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

FORM 10-Q

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

For the quarterly period ended June 30, 2015

OR

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 001-32559

**MEDICAL PROPERTIES TRUST, INC.
MPT OPERATING PARTNERSHIP, L.P.**

(Exact Name of Registrant as Specified in Its Charter)

MARYLAND
DELAWARE
(State or other jurisdiction of
incorporation or organization)

20-0191742
20-0242069
(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

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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/> (Medical Properties Trust, Inc. only)	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/> (MPT Operating Partnership, L.P. only) (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

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

As of August 7, 2015, Medical Properties Trust, Inc. had 208,914,827 shares of common stock, par value \$0.001, outstanding.

EXPLANATORY NOTE

This report combines the Quarterly Reports on Form 10-Q for the three and six months ended June 30, 2015, of Medical Properties Trust, Inc., a Maryland corporation, and MPT Operating Partnership, L.P., a Delaware limited partnership, through which Medical Properties Trust, Inc. conducts substantially all of its operations. Unless otherwise indicated or unless the context requires otherwise, all references in this report to “we,” “us,” “our,” “our company,” “Medical Properties,” “MPT,” or “the company” refer to Medical Properties Trust, Inc. together with its consolidated subsidiaries, including MPT Operating Partnership, L.P. Unless otherwise indicated or unless the context requires otherwise, all references to “our operating partnership” or “the operating partnership” refer to MPT Operating Partnership, L.P. together with its consolidated subsidiaries.

[Table of Contents](#)

**MEDICAL PROPERTIES TRUST, INC. AND MPT OPERATING PARTNERSHIP, L.P.
AND SUBSIDIARIES
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED June 30, 2015**

Table of Contents

	<u>Page</u>
<u>PART I — FINANCIAL INFORMATION</u>	3
<u>Item 1 Financial Statements</u>	3
<u>Medical Properties Trust, Inc. and Subsidiaries</u>	
<u>Condensed Consolidated Balance Sheets at June 30, 2015 and December 31, 2014</u>	3
<u>Condensed Consolidated Statements of Operations for the Three Months and Six Months Ended June 30, 2015 and 2014</u>	4
<u>Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three Months and Six Months Ended June 30, 2015 and 2014</u>	5
<u>Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2015 and 2014</u>	6
<u>MPT Operating Partnership, L.P. and Subsidiaries</u>	
<u>Condensed Consolidated Balance Sheets at June 30, 2015 and December 31, 2014</u>	7
<u>Condensed Consolidated Statements of Operations for the Three Months and Six Months Ended June 30, 2015 and 2014</u>	8
<u>Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three Months and Six Months Ended June 30, 2015 and 2014</u>	9
<u>Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2015 and 2014</u>	10
<u>Medical Properties Trust, Inc. and MPT Operating Partnership, L.P.</u>	
<u>Notes to Condensed Consolidated Financial Statements</u>	11
<u>Item 2 Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	28
<u>Item 3 Quantitative and Qualitative Disclosures about Market Risk</u>	38
<u>Item 4 Controls and Procedures</u>	39
<u>PART II — OTHER INFORMATION</u>	39
<u>Item 1 Legal Proceedings</u>	39
<u>Item 1A Risk Factors</u>	39
<u>Item 2 Unregistered Sales of Equity Securities and Use of Proceeds</u>	39
<u>Item 3 Defaults Upon Senior Securities</u>	39
<u>Item 4 Mine Safety Disclosures</u>	39
<u>Item 5 Other Information</u>	40
<u>Item 6 Exhibits</u>	40
<u>SIGNATURE</u>	41
<u>INDEX TO EXHIBITS</u>	42

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(In thousands, except per share amounts)	June 30, 2015 (Unaudited)	December 31, 2014 (Note 2)
Assets		
Real estate assets		
Land, buildings and improvements, and intangible lease assets	\$2,720,011	\$2,172,775
Mortgage loans	437,587	397,594
Net investment in direct financing leases	455,020	439,516
Gross investment in real estate assets	3,612,618	3,009,885
Accumulated depreciation and amortization	(231,909)	(202,627)
Net investment in real estate assets	3,380,709	2,807,258
Cash and cash equivalents	45,904	144,541
Interest and rent receivables	56,792	41,137
Straight-line rent receivables	68,927	59,128
Other loans	548,865	573,167
Other assets	124,928	122,105
Total Assets	<u>\$4,226,125</u>	<u>\$3,747,336</u>
Liabilities and Equity		
Liabilities		
Debt, net	\$2,262,861	\$2,201,654
Accounts payable and accrued expenses	130,505	112,623
Deferred revenue	27,541	27,207
Lease deposits and other obligations to tenants	9,341	23,805
Total Liabilities	2,430,248	2,365,289
Equity		
Preferred stock, \$0.001 par value. Authorized 10,000 shares; no shares outstanding	—	—
Common stock, \$0.001 par value. Authorized 250,000 shares; issued and outstanding — 207,804 shares at June 30, 2015 and 172,743 shares at December 31, 2014	208	172
Additional paid in capital	2,250,894	1,765,381
Distributions in excess of net income	(395,078)	(361,330)
Accumulated other comprehensive loss	(59,885)	(21,914)
Treasury shares, at cost	(262)	(262)
Total Equity	1,795,877	1,382,047
Total Liabilities and Equity	<u>\$4,226,125</u>	<u>\$3,747,336</u>

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

 Condensed Consolidated Statements of Operations
 (Unaudited)

(In thousands, except per share amounts)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Revenues				
Rent billed	\$ 53,893	\$ 45,928	\$106,994	\$ 88,889
Straight-line rent	5,252	3,178	9,980	5,366
Income from direct financing leases	12,808	12,263	25,363	24,479
Interest and fee income	27,848	15,191	53,425	30,915
Total revenues	99,801	76,560	195,762	149,649
Expenses				
Real estate depreciation and amortization	14,956	12,442	29,712	26,131
Impairment charges	—	29,631	—	50,128
Property-related	530	(38)	881	700
General and administrative	10,642	8,206	21,547	17,165
Acquisition expenses	25,809	2,535	32,048	3,047
Total operating expenses	51,937	52,776	84,188	97,171
Operating income	47,864	23,784	111,574	52,478
Other income (expense)				
Other income (expense)	225	19	(571)	(30)
Earnings from equity and other interests	1,853	686	1,956	905
Interest expense	(26,890)	(24,362)	(53,318)	(45,974)
Debt refinancing costs	—	(290)	(238)	(290)
Income tax (expense) benefit	(563)	(40)	(938)	16
Net other expense	(25,375)	(23,987)	(53,109)	(45,373)
Income (loss) from continuing operations	22,489	(203)	58,465	7,105
Loss from discontinued operations	—	—	—	(2)
Net income (loss)	22,489	(203)	58,465	7,103
Net income attributable to non-controlling interests	(82)	—	(161)	(65)
Net income (loss) attributable to MPT common stockholders	\$ 22,407	\$ (203)	\$ 58,304	\$ 7,038
Earnings per common share — basic and diluted				
Income (loss) from continuing operations attributable to MPT common stockholders	\$ 0.11	\$ —	\$ 0.28	\$ 0.04
Income (loss) from discontinued operations attributable to MPT common stockholders	—	—	—	—
Net income (loss) attributable to MPT common stockholders	\$ 0.11	\$ —	\$ 0.28	\$ 0.04
Weighted average shares outstanding:				
Basic	208,071	171,718	205,515	167,846
Diluted	208,640	172,369	206,127	168,459
Dividends declared per common share	\$ 0.22	\$ 0.21	\$ 0.44	\$ 0.42

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIESCondensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

(In thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Net income (loss)	\$ 22,489	\$ (203)	\$ 58,465	\$7,103
Other comprehensive income:				
Unrealized gain on interest rate swap	730	486	1,315	1,206
Foreign currency translation gain (loss)	20,307	73	(39,286)	46
Total comprehensive income	43,526	356	20,494	8,355
Comprehensive income attributable to non-controlling interests	(82)	—	(161)	(65)
Comprehensive income attributable to MPT common stockholders	<u>\$ 43,444</u>	<u>\$ 356</u>	<u>\$ 20,333</u>	<u>\$8,290</u>

