

HCP, INC.  
Form 424B5  
August 06, 2009

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**FILED PURSUANT TO RULE 424(B)(5)  
REG. STATEMENT NO. 333-137225**

**PROSPECTUS SUPPLEMENT**

To Prospectus dated September 8, 2006

**15,500,000 Shares**

**HCP, Inc.**

**Common Stock**

We are offering 15,500,000 shares of our common stock to the public. Our common stock is traded on the New York Stock Exchange under the symbol "HCP." On August 4, 2009, the last reported sale price for our common stock on the New York Stock Exchange was \$26.44 per share.

**Investing in our common stock involves risks. See "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2008 and beginning on page 4 of the accompanying prospectus.**

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

	<b>Per Share</b>	<b>Total</b>
Public offering price	\$ 24.75	\$ 383,625,000
Underwriting discount	\$ 0.99	\$ 15,345,000
Proceeds (before expenses) to HCP	\$ 23.76	\$ 368,280,000

To the extent the underwriters sell more than 15,500,000 shares of common stock, the underwriters have the option to purchase up to an additional 2,325,000 shares from us.

The underwriters expect to deliver the shares against payment in New York, New York on August 10, 2009.

*Joint Book-Running Managers*

**BofA Merrill Lynch**

**Citi**

**J.P.Morgan**

**UBS Investment Bank**

*Joint Lead Managers*

**Barclays Capital**

**Wells Fargo Securities**

**Credit Suisse**

*Co-Managers*

**ABN AMRO Incorporated**

**CSCA**

**Calyon Securities (USA) Inc.**

**KeyBanc Capital Markets**

**Scotia Capital**

**SunTrust Robinson  
Humphrey**

The date of this prospectus supplement is August 5, 2009.

**CALCULATION OF REGISTRATION FEE**

<b>Title of Securities to be registered</b>	<b>Amount to be registered(1)</b>	<b>Proposed Maximum Offering Price Per Security</b>	<b>Proposed Maximum Aggregated Offering Price</b>	<b>Amount of Registration Fee(2)</b>
<b>Common Stock, par value \$1.00 per share</b>	<b>17,825,000</b>	<b>\$24.75</b>	<b>\$441,168,750</b>	<b>\$24,617.22</b>

(1) Includes 2,325,000 shares of Common Stock, par value \$1.00 per share, that may be purchased by the underwriters upon exercise of the underwriters' option to purchase additional shares.

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

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You should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with information that is different. We 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 in this prospectus supplement and the accompanying prospectus 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.

All references in this prospectus supplement to "HCP," "we," "us" or "our" mean HCP, Inc. and its consolidated subsidiaries, except where it is clear from the context that the term means only the issuer, HCP. Unless otherwise stated, currency amounts in this prospectus supplement are stated in United States dollars.

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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 using a shelf registration statement. Under the shelf registration process, from time to time, we may offer and sell debt securities, warrants or other rights, stock purchase contracts, units, 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-1 of this prospectus supplement and "Where You Can Find More Information" on page 2 of the accompanying prospectus.

**INCORPORATION BY REFERENCE**

The Securities and Exchange Commission, or 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 in accordance with the Securities Exchange Act of 1934 and applicable SEC rules):

our Current Reports on Form 8-K filed on March 2, 2009, May 4, 2009 (relating to the revision to our historical financial statements), May 8, 2009 and June 3, 2009;

our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2009 and June 30, 2009;

our Annual Report on Form 10-K for the fiscal year ended December 31, 2008;

the description of our common stock contained in our Registration Statement on Form 10 dated May 7, 1985 (File No. 1-08895), including the amendments dated May 20, 1985 and May 23, 1985, and any other amendment or report filed for the purpose of updating such description, including the description of amendments to our charter contained in our Quarterly Reports on Form 10-Q for the quarters ended June 30, 2001, June 30, 2004 and September 30, 2007; and

any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities offered by this prospectus supplement.

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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@hapi.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 and the information incorporated by reference into those documents, including the "Risk Factors" section beginning on page 4 of the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2008. This summary is not complete and does not contain all of the information you should consider when making your investment decision.*

*Unless otherwise expressly stated or the context otherwise requires, information in this prospectus supplement assumes that the option granted to the underwriters to purchase up to 2,325,000 additional shares from us has not been exercised.*

**Our Company**

We invest primarily in real estate serving the healthcare industry in the United States, or U.S. 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 Chicago, Illinois, 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) life science, (iii) medical office, (iv) hospital, and (v) skilled nursing. We make investments within our five healthcare segments using the following five investment products: (i) properties under lease, (ii) investment management, (iii) developments, (iv) mezzanine loans, and (v) non-managing member LLCs, or DownREITs. As of June 30, 2009, our portfolio of properties, excluding assets held for sale, but including properties owned by unconsolidated joint ventures, totaled 682 properties among the following segments: 259 senior housing, 100 life science, 253 medical office, 22 hospital and 48 skilled nursing.

