in thousands)

	Square Feet	% of Total
By Tenant*		
Tenet Healthcare	343,314	7.2%
Baptist Health System	182,928	3.9%
Southwest Medical Associates	160,855	3.4%
Community Health	149,517	3.2%
Orange Regional Medical Center	100,496	2.1%
Remaining portfolio	3,808,016	80.2%
Total	4,745,126	100.0%

*Excludes development properties.

	Properties	Square Feet	% of Total	Investment Balance	Balance per Square Foot
By Region*					
South Atlantic	53	1,497,875	28.2%	\$418,450	\$279
Mountain	15	907,209	17.1%	219,545	242
West South Central	19	894,968	16.8%	204,679	229
Middle Atlantic	12	716,491	13.5%	119,384	167
East South Central	13	710,971	13.4%	122,042	172
Pacific	8	447,903	8.4%	154,528	345
East North Central	4	91,451	1.7%	25,054	274
West North Central	1	50,156	0.9%	16,963	338
Total	125	5,317,024	100.0%	\$1,280,645	\$241

*Region definitions are derived from census bureau definitions and are itemized in the glossary.

By State					
Florida	27	935,944	17.6%	\$288,630	\$308
Texas	18	850,165	16.0%	192,123	226
Arizona	5	545,978	10.3%	96,690	177
California	7	384,520	7.2%	125,043	325
Georgia	15	358,566	6.7%	88,079	246
New Jersey	4	341,490	6.4%	34,743	102
Nevada	9	324,845	6.1%	115,383	355
Alabama	5	303,316	5.7%	44,652	147
Tennessee	7	295,017	5.5%	74,971	254
New York	7	276,104	5.2%	61,534	223
Remaining portfolio	21	701,079	13.3%	158,797	227
Total	125	5,317,024	100.0%	\$1,280,645	\$241

Development Activity

(dollars in thousands)

	Projects	Beds / Units / Square Feet	CIP Balance at 12/31/07	2008 YTD Funding	2008 YTD Conversions	CIP Balance at 3/31/08
Development Properties						
CCRC - entrance fee	3	851	\$44,477	\$14,356	\$ -	\$58,833
CCRC - rental	2	251	37,014	879	-	37,893
Combination - entrance fee	4	741	64,956	20,161	-	85,117
Combination - rental	14	1,556	78,589	17,374	(19,889)	76,074
Freestanding dementia care	3	221	7,425	2,588	-	10,013
Freestanding skilled nursing	2	240	9,593	3,682	-	13,275
Specialty care	3	146	33,019	4,587	-	37,606
Medical office	3	571,898	14,688	3,954	-	18,642
Total	34		289,761	67,581	(19,889)	337,453
Expansion Projects						
CCRC - entrance fee	2	140	5,315	1,350	(353)	6,312
Combination - entrance fee	3	155	18,633	8,377	(1,193)	25,817
Total	5		23,948	9,727	(1,546)	32,129
Development Total	39		\$313,709	\$77,308	(\$21,435)	\$369,582

Development Funding Projections

(dollars in thousands)

	Projects	Beds / Units / Square Feet	Initial Yield	Projected Future Funding			Committed Balances
				2008 Funding	Funding Thereafter	Unfunded Commitments	
Development Properties							
CCRC - entrance fee	3	851	9.7%	\$75,585	\$124,608	\$200,193	\$259,026
CCRC - rental	2	251	9.0%	3,121	1,205	4,326	42,219
Combination - entrance fee	4	741	9.1%	58,120	51,059	109,179	194,296
Combination - rental	13	1,456	8.7%	97,606	100,059	197,665	273,739
Freestanding dementia care	3	221	9.1%	11,707	7,080	18,787	28,800
Freestanding skilled nursing	2	240	9.3%	16,686	4,284	20,970	34,245
Specialty care	3	146	10.3%	4,111	15,053	19,164	56,770
Medical office	3	571,898	8.3%	37,637	126,663	164,300	182,941
Total	33		9.1%	304,573	430,011	734,584	1,072,036
Expansion Projects							
CCRC - entrance fee	2	140	9.8%	1,952	9,241	11,193	17,506
Combination - entrance fee	3	155	8.8%	7,698	4,150	11,848	37,665
Total	5		9.1%	9,650	13,391	23,041	55,171
Development Total	38		9.1%	\$314,223	\$443,402	\$757,625	\$1,127,207

Development Project Conversion Estimates*

(dollars in thousands)