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIESCondensed Consolidated Statements of Cash Flows
(Unaudited)

	For the Six Months Ended June 30,	
	2015	2014
(In thousands)		
Operating activities		
Net income	\$ 58,465	\$ 7,103
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	30,564	26,715
Straight-line rent revenue	(9,980)	(6,316)
Straight-line rent write-off	—	950
Impairment charges	—	50,128
Direct financing lease interest accretion	(3,279)	(3,256)
Share-based compensation	5,645	4,433
Amortization and write-off of deferred financing costs and debt discount	2,770	2,484
Other adjustments	(2,383)	(8,406)
Changes in:		
Interest and rent receivable	(15,685)	(9,064)
Accounts payable and accrued expenses	21,327	(14,516)
Net cash provided by operating activities	<u>87,444</u>	<u>50,255</u>
Investing activities		
Cash paid for acquisitions and other related investments	(562,633)	(115,000)
Principal received on loans receivable	354,952	6,829
Investment in loans receivable	(347,768)	(5,601)
Construction in progress and other	(86,053)	(55,159)
Net cash used for investing activities	<u>(641,502)</u>	<u>(168,931)</u>
Financing activities		
Revolving credit facilities, net	80,586	(105,000)
Additions to term debt	—	425,000
Payments of term debt	(140)	(100,132)
Distributions paid	(84,487)	(71,809)
Proceeds from sale of common shares, net of offering costs	479,902	128,332
Lease deposits and other obligations to tenants	(14,453)	4,910
Debt issuance costs paid and other financing activities	(662)	(11,496)
Net cash provided by financing activities	<u>460,746</u>	<u>269,805</u>
Increase (decrease) in cash and cash equivalents for period	(93,312)	151,129
Effect of exchange rate changes	(5,325)	(85)
Cash and cash equivalents at beginning of period	<u>144,541</u>	<u>45,979</u>
Cash and cash equivalents at end of period	<u>\$ 45,904</u>	<u>\$ 197,023</u>
Interest paid	\$ 52,130	\$ 41,907
Supplemental schedule of non-cash financing activities:		
Distributions declared, unpaid	\$ 46,026	\$ 36,277

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(In thousands)	June 30, 2015 (Unaudited)	December 31, 2014 (Note 2)
Assets		
Real estate assets		
Land, buildings and improvements, and intangible lease assets	\$2,720,011	\$2,172,775
Mortgage loans	437,587	397,594
Net investment in direct financing leases	455,020	439,516
Gross investment in real estate assets	3,612,618	3,009,885
Accumulated depreciation and amortization	(231,909)	(202,627)
Net investment in real estate assets	3,380,709	2,807,258
Cash and cash equivalents	45,904	144,541
Interest and rent receivables	56,792	41,137
Straight-line rent receivables	68,927	59,128
Other loans	548,865	573,167
Other assets	124,928	122,105
Total Assets	<u>\$4,226,125</u>	<u>\$3,747,336</u>
Liabilities and Capital		
Liabilities		
Debt, net	\$2,262,861	\$2,201,654
Accounts payable and accrued expenses	84,550	74,195
Deferred revenue	27,541	27,207
Lease deposits and other obligations to tenants	9,341	23,805
Payable due to Medical Properties Trust, Inc.	45,565	38,038
Total liabilities	2,429,858	2,364,899
Capital		
General Partner — issued and outstanding — 2,073 units at June 30, 2015 and 1,722 units at December 31, 2014	18,575	14,055
Limited Partners:		
Common units — issued and outstanding — 205,731 units at June 30, 2015 and 171,021 units at December 31, 2014	1,837,577	1,390,296
LTIP units — issued and outstanding — 292 units at June 30, 2015 and 292 units at December 31, 2014	—	—
Accumulated other comprehensive loss	(59,885)	(21,914)
Total capital	1,796,267	1,382,437
Total Liabilities and Capital	<u>\$4,226,125</u>	<u>\$3,747,336</u>

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

 Condensed Consolidated Statements of Operations
 (Unaudited)

(In thousands, except per unit amounts)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Revenues				
Rent billed	\$ 53,893	\$ 45,928	\$ 106,994	\$ 88,889
Straight-line rent	5,252	3,178	9,980	5,366
Income from direct financing leases	12,808	12,263	25,363	24,479
Interest and fee income	27,848	15,191	53,425	30,915
Total revenues	99,801	76,560	195,762	149,649
Expenses				
Real estate depreciation and amortization	14,956	12,442	29,712	26,131
Impairment charges	—	29,631	—	50,128
Property-related	530	(38)	881	700
General and administrative	10,642	8,206	21,547	17,165
Acquisition expenses	25,809	2,535	32,048	3,047
Total operating expenses	51,937	52,776	84,188	97,171
Operating income	47,864	23,784	111,574	52,478
Other income (expense)				
Interest and other income (expense)	225	19	(571)	(30)
Earnings from equity and other interests	1,853	686	1,956	905
Interest expense	(26,890)	(24,362)	(53,318)	(45,974)
Debt refinancing costs	—	(290)	(238)	(290)
Income tax benefit (expense)	(563)	(40)	(938)	16
Net other expense	(25,375)	(23,987)	(53,109)	(45,373)
Income (loss) from continuing operations	22,489	(203)	58,465	7,105
Income (loss) from discontinued operations	—	—	—	(2)
Net income (loss)	22,489	(203)	58,465	7,103
Net income (loss) attributable to non-controlling interests	(82)	—	(161)	(65)
Net income (loss) attributable to MPT Operating Partnership partners	\$ 22,407	\$ (203)	\$ 58,304	\$ 7,038
Earnings per units — basic and diluted				
Income (loss) from continuing operations attributable to MPT Operating Partnership partners	\$ 0.11	\$ —	\$ 0.28	\$ 0.04
Income (loss) from discontinued operations attributable to MPT Operating Partnership partners	—	—	—	—
Net income (loss) attributable to MPT Operating Partnership partners	\$ 0.11	\$ —	\$ 0.28	\$ 0.04
Weighted average units outstanding:				
Basic	208,071	171,718	205,515	167,846
Diluted	208,640	172,369	206,127	168,459
Dividends declared per unit	\$ 0.22	\$ 0.21	\$ 0.44	\$ 0.42

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIESCondensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

(In thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Net income (loss)	\$ 22,489	\$ (203)	\$ 58,465	\$ 7,103
Other comprehensive income:				
Unrealized gain on interest rate swap	730	486	1,315	1,206
Foreign currency translation gain (loss)	20,307	73	(39,286)	46
Total comprehensive income	43,526	356	20,494	8,355
Comprehensive income attributable to non-controlling interests	(82)	—	(161)	(65)
Comprehensive income attributable to MPT Operating Partnership partners	<u>\$ 43,444</u>	<u>\$ 356</u>	<u>\$ 20,333</u>	<u>\$ 8,290</u>

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIESCondensed Consolidated Statements of Cash Flows
(Unaudited)

	For the Six Months Ended June 30,	
	2015	2014
(In thousands)		
Operating activities		
Net income	\$ 58,465	\$ 7,103
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	30,564	26,715
Straight-line rent revenue	(9,980)	(6,316)
Straight-line rent write-off	—	950
Impairment charges	—	50,128
Direct financing lease interest accretion	(3,279)	(3,256)
Unit-based compensation	5,645	4,433
Amortization and write-off of deferred financing costs and debt discount	2,770	2,484
Other adjustments	(2,383)	(8,406)
Changes in:		
Interest and rent receivable	(15,685)	(9,064)
Accounts payable and accrued expenses	21,327	(14,516)
Net cash provided by operating activities	87,444	50,255
Investing activities		
Cash paid for acquisitions and other related investments	(562,633)	(115,000)
Principal received on loans receivable	354,952	6,829
Investment in loans receivable	(347,768)	(5,601)
Construction in progress and other	(86,053)	(55,159)
Net cash used for investing activities	(641,502)	(168,931)
Financing activities		
Revolving credit facilities, net	80,586	(105,000)
Additions to term debt	—	425,000
Payments of term debt	(140)	(100,132)
Distributions paid	(84,487)	(71,809)
Proceeds from sale of units, net of offering costs	479,902	128,332
Lease deposits and other obligations to tenants	(14,453)	4,910
Debt issuance costs paid and other financing activities	(662)	(11,496)
Net cash provided by financing activities	460,746	269,805
Increase (decrease) in cash and cash equivalents for period	(93,312)	151,129
Effect of exchange rate changes	(5,325)	(85)
Cash and cash equivalents at beginning of period	144,541	45,979
Cash and cash equivalents at end of period	\$ 45,904	\$ 197,023
Interest paid	\$ 52,130	\$ 41,907
Supplemental schedule of non-cash financing activities:		
Distributions declared, unpaid	\$ 46,026	\$ 36,277

See accompanying notes to condensed consolidated financial statements.

