



---

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

---

**FORM 8-K**

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

**Date of report (Date of earliest event reported): April 17, 2006**

**MEDICAL PROPERTIES TRUST, INC.**

(Exact Name of Registrant as Specified in Charter)

**Commission File Number 001-32559**

**Maryland**  
(State or other jurisdiction  
of incorporation or organization)

**20-0191742**  
(I. R. S. Employer  
Identification No.)

**1000 Urban Center Drive, Suite 501**  
**Birmingham, AL**  
(Address of principal executive offices)

**35242**  
(Zip Code)

Registrant's telephone number, including area code  
**(205) 969-3755**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

## **TABLE OF CONTENTS**

[Item 7.01 Regulation FD Disclosure](#)

[Item 9.01 Financial Statements and Exhibits](#)

[SIGNATURE](#)

[EX-99.1 INFORMATION FOR INVESTOR MEETINGS](#)

---

[Table of Contents](#)

**Item 7.01 Regulation FD Disclosure**

On April 17, 2006, certain management of Medical Properties Trust, Inc. will begin meetings with investors involving information attached to this Form 8-K as Exhibit 99.1. We expect to use this information, in whole or in part and possibly with modifications, in connection with presentations and one-on-one meetings with investors, analysts and others during the second quarter of 2006. We are furnishing this information pursuant to Regulation FD. A powerpoint version of these slides is located on the investor relations portion of our web site, [www.medicalpropertiestrust.com](http://www.medicalpropertiestrust.com). The information in this Item 7.01 of this Current Report on Form 8-K, including the exhibits hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

In addition to the historical information contained within, the subject matters discussed in this information may contain forward-looking statements that involve risks and uncertainties. The various risk factors are discussed in our Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2005. Forward-looking statements represent the Company's judgment as of the date of this presentation. The Company disclaims any obligation to update forward-looking material.

**Item 9.01 Financial Statements and Exhibits**

**(c) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
99.1	Information for investor meetings beginning April 17, 2006

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**MEDICAL PROPERTIES TRUST, INC.**  
(Registrant)

By: /s/ R. Steven Hamner  
R. Steven Hamner  
Executive Vice President  
and Chief Financial Officer  
(Principal Financial and Accounting Officer)

**Date: April 17, 2006**

# Investor Presentation

April 2006



Medical Properties Trust



# Safe Harbor

---

Certain statements made during this presentation are forward-looking and are subject to risks and uncertainties. The forward-looking statements made are based on our beliefs, assumptions and expectations of future performance, taking into account all information currently available to us. Actual results could differ materially from the forward-looking statements made during this presentation. When we use the words "believe," "expect," "anticipate," "plan," "will," "intend" or other similar expressions, we are identifying forward-looking statements. The forward-looking statements made during this presentation are subject to the safe harbor of the Private Securities Litigation Reform Act of 1995.





# Unique Healthcare REIT

- **Net Leased Medical Facilities**  
(generally require physician order for admittance)
- **A Focus on Higher Operating Margins in Target Facilities vs. Other Healthcare REIT's**
- **Inpatient and Outpatient Medical Facilities**
- **Mix of Existing and New Construction**
- **Local Community and Physician Support**





# MPT's Portfolio is Uniquely Different From Other Healthcare REITs

**MPT Concentrates Solely on Acute Care, Inpatient Rehab and Long-Term Acute Care Hospitals**

<u>Property Type</u>	<u>MPT</u>	<u>Other Health Care REITs</u>
Acute Care Hospitals	57%	3%
LTACH/Sub-Acute Hospitals	28%	<1%
Inpatient Rehab Hospitals	11%	1%
Medical Office Building	4%	12%
SNF/LTC	0%	42%
Assisted Living/Retirement	0%	40%

Based on number of properties.

Source: Other REITs represent current portfolios of 12 Health Care REITs listed in Stifel, Nicolaus and Incorporated Report, April 2005.

