

NATIONAL HEALTH INVESTORS INC
Form 10-Q
May 05, 2014
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2014

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 001-10822

National Health Investors, Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation or
organization)

62-1470956

(I.R.S. Employer Identification No.)

222 Robert Rose Drive, Murfreesboro, Tennessee

(Address of principal executive offices)

(615) 890-9100

(Registrant's telephone number, including area code)

37129

(Zip 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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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

There were 33,051,999 shares of common stock outstanding of the registrant as of May 1, 2014.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

NATIONAL HEALTH INVESTORS, INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (in thousands, except share and per share amounts)

	March 31, 2014 (unaudited)	December 31, 2013
Assets:		
Real estate properties:		
Land	\$93,290	\$91,770
Buildings and improvements	1,363,727	1,320,567
Construction in progress	11,198	9,665
	1,468,215	1,422,002
Less accumulated depreciation	(183,488)	(174,262)
Real estate properties, net	1,284,727	1,247,740
Mortgage and other notes receivable, net	60,871	60,639
Investment in preferred stock, at cost	38,132	38,132
Cash and cash equivalents	6,245	11,312
Marketable securities	13,438	12,650
Straight-line rent receivable	22,886	18,691
Equity-method investment and other assets	46,903	66,656
Total Assets	\$1,473,202	\$1,455,820
Liabilities and Equity:		
Debt	\$629,033	\$617,080
Real estate purchase liabilities	4,000	2,600
Accounts payable and accrued expenses	7,058	8,011
Dividends payable	25,450	24,293
Lease deposit liabilities	22,775	22,775
Deferred income	1,701	3,901
Total Liabilities	690,017	678,660
Commitments and Contingencies		
National Health Investors Stockholders' Equity:		
Common stock, \$.01 par value; 40,000,000 shares authorized; 33,051,999 and 33,051,176 shares issued and outstanding, respectively	330	330
Capital in excess of par value	762,483	753,635
Cumulative dividends in excess of net income	1,126	3,043
Accumulated other comprehensive income	8,741	9,538
Total National Health Investors Stockholders' Equity	772,680	766,546
Noncontrolling interest	10,505	10,614
Total Equity	783,185	777,160
Total Liabilities and Equity	\$1,473,202	\$1,455,820

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements. The Condensed Consolidated Balance Sheet at December 31, 2013 was derived from the audited consolidated financial statements at that date.

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NATIONAL HEALTH INVESTORS, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (in thousands, except share and per share amounts)

	Three Months Ended March 31,	
	2014	2013
	(unaudited)	
Revenues:		
Rental income	\$40,313	\$24,105
Interest income from mortgage and other notes	1,756	1,969
Investment income and other	1,067	1,052
	43,136	27,126
Expenses:		
Depreciation	9,237	4,248
Interest, including amortization of debt discount and issuance costs	6,887	1,123
Legal	73	277
Franchise, excise and other taxes	306	144
General and administrative	2,935	3,089
Loan and realty losses	—	4,037
	19,438	12,918
Income before equity-method investee, discontinued operations and noncontrolling interest	23,698	14,208
Income from equity-method investee	158	22
Income from continuing operations	23,856	14,230
Income from discontinued operations	—	1,693
Net income	23,856	15,923
Less: net income attributable to noncontrolling interest	(323) (180
Net income attributable to common stockholders	\$23,533	\$15,743
Weighted average common shares outstanding:		
Basic	33,051,415	27,876,176
Diluted	33,085,232	27,911,584
Earnings per common share:		
Basic:		
Income from continuing operations attributable to common stockholders	\$.71	\$.50
Discontinued operations	—	.06
Net income per common share attributable to common stockholders	\$.71	\$.56
Diluted:		
Income from continuing operations attributable to common stockholders	\$.71	\$.50
Discontinued operations	—	.06
Net income per common share attributable to common stockholders	\$.71	\$.56

The accompanying notes to condensed consolidated financial statements are an integral part of these condensed consolidated financial statements.

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