**MEDICAL PROPERTIES TRUST, INC., AND MPT OPERATING PARTNERSHIP, L.P.
AND SUBSIDIARIES**

Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Organization

Medical Properties Trust, Inc., a Maryland corporation, was formed on August 27, 2003, under the Maryland General Corporation Law for the purpose of engaging in the business of investing in, owning, and leasing commercial real estate. Our operating partnership subsidiary, MPT Operating Partnership, L.P., (the "Operating Partnership") through which we conduct all of our operations, was formed in September 2003. Through another wholly-owned subsidiary, Medical Properties Trust, LLC, we are the sole general partner of the Operating Partnership. At present, we directly own substantially all of the limited partnership interests in the Operating Partnership and have elected to report our required disclosures and that of the Operating Partnership on a combined basis except where material differences exist.

We have operated as a real estate investment trust ("REIT") since April 6, 2004, and accordingly, elected REIT status upon the filing in September 2005 of the calendar year 2004 federal income tax return. Accordingly, we will generally not be subject to U.S. federal income tax, provided that we continue to qualify as a REIT and our distributions to our stockholders equal or exceed our taxable income. Certain activities we undertake must be conducted by entities which we elected to be treated as taxable REIT subsidiaries ("TRSs"). Our TRSs are subject to both U.S. federal and state income taxes. For our properties located outside the United States, we are subject to local taxes; however, we do not expect to incur additional taxes in the United States as such income will flow through our REIT.

Our primary business strategy is to acquire and develop real estate and improvements, primarily for long-term lease to providers of healthcare services such as operators of general acute care hospitals, inpatient physical rehabilitation hospitals, long-term acute care hospitals, surgery centers, centers for treatment of specific conditions such as cardiac, pulmonary, cancer, and neurological hospitals, and other healthcare-oriented facilities. We also make mortgage and other loans to operators of similar facilities. In addition, we may obtain profits or equity interests in our tenants, from time to time, in order to enhance our overall return. We manage our business as a single business segment. All of our properties are located in the United States and Europe.

2. Summary of Significant Accounting Policies

Unaudited Interim Condensed Consolidated Financial Statements: The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information, including rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 2015, are not necessarily indicative of the results that may be expected for the year ending December 31, 2015. The condensed consolidated balance sheet at December 31, 2014 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

For information about significant accounting policies, refer to the consolidated financial statements and footnotes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2014. During the six months ended June 30, 2015, there were no material changes to these policies.

[Table of Contents](#)

Recent Accounting Developments:

Revenue from Contracts with Customers

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, “Revenue from Contracts with Customers.” Under the new standard, revenue is recognized at the time a good or service is transferred to a customer for the amount of consideration received for that specific good or service. Entities may use a full retrospective approach or report the cumulative effect as of the date of adoption.

On April 1, 2015, the FASB proposed deferring the effective date by one year to December 15, 2017, for annual reporting periods beginning after that date. The FASB also proposed permitting early adoption of the standard, but not before the original effective date of December 15, 2016. We do not expect this standard to have a significant impact on our financial results, as a substantial portion of our revenue consists of rental income from leasing arrangements, which are specifically excluded from ASU 2014-09.

Presentation of Debt Issuance Costs

In April 2015, the FASB issued ASU No. 2015-03, “Simplifying the Presentation of Debt Issuance Costs.” This standard amends existing guidance to require the presentation of debt issuance costs in the balance sheet as a deduction from the carrying amount of the related debt liability instead of a deferred charge. It is effective for annual reporting periods beginning after December 15, 2015, but early adoption is permitted.

Amendments to the Consolidation Analysis

In February 2015, the FASB issued an ASU 2015-02 that modifies the evaluation of whether limited partnerships and similar legal entities are VIEs, eliminates the presumption that a general partner should consolidate a limited partnership and affects the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships. The guidance is effective for fiscal years beginning after December 15, 2015, but early adoption is permitted.

[Table of Contents](#)

Variable Interest Entities

At June 30, 2015, we had loans to and/or equity investments in certain variable interest entities (“VIEs”), which are also tenants of our facilities, including Ernest Health, Inc. (“Ernest”). We have determined that we are not the primary beneficiary of these VIEs. The carrying value and classification of the related assets and maximum exposure to loss as a result of our involvement with these VIEs are presented below at June 30, 2015 (in thousands):

<u>VIE Type</u>	<u>Maximum Loss Exposure(1)</u>	<u>Asset Type Classification</u>	<u>Carrying Amount(2)</u>
Loans, net	\$ 277,941	Mortgage and other loans	\$224,482
Equity investments	\$ 61,323	Other assets	\$ 6,292

- (1) Our maximum loss exposure related to loans with VIEs represents our current aggregate gross carrying value of the loan plus accrued interest and any other related assets (such as rent receivables), less any liabilities. Our maximum loss exposure related to our equity investment in VIEs represents the current carrying values of such investment plus any other related assets (such as rent receivables) less any liabilities.
- (2) Carrying amount reflects the net book value of our loan or equity interest only in the VIE.

For the VIE types above, we do not consolidate the VIE because we do not have the ability to control the activities (such as the day-to-day healthcare operations of our borrower or investees) that most significantly impact the VIE’s economic performance. As of June 30, 2015, we were not required to provide any material financial support through a liquidity arrangement or otherwise to our unconsolidated VIEs, including circumstances in which it could be exposed to further losses (e.g., cash short falls).

Typically, our loans are collateralized by assets of the borrower (some assets of which are on the premises of facilities owned by us) and further supported by limited guarantees made by certain principals of the borrower.

See Note 3 for additional description of the nature, purpose and activities of our more significant VIEs and interests therein.

3. Real Estate and Lending Activities

Acquisitions

2015 Activity

MEDIAN Transaction Update

On April 29, 2015, we entered into a series of definitive agreements with Median Kliniken S.à r.l., (“MEDIAN”), a German provider of post-acute and acute rehabilitation services, to acquire the real estate assets of 32 hospitals owned by MEDIAN for an aggregate purchase price of approximately €688 million. Upon acquisition, each property became subject to a master lease between us and MEDIAN providing for the leaseback of the property to MEDIAN. The master lease has an initial term of 27 years and provides for an initial GAAP lease rate of 9.3%, with annual escalators at the greater of one percent or 70% of the German consumer price index. We expect to acquire three additional facilities from MEDIAN in a substantially similar sale-leaseback transaction subject to the master lease, resulting in an aggregate purchase price for all acquired facilities of approximately €705 million.

MEDIAN is owned by an affiliate of Waterland Private Equity Fund V C.V. (“Waterland”), which acquired 94.9% of the outstanding equity interests in MEDIAN, and by a subsidiary of our operating partnership, which acquired the remaining 5.1% of the outstanding equity interests in MEDIAN, each in December 2014. In December 2014, we provided interim acquisition loans to affiliates of Waterland and MEDIAN in connection with Waterland’s acquisition of its stake in MEDIAN in an aggregate amount of approximately €425 million. In addition, we made further loans to MEDIAN during the first half of 2015 in an aggregate amount of approximately €240 million, which were used by MEDIAN to repay existing debt on properties we have acquired or expect to acquire. We may make additional loans to MEDIAN for the purpose of repaying existing property debt, up to a total aggregate amount of all loans to Waterland and MEDIAN in the amount of approximately €705 million.

