

Healthpeak, Investor Relations

HCP's New 884,000 SF Life Science Development Breaks Ground in South San Francisco

The Cove project marks a new era in Bay Area life science development, fueled by strong demand and record low vacancy rates

IRVINE, Calif. & SAN FRANCISCO--(BUSINESS WIRE)--Feb. 4, 2015-- HCP (NYSE:HCP) and CBRE Group, Inc. announced today that HCP will break ground this week on the first phase of The Cove at Oyster Point (The Cove), a new life science development located in South San Francisco. For more information on The Cove, visit www.covessf.com.

"We are excited to commence development of The Cove and believe that its innovative design and rich amenities will be attractive to our existing life science clients and the broader life science industry," stated Jon Bergschneider, Executive Vice President of HCP Life Science Estates.

The Cove will be South San Francisco's first ground-up multi-tenant life science development in close to a decade, according to CBRE life sciences experts Chris Jacobs and Rick Friday, who have been engaged by HCP to exclusively handle leasing of the project.

When complete, the Cove is planned to be an 884,000 square foot, fully integrated, waterfront campus located on Oyster Point Boulevard in South San Francisco. The campus design consists of seven buildings ranging in size from 102,000 square feet to 158,000 square feet in both single- and multi-tenant building configurations. The first phase of the project, consisting of two buildings totaling 253,000 square feet, is expected to be completed in the third quarter of 2016.

The Cove will be a pre-certified LEED Silver project and is planned to feature 5.5 acres of outdoor green space, a state of the art amenity center, as well as retail and hotel entitlements.

"The time is right for new development in South San Francisco," according to CBRE's Jacobs, who notes that vacancy for research space in the area is less than one percent, while demand is strong. "Market fundamentals and industry dynamics have built a compelling case for new development," he said. "I've been tracking life sciences for 25 years and never seen vacancy this low. The strong demand we're seeing from life sciences tenants simply can't be met with the limited, existing inventory."

"There are several life science companies with large requirements in the market right now," added Mr. Friday. "These tenants are looking for the type of amenity-rich and collaborative environment that The Cove will offer, as such we anticipate leasing at the project to be quite competitive."

HCP is a premier owner and developer of life science and office real estate on the West Coast. HCP is the largest life science property owner in the Bay Area with over 4.8 million square feet in its portfolio, including over 2.8 million square feet in South San Francisco. HCP is a pioneer of life science development in South San Francisco with a track record of delivering first class life science campuses in this market since the mid-1990s.

About HCP

HCP, Inc. is a fully integrated real estate investment trust (REIT) that invests primarily in real estate serving the healthcare industry in the United States. HCP's portfolio of assets is diversified among five distinct sectors: senior housing, post-acute/skilled nursing, life science, medical office and hospital. A publicly traded company since 1985, HCP: (i) was the first healthcare REIT selected to the S&P 500 index; (ii) has increased its dividend per share for 30 consecutive years; (iii) is the only REIT included in the S&P 500 Dividend Aristocrats index; and (iv) is a global leader in sustainability as a member of the CDP, Dow Jones and FTSE4Good sustainability leadership indices, as well as the GRESB Global Healthcare Sector Leader. For more information regarding HCP, visit the Company's website at www.hcpi.com.

HCP Forward-Looking Statements

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The statements made by HCP in this release or relating hereto which are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange

Act of 1934, as amended. These statements include, among other things, statements regarding the development of The Cove and HCP's anticipated outcomes. These statements are made as of the date hereof, are not guarantees of future performance and are subject to known and unknown risks, uncertainties, assumptions and other factors — many of which are out of HCP's control and difficult to forecast — that could cause actual results to differ materially from those set forth in or implied by such forward-looking statements. These risks and uncertainties include but are not limited to the risks associated with general economic conditions and other risks and uncertainties described from time to time in HCP's Securities and Exchange Commission filings, including its 2013 Annual Report on Form 10-K. HCP assumes no, and hereby disclaims any, obligation to update any of the foregoing or any other forward-looking statements as a result of new information or new or future developments, except as otherwise required by law.

About CBRE Group, Inc.

CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (in terms of 2013 revenue). The Company has approximately 44,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through approximately 350 offices (excluding affiliates) worldwide. CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. Please visit our website at www.cbre.com.

Source: HCP, Inc.

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