

NATIONWIDE HEALTH PROPERTIES INC

Form 10-Q

August 03, 2005

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2005.

OR

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

For the transition period from to .

Commission file number 1-9028

NATIONWIDE HEALTH PROPERTIES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction of Incorporation
or Organization)

95-3997619
(I.R.S. Employer
Identification Number)

610 Newport Center Drive, Suite 1150

Newport Beach, California 92660

(Address of Principal Executive Offices)

(949) 718-4400

(Registrant's Telephone Number, Including Area Code)

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

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes No

Shares of registrant's common stock, \$0.10 par value, outstanding at July 31, 2005: 67,410,655

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	June 30, 2005	December 31, 2004
	(Unaudited)	
	(Dollars in thousands)	
ASSETS		
Investments in real estate		
Real estate properties:		
Land	\$ 210,041	\$ 187,666
Buildings and improvements	1,868,341	1,665,290
	<u>2,078,382</u>	<u>1,852,956</u>
Less accumulated depreciation	(327,863)	(303,766)
	<u>1,750,519</u>	<u>1,549,190</u>
Mortgage loans receivable, net	78,082	75,453
Investment in unconsolidated joint venture		12,747
	<u>1,828,601</u>	<u>1,637,390</u>
Cash and cash equivalents	12,979	8,473
Receivables	7,252	7,470
Assets held for sale	4,443	3,050
Other assets	55,713	53,728
	<u>\$ 1,908,988</u>	<u>\$ 1,710,111</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Borrowings under unsecured revolving credit facility	\$ 96,000	\$ 186,000
Senior unsecured notes due 2006-2038	702,000	470,000
Notes and bonds payable	254,207	187,409
Accounts payable and accrued liabilities	53,996	50,876
Commitments and contingencies		
Stockholders' equity:		
Preferred stock \$1.00 par value; 5,000,000 shares authorized;		
Series A, 1,000,000 shares issued and outstanding at June 30, 2005 and December 31, 2004, stated at liquidation preference of \$100 per share	100,000	100,000
Series B, 1,064,500 shares issued and outstanding at June 30, 2005 and December 31, 2004, stated at liquidation preference of \$100 per share	106,450	106,450
Common stock \$0.10 par value; 100,000,000 shares authorized; 67,409,107 and 66,805,959 issued and outstanding at June 30, 2005 and December 31, 2004, respectively	6,741	6,681

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Capital in excess of par value	879,620	868,091
Cumulative net income	842,118	808,775
Cumulative dividends	(1,132,144)	(1,074,171)
	<u> </u>	<u> </u>
Total stockholders' equity	802,785	815,826
	<u> </u>	<u> </u>
	\$ 1,908,988	\$ 1,710,111
	<u> </u>	<u> </u>

See accompanying notes.

Table of Contents**NATIONWIDE HEALTH PROPERTIES, INC.****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2005	2004	2005	2004
(In thousands, except per share amounts)				
Revenues:				
Rental income	\$ 52,507	\$ 43,083	\$ 100,804	\$ 80,208
Interest and other income	2,475	3,231	4,970	6,408
	<u>54,982</u>	<u>46,314</u>	<u>105,774</u>	<u>86,616</u>
Expenses:				
Interest and amortization of deferred financing costs	17,034	14,646	31,620	27,268
Depreciation and amortization	14,219	11,880	27,381	22,125
General and administrative	3,213	3,348	7,114	7,215
Impairment of assets			310	
	<u>34,466</u>	<u>29,874</u>	<u>66,425</u>	<u>56,608</u>
Income before unconsolidated joint venture	20,516	16,440	39,349	30,008
Income (loss) from unconsolidated joint venture	(158)	518	689	930
Income from continuing operations	<u>20,358</u>	<u>16,958</u>	<u>40,038</u>	<u>30,938</u>
Discontinued operations				
Gain (loss) on sale of facilities, net		(204)	33	(204)
Income (loss) from discontinued operations	(376)	618	(6,728)	1,194
	<u>(376)</u>	<u>414</u>	<u>(6,695)</u>	<u>990</u>
Net income	19,982	17,372	33,343	31,928
Preferred stock dividends	(3,981)	(1,919)	(7,963)	(3,839)
Income available to common stockholders	<u>\$ 16,001</u>	<u>\$ 15,453</u>	<u>\$ 25,380</u>	<u>\$ 28,089</u>
Basic/diluted per share amounts:				
Income from continuing operations available to common stockholders	\$ 0.24	\$ 0.23	\$ 0.48	\$ 0.41
Income (loss) from discontinued operations	\$	\$	\$ (0.10)	\$ 0.02
Income available to common stockholders	<u>\$ 0.24</u>	<u>\$ 0.23</u>	<u>\$ 0.38</u>	<u>\$ 0.43</u>
Dividends paid per common share	\$ 0.37	\$ 0.37	\$ 0.74	\$ 0.74

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Diluted weighted average common shares outstanding	67,336	66,561	67,183	65,679
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See accompanying notes.

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NATIONWIDE HEALTH PROPERTIES, INC.

CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY

(Unaudited)

(In thousands)

	Preferred stock		Common stock		Capital in excess of par value	Cumulative net income	Cumulative dividends	Total stockholders equity
	Shares	Amount	Shares	Amount				
Balances at December 31, 2004	2,065	\$ 206,450	66,806	\$ 6,681	\$ 868,091	\$ 808,775	\$ (1,074,171)	\$ 815,826
Issuance of common stock			603	60	11,342			11,402
Stock option amortization					187			187
Net income						33,343		33,343
Preferred dividends							(7,963)	(7,963)
Common dividends							(50,010)	(50,010)
Balances at June 30, 2005	2,065	\$ 206,450	67,409	\$ 6,741	\$ 879,620	\$ 842,118	\$ (1,132,144)	\$ 802,785

See accompanying notes.

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NATIONWIDE HEALTH PROPERTIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)