Closing of the sale-leaseback transactions, which began in the second quarter of 2015, is subject to customary real estate, regulatory and other closing conditions, including waiver of any statutory pre-emption rights by local municipalities and antitrust clearance. At each closing, the purchase price for each facility will be reduced and offset against the interim loans made to affiliates of Waterland and MEDIAN as described above and against the amount of any debt assumed or repaid by us in connection with the closing. As of June 30, 2015, we have closed on 17 of the 35 properties for an aggregate amount of €317 million (\$354 million). As of August 1, 2015, we have closed on 30 of the 35 (including the three additional facilities) properties subject to the agreements for a cumulative purchase price to date of approximately €627 million.

Other Acquisitions

On June 16, 2015, we acquired the real estate of two facilities in Lubbock, Texas, a 60-bed inpatient rehabilitation hospital and a 37-bed long term acute care hospital, for an aggregate purchase price of \$31.5 million. We entered into a 20-year lease with Ernest for the rehabilitation hospital, which provides for three five-year extension options, and separately entered into a lease with Ernest for the long-term acute care hospital that has a final term ending December 31, 2034. In connection with the transaction, we funded an acquisition loan to Ernest of approximately \$12.0 million. Ernest will operate the rehabilitation hospital in a joint venture with Covenant Health System, while the long term acute care hospital will continue to be operated by Fundamental Health under a new sublease with Ernest.

[Table of Contents](#)

On February 27, 2015, we acquired an inpatient rehabilitation hospital in Weslaco, Texas for \$10.7 million leased to Ernest pursuant to the 2012 master lease which has a remaining 17-year fixed term and three five year extension options. This lease provides for consumer-priced-indexed annual rent increases, subject to a floor and a cap. In addition we agreed to fund an acquisition loan in the amount of \$5 million.

On February 13, 2015, we acquired two general acute care hospitals in the Kansas City area for \$110 million. Affiliates of Prime Healthcare Services, Inc. (“Prime”) is the tenant and operator pursuant to a new master lease that has similar terms and security enhancements as the other master lease agreements entered into in 2013. This master lease has a 10 year initial fixed term with two extension options of five years each. The lease provides for consumer-price-indexed annual rent increases, subject to a specified floor. In addition, we agreed to fund a mortgage loan in the amount of \$40 million, which has a 10-year term.

2014 Activity

On March 31, 2014, we acquired a general acute care hospital and an adjacent parcel of land for an aggregate purchase price of \$115 million from a joint venture of LHP Hospital Group, Inc. and Hackensack University Medical Center Mountainside. The facility was simultaneously leased back to the seller under a lease with a 15-year initial term with a 3-year extension option, followed by a further 12-year extension option at fair market value. The lease provides for consumer price-indexed annual rent increases, subject to a specified floor and ceiling. The lease includes a customary right of first refusal with respect to a subsequent proposed sale of the facility.

As part of these acquisitions, we acquired the following assets:

	<u>2015</u>	<u>2014</u>
Assets Acquired		
Land and land improvements	\$ 21,591	\$ 8,477
Building	473,425	99,640
Intangible lease assets — subject to amortization (weighted average useful life 15 years)	—	6,883
Mortgage loans	40,000	—
Net investments in direct financing leases	10,700	—
Other loans	16,917	—
Total assets acquired	<u>\$562,633</u>	<u>\$115,000</u>

The purchase price allocations attributable to the 2015 acquisitions are preliminary. When all relevant information is obtained, resulting changes, if any, to our provisional purchase price allocation will be retrospectively adjusted to reflect new information obtained about the facts and circumstances that existed as of the respective acquisition dates that, if known, would have affected the measurement of the amounts recognized as of those dates.

From the respective acquisition dates, the properties and mortgage loans acquired in 2015 contributed \$4.2 million and \$3.5 million of revenue and income (excluding related acquisition expenses), respectively, for the three months ended June 30, 2015. From the respective acquisition dates, the properties and mortgage loans acquired in 2015 contributed \$6.2 million and \$4.9 million of revenue and income (excluding related acquisition expenses), respectively, for the six months ended June 30, 2015. In addition, we incurred \$22.6 million and \$26.7 million of acquisition related costs on the 2015 acquisitions for the three and six months ended June 30, 2015, respectively.

From the respective acquisition dates in 2014, the 2014 acquisitions contributed \$2.3 million and \$1.6 million of revenue and income (excluding related acquisition and financing expenses), respectively, for the three and six months ended June 30, 2014. In addition, we incurred \$0.4 million of acquisition related costs on the 2014 acquisitions for the three and six months ended June 30, 2014.

Pro Forma Information

The following unaudited supplemental pro forma operating data is presented for the three and six months ended June 30, 2015 and 2014, as if each acquisition (including completed development projects) was completed on January 1, 2014. Supplemental pro forma earnings were adjusted to exclude acquisition-related costs on consummated deals incurred. The unaudited supplemental pro forma operating data is not necessarily indicative of what the actual results of operations would have been assuming the transactions had been completed as set forth above, nor do they purport to represent our results of operations for future periods (in thousands, except per share/unit amounts).

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Total revenues	\$108.8	\$106.2	\$218.7	\$211.5
Net income	\$ 50.2	\$ 20.6	\$ 99.8	\$ 44.6
Net income per share/unit — diluted	\$ 0.21	\$ 0.09	\$ 0.42	\$ 0.19

Table of Contents

Development Activities

During the first six months of 2015, we completed construction and began recording rental income on the following facilities:

- First Choice ER (a subsidiary of Adeptus Health) – We completed seven acute care facilities for this tenant during 2015. These facilities are leased pursuant to the master lease entered into in 2014 and are cross-defaulted with the original master lease executed with First Choice ER in 2013. One property is leased pursuant to the master lease entered into in 2015 and is cross-defaulted with the master leases entered into in 2014 and 2013.
- UAB Medical West – This acute care facility and medical office building located in Birmingham, Alabama is leased to Medical West, an affiliate of The University of Alabama at Birmingham.

On June 16, 2015, we entered into definitive agreements to acquire the real estate of a general acute care hospital under development located in Spain, for an aggregate purchase and development price to us of approximately €21.4 million. The acquisition will be effected through a newly-formed joint venture between us and clients of AXA Real Estate, in which we will own a 50% interest. Upon completion, the facility will be leased to a Spanish operator of acute care hospitals, pursuant to a long-term lease. Closing of the transaction which is expected during the second half of 2015, is subject to customary real estate, regulatory and other closing conditions.

On May 5, 2015, we entered into an agreement to finance the development of and lease an inpatient rehabilitation facility in Toledo, Ohio for \$19.2 million, which will be leased to Ernest under the 2012 master lease. The facility is expected to be completed in the second quarter of 2016.

In April 2015, we executed an agreement with Adeptus Health that provides for the acquisition and development of general acute care hospitals and free standing emergency facilities with an aggregate commitment of \$250 million. These facilities will be leased to Adeptus Health pursuant to the terms of the 2014 master lease agreement that has a 15-year initial term with three extension options of five years each that provides for annual rent increases based on changes in the consumer price index with a 2% minimum.

