

AFP[®] Annual Conference



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ORIGINAL
ESSENTIAL
UNBIASED
INFORMATION



How to Leverage XBRL for Reporting and SEC Compliance

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Rivet Software
Joined by
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National Health Investors, Inc.

What is XBRL?

- XBRL is a business reporting computer language that is standards-based and the data interactive.
- What this means to the business community is transparency of the financial information in the United States and the world over.
- All financial information becomes comparable.
- The SEC mandated all public companies file their quarterly and yearly financial reports in XBRL, with the first wave of filers beginning in the summer of 2009.

Rivet
SOFTWARE

RR DONNELLEY

Strategic
Partnership

Rivet is Market
Leader in SEC
Filings

2010

CrossView™

2009

2008

DragonView™

2006

FORTUNE
500

25% of First
Wave use Rivet

2005

Crossfire™

150,000
hours of
development

2004

Rivet

SECs
Voluntary
Filing
Program

Rivet

2003

2002

1998

DragonTag™

XBRL
eXtensible Business Reporting Language

FR Software



AFP® Annual Conference

**Association for
Financial Professionals®**

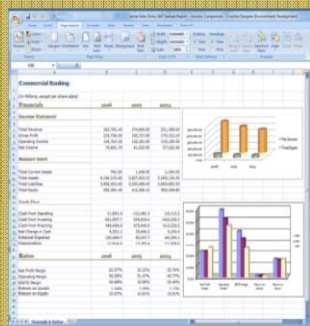
JCW, Jr1

LS3



- Healthcare REIT traded on NYSE with 120 properties in 23 states
- Specialize in purchase/leaseback of healthcare properties to operators
 - construction loans, 2nd mortgages and investments in the securities of other REITs on a limited basis
- \$1.2 billion market cap
- Lowest levered REIT in industry
 - 9% Debt to Book Capitalization ratio
- Quarterly dividend paid at an annualized rate of \$2.42 per share
 - approx. 5.5% dividend yield

Financial Reporting Needs and Challenges



QUALITY
of financial
reporting



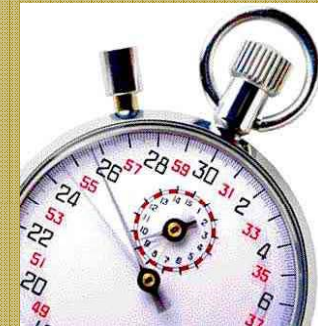
COMPLY
to SEC
XBRL
Regulatory
Mandates



Too many
laborious
MANUAL
tasks



SPEED
of "Close to
Investor"
Reporting
Process



Under
COMPRESSED
TIME
to close

The Problems

JCW, Jr3

NHI had several issues that slowed their processes.

LS4

1. Manual reporting process was cumbersome, time intensive and potential for error was high.
2. LS2 Needed to comply with the SECs XBRL mandate.

JCW, Jr2

10-Q Creation Process Prior to Crossfire Implementation

1. Print detailed Balance Sheet and Income Statement from GL software
 2. Roll forward Word 10-Q 'template' from previous quarter
 3. Type each number in basic financials and notes
 4. Chase rounding difference endlessly
 5. Give up
 6. Send to CAO for review
-

The Solution

- Rivet offered to solve both problems with one software platform - Crossfire Financial Reporting Platform
 - Built an interface to NHI's General Ledger to pull data into Crossfire
 - Simplified the creation of Excel files used in creating their 10Q
 - Built NHI's XBRL filing package for submission to the SEC

10-Q Creation Process after Crossfire

1. Open Crossfire, change dates to current period & click 'Refresh'
2. Roll forward Word 10-Q 'template' from previous quarter
3. Re-establish links between Word and Crossfire
4. Send to CAO for review

'Linked' Balance Sheets in Rivet's Crossfire

Entire page is linked from Crossfire to Word so that updates to Balance Sheets in Crossfire are automatically reflected in Word document

