

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF**

**NATIONWIDE HEALTH PROPERTIES, INC.**

**Amended and Restated by the Board as of May 4, 2009**

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**I. PURPOSE OF THE COMMITTEE**

The purposes of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Nationwide Health Properties, Inc. (the “Corporation”) shall be to oversee the Corporation’s compensation and employee benefit plans and practices, including its executive compensation plans, and its incentive-compensation and equity-based plans; to review and discuss with management the Corporation’s compensation discussion and analysis (“CD&A”) to be included in the Corporation’s annual proxy statement or annual report on Form 10-K filed with the Securities and Exchange Commission (“SEC”); and to prepare the Compensation Committee Report as required by the rules of the SEC.

**II. COMPOSITION OF THE COMMITTEE**

The Committee shall consist of three or more directors as determined from time to time by the Board upon the recommendation of the Corporate Governance and Nominating Committee. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the “NYSE”), and any additional requirements that the Board deems appropriate. Members of the Committee shall also qualify as “non-employee directors” within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The chairman of the Committee shall be designated by the Board, provided that if the Board does not so designate a chairman, the members of the Committee, by a majority vote, may designate a chairman.

Any member of the Committee may be removed by the Board in its discretion. Any vacancy on the Committee shall be filled by majority vote of the Board upon the recommendation of the Corporate Governance and Nominating Committee.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less than twice annually. The Committee, in its

discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee shall maintain minutes of its meetings and shall report regularly to the Board on its activities, as appropriate.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

##### **A. *Executive Compensation***

The Committee shall have the following duties and responsibilities with respect to the Corporation's executive compensation plans:

(a) To review at least annually the goals and objectives of the Corporation's executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.

(b) To review at least annually the Corporation's executive compensation plans in light of the Corporation's goals and objectives with respect to such plans, and adopt new plans and terminate or amend existing plans, except that the adoption of a new plan or termination or amendment of an existing plan where stockholder approval is sought requires approval of the Board of Directors.

(c) To evaluate annually the performance of the Chief Executive Officer in light of the goals and objectives of the Corporation's executive compensation plans, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the Chief Executive Officer's compensation level based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee shall consider all relevant factors, including the Corporation's performance and relative stockholder return, the value of similar awards to chief executive officers of comparable companies, and the awards given to the Chief Executive Officer of the Corporation in past years. The Committee may discuss the Chief Executive Officer's compensation with the Board if it chooses to do so.

(d) To evaluate annually the performance of the other executive officers of the Corporation in light of the goals and objectives of the Corporation's executive compensation plans, and either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the compensation of such other executive officers. To the extent that long-term incentive compensation is a component of such executive officer's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the Chief Executive Officer.

(e) To evaluate annually the appropriate level of compensation for Board and Committee service by non-employee directors. In doing so, the Committee should ensure that the compensation and benefits (i) fairly pay directors for their work, (ii) align directors' interests with the long-term interests of the stockholders and (iii) are structured in a manner that is simple, transparent and easy for the stockholders to understand.

(f) To review and approve any employment agreement, or any severance or termination arrangements, to be made with any executive officer of the Corporation.

(g) To perform such duties and responsibilities as may be assigned to the Committee under the terms of any executive compensation plan.

(h) To review perquisites or other personal benefits to the Corporation's executive officers and directors and recommend any changes to the Board.

(i) To review and discuss with management the Corporation's CD&A, and based on that review and discussion, to recommend to the Board that the CD&A be included in the Corporation's annual proxy statement or annual report on Form 10-K.

(j) To prepare the Compensation Committee Report in accordance with the rules and regulations of the SEC for inclusion in the Corporation's annual proxy statement or annual report on Form 10-K.

(k) To review the description of the Committee's processes and procedures for the consideration and determination of executive and director compensation to be included in the Corporation's annual proxy statement.

**B. *General Compensation and Employee Benefit Plans***

The Committee shall have the following duties and responsibilities with respect to the Corporation's general compensation and employee benefit plans, including incentive-compensation and equity-based plans:

(a) To review at least annually the goals and objectives of the Corporation's general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.

(b) To review at least annually the Corporation's general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, in light of the goals and objectives of these plans, and amend, or recommend that the Board amend, these plans if the Committee deems it appropriate.

(c) To review, and recommend that the Board approve, all equity-compensation plans or amendments thereto to be submitted for stockholder approval under the NYSE listing standards, and to review and, in the Committee's sole discretion, approve all equity-compensation plans or amendments thereto that are exempt from such stockholder approval requirement.

(d) To perform such duties and responsibilities as may be assigned to the Committee under the terms of any compensation or other employee benefit plan, including any incentive-compensation or equity-based plan.

## **V. ROLE OF CHIEF EXECUTIVE OFFICER**

The Chief Executive Officer shall make, and the Committee may consider, recommendations to the Committee regarding the Corporation's compensation and employee benefit plans and practices, including its executive compensation plans, its incentive-compensation and equity-based plans with respect to executive officers other than the Chief Executive Officer.

## **VI. DELEGATION OF AUTHORITY**

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees and/or outside advisors such power and authority as the Committee deems appropriate; provided, however, that the Committee shall not delegate to a subcommittee and/or an outside advisor any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

## **VII. EVALUATION OF THE COMMITTEE**

The Committee shall evaluate its performance on an annual basis. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Corporation's or the Board's policies or procedures.

## **VIII. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Corporation's expense, such independent counsel or other consultants or advisers as it deems necessary or appropriate, including compensation consultants to advise the Committee with respect

to amounts or forms of executive and director compensation. The Committee shall have the sole authority to retain or terminate any compensation consultant to assist the Committee in carrying out its responsibilities, including sole authority to approve the consultant's fees and other retention terms, such fees to be borne by the Corporation.