See table below for a status update on our current development projects (in thousands):

Property	Location	Property Type	Operator	Commitment	Costs Incurred as of 06/30/15	Estimated Completion Date
First Choice ER- Aurora	Aurora, CO	Acute Care Hospital	Adeptus Health	\$ 5,273	\$ 1,614	3Q 2015
First Choice ER- Carrollton	Carrollton, TX	Acute Care Hospital	Adeptus Health	35,820	30,692	3Q 2015
First Choice ER- Conroe	Houston, TX	Acute Care Hospital	Adeptus Health	6,110	3,150	3Q 2015
First Choice ER- Gilbert	Gilbert, AZ	Acute Care Hospital	Adeptus Health	6,500	4,291	3Q 2015
First Choice ER- McKinney	McKinney, TX	Acute Care Hospital	Adeptus Health	4,750	2,582	3Q 2015
First Choice ER- Chandler-Ray	Chandler, AZ	Acute Care Hospital	Adeptus Health	5,261	1,741	4Q 2015
First Choice ER- Cinco Ranch	Katy, TX	Acute Care Hospital	Adeptus Health	5,105	162	4Q 2015
First Choice ER- Highland Village	Highland Village, TX	Acute Care Hospital	Adeptus Health	4,884	361	4Q 2015
First Choice ER- Parker	Parker, CO	Acute Care Hospital	Adeptus Health	6,868	1,843	4Q 2015
First Choice ER- Frisco Eldorado	Frisco, TX	Acute Care Hospital	Adeptus Health	5,124	50	1Q 2016
First Choice ER- Helotes	Helotes, TX	Acute Care Hospital	Adeptus Health	7,530	2,251	2Q 2016
Rehabilitation						
Hospital of Northwest Ohio	Toledo, OH	Inpatient Rehabilitation Hospital	Ernest Health	19,212	1,649	2Q 2016
First Choice ER-Vintage Preserve	Houston, TX	Acute Care Hospital	Adeptus Health	45,961	6,376	3Q 2016
First Choice Emergency Rooms	Various	Acute Care Hospital	Adeptus Health	231,649	—	Various
				\$ 390,047	\$56,762	

[Table of Contents](#)

Leasing Operations

All of our leases are accounted for as operating leases except for the master lease of 15 Ernest facilities and five Prime facilities which are accounted for as direct financing leases (“DFLs”). The components of our net investment in DFLs consisted of the following (dollars in thousands):

	<u>As of June 30, 2015</u>	<u>As of December 31, 2014</u>
Minimum lease payments receivable	\$ 1,627,898	\$ 1,607,024
Estimated residual values	225,872	211,888
Less: Unearned income	<u>(1,398,750)</u>	<u>(1,379,396)</u>
Net investment in direct financing leases	<u>\$ 455,020</u>	<u>\$ 439,516</u>

[Table of Contents](#)

Florence facility

On March 6, 2013, the tenant of our \$27.1 million facility in Phoenix, Arizona filed for Chapter 11 bankruptcy. At June 30, 2015, we have approximately \$1.1 million of receivables outstanding but the tenant continues to pay us in accordance with bankruptcy orders. In addition, we have a letter of credit for approximately \$1.2 million to cover any rent and other monetary payments not paid. Although no assurances can be made that we will not have any impairment charges in the future, we believe our investment in Florence at June 30, 2015 is fully recoverable.

Gilbert facility

In the first quarter of 2014, the tenant of our facility in Gilbert, Arizona filed for Chapter 11 bankruptcy; however, we sent notice of termination of the lease prior to the bankruptcy filing. As a result of the lease terminating, we recorded a charge of approximately \$1 million to reserve against the straight-line rent receivables. In addition, we accelerated the amortization of the related lease intangible asset resulting in \$1.1 million of additional expense in the 2014 first quarter. The tenant has continued to pay its monetary obligations, and we have agreed to the terms of an amended lease upon the tenant's bankruptcy exit. Although no assurances can be made that we will not have any impairment charges or write-offs of receivables in the future, we believe our real estate investment in Gilbert of \$13.9 million at June 30, 2015 is fully recoverable.

Loans

The following is a summary of our loans (in thousands):

	<u>As of</u> <u>June 30, 2015</u>	<u>As of</u> <u>December 31, 2014</u>
Mortgage loans	\$ 437,587	\$ 397,594
Acquisition loans	503,012	525,136
Working capital and other loans	45,853	48,031
	<u>\$ 986,452</u>	<u>\$ 970,761</u>

The increase in our mortgage loans is related to the two property acquisition with Prime. See "Acquisition" sub-section for further details.

Our non-mortgage loans typically consist of loans to our tenants for acquisitions and working capital purposes. At June 30, 2015, acquisition loans includes our \$114.4 million loans to Ernest plus \$376.8 million related to the MEDIAN transaction.

On March 1, 2012, pursuant to our convertible note agreement, we converted \$1.7 million of our \$5.0 million convertible note into a 9.9% equity interest in the operator of our Hoboken University Medical Center facility. At June 30, 2015, \$3.3 million remains outstanding on the convertible note, and we retain the option, subject to regulatory approvals, to convert this remainder into 15.1% of equity interest in the operator.

Concentrations of Credit Risk

For the three months ended June 30, 2015 and 2014, revenue from affiliates of Prime (including rent and interest from mortgage loans) accounted for 25.9% and 27.9%, respectively, of total revenue. For the six months ended June 30, 2015 and 2014, revenue from affiliates of Prime (including rent and interest from mortgage loans) accounted for 25.5% and 28.5%, respectively, of total revenue. From an investment concentration perspective, assets leased and loaned to Prime represented 13.8% and 7.5%, respectively of our total assets, at June 30, 2015. Assets leased and loaned to Prime represented 12.6% and 7.4%, respectively, of our total assets at December 31, 2014.

For the three and six months ended June 30, 2015, revenue from affiliates of MEDIAN accounted for 11.1% and 10.3% of total revenue, respectively. From an investment concentration perspective, MEDIAN represented 17.3% and 11.3% of our total assets at June 30, 2015 and December 31, 2014, respectively.

[Table of Contents](#)

For the three months ended June 30, 2015 and 2014, revenue from affiliates of Ernest (including rent and interest from mortgage and acquisition loans) accounted for 15.0% and 18.2%, respectively, of total revenue. For the six months ended June 30, 2015 and 2014, revenue from affiliates of Ernest (including rent and interest from mortgage and acquisition loans) accounted for 15.2% and 18.9%, respectively, of total revenue. From an investment concentration perspective, assets leased and loaned to Ernest represented 7.9% and 5.1%, respectively, of our total assets at June 30, 2015. Assets leased and loaned to Ernest represented 7.7% and 5.3%, respectively, of our total assets at December 31, 2014.

[Table of Contents](#)

On an individual property basis, we had no investment of any single property greater than 3% of our total assets as of June 30, 2015.

From a global geographic perspective, approximately 75% of our total assets are in the United States while 25% reside in Europe (primarily in Germany) as of June 30, 2015. From a global geographic perspective, approximately 80% of our total assets are in the United States while 20% reside in Europe as of December 31, 2014.

For the three months ended June 30, 2015 and 2014, revenue from our European investments was \$18.1 million and \$5.5 million, respectively. For the six months ended June 30, 2015 and 2014, revenue from our European investments was \$34.4 million and \$10.9 million, respectively.

From a United States geographic perspective, investments located in Texas represented 19.8% of our total assets at June 30, 2015, compared to 20.2% at December 31, 2014. Investments located in California represented 12.9% of our total assets at June 30, 2015, compared to 14.6% at December 31, 2014.

4. Debt

The following is a summary of our debt (dollar amounts in thousands):

	As of June 30, 2015		As of December 31, 2014	
	Balance	Interest Rate	Balance	Interest Rate
Revolving credit facility (A)	\$ 674,034	Variable	\$ 593,490	Variable
2006 Senior Unsecured Notes	125,000	Various	125,000	Various
2011 Senior Unsecured Notes	450,000	6.875%	450,000	6.875%
2012 Senior Unsecured Notes:				
Principal amount	350,000	6.375%	350,000	6.375%
Unamortized premium	2,345	—	2,522	—
	352,345		352,522	
2013 Senior Unsecured Notes (B)	222,940	5.750%	241,960	5.750%
2014 Senior Unsecured Notes	300,000	5.500%	300,000	5.500%
Term loans	138,542	Various	138,682	Various
	<u>\$2,262,861</u>		<u>\$2,201,654</u>	

- (A) As of June 30, 2015, we had €301.0 million of outstanding borrowings on the revolving credit facility, or \$335.5 million based on the exchange rate in effect at June 30, 2015.
- (B) The change in balance from period to period is due to foreign currency fluctuations. These notes are Euro-denominated and reflect the exchange rate at June 30, 2015 and December 31, 2014, respectively.