Server Folio: Q2 10Q - Crossfire Designer

Crossfire Designer

Review: Cell C14

Review: Cell C14

Net

- Query Elements
- Account = 20-150-???-????-20-150-KSZ-6071:20-150-KSZ-
- Company = 01, NH Consolidation
- Scenario Code = actual
- Calendar = Inception to Date : June, 2010 [Calendar Year]
- Drilldown = Allow transaction drilldown; Suppress without A

Cell

- Query Elements
- Asset - Land
- Account = 20-150-???-????-20-150-KSZ-6071:20-150+

Column

- Query Elements
- Company = 01, NH Consolidation
- Calendar = Inception to Date
- Scenario Code = actual
- Calendar = Same Month [Calendar Year]

Folio

- Query Elements
- Default Currency Code = USD

Source: NH1

Folio Navigator

- Balance Sheets
- Income Statements
- Cash Flow Statements
- Stockholders' Equity
- Interest Paid Worksheet
- Portfolio Detail
- Portfolio Statistics
- Portfolio by Operator
- Note 4
- Note 6
- Note 7
- Note 9
- Note 10
- Note 11
- Note 12

	June 30, 2010	December 31, 2009
<i>(unaudited)</i>		
Assets		
Real estate properties:		
Land	\$ 41,711	\$ 28,489
Buildings and improvements	416,486	322,296
	458,197	350,785
Less accumulated depreciation	(131,620)	(126,925)
Real estate properties, net	326,577	223,860
Mortgage notes receivable, net	76,087	94,588
Investment in preferred stock, at cost	38,132	38,132
Cash and cash equivalents	11,744	45,718
Marketable securities	19,832	21,322
Accounts receivable, net	3,640	2,189
Assets held for sale, net	33,420	33,420
Deferred costs and other assets	477	130
Total Assets	\$ 509,909	\$ 459,359

'Linked' Balance Sheets in Microsoft Word

Entire page is linked from Crossfire to Word so that updates to Balance Sheets in Crossfire are automatically reflected in Word document

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	June 30, 2010	December 31, 2009
	<i>(unaudited)</i>	
Assets		
Real estate properties:		
Land	\$ 41,711	\$ 28,489
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Accounts receivable, net	3,640	2,189
Assets held for sale, net	33,420	33,420

'Linked' MD&A ^{LS5} 'Portfolio Detail' Worksheet is Linked to GL by Crossfire Summary Table in 10-Q or 10-K is Automatically Updated