MPT portfolio of existing properties and properties under construction as of 1/1/2006.





# Healthcare Trends Are Favorable for MPT

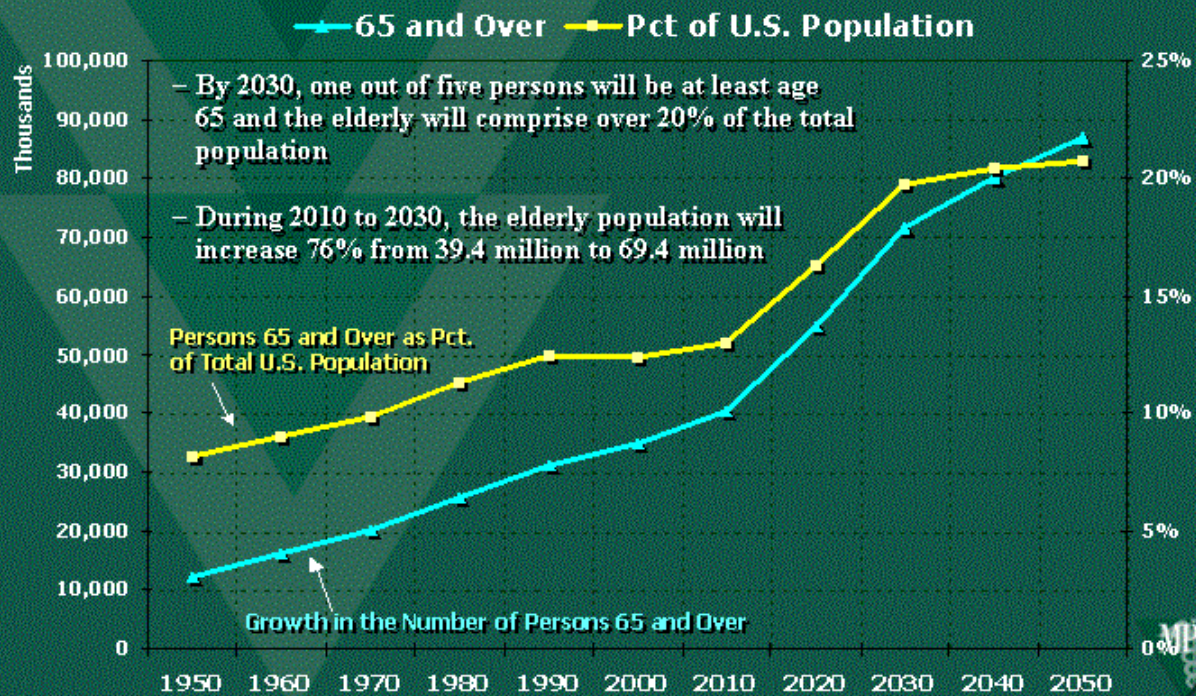
---

- Demand for health care services is increasing due to the aging of the population.
- Health care spending is growing relative to the general economy.
- Many facilities are aging and inefficient; being replaced to keep pace in the healthcare marketplace.
- An increasing emphasis on hospital and physician partnerships.