As of June 30, 2015, principal payments due for our debt (which exclude the effects of any premiums recorded) are as follows (in thousands):

2015	\$ 142
2016	125,299
2017	320
2018	686,815
2019	125,000
Thereafter	<u>1,322,940</u>
Total	<u>\$2,260,516</u>

During the second quarter 2010, we entered into an interest rate swap to manage our exposure to variable interest rates by fixing \$65 million of our 2006 Senior Unsecured Notes, which started July 31, 2011 (date on which the interest rate turned variable) through maturity date (or July 2016), at a rate of 5.507%. We also entered into an interest rate swap to fix \$60 million of our 2006 Senior Unsecured Notes which started October 31, 2011 (date on which the related interest rate turned variable) through the maturity date (or October 2016) at a rate of 5.675%. The fair value of the interest rate swaps was \$4.7 million and \$6.0 million as of June 30, 2015 and December 31, 2014, respectively, which is reflected in accounts payable and accrued expenses on the consolidated balance sheets.

[Table of Contents](#)

We account for our interest rate swaps as cash flow hedges. Accordingly, the effective portion of changes in the fair value of our swaps is recorded as a component of accumulated other comprehensive income/loss on the balance sheet and reclassified into earnings in the same period, or periods, during which the hedged transactions effect earnings, while any ineffective portion is recorded through earnings immediately. We did not have any hedge ineffectiveness from inception of our interest rate swaps through June 30, 2015 and therefore, there was no income statement effect recorded during the three or six month periods ended June 30, 2015 or 2014. At June 30, 2015, we do not expect any of the current losses included in accumulated other comprehensive loss to be reclassified into earnings in the next 12 months. At June 30, 2015 and December 31, 2014, we have posted \$2.5 million and \$3.3 million of collateral related to our interest rate swaps, respectively, which is reflected in other assets on our consolidated balance sheets.

Covenants

Our debt facilities impose certain restrictions on us, including restrictions on our ability to: incur debts; create or incur liens; provide guarantees in respect of obligations of any other entity; make redemptions and repurchases of our capital stock; prepay, redeem or repurchase debt; engage in mergers or consolidations; enter into affiliated transactions; dispose of real estate or other assets; and change our business. In addition, the credit agreements governing our revolving credit facility and term loan limit the amount of dividends we can pay as a percentage of normalized adjusted funds from operations, as defined in the agreements, on a rolling four quarter basis. At June 30, 2015, the dividend restriction was 95% of normalized adjusted FFO. The indentures governing our senior unsecured notes also limit the amount of dividends we can pay based on the sum of 95% of funds from operations, proceeds of equity issuances and certain other net cash proceeds. Finally, our senior unsecured notes require us to maintain total unencumbered assets (as defined in the related indenture) of not less than 150% of our unsecured indebtedness.

In addition to these restrictions, the revolving credit facility and term loan contain customary financial and operating covenants, including covenants relating to our total leverage ratio, fixed charge coverage ratio, mortgage secured leverage ratio, recourse mortgage secured leverage ratio, consolidated adjusted net worth, unsecured leverage ratio, and unsecured interest coverage ratio. This facility also contains customary events of default, including among others, nonpayment of principal or interest, material inaccuracy of representations and failure to comply with our covenants. If an event of default occurs and is continuing under the facility, the entire outstanding balance may become immediately due and payable. At June 30, 2015, we were in compliance with all such financial and operating covenants.

5. Common Stock/Partners' Capital

Medical Properties Trust, Inc.

On January 14, 2015, we completed an underwritten public offering of 34.5 million shares (including the exercise of the underwriters' 30-day option to purchase an additional 4.5 million shares) of our common stock, resulting in net proceeds of approximately \$480 million, after deducting estimated offering expenses.

On March 11, 2014, we completed an underwritten public offering of 7.7 million shares of our common stock, resulting in net proceeds of approximately \$100.2 million, after deducting estimated offering expenses. We also granted the underwriters a 30-day option to purchase up to an additional 1.2 million shares of common stock. The option, which was exercised in full, closed on April 8, 2014 and resulted in additional net proceeds of approximately \$16 million.

In January 2014, we put an at-the-market equity offering program in place, giving us the ability to sell up to \$250 million of stock with a commission of 1.25%. During the first quarter of 2014, we sold 0.9 million shares of our common stock under our at-the-market equity offering program, at an average price of \$13.21 per share resulting in total proceeds, net of commission, of \$12.3 million.

MPT Operating Partnership, L.P.

At June 30, 2015, the Company has a 99.86% ownership interest in the Operating Partnership with the remainder owned by three other partners, two of whom are employees and one of whom is a director. During the six months ended June 30, 2015 and 2014, the partnership issued 34.5 million and 9.8 million units, respectively, in direct response to the common stock offerings by Medical Properties Trust, Inc.

6. Stock Awards

We adopted the 2013 Equity Incentive Plan (the "Equity Incentive Plan") during second quarter of 2013, which authorizes the issuance of common stock options, restricted stock, restricted stock units, deferred stock units, stock appreciation rights, performance units and awards of interests in our Operating Partnership. The Equity Incentive Plan is administered by the Compensation Committee of the Board of Directors. We have reserved 7,643,651 shares of common stock for awards under the Equity Incentive Plan for which 5,419,441 shares remain available for future stock awards as of June 30, 2015. We awarded the following stock awards during 2015 and 2014:

Time-based awards —We granted 217,177 and 406,055 shares in 2015 and 2014, respectively, of time-based restricted stock to management, independent directors and certain employees. These awards vest quarterly based on service, over three years, in equal amounts.

[Table of Contents](#)

Performance-based awards —Our management team and certain employees were awarded 176,046 and 384,823 of performance based awards in 2015 and 2014, respectively. These awards vest ratably over a three year period based on the achievement of certain total shareholder return measures, with a carry-back and carry-forward provision through December 31, 2018 (for the 2014 awards) and December 31, 2017 (for the 2015 awards). Dividends on these awards are paid only upon achievement of the performance measures.

Multi-year Performance-based awards —We awarded 505,050 and 500,000 shares in 2015 and 2014, respectively, of multi-year performance-based awards to management. These shares are subject to three-year cumulative performance hurdles based on measures of total shareholder return. At the end of the three-year performance period, any earned shares will be subject to an additional two years of ratable time-based vesting on an annual basis. Dividends are paid on these shares only upon achievement of the performance measures.

7. Fair Value of Financial Instruments

We have various assets and liabilities that are considered financial instruments. We estimate that the carrying value of cash and cash equivalents, and accounts payable and accrued expenses approximate their fair values. Included in our accounts payable and accrued expenses are our interest rate swaps, which are recorded at fair value based on Level 2 observable market assumptions using standardized derivative pricing models. We estimate the fair value of our interest and rent receivables using Level 2 inputs such as discounting the estimated future cash flows using the current rates at which similar receivables would be made to others with similar credit ratings and for the same remaining maturities. The fair value of our mortgage loans and working capital loans are estimated by using Level 2 inputs such as discounting the estimated future cash flows using the current rates which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities. We determine the fair value of our senior unsecured notes (excluding our 2006 Senior Unsecured Notes) using Level 2 inputs such as quotes from securities dealers and market makers. We estimate the fair value of our 2006 Senior Unsecured Notes, our revolving credit facility, and term loans using Level 2 inputs based on the present value of future payments, discounted at a rate which we consider appropriate for such debt.

Fair value estimates are made at a specific point in time, are subjective in nature, and involve uncertainties and matters of significant judgment. Settlement of such fair value amounts may not be possible and may not be a prudent management decision. The following table summarizes fair value estimates for our financial instruments (in thousands):

Asset (Liability)	June 30, 2015		December 31, 2014	
	Book Value	Fair Value	Book Value	Fair Value
Interest and rent receivables	\$ 56,792	\$ 56,683	\$ 41,137	\$ 41,005
Loans (1)	771,284	801,457	773,311	803,824
Debt, net	(2,262,861)	(2,341,637)	(2,201,654)	(2,285,727)

(1) Excludes loans related to Ernest since they are recorded at fair value and discussed below.