Property	Land	Bldg & Improv	Accum. Dep	NetV	Gross Inv	Revenue	QTD Revenue	YTD Revenue
118 NHC HealthCare, Anniston	70,000.00	4,476,758.80	(2,856,509.51)	1,890,249.29	4,546,758.80	98,121.43	294,364.29	602,574.17
119 NHC HealthCare, Moulton	25,395.66	687,734.26	(687,865.29)	25,464.63	713,129.92	77,301.06	231,903.18	484,686.16
120 Beyond Point Health & Rehabilitation Center (Hudson)	412,818.80	10,742,261.23	(6,329,415.50)	4,825,664.53	11,155,080.03	113,121.22	339,365.66	703,810.87
121 The Health Center of Merritt Island	700,556.04	8,868,922.47	(5,495,421.00)	4,074,057.51	9,569,478.51	133,526.01	400,578.04	839,341.21
122 The Health Center of Plant City	405,490.72	8,777,089.87	(5,912,689.09)	3,269,891.50	9,182,580.59	59,150.63	177,451.89	433,889.39
123 Parkway Health & Rehabilitation Center (Stuart)	786,929.00	9,047,983.21	(5,549,798.45)	4,285,115.76	9,834,912.21	114,610.78	343,832.28	728,775.68
124 NHC HealthCare, Rossville	52,274.05	865,359.83	(863,447.92)	54,185.96	917,633.88	50,936.56	152,809.68	308,877.21
125 NHC HealthCare, Glasgow	33,293.50	2,110,084.26	(1,851,824.70)	491,553.06	2,143,377.76	99,438.93	298,316.79	574,421.83
126 NHC HealthCare, Madisonville	197,850.50	491,089.04	(385,757.38)	243,182.16	628,939.54	33,627.43	100,882.29	189,837.38
127 NHC HealthCare, Desloge	177,727.22	3,803,629.39	(2,457,432.52)	1,523,924.09	3,981,356.61	15,921.85	47,765.56	106,292.41
128 NHC HealthCare, Joplin	179,000.00	4,033,770.02	(2,059,850.70)	2,148,893.32	4,208,770.02	54,178.74	162,536.23	339,599.95
129 NHC HealthCare, Kennett	180,280.78	4,928,217.67	(3,289,867.86)	1,818,610.59	5,108,498.45	34,232.99	102,698.98	221,773.05
130 NHC HealthCare, Maryland Heights	482,046.01	5,312,111.28	(4,112,253.99)	1,881,901.30	5,994,157.29	24,538.99	73,616.97	186,524.15
131 NHC HealthCare, St. Charles	149,292.13	4,790,436.84	(3,103,346.85)	1,836,182.12	4,939,728.97	9,175.90	27,527.71	52,306.32
132 NHC HealthCare, Anderson	307,501.14	4,643,096.31	(3,502,391.13)	1,448,206.32	4,950,597.45	286,536.08	859,608.29	1,776,205.44
133 NHC HealthCare, Greenwood	221,613.40	3,457,418.81	(2,824,306.34)	1,054,725.87	3,679,032.21	76,704.08	230,112.19	477,241.19
134 NHC HealthCare, Laurens	42,425.00	3,426,461.71	(2,323,289.47)	1,145,617.24	3,468,886.71	130,872.35	392,617.05	810,192.79
135 NHC HealthCare, Athens	37,639.20	1,462,814.54	(1,251,300.11)	249,133.63	1,500,453.74	62,297.34	188,892.08	382,921.45
136 NHC HealthCare, Chattanooga	143,211.53	2,308,895.42	(1,800,180.59)	651,726.36	2,451,906.95	108,910.46	311,731.37	650,232.17
137 NHC HealthCare, Columbia	95,500.83	650,968.06	(585,469.45)	160,999.46	746,468.91	15,466.07	48,399.21	80,548.08
138 NHC HealthCare, Dickson	99,803.83	3,540,560.04	(2,476,842.35)	1,153,721.52	3,650,563.87	222,741.61	668,224.82	1,342,754.51
139 NHC HealthCare, Franklin	47,443.87	1,129,614.40	(813,905.58)	363,152.69	1,177,098.17	26,880.47	80,641.41	162,121.63
140 NHC HealthCare, Hendersonville	362,993.23	3,836,842.53	(2,174,088.64)	2,025,747.14	4,199,825.78	68,072.63	204,217.89	385,087.26
141 NHC HealthCare, Hillview	58,163.24	715,743.16	(533,550.76)	240,375.64	773,906.40	44,630.12	133,890.36	274,870.31
142 NHC HealthCare, Johnson City	84,616.48	1,917,635.61	(1,619,377.74)	382,874.35	2,002,252.09	62,679.47	188,038.41	399,799.37
143 NHC HealthCare, Knoxville	384,065.58	2,692,023.83	(1,991,840.93)	1,084,248.48	3,076,099.41	67,284.22	201,852.65	411,986.81
144 NHC HealthCare, Lewisburg	30,000.00	707,545.12	(578,996.81)	160,548.31	737,545.12	68,169.38	204,508.74	416,001.73
145 NHC HealthCare, McMinnville	72,725.87	3,618,027.11	(2,467,023.40)	1,223,729.38	3,690,752.78	95,571.59	286,714.78	575,628.06
146 NHC HealthCare, Milan	40,812.80	1,825,744.19	(1,328,747.83)	557,809.19	1,866,556.99	73,433.97	220,301.91	438,268.82
147 NHC HealthCare, Oakwood	15,977.78	287,014.18	(286,115.55)	18,876.43	302,991.98	38,570.01	115,710.04	232,790.85
148 NHC HealthCare, Pulaski	53,574.29	3,921,144.49	(2,599,531.43)	1,375,187.35	3,974,718.78	78,063.38	234,190.14	476,799.81
149 NHC HealthCare, Scott	98,432.00	2,900,537.71	(1,833,386.43)	1,165,583.28	2,998,969.71	30,580.11	91,740.33	196,438.90
150 NHC HealthCare, Sealeachie	35,083.00	3,678,608.49	(2,131,890.06)	1,581,801.43	3,713,891.49	64,625.63	195,876.89	413,700.17
151 NHC HealthCare, Smithville	34,696.25	3,816,088.41	(2,438,289.02)	1,412,495.65	3,850,784.67	70,225.40	210,676.20	434,150.99
152 NHC HealthCare, Somerville	26,254.75	677,589.82	(563,823.14)	140,021.39	700,844.57	54,149.50	162,430.51	330,471.51
153 NHC HealthCare, Sparta	80,259.70	1,601,558.78	(1,118,635.10)	563,183.38	1,681,818.48	18,924.55	(15,812.82)	106,038.37