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. HCP believes that the healthcare real estate market provides investment opportunities due to the:

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

**Healthcare Industry**

Healthcare is the single largest industry in the U.S. based on Gross Domestic Product, or GDP. According to the National Health Expenditures report dated January 2009 by the Centers for Medicare and Medicaid Services, or CMS, the healthcare industry was projected to represent 17.6% of U.S. GDP in 2009.

Senior citizens are the largest consumers of healthcare services. According to CMS, on a per capita basis, the 75-year and older segment of the population spends 76% more on healthcare than the 65 to 74-year-old segment and over 200% more than the population average.

Table of Contents**Recent Developments**

On August 3, 2009, we purchased a \$720 million participation in first mortgage debt of HCR ManorCare at a discount for approximately \$590 million. The \$720 million participation bears interest at LIBOR plus 1.25% and represents 45% of the \$1.6 billion most senior tranche of HCR ManorCare's mortgage debt. The mortgage debt matures in January 2012, with a one-year extension available at the borrower's option subject to certain conditions, and is secured by a first lien on 331 facilities located in 30 states. HCP obtained financing to fund 72% of the purchase price, resulting in a cash payment by HCP of \$165 million. We intend to use a portion of the net proceeds from the offering to repay all borrowings under our revolving credit facility, including borrowings that were applied toward this cash payment. See "Use of Proceeds."

**The Offering**

Common Stock offered by HCP	15,500,000 shares
Common Stock outstanding after this offering <sup>1</sup>	290.8 million shares
Use of Proceeds	We intend to use the net proceeds from the offering to repay all borrowings under our revolving credit facility, including borrowings that were applied toward the cash payment of \$165 million for the participation in first mortgage debt of HCR ManorCare, with the remainder to be used for general corporate purposes. See "Use of Proceeds."
New York Stock Exchange symbol	HCP

<sup>1</sup> Based on 275,273,367 shares of our common stock outstanding as of July 31, 2009. Does not include:

7.1 million shares of common stock issuable upon the exercise of outstanding options;

10.6 million additional shares reserved for future awards under equity incentive plans;

5.9 million shares of common stock issuable in exchange for non-managing member units of affiliated entities; and

up to 2,325,000 additional shares of common stock that the underwriters have the option to purchase from us.

*You should carefully consider the information set forth under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2008 and beginning on page 4 of the accompanying prospectus before deciding to invest in our common stock.*

For additional information regarding our common stock, see "Description of the Common Stock."

**August 19, 2009 Common Stock Dividend**

Our board of directors has declared a quarterly cash dividend on our common stock of \$0.46 per share, payable on August 19, 2009 to stockholders of record as of the close of business on August 6, 2009. Since the delivery of shares sold hereunder will occur after the close of business on August 6, 2009, the purchasers will not be entitled to receive the August 19, 2009 dividend.

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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, as revised, for the year ended December 31, 2008 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2009 and June 30, 2009, from which such information has been derived. Our historical consolidated financial statements are revised for properties classified in discontinued operations through March 31, 2009, the adoption of Statement of Financial Accounting Standards ("SFAS") No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB 51*, and the adoption of FSP EITF 03-6-1, *Determining Whether Instruments Granted in Share Based Payment Transactions Are Participating Securities*, for each of the years ended December 31, 2008, 2007 and 2006, and as of December 31, 2008 and 2007, which are contained in the Current Report on Form 8-K as filed with the SEC on May 4, 2009. For the three months ended June 30, 2009, there were no additional properties classified in discontinued operations. Our unaudited financial data for the six months ended June 30, 2009 and 2008 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. We completed our acquisitions of Slough Estates USA Inc. on August 1, 2007, CNL Retirement Properties, Inc. and CNL Retirement Corp. on October 5, 2006 and the interest held by an affiliate of General Electric in HCP Medical Office Properties on November 30, 2006. The results of operations resulting from these acquisitions are reflected in our consolidated financial statements from those dates.