Items Measured at Fair Value on a Recurring Basis

Our equity interest in Ernest and related loans, which were acquired in 2012, are being measured at fair value on a recurring basis as we elected to account for these investments using the fair value option method. We have elected to account for these investments at fair value due to the size of the investments and because we believe this method is more reflective of current values. We have not made a similar election for other equity interests or loans made in or prior to 2015.

[Table of Contents](#)

At June 30, 2015, these amounts were as follows (in thousands):

<u>Asset Type</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Asset Type Classification</u>
Mortgage loans	\$100,000	\$100,000	Mortgage loans
Acquisition loans	114,367	114,367	Other loans
Other loans	801	801	Other loans
Equity investments	3,300	3,300	Other assets
	<u>\$218,468</u>	<u>\$218,468</u>	

Our mortgage loans with Ernest are recorded at fair value based on Level 3 inputs by discounting the estimated cash flows using the market rates which similar loans would be made to borrowers with similar credit ratings and the same remaining maturities. Our acquisition loans and equity investments in Ernest are recorded at fair value based on Level 3 inputs, by using a discounted cash flow model, which requires significant estimates of our investee such as projected revenue and expenses and appropriate consideration of the underlying risk profile of the forecast assumptions associated with the investee. We classify these loans and equity investments as Level 3, as we use certain unobservable inputs to the valuation methodology that are significant to the fair value measurement, and the valuation requires management judgment due to the absence of quoted market prices. For these cash flow models, our observable inputs include use of a capitalization rate, discount rate (which is based on a weighted-average cost of capital), and market interest rates, and our unobservable input includes an adjustment for a marketability discount ("DLOM") on our equity investment of 40% at June 30, 2015.

In regards to the underlying projection of revenues and expenses used in the discounted cash flow model, such projections are provided by Ernest. However, we will modify such projections (including underlying assumptions used) as needed based on our review and analysis of Ernest's historical results, meetings with key members of management, and our understanding of trends and developments within the healthcare industry.

In arriving at the DLOM, we started with a DLOM range based on the results of studies supporting valuation discounts for other transactions or structures without a public market. To select the appropriate DLOM within the range, we then considered many qualitative factors including the percent of control, the nature of the underlying investee's business along with our rights as an investor pursuant to the operating agreement, the size of investment, expected holding period, number of shareholders, access to capital marketplace, etc. To illustrate the effect of movements in the DLOM, we performed a sensitivity analysis below by using basis point variations (dollars in thousands):

<u>Basis Point Change in Marketability Discount</u>	<u>Estimated Increase (Decrease)</u> <u>In Fair Value</u>	
+100 basis points	\$	(59)
- 100 basis points		59

Because the fair value of Ernest investments noted above approximate their original cost, we did not recognize any unrealized gains/losses during the first half of 2015 or 2014.

8. Earnings Per Share/Common Unit*Medical Properties Trust, Inc.*

Our earnings per share were calculated based on the following (amounts in thousands):

	For the Three Months Ended June 30,	
	2015	2014
Numerator:		
Income (loss) from continuing operations	\$ 22,489	\$ (203)
Non-controlling interests' share in continuing operations	(82)	—
Participating securities' share in earnings	<u>(250)</u>	<u>(195)</u>
Income (loss) from continuing operations, less participating securities' share in earnings	22,157	(398)
Income from discontinued operations attributable to MPT common stockholders	<u>—</u>	<u>—</u>
Net income (loss), less participating securities' share in earnings	<u>\$ 22,157</u>	<u>\$ (398)</u>
Denominator:		
Basic weighted-average common shares	208,071	171,718
Dilutive potential common shares	<u>569</u>	<u>651</u>
Dilutive weighted-average common shares	<u>208,640</u>	<u>172,369</u>

	For the Six Months Ended June 30,	
	2015	2014
Numerator:		
Income from continuing operations	\$ 58,465	\$ 7,105
Non-controlling interests' share in continuing operations	(161)	(65)
Participating securities' share in earnings	<u>(516)</u>	<u>(404)</u>
Income from continuing operations, less participating securities' share in earnings	57,788	6,636
Loss from discontinued operations attributable to MPT common stockholders	<u>—</u>	<u>(2)</u>
Net income, less participating securities' share in earnings	<u>\$ 57,788</u>	<u>\$ 6,634</u>
Denominator:		
Basic weighted-average common shares	205,515	167,846
Dilutive potential common shares	<u>612</u>	<u>613</u>
Dilutive weighted-average common shares	<u>206,127</u>	<u>168,459</u>

[Table of Contents](#)*MPT Operating Partnership, L.P.*

Our earnings per common unit were calculated based on the following (amounts in thousands):

	For the Three Months Ended June 30,	
	2015	2014
Numerator:		
Income (loss) from continuing operations	\$ 22,489	\$ (203)
Non-controlling interests' share in continuing operations	(82)	—
Participating securities' share in earnings	<u>(250)</u>	<u>(195)</u>
Income (loss) from continuing operations, less participating securities' share in earnings	22,157	(398)
Income from discontinued operations attributable to MPT Operating Partnership partners	<u>—</u>	<u>—</u>
Net income (loss), less participating securities' share in earnings	<u>\$ 22,157</u>	<u>\$ (398)</u>
Denominator:		
Basic weighted-average units	208,071	171,718
Dilutive potential units	<u>569</u>	<u>651</u>
Dilutive weighted-average units	<u>208,640</u>	<u>172,369</u>
	For the Six Months Ended June 30,	
	2015	2014
Numerator:		
Income from continuing operations	\$ 58,465	\$ 7,105
Non-controlling interests' share in continuing operations	(161)	(65)
Participating securities' share in earnings	<u>(516)</u>	<u>(404)</u>
Income from continuing operations, less participating securities' share in earnings	57,788	6,636
Loss from discontinued operations attributable to MPT Operating Partnership partners	<u>—</u>	<u>(2)</u>
Net income, less participating securities' share in earnings	<u>\$ 57,788</u>	<u>\$ 6,634</u>
Denominator:		
Basic weighted-average units	205,515	167,846
Dilutive potential units	<u>612</u>	<u>613</u>
Dilutive weighted-average units	<u>206,127</u>	<u>168,459</u>

9. Commitments and Contingencies

Contingencies

We are a party to various legal proceedings incidental to our business. In the opinion of management, after consultation with legal counsel, the ultimate liability, if any, with respect to those proceedings is not presently expected to materially affect our financial position, results of operations or cash flows.

10. Subsequent Events

Acquisition of Capella Healthcare Hospital Portfolio

In July 2015, we entered into definitive agreements pursuant to which we will acquire a portfolio of seven acute care hospitals currently owned and operated by Capella Healthcare, Inc. (“Capella”), a privately held company, as well as acquire an equity interest in the ongoing operator of the facilities. The table below sets forth pertinent details with respect to the hospitals in the portfolio:

Hospital	Location	Type	Licensed Beds
Capital Medical Center	Olympia, WA	Acute care	110
EASTAR Health System	Muskogee, OK	Acute care	320
Carolina Pines Regional Medical Center	Hartsville, SC	Acute care	116
St. Mary’s Regional Medical Center	Russellville, AR	Acute care	170
National Park Medical Center	Hot Springs, AR	Acute care	166
Southwestern Medical Center	Lawton, OK	Acute care	199
Willamette Valley Medical Center	McMinnville, OR	Acute care	88
Total Licensed Beds			1,169

Our investment in the portfolio will include our acquisition of real estate assets, the making of mortgage and acquisition loans, and an equity contribution to the operator of the facilities, for a combined purchase price and investment of approximately \$900 million. We and current Capella management, who will continue to manage and operate the facilities, have formed a joint venture that will be the acquirer of Capella. After closing of the merger, we will acquire from and lease back to Capella its interests in five acute care hospitals for an aggregate purchase price of approximately \$390 million and fund loans secured by first lien mortgages on two hospitals for an aggregate of approximately \$210 million. The real estate leases and mortgage loans will have an initial combined GAAP yield of 9.1%, which is reflective of their 15-year terms with four 5-year extension options, plus consumer price-indexed increases, limited to a 2% floor and a 4% ceiling annually. The remaining approximately \$300 million investment in the operations of Capella will be in the form of a \$290 million acquisition loan to Capella, which will have a fixed interest rate equivalent to the initial lease and mortgage loan rate, and we would have a 49% interest in the equity of the operator, with management owning the remaining 51%. We expect to complete this transaction in the second half of 2015.

