

FLAHERTY JAMES F III  
 Form 4  
 February 21, 2012

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 FLAHERTY JAMES F III

2. Issuer Name and Ticker or Trading Symbol  
 HCP, INC. [HCP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 3760 KILROY AIRPORT WAY,  
 SUITE 300

3. Date of Earliest Transaction (Month/Day/Year)  
 02/16/2012

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President & CEO / Chairman

(Street)  
 LONG BEACH, CA 90806

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	02/16/2012		S <sup>(1)</sup>		9,400	D	
					\$ 40.2404 <sup>(2)</sup>		
Common Stock	02/16/2012		M <sup>(1)</sup>		290,600	A	
					\$ 25.52		
Common Stock	02/16/2012		S <sup>(1)</sup>		290,600 <sup>(3)</sup>	D	
					\$ 40.2535 <sup>(4)</sup>		
Common Stock	02/17/2012		S <sup>(1)</sup>		9,000	D	
					\$ 40.187 <sup>(5)</sup>		
	02/17/2012		M <sup>(1)</sup>		108,620	A	
					\$ 25.52		

Common  
Stock

Common Stock	02/17/2012	S <sup>(1)</sup>	108,620 <u>(3)</u>	D	\$ 40.0351 <u>(6)</u>	1,077,480	D
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option	\$ 25.52	02/16/2012		M <sup>(1)</sup>	290,600	<u>(7)</u>	01/28/2015	Common Stock	290,600		
Employee Stock Option	\$ 25.52	02/17/2012		M <sup>(1)</sup>	108,620	<u>(7)</u>	01/28/2015	Common Stock	108,620		

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FLAHERTY JAMES F III 3760 KILROY AIRPORT WAY, SUITE 300 LONG BEACH, CA 90806	X		President & CEO	Chairman

## Signatures

Eric J. Stambol, Power of Attorney for James F. Flaherty III 02/21/2012

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The reported option exercises and stock sales were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on June 1, 2011.

(2) The price reported in Column 4 is a weighted average sale price. These shares were sold in multiple transactions at sale prices ranging from \$40.01 to \$40.40. The reporting person undertakes to provide to the Issuer, any security holder of the Issuer, or the staff of the SEC, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnotes 2, 4, 5 and 6 to this Form 4.

(3) These shares were acquired upon the exercise of options and were sold immediately following exercise to facilitate the reporting person's payment of the exercise price of the options and applicable tax withholding obligations. The net proceeds to the reporting person, after payment of the exercise price of \$10,188,094.40 and taxes of \$2,719,617.41, amounted to \$3,138,567.85.

(4) Represents the weighted average sale price ranging from \$40.00 to \$40.60.

(5) Represents the weighted average sale price ranging from \$39.935 to \$40.44.

(6) Represents the weighted average sale price ranging from \$40.00 to \$40.20.

(7) Options vest 20% annually commencing on the first anniversary of the grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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