Quarterly Conversions			Annual Conversions		
	Amount	Projected Initial Cash Yields (1)		Amount	Projected Initial Cash Yields (1)
1Q08 actual	\$19,889	8.5%	2008 estimate	\$285,318	9.3%
2Q08 estimate	154,520	9.7%	2009 estimate	479,668	8.7%
3Q08 estimate	32,077	8.6%	2010 estimate	326,939	9.4%
4Q08 estimate	78,832	8.9%	2011 estimate	-	0.0%
1Q09 estimate	90,665	9.3%	2012+ estimate	-	0.0%
2Q09 estimate	35,750	8.9%	Total	\$1,091,925	9.0%
3Q09 estimate	150,453	7.7%			
4Q09 estimate	202,800	9.1%			
Total	\$764,986	8.9%			

*Excludes expansion projects

Notes:

(1) Actual initial yields may be higher if the underlying market rates increase.

Unstabilized Properties

(dollars in thousands)

	Properties	Beds / Units	Investment Balance	% of Total Investment
Property Type				
CCRC - entrance fee	1	183	\$33,693	0.7%
CCRC - rental	4	657	58,866	1.1%
Combination - entrance fee	3	549	87,472	1.7%
Combination - rental	12	1,166	151,600	2.9%
Freestanding assisted living	5	250	26,478	0.5%
Freestanding dementia care	6	236	51,128	1.0%
Freestanding skilled nursing	3	443	36,203	0.7%
Specialty care	4	214	85,295	1.7%
Total	38	3,698	\$530,735	10.3%

	Properties	Months In Operation	Revenues	% of Total Revenues (1)
Occupancy				
0 - 50%	11	7	\$3,486	2.6%
50% - 70%	3	15	361	0.3%
70% +	24	16	8,224	6.0%
Total	38	13	\$12,071	8.9%

(1) Includes gross revenues and revenues from discontinued operations for the three months ended 3/31/08.

Age: Current year, less the year built, adjusted for major renovations.

Assisted Living: Assisted living facilities are state regulated rental properties that provide the same services as independent living facilities, but also provide supportive care from trained employees to residents who require assistance with activities of daily living, including management of medications, bathing, dressing, toileting, ambulating and eating.

CAMF: Coverage after management fees represents the ratio of EBITDAR to contractual rent for leases or interest and principal payments for loans. CAMF is a measure of a property's ability to generate sufficient cash flows for the operator/borrower to pay rent and meet other obligations. The coverage shown excludes properties that are unstabilized, closed or for which data is not available or meaningful.

Cap-ex, Tenant Improvements, Leasing Commissions: Represents amounts paid in cash for: 1) recurring and non-recurring capital expenditures required to maintain and re-tenant our properties, 2) second generation tenant improvements and 3) leasing commissions paid to third party leasing agents to secure new tenants.

CBMF: Coverage before management fees represents the ratio of EBITDARM to contractual rent for leases or interest and principal payments for loans. CBMF is a measure of a property's ability to generate sufficient cash flows for the operator/borrower to pay rent and meet other obligations, assuming that management fees are not paid. The coverage shown excludes properties that are unstabilized, closed or for which data is not available or meaningful.

CCRC: Continuing care retirement communities include a combination of detached homes, an independent living facility, an assisted living facility and/or a skilled nursing facility on one campus. Resident payment plans vary, but can include entrance fees, condominium fees and rental fees. Many of these communities also charge monthly maintenance fees in exchange for a living unit, meals and some health services.

Combination: A property that offers two or more levels of care (i.e. independent living, assisted living, dementia and skilled nursing), but does not meet the definition of a CCRC.

Committed Balance: Represents investment balance plus unfunded construction commitments for which initial funding has commenced.

Construction Conversion: Represents completed construction projects that were placed into service and began earning rent.

Dementia Care: Certain assisted living facilities may include state licensed settings that specialize in caring for those afflicted with Alzheimer's disease and/or similar forms of dementia.

EBITDAR: Earnings before interest, taxes, depreciation, amortization and rent. Management fees are imputed at 5% of revenues for independent living, assisted living, skilled nursing and CCRCs and at 3% for specialty care which the company believes represent typical management fees. The company uses unaudited, periodic financial information provided solely by tenants/borrowers to calculate EBITDAR and has not independently verified the information. EBITDAR is used to calculate CAMF.

EBITDARM: Earnings before interest, taxes, depreciation, amortization, rent and management fees. The company uses unaudited, periodic financial information provided solely by tenants/borrowers to calculate EBITDARM and has not independently verified the information. EBITDARM is used to calculate CBMF.

