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## Health Care REIT, Inc. Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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Thank you, sir. [Operator Instructions]. We'll go to Rich Anderson with BMO Capital Markets.

**Richard Anderson - BMO Capital Markets**

Hi. Thank you, and good morning everybody.

**George L. Chapman - Chairman and Chief Executive Officer**

Hi, Rich.

**Richard Anderson - BMO Capital Markets**

I guess the... just first, you mentioned the shadow pipeline of \$3 billion. Did you mention? and I might have missed this, like what's sort of the source of that? Where is all that coming from? Why is it off market to you?

**George L. Chapman - Chairman and Chief Executive Officer**

Well, a lot of it, Rich, when we are mainly doing long-term care, came out of our relationship programs, lines of credit where people commit? once we do the first projects, they commit to bringing us virtually all of their projects over a multi-year period. We have extended that to some degree in perhaps a different day by... in the acute care space and then we'll lease space by forming relationships both with health systems and developers and other providers. So it's maybe a little looser than our lines of credit in the long-term care space, but we think that in both cases we add to the predictability the certainty of doing investments.

**Richard Anderson - BMO Capital Markets**

Okay, fair enough. When you talk about what? you said your sort of standalone SNF exposure, did you say it was 10%, I can't remember the percentage now.

**George L. Chapman - Chairman and Chief Executive Officer**

It is right now the way we reported. It is at 32%... and 21%, but when we take out... when we really consider combination facilities, which we think are stronger assets generally, we drive these standalone SNFs, skilled nursing, and assisted living down to 24% and 10% respectively.

**Richard Anderson - BMO Capital Markets**

Okay. So 24% SNF and 10% assisted living?

**George L. Chapman - Chairman and Chief Executive Officer**

Correct. And I would expect that to? over the next three to five years to? at least in the SNF area to continue to go down as we do more combination facilities and frankly do a few more standalone SNFs. But that's sporadic, so you have to look at it over a longer period.

**Richard Anderson - BMO Capital Markets**

I guess that was the question. I mean where do you see those percentages going, but I guess clearly it's a push downward but...?

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