



Medical Properties Trust Announces Agreement to Sell Connecticut Hospitals

October 6, 2022

Total Expected Consideration of Approximately \$457 Million

BIRMINGHAM, AL--(BUSINESS WIRE)--Oct. 6, 2022-- Medical Properties Trust, Inc. (the "Company" or "MPT") (NYSE: MPW) today announced that it has entered into definitive agreements for the sale of three Connecticut hospitals to Prospect Medical Holdings ("Prospect"), the current lessee. Separately, Yale New Haven Health ("Yale") has agreed to acquire the hospital operations from Prospect in a contemporaneous transaction.

Terms of the agreements establish an aggregate sale price of approximately \$457 million, the approximate amount MPT paid for the hospitals in August 2019; the Prospect lessees have since made timely payments of all rent required under the leases to MPT totaling approximately \$104 million. The strong interest of Yale in the Connecticut facilities further validates MPT's underwriting of these properties as essential hospital infrastructure due to their physical quality, local demographics, reimbursement sources and other key underwriting criteria. The transaction is expected to close in 2023 subject to certain regulatory approvals and is further conditioned upon the completion of Yale's acquisition from Prospect of the hospital operations.

MPT presently plans to utilize proceeds from the transaction to reduce debt and to fund select acquisition and other investment opportunities. In combination with nearly \$400 million in recent asset sale and loan repayment proceeds, which the Company used to reduce short-term debt during the third quarter, and roughly \$200 million in anticipated loan repayment proceeds related to LifePoint's planned acquisition of a majority interest in Springstone, MPT will have sourced in excess of \$1 billion of immediately available liquidity.

About Medical Properties Trust, Inc.

Medical Properties Trust, Inc. is a self-advised real estate investment trust formed in 2003 to acquire and develop net-leased hospital facilities. From its inception in Birmingham, Alabama, the Company has grown to become one of the world's largest owners of hospital real estate with roughly 430 facilities and 44,000 beds in ten countries and across four continents. MPT's financing model facilitates acquisitions and recapitalizations and allows operators of hospitals to unlock the value of their real estate assets to fund facility improvements, technology upgrades and other investments in operations. For more information, please visit the Company's website at www.medicalpropertiestrust.com.

This press release includes 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. Forward-looking statements can generally be identified by the use of forward-looking words such as "may," "will," "would," "could," "expect," "intend," "plan," "estimate," "target," "anticipate," "believe," "objectives," "outlook," "guidance" or other similar words, and include statements regarding our strategies, objectives, future expansion and development activities, and expected financial performance. Forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results or future events to differ materially from those expressed in or underlying such forward-looking statements, including, but not limited to: (i) the economic, political and social impact of, and uncertainty relating to, potential impact from health crises (like COVID-19); (ii) the ability of our tenants, operators and borrowers to satisfy their obligations under their respective contractual arrangements with us, especially as a result of the adverse economic impact of the COVID-19 pandemic, and government regulation of hospitals and healthcare providers in connection with same (as further detailed in our Current Report on Form 8-K filed with the SEC on April 8, 2020); (iii) our expectations regarding annual guidance for net income and NFFO per share; (iv) our success in implementing our business strategy and our ability to identify, underwrite, finance, consummate and integrate acquisitions and investments; (v) the nature and extent of our current and future competition; (vi) macroeconomic conditions, such as a disruption of or lack of access to the capital markets or movements in currency exchange rates; (vii) our ability to obtain debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and pay down, refinance, restructure or extend our indebtedness as it becomes due; (viii) increases in our borrowing costs as a result of changes in interest rates and other factors; (ix) international, national and local economic, real estate and other market conditions, which may negatively impact, among other things, the financial condition of our tenants, lenders and institutions that hold our cash balances, and may expose us to increased risks of default by these parties; (x) factors affecting the real estate industry generally or the healthcare real estate industry in particular; (xi) our ability to maintain our status as a REIT for federal and state income tax purposes; (xii) federal and state healthcare and other regulatory requirements, as well as those in the foreign jurisdictions where we own properties; (xiii) the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain equity or debt financing secured by our properties or on an unsecured basis; (xiv) the ability of our tenants and operators to comply with applicable laws, rules and regulations in the operation of the our properties, to deliver high-quality services, to attract and retain qualified personnel and to attract patients; (xv) potential environmental contingencies and other liabilities; (xvi) the risk that the expected acquisition of a majority interest in Springstone by LifePoint does not occur; (xvii) the risk that the expected sale of three Connecticut hospitals currently leased to Prospect does not occur; and (xviii) the risk that other property sales, loan repayments, and other capital recycling transactions do not occur.

The risks described above are not exhaustive and additional factors could adversely affect our business and financial performance, including the risk factors discussed under the section captioned "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021 and as updated in our quarterly reports on Form 10-Q. Forward-looking statements are inherently uncertain and actual performance or outcomes may vary materially from any forward-looking statements and the assumptions on which those statements are based. Readers are cautioned to not place undue reliance on forward-looking statements as predictions of future events. We disclaim any responsibility to update such forward-looking statements, which speak only as of the date on which they were made.

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