Entrance Fee: A property where the resident pays a substantial upfront fee and an ongoing monthly service fee for the right to occupy a unit. Typically, a portion of the upfront fee is refundable.

Expense per Occupied Unit: Represents the ratio of revenue less EBITDARM to occupied units based on the most recent quarter of available data and excludes properties that are unstabilized, closed, or for which data is not available or meaningful. The company uses unaudited, periodic financial information provided solely by tenants/borrowers to calculate expense per occupied unit and has not independently verified the information.

Freestanding: A property that offers one level of service.

Independent Living: Independent living facilities are age-restricted, multi-family properties with central dining facilities that provide residents access to meals and other services such as housekeeping, linen service, transportation and social and recreational activities.

Initial Cash Yield: Represents annualized contractual income to be received in cash at date of investment divided by investment amount.

Investment Amount:

Acquisitions – Represents purchase price.

New loans – Represents face amount of new loan.

Construction conversion – Represents book balance converted from CIP to real property upon completion.

Capital improvements to existing properties – Represents cash funded to tenants under an existing lease agreement.

Loan advances – Represents cash funded to operators under an existing loan agreement.

Investment Balance: Represents net book value of real estate investments as reflected on the company's balance sheet.

Medical Office: Medical office buildings are office and clinic facilities, often located near hospitals or on hospital campuses, specifically constructed and designed for use by physicians and other health care personnel to provide services to their patients. They may also include ambulatory surgery centers that are used for general or specialty surgical procedures not requiring an overnight stay in a hospital. Medical office buildings typically contain sole and group physician practices and may provide laboratory and other patient services.

Metropolitan Statistical Area: Metropolitan statistical areas are geographic entities defined by the [U.S. Office of Management and Budget \(OMB\)](#) for use by Federal statistical agencies in collecting, tabulating and publishing Federal statistics. The NIC MAP™ Data and Analysis Service provides revenue, supply and demographic information for the IL/CCRC, assisted living, and skilled nursing service types and commonly aggregates the information for the top 31, top 75 and top 100 MSAs. The company provides investment balance information in the same categories as another measure of geographic concentration.

Occupancy: Medical office occupancy represents the percentage of total rentable square feet leased and occupied, including month-to-month leases, as of the date reported. Occupancy for all other property types represents average quarterly operating occupancy based on the most recent quarter of available data and excludes properties that are unstabilized, closed or for which data is not available or meaningful. The company uses unaudited, periodic financial information provided solely by tenants/borrowers to calculate occupancy and has not independently verified the information.

Off Campus: Properties that are neither on campus nor off campus affiliated.

Off Campus-Affiliated: Properties not on campus are considered affiliated with a hospital or health system if one or more of the following conditions are met: 1) a ground lease is maintained with a hospital or system entity; 2) a master lease is maintained with a hospital or system entity; 3) significant square footage is leased to a hospital or system entity; or 4) the property includes an ambulatory surgery center with a hospital partnership interest.

On Campus: Properties are considered on campus if one or more of the following criteria are met: 1) the land parcel is contained within the physical boundaries of a hospital campus; 2) the land parcel is located adjacent to the campus; or 3) the building is physically connected to the hospital regardless of the land ownership structure.

Region Definitions: Eight divisions as established by the Census Bureau.

New England – Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.

Middle Atlantic – New Jersey, New York, Pennsylvania.

East North Central – Indiana, Illinois, Michigan, Ohio, Wisconsin.

West North Central – Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.

South Atlantic – Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia.

East South Central – Alabama, Kentucky, Mississippi, Tennessee.

West South Central – Arkansas, Louisiana, Oklahoma, Texas.

Mountain – Arizona, Colorado, Idaho, New Mexico, Montana, Utah, Nevada, Wyoming.

Pacific – Alaska, California, Hawaii, Oregon, Washington.

Renewal Rate: The ratio of total square feet expiring and available for lease to total renewed square feet.

Renewed Square Feet: Square feet expiring during the reporting period upon which a lease is executed by the current occupant.

Rental: A property where the resident pays a monthly market rate for the level of care provided, but is not required to pay a substantial upfront fee.

Revenue per Occupied Unit: Represents the ratio of total revenue to occupied units based on the most recent quarter of available data and excludes properties that are unstabilized, closed, or for which data is not available or meaningful. The company uses unaudited, periodic financial information provided solely by tenants/borrowers to calculate revenue per occupied unit and has not independently verified the information.