# MPT Positioned To Meet Growing Demand For Health Care Services

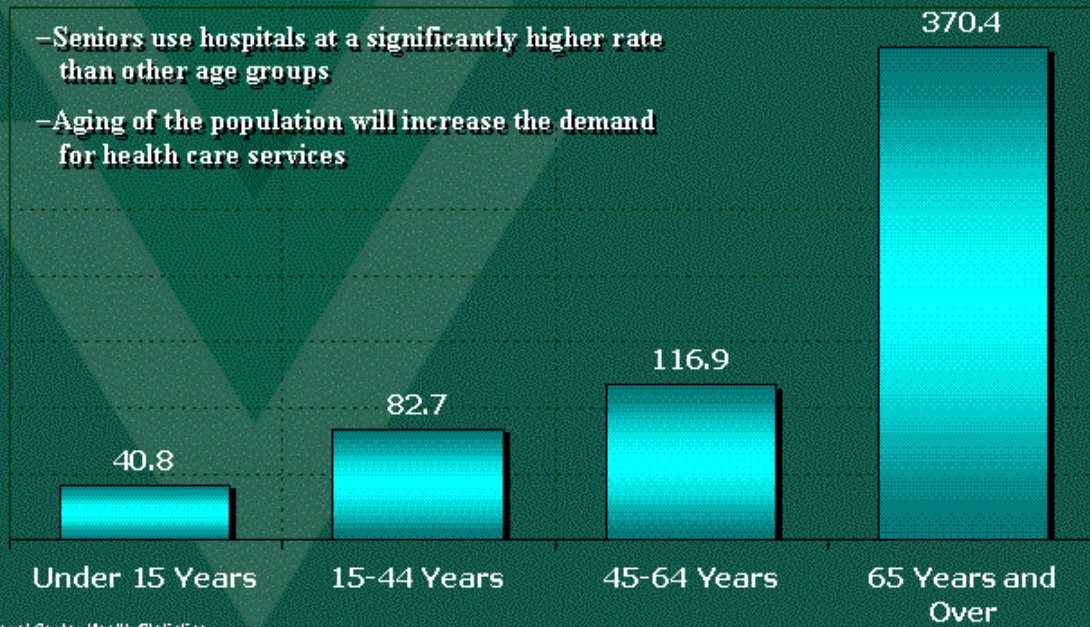




# Hospital Usage is Heavily Influenced by the Composition Of The Population

## Rate of Discharges Per 1,000 Population Age Group

- Seniors use hospitals at a significantly higher rate than other age groups
- Aging of the population will increase the demand for health care services