	Six Months Ended		Year Ended December 31,		
	June 30,	June 30,	2008	2007	2006
	2009	2008	2008	2007	2006
	(in thousands, except per share data)				
	(unaudited)				
<b>Revenues:</b>					
Rental and related revenues	\$445,316	\$419,926	\$877,860	\$762,793	\$413,838
Tenant recoveries	44,699	41,616	82,847	64,854	29,141
Income from direct financing leases	26,129	29,103	58,149	63,852	15,008
Investment management fee income	2,807	2,924	5,923	13,581	3,895
Total revenues	518,951	493,569	1,024,779	905,080	461,882
<b>Costs and expenses:</b>					
Depreciation and amortization	160,143	155,493	314,026	258,947	117,289
Operating	92,881	94,673	191,941	174,689	78,629
General and administrative	39,923	39,177	75,600	68,348	46,865
Impairments	5,906	1,574	18,276		2,530
Total costs and expenses	298,853	290,917	599,843	501,984	245,313
<b>Other income (expense):</b>					
Gain on sale of real estate interest				10,141	
Interest and other income, net	53,065	66,061	156,718	75,576	34,692
Interest expense	(152,014)	(181,709)	(348,402)	(355,479)	(211,494)
Total other income (expense)	(98,949)	(115,648)	(191,684)	(269,762)	(176,802)
<b>Income before income taxes and equity</b>					
<b>income from unconsolidated joint</b>					
<b>ventures</b>					
Income taxes	121,149	87,004	233,252	133,334	39,767
Equity income from unconsolidated joint ventures	(1,756)	(3,517)	(4,307)	(1,444)	(245)
	665	2,509	3,326	5,645	8,331
<b>Income from continuing operations</b>	<b>120,058</b>	<b>85,996</b>	<b>232,271</b>	<b>137,535</b>	<b>47,853</b>





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	Six Months Ended June 30,		Year Ended December 31,		
	2009	2008	2008	2007	2006
(in thousands, except per share data)					
(unaudited)					
<b>Discontinued operations:</b>					
Income before gain on sales of real estate, net of income taxes	\$1,932	\$15,710	\$18,698	\$72,252	\$116,267
Impairments		(8,141)	(9,175)		(7,051)
Gain on sales of real estate, net of income taxes	31,897	200,643	229,189	404,328	280,549
<b>Total discontinued operations</b>	<b>33,829</b>	<b>208,212</b>	<b>238,712</b>	<b>476,580</b>	<b>389,765</b>
<b>Net income</b>	<b>153,887</b>	<b>294,208</b>	<b>470,983</b>	<b>614,115</b>	<b>437,618</b>
Noncontrolling interests' and participating securities' share in earnings	(8,252)	(12,913)	(24,485)	(27,905)	(22,807)
Preferred stock dividends	(10,566)	(10,566)	(21,130)	(21,130)	(21,130)
<b>Net income applicable to common shares</b>	<b>\$135,069</b>	<b>\$270,729</b>	<b>\$425,368</b>	<b>\$565,080</b>	<b>\$393,681</b>
<b>Basic earnings per common share:</b>					
Continuing operations	\$0.39	\$0.28	\$0.79	\$0.43	\$0.03
Discontinued operations	0.13	0.92	1.00	2.29	2.63
<b>Net income applicable to common shares</b>	<b>\$0.52</b>	<b>\$1.20</b>	<b>\$1.79</b>	<b>\$2.72</b>	<b>\$2.66</b>
<b>Diluted earnings per common share:</b>					
Continuing operations	\$0.39	\$0.28	\$0.78	\$0.42	\$0.03
Discontinued operations	0.13	0.91	1.01	2.28	2.62
<b>Net income applicable to common shares</b>	<b>\$0.52</b>	<b>\$1.19</b>	<b>\$1.79</b>	<b>\$2.70</b>	<b>\$2.65</b>
<b>Weighted average shares used to calculate earnings per common share:</b>					
Basic	259,412	225,945	237,301	207,924	148,236
Diluted	259,516	226,745	237,972	208,920	148,631
<b>Dividends declared per common share:</b>	<b>\$0.92</b>	<b>\$0.91</b>	<b>\$1.82</b>	<b>\$1.78</b>	<b>\$1.70</b>

	As of June 30,	As of December 31,	
	2009	2008	2007
(in thousands)			
(unaudited)			
<b>Consolidated Balance Sheet Data:</b>			
Cash and cash equivalents	\$49,484	\$57,562	\$96,269
Total assets	11,785,850	11,849,826	12,521,772
Total liabilities	5,994,425	6,441,986	8,078,792
Total equity	5,791,425	5,407,840	4,442,980