‘Linked’ MD&A ‘Portfolio Detail’ Worksheet is Linked to GL by Crossfire Summary Table in 10-Q or 10-K is Automatically Updated

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The following tables summarize our investments in real estate (excluding corporate office and assets held for sale) and mortgage notes receivable as of June 30, 2010:

Real Estate Properties	Properties	Beds/Sq. Ft.*	Net Investment
Skilled Nursing Facilities	51	6,858	\$ 177,829,000
Assisted Living Facilities	26	1,585	114,186,000
Medical Office Buildings	4	124,427	8,541,000
Independent Living Facilities	4	456	7,001,000
Acute Psychiatric Hospitals	1	66	12,398,000
Acute Care Hospitals	1	55	5,852,000
Total Real Estate Properties	87		325,807,000
Mortgage Notes Receivable			
Skilled Nursing Facilities	30	3,061	68,012,000
Assisted Living Facilities	2	146	4,654,000
Transitional Rehabilitation Center	1	70	3,421,000
Total Mortgage Notes Receivable	33	3,277	76,087,000
Total Portfolio	120		\$ 401,894,000
		Investment	
Portfolio Summary	Properties	Percentage	Net Investment
Real Estate Properties	87	81.1%	\$ 325,807,000
Mortgage Notes Receivable	33	18.9%	76,087,000
Total Portfolio	120	100.0%	\$ 401,894,000

Solution Process Uncovered Numerous Opportunities

JCW, Jr6

- The possibility of a simpler way to consolidate information and mine the data for analysis and answering one-off questions from management, investors, and other stakeholders. JCW, Jr7 LS1
- Ability for reporting benchmarking against industry peers.
- NHI collects varied financial information monthly from each investment property and they realized that Crossfire could make this information interactive, and therefore, more useful. JCW, Jr8

Solutions – Part 2

- Created a custom taxonomy in XBRL for property identification
- Utilized the US GAAP taxonomy in XBRL for account elements
- Tagged property data
- Created standard monthly reports
- Created one-off reports to answer various stakeholders questions

Unexpected Outcomes and Realizations after implementing XBRL

- XBRL Tagging process forced NHI to reexamine some of their Financial Statement captions.
- Block tagging stage was nothing like the difficulties NHI expected (almost no weeping or gnashing of teeth).
- Realized that in-house solution is only long-term option for NHI due to timing of board meetings, early filing deadlines and need for flexibility in the last moments prior to filing.

Conclusion

What first seemed like an added burden to file quarterly reports in XBRL ended up solving multiple problems and streamlined numerous processes.