National Center Health Statistics





# Health Care Spending Continues and Will Fuel MPT Growth

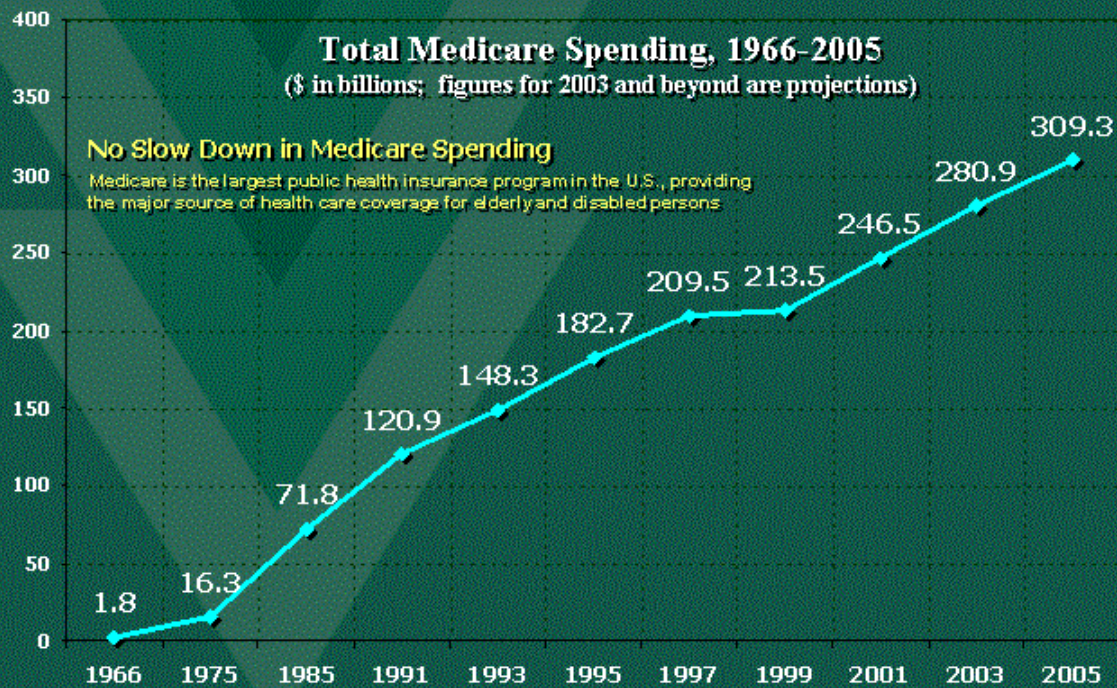
---

- In 2003, \$1.7 trillion was spent on health care in the U.S. This is expected to increase to \$3.6 trillion by 2014.
- Spending on health care currently accounts for about 15 percent of GDP. By 2014, health care will account for 18.7 percent of GDP
- Spending on hospital services over the past 10 years has grown 61%.





# Medicare Spending Is Growing Hospital Care Representing 40%



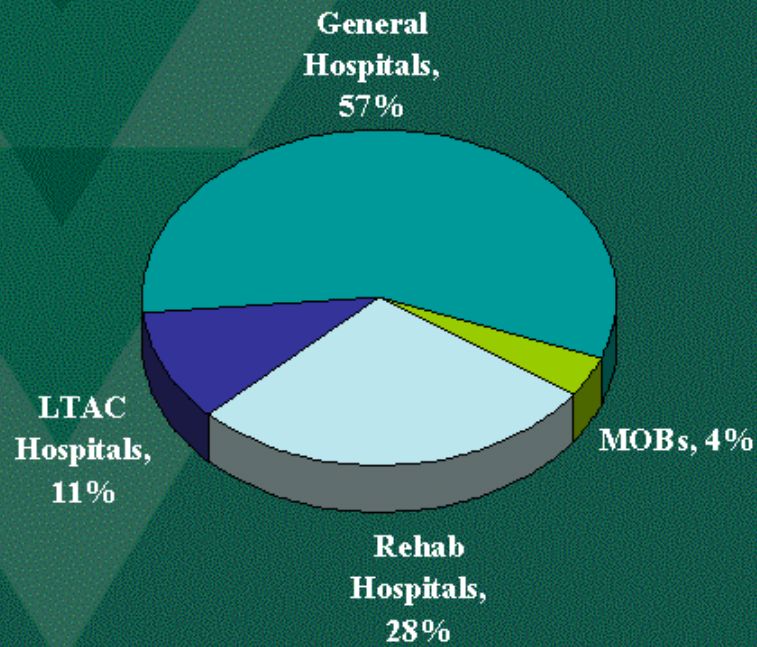
Centers for Medicare and Medicaid (CMS)





# MPT Portfolio

## Percent Distribution by Invested Dollars



Based on investments for closed properties and loans.





# MPT Portfolio

● MPT Properties



As of January 6, 2006

# MPT's Underwriting Philosophy

---

## Decision Criteria

- **Demonstrated Market Need**
- **Physician Involvement and Partnerships**
- **Strong Experienced Operators**
- **Yield**





# MPT's Management Team Expertise

---

- Extensive Experience in . . .
  - Hospital Acquisitions
  - Hospital Development and Construction
  - Hospital Operations
  - Physician Practice Management
  - Hospital Leases
  - Real Estate Management





# MPT's Valuation of Hospital Real Estate

---

- **Minimum Financial Requirements**
- **Not More Than Replace Cost**
- **Third Party Appraisals**





# Sum of the Parts is Worth More Than the Whole

---

- Real estate capital costs less than hospital capital
- Conversely, investors pay more for real estate income than they do for hospital operating income
- Hospital companies have substantial real estate assets
- But investors in hospital companies will only pay hospital prices for the companies' earnings (they ignore the real estate)
- So, hospital companies that own their real estate are allocating capital – and potential earnings – to lower yielding assets than those that “sell” their real estate income to real estate investors