Same Store: For the medical office building portfolio, same store is defined as those properties in the portfolio as of October 1, 2007. For all other property types, same store is defined as those properties in the stable portfolio for the 24 months preceding the end of the portfolio performance reporting period.

Skilled Nursing: Skilled nursing facilities are licensed daily rate or rental properties where the majority of individuals require 24-hour nursing and/or medical care. Generally, these properties are licensed for Medicaid and/or Medicare reimbursement.

Specialty Care: Specialty care facilities generally include acute care hospitals, long-term acute care hospitals and other specialty care facilities. Acute care hospitals provide a wide range of inpatient and outpatient services, including, but not limited to, surgery, rehabilitation, therapy and clinical laboratories. Long-term acute care hospitals provide inpatient services for patients with complex medical conditions who require more intensive care, monitoring or emergency support than that available in most skilled nursing facilities. Other specialty care facilities typically provide specialized inpatient and outpatient care for specific illnesses or diseases, including, among others, orthopedic and neurologic care.

Square Feet: Net rentable square feet calculated utilizing Building Owners and Managers Association measurement standards.

Stable: A facility will enter the stable portfolio after it has generated CAMF of 1.10x or greater for three consecutive months. Additionally, a facility will enter the stable portfolio if a facility fails to meet the above criteria in the 12 months following the budgeted stabilization date.

Unstabilized: An acquisition that does not meet the stable criteria upon closing or a construction property that has opened but not yet reached stabilization.

Yield on Sale: Represents annualized contractual income that was being received in cash at date of disposition divided by disposition cash proceeds.

The company believes that net income available to common stockholders (NICS), as defined by U.S. generally accepted accounting principles (U.S. GAAP), is the most appropriate earnings measurement. However, the company considers funds from operations (FFO) and funds available for distribution (FAD) to be useful supplemental measures of its operating performance. Historical cost accounting for real estate assets in accordance with U.S. GAAP implicitly assumes that the value of real estate assets diminishes predictably over time as evidenced by the provision for depreciation. However, since real estate values have historically risen or fallen with market conditions, many industry investors and analysts have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient. In response, the National Association of Real Estate Investment Trusts (NAREIT) created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation from net income. FFO, as defined by NAREIT, means net income, computed in accordance with U.S. GAAP, excluding gains (or losses) from sales of real estate, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Normalized FFO represents FFO adjusted for unusual and non-recurring items. FAD represents FFO excluding the net straight-line rental adjustments, rental income related to above/below market leases and amortization of deferred loan expenses and less cash used to fund capital expenditures, tenant improvements and lease commissions. Normalized FAD represents FAD excluding prepaid/straight-line rent cash receipts and adjusted for unusual and non-recurring items.

EBITDA stands for earnings before interest, taxes, depreciation and amortization. The company believes that EBITDA, along with net income and cash flow provided from operating activities, is an important supplemental measure because it provides additional information to assess and evaluate the performance of its operations. Additionally, restrictive covenants in the company's long-term debt arrangements contain financial ratios based on EBITDA. Adjusted EBITDA represents EBITDA as adjusted for stock-based compensation expenses and the provision for loan losses pursuant to covenant provisions of our unsecured lines of credit arrangements. The company primarily utilizes EBITDA to measure its interest coverage ratio, which represents EBITDA divided by total interest, and its fixed charge coverage ratio, which represents EBITDA divided by fixed charges. Fixed charges include total interest, secured debt principal amortization and preferred stock dividends.

Net operating income (NOI) is used to evaluate the operating performance of the company's properties. The company defines NOI as total revenues, including tenant reimbursements and discontinued operations, less property operating expenses, which exclude depreciation and amortization, general and administrative expenses, impairments and interest expense. The company believes NOI provides investors relevant and useful information because it measures the operating performance of the company's properties at the property level on an unleveraged basis. The company uses NOI to make decisions about resource allocations and to assess the property level performance.

The company's supplemental reporting measures are financial measures that are widely used by investors, equity and debt analysts and rating agencies in the valuation, comparison, rating and investment recommendations of companies. The company's management uses these financial measures to facilitate internal and external comparisons to historical operating results and in making operating decisions. Additionally, they are utilized by the Board of Directors to evaluate management. The supplemental reporting measures do not represent net income or cash flow provided from operating activities as determined in accordance with U.S. GAAP and should not be considered as alternative measures of profitability or liquidity. Finally, the supplemental reporting measures, as defined by the company, may not be comparable to similarly entitled items reported by other real estate investment trusts or other companies.

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