The Future

- XBRL has the potential to streamline NHI's tenant/borrower compliance
- Developing a compliance monitoring solution using segments and element extensions
- Utilizing Crossfire to compare NHI data to other REIT data

NHI vs. Other REITs Crossfire Comparison Analysis

New Folio - Crossfire Designer

Home Insert Page Layout Formulas Data Review View Developer Analytics Tagging Folio Review

Recent Folios Properties Design Row/Col/Cell Alerts Assistants Elements Undo/Redo Header and Footer Refresh Review Validate Zero Suppress Query CrossTracks ViewSheets Hierarchy Drilldown Map Extensions Full Taxonomy Settings Feedback About

1	US GAAP SHARED ELEMENTS							
2	Element Label	Element ID	NHI	HOST Hotels & Resorts, Inc	HCP, Inc.	Prologis	Ventas Inc	Annaly Capital Management Inc
106	Cost Method Investments	us-gaap_CostMethodInvestments	38,132.0	0.0	0.0	0.0	0.0	0.0
182	Assets, Total	us-gaap_Assets	509,909.0	11,957,000.0	12,244,643.0	16,398,479.0	5,462,117.0	73,507,984.0
200	Short-term Bank Loans and Notes Payable	us-gaap_ShortTermBankLoansAndNotesPayab	43,823.0	0.0	0.0	0.0	0.0	0.0
213	Liabilities, Total	us-gaap_Liabilities	71,386.0	5,738,000.0	5,951,323.0	9,039,113.0	3,030,703.0	63,812,050.0
224	Common Stock, Value, Issued	us-gaap_CommonStockValue	277.0	7,000.0	308,039.0	4,767.0	39,343.0	5,598.0
227	Additional Paid in Capital, Common Stock	us-gaap_AdditionalPaidInCapitalCommonStoc	461,917.0	6,907,000.0	0.0	0.0	2,583,412.0	0.0
236	Accumulated Other Comprehensive Income (Loss), Available-for-sale Securities Adjustment, Net of Stockholders' Equity, Including Portion Attributable to Noncontrolling Interest, Total	us-gaap_AccumulatedOtherComprehensiveInc	12,613.0	0.0	9,845.0	0.0	0.0	0.0
250	Common Stock, Par or Stated Value Per Share	us-gaap_CommonStockParOrStatedValuePerSH	0.01	0.01	1.0	0.01	0.25	0.01
267	Common Stock, Shares Authorized	us-gaap_CommonStockSharesAuthorized	40,000.0	1,050,000.0	750,000.0	0.0	300,000.0	987,987.5
268	Common Stock, Shares, Issued	us-gaap_CommonStockSharesIssued	27,670.3	652,500.0	308,038.9	476,696.0	156,872.0	559,763.8
269	Common Stock, Shares, Outstanding	us-gaap_CommonStockSharesOutstanding	27,670.3	652,500.0	308,038.9	476,696.0	0.0	559,763.8
275	Common Stock, Value, Issued	us-gaap_CommonStockValue	277.0	7,000.0	308,039.0	4,767.0	39,343.0	5,598.0
296	Liabilities and Stockholders' Equity, Total	us-gaap_LiabilitiesAndStockholdersEquity	509,909.0	11,957,000.0	12,244,643.0	16,398,479.0	5,462,117.0	73,507,984.0
299	Investment Building and Building Improvements	us-gaap_InvestmentBuildingAndBuildingImpr	416,486.0	0.0	8,087,909.0	8,879,496.0	5,732,421.0	0.0
304	Land	us-gaap_Land	41,711.0	0.0	1,557,168.0	2,608,987.0	556,469.0	0.0
310	Real Estate Investment Property, at Cost, Total	us-gaap_RealEstateInvestmentPropertyAtCost	458,197.0	0.0	0.0	14,953,560.0	6,292,678.0	0.0
311	Real Estate Investment Property, Accumulated Depreciation	us-gaap_RealEstateInvestmentPropertyAccum	131,620.0	0.0	1,147,237.0	1,801,602.0	1,274,088.0	0.0
312	Real Estate Investment Property, Net, Total	us-gaap_RealEstateInvestmentPropertyNet	326,577.0	0.0	8,622,413.0	13,151,958.0	5,018,590.0	0.0
315	Cost Method Investments	us-gaap_CostMethodInvestments	38,132.0	0.0	0.0	0.0	0.0	0.0
330	Cash and Cash Equivalents, at Carrying Value, Total	us-gaap_CashAndCashEquivalentsAtCarryingV	11,744.0	1,171,000.0	96,260.0	25,102.0	27,794.0	327,979.0

JCW