# REIT Financing Lowers a Hospital's Cost of Capital

## Transaction Assumptions

Appraised value	\$ 50,000,000
Operating margin	22%
Incremental tax rate of owners	40%
Date of commencement	January 1, 2006

## Lease Assumptions

Purchase price as percent of value	100%
Purchase price	\$ 50,000,000
Initial lease rate	10.25%
Annual lease rate escalation	2.5%
Initial lease term in months	180

## Debt Assumptions

Loan proceeds as percent of value	70%
Loan proceeds	\$ 35,000,000
Equity required	\$ 15,000,000
10-year Treasury rate	4.50%
Spread to Treasury	2.50%
Interest rate	7.00%





# Hospital Cash Flow Financing Alternatives

<u>Cash Flow Under Lease Structure</u>	<u>Total</u>
Lease payments	(99,323,652)
Tax effect of lease payments	<u>39,729,461</u>
After tax lease payments	(59,594,191)
Sale proceeds	50,000,000
Operating earnings on sale proceeds	213,182,473
 Net after-tax operating earnings	 153,588,282
 <u>Cash Flow Under Debt Structure</u>	
Debt constant	(39,200,000)
Tax effect of debt payment	<u>10,575,116</u>
After tax debt payment	(28,624,885)
Loan proceeds	35,000,000
Operating earnings on loan proceeds	149,227,731
 Net after-tax operating earnings	 120,602,847





# REIT Financing Increases Valuation of Hospital Operations

	Real Estate <u>Owned</u>	Real Estate <u>Leased</u>
EBITDA (before lease payments)	\$18,000,000	\$18,000,000
Lease payments	-	(5,125,000)
EBITDA (after lease payments)	18,000,000	12,875,000
Market multiple	<u>5</u>	<u>5</u>
Value of Hospital cash flow	90,000,000	64,375,000
Real estate value	<u>(50,000,000)</u>	-
Implied value of operations	40,000,000	64,375,000
Real estate value	<u>50,000,000</u>	<u>50,000,000</u>
Enterprise value	\$90,000,000	\$114,375,000

Note: Does not include value of incremental operating cash flow from the investment of net proceeds of sale/leaseback transaction.





# Financing Alternatives Lease vs. Mortgage Debt

## Cash For Investment in Operating Business

Cash available from lease financing	\$50,000,000
Cash available from debt financing	<u>35,000,000</u>
Excess cash from lease over debt financing	\$15,000,000

## After Tax Value Of Financing Alternatives

Net present value of lease financing	\$63,220,226
Net present value of debt financing	<u>49,383,613</u>
Excess value of lease over debt financing	\$13,836,613





# Key Measures Since April 2004

## Net Proceeds

- \$233 million from 144A Private Placement
- \$129 million from IPO
- \$362 million in equity proceeds

## Investments

- \$380 million in operating properties
- \$137 million under construction
- \$517 million invested and committed
- Substantial pipeline, resources and growth

## Significant Unleveraged Yields

- Average unleveraged base yield of 10.28%
- Plus average annual increases of > 2.4% or CPI
- Plus percentage rents (where applicable)

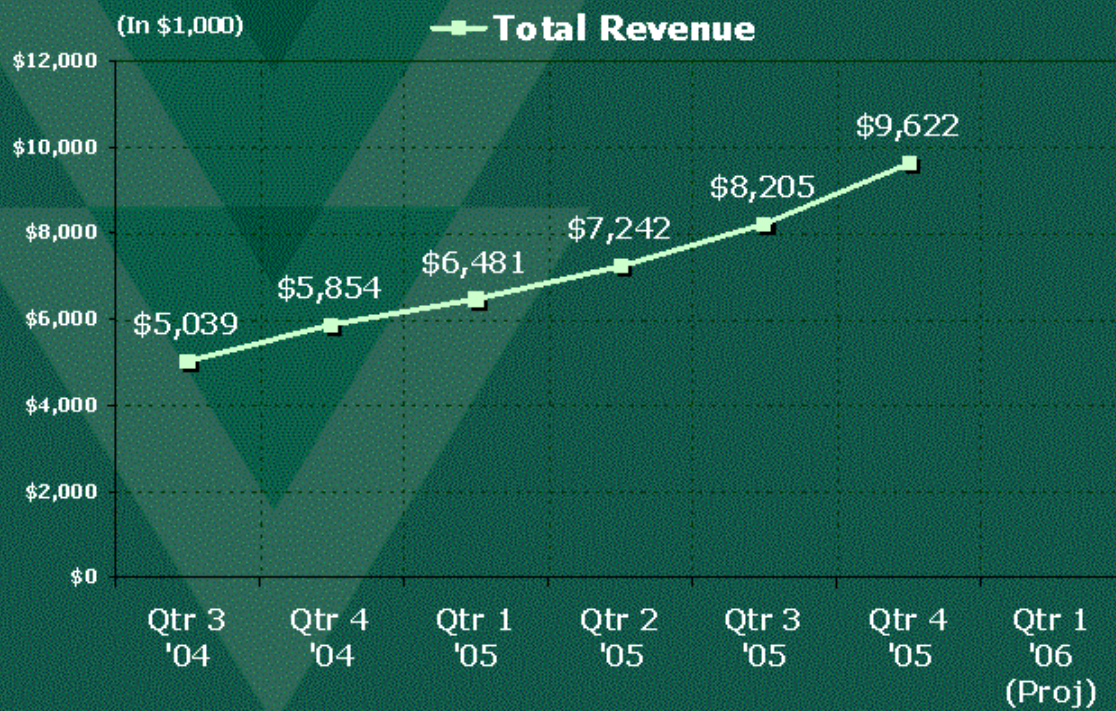
## Substantial ROE & Dividend Growth

- Fully invested ROE approaching 14%
- Embedded annual growth in each lease
- \$0.84 annualized 1Q06 dividend



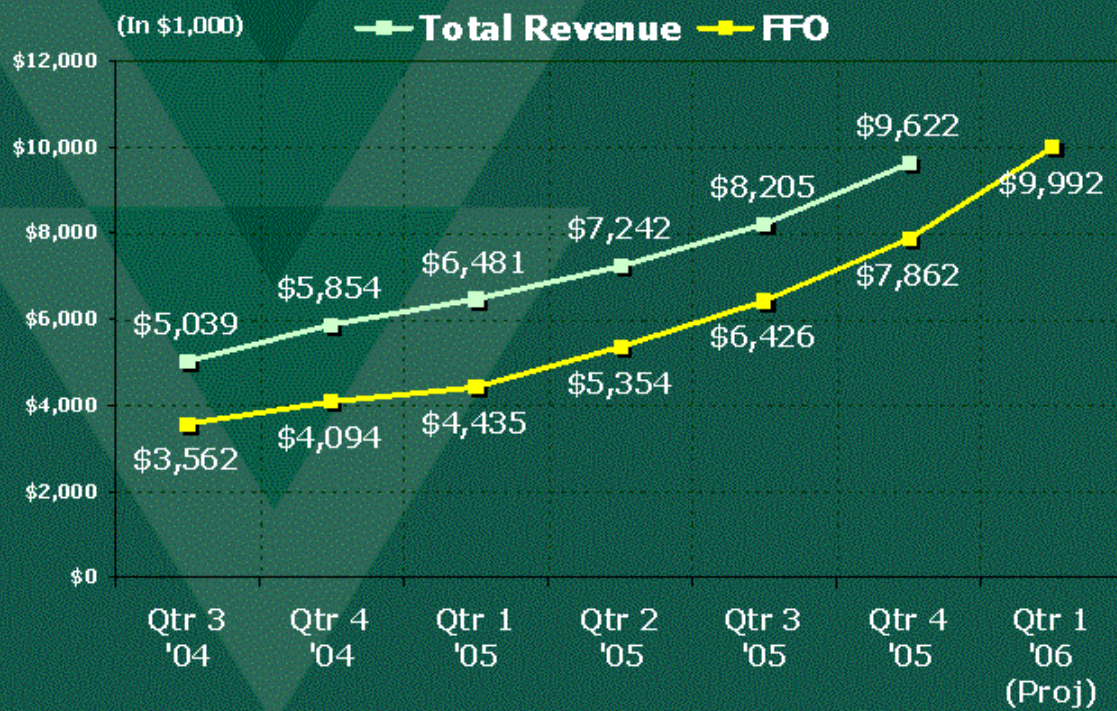


# Steady Growth in Revenue



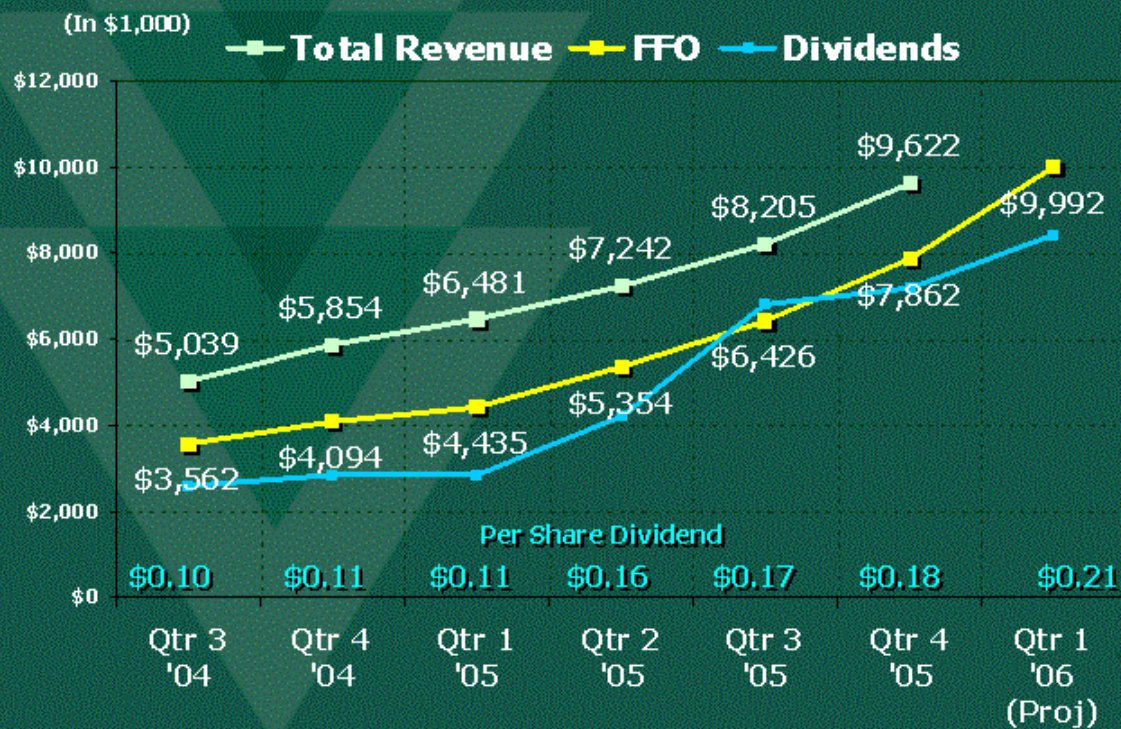


# Steady Growth in Revenue and FFO





# Steady Growth in Revenue, FFO and Dividends





## 2006 Growth Expectations

---

- First full quarter of operations of Town and Country Hospital in 1Q06
- Expected 4Q05 acquisitions effective for all of 06
- Commencement of operations for \$137 million in projects currently under construction
- Escalations effective January 1, 2006
- Expected \$200 - \$300 million in 2006 acquisitions
- Potential refinancing by Vibra Healthcare





# Expected Future Operations

---

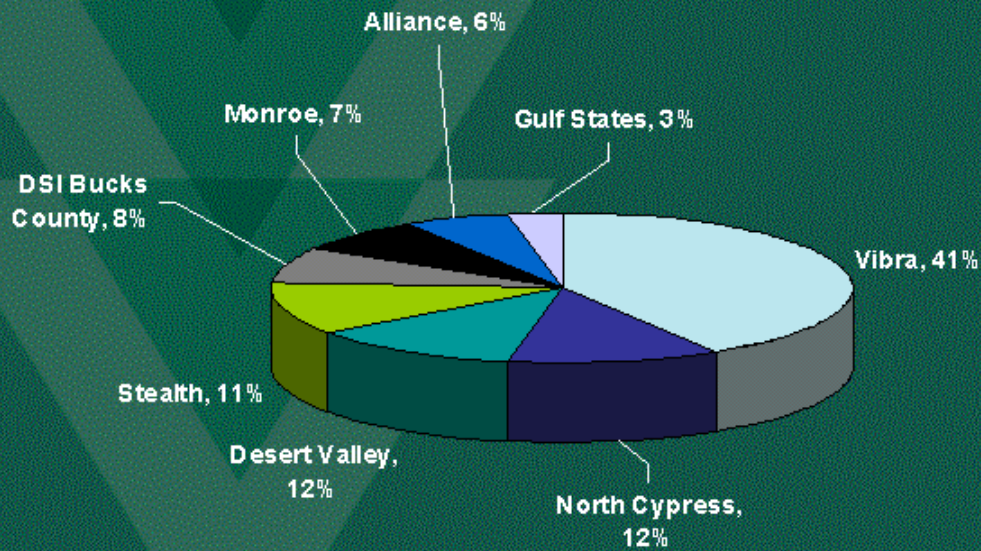
- 1Q06 expected FFO..... \$0.24 - \$0.26
- Projects to be completed in 2006... \$137 million
- Expected 2006 acquisitions... \$200 - \$300 million
- Expected 2006 FFO..... \$1.16 - \$1.20





# Projected Percentage of Revenue by Operator

For 2007, assuming no acquisitions in 2006



Based on investments for closed properties and loans as of March 31, 2006





# Selected Pro Forma Balance Sheet Information

	<u>Current Balance</u>	<u>Expected 2006</u>	<u>Pro Forma 12/31/2006</u>
<b>Income Producing Assets</b>			
Existing Properties	\$ 387,000,000		\$ 387,000,000
Development Properties	137,000,000		137,000,000
2006 Expected Acquisitions		\$ 300,000,000	300,000,000
Total Income Producing Assets	<u>524,000,000</u>	<u>300,000,000</u>	<u>824,000,000</u>
<b>Debt</b>			
Current Debt	\$ 87,500,000	\$ 71,600,000	\$ 159,100,000
New Debt to Fund Acquisitions		300,000,000	300,000,000
Total Debt	<u>87,500,000</u>	<u>371,600,000</u>	<u>459,100,000</u>
<b>Ratios</b>			
Debt / Gross Real Estate Properties + Loan Investment	17%		56%
Debt / Total Capitalization	17%		51%





# MPT Market Data

(as of April 11, 2006)

<b>Market Cap</b>	<b>\$439.4 million</b>
<b>Shares Outstanding</b>	<b>40.055 million</b>
<b>Stock Price</b>	<b>\$10.97</b>
<b>Stock Price 52 Week Range</b>	<b>\$7.60-11.42</b>
<b>Annualized Quarterly Dividend</b>	<b>\$0.84</b>
<b>Average Daily Volume (YTD)</b>	<b>201,406</b>





# Investor Presentation

April 2006



Medical Properties Trust