Financing

On July 27, 2015, we received commitment to provide a senior unsecured bridge loan facility in the original principal amount of \$1.0 billion to fund the Capella transactions, if necessary. Borrowings under the bridge facility, if any, will bear interest at a rate equal to, at our option, LIBOR plus an applicable margin varying from 1.025% to 2.250% per annum or a Base Rate plus an applicable margin varying from 0.025% to 1.25% per annum, depending upon the ratings of our unsecured senior indebtedness and the total leverage ratio or unsecured leverage ratio. We will pay certain customary structuring and underwriting fees and, in the event we make any borrowings, funding and other fees in connection with the bridge facility. The bridge facility will mature 364 days after the closing date of the Capella transactions. The funding of the bridge facility is contingent of customary conditions, including but not limited to the execution and delivery of definitive documentation and the consummation of the Capella transactions as described above. We cannot assure you that we will be able to successfully borrow under the bridge facility on the terms described herein or at all.

On August 4, 2015, we entered into an amendment to our revolving credit and term loan agreement to increase the current aggregate committed size to \$1.25 billion and amend certain covenants in order to permit us to consummate and finance the Capella transactions. The increase in the credit agreement availability reduced the availability of the bridge facility by \$100 million to \$900 million.

On August 6, 2015, we completed an underwritten public offering of 28.75 million shares of our common stock, resulting in net proceeds of approximately \$337.1 million, after deducting estimated offering expenses (which is inclusive of the underwriters’ option to purchase 3.8 million additional shares). The offering is expected to close August 11, 2015, subject to customary closing conditions. We intend to use the net proceeds from the offering to partially fund our Capella acquisition described above. Once the offering is completed, our availability under the bridge loan facility will be reduced to approximately \$0.6 billion.

Other

On August 4, 2015, we filed Articles of Amendment to our charter with the Maryland State Department of Assessments and Taxation increasing the number of authorized shares of common stock, par value \$0.001 per share available for issuance from 250,000,000 to 500,000,000.

On July 31, 2015, we entered into definitive agreements to acquire several acute care hospitals and a freestanding clinic in northern Italy for an aggregate purchase price to us of approximately €90 million. The acquisition will be effected through a newly-formed joint venture between us and affiliates of AXA Real Estate, in which we will own a 50% interest. Upon closing, the facilities will be leased to an Italian acute care hospital operator, pursuant to a long-term master lease. Closing of the transaction, which is expected during the second half of 2015, is subject to customary real estate, regulatory and other closing conditions.

On July 30, 2015, we sold a long-term acute care facility in Luling, Texas for approximately \$9.7 million, resulting in a gain of \$1.5 million. Due to this sale, we wrote off \$0.9 million of straight-line receivables. On August 5, 2015, we sold six wellness centers in the United States for total proceeds of approximately \$9.5 million (of which \$1.5 million is in the form of a note), resulting in a small net gain.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the consolidated financial condition and consolidated results of operations are presented on a combined basis for Medical Properties Trust and MPT Operating Partnership, L.P. as there are no material differences between these two entities.

The following discussion and analysis of the consolidated financial condition and consolidated results of operations should be read together with the condensed consolidated financial statements and notes thereto contained in this Form 10-Q and the consolidated financial statements and notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2014.

Forward-Looking Statements.

This report on Form 10-Q contains certain “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. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results or future performance, achievements or transactions or events to be materially different from those expressed or implied by such forward-looking statements, including, but not limited to, the risks described in our Annual Report on Form 10-K and as updated in our quarterly reports on Form 10-Q for future periods, and current reports on Form 8-K as we file them with the Securities and Exchange Commission (SEC) under the Securities Exchange Act of 1934. Such factors include, among others, the following:

- the risk that a condition to closing under the agreements governing the Capella transactions and our other recent transactions may not be satisfied;
- the possibility that the anticipated benefits from the Capella transactions, the MEDIAN transactions and our other recent transactions will take longer to realize than expected or will not be realized at all;
- U.S. (both national and local) and European (in particular Germany, the U.K., Spain and Italy) economic, business, real estate and other market conditions;
- the competitive environment in which we operate;
- the execution of our business plan;
- financing risks;
- acquisition and development risks;
- potential environmental contingencies and other liabilities;
- other factors affecting real estate industry generally or the healthcare real estate industry in particular;
- our ability to maintain our status as a REIT for federal and state income tax purposes;
- our ability to attract and retain qualified personnel;
- changes in foreign currency exchange rates;
- U.S. (both federal and state) and European (in particular Germany, the U.K., Spain and Italy) healthcare, and other regulatory requirements; and
- U.S. national and local economic conditions, as well as conditions in Europe and other foreign jurisdictions where we own or will own healthcare facilities, which may have a negative effect on the following, among other things:
 - the financial condition of our tenants, our lenders, counterparties to our interest rate swaps and other hedged transactions and institutions that hold our cash balances, which may expose us to increased risks of default by these parties;
 - our ability to obtain equity or debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and reference existing debt and our future interest expense; and
 - the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing secured by our properties or on an unsecured basis.

Key Factors that May Affect Our Operations

Our revenue is derived from rents we earn pursuant to the lease agreements with our tenants, from interest income from loans to our tenants and other facility owners and from profits or equity interests in certain of our tenants’ operations. Our tenants operate in the healthcare industry, generally providing medical, surgical and rehabilitative care to patients. The capacity of our tenants to pay our rents and interest is dependent upon their ability to conduct their operations at profitable levels. We believe that the business environment of the industry segments in which our tenants operate is generally positive for efficient operators. However, our tenants’ operations are subject to economic, regulatory and market conditions that may affect their profitability, which could impact our results. Accordingly, we monitor certain key factors, changes to which we believe may provide early indications of conditions that may affect the level of risk in our portfolio.

[Table of Contents](#)

Key factors that we consider in underwriting prospective tenants and borrowers and in monitoring the performance of existing tenants and borrowers include the following:

- admission levels and surgery/procedure/diagnosis volumes by type;
- the current, historical and prospective operating margins (measured by earnings before interest, taxes, depreciation, amortization and facility rent) of each tenant or borrower and at each facility;
- the ratio of our tenants' and borrowers' operating earnings both to facility rent and to facility rent plus other fixed costs, including debt costs;
- trends in the source of our tenants' or borrowers' revenue, including the relative mix of public payors (including Medicare, Medicaid/MediCal, managed care in the U.S. and pension funds in Germany) and private payors (including commercial insurance and private pay patients);
- the effect of evolving healthcare regulations on our tenants' and borrowers' profitability; and
- the competition and demographics of the local and surrounding areas in which the tenants or borrowers operate.

Certain business factors, in addition to those described above that directly affect our tenants and borrowers, will likely materially influence our future results of operations. These factors include:

- trends in the cost and availability of capital, including market interest rates, that our prospective tenants may use for their real estate assets instead of financing their real estate assets through lease structures;
- changes in healthcare regulations that may limit the opportunities for physicians to participate in the ownership of healthcare providers and healthcare real estate;
- reductions in reimbursements from Medicare, state healthcare programs, and commercial insurance providers that may reduce our tenants' or borrowers' profitability and our lease rates;
- competition from other financing sources; and
- the ability of our tenants and borrowers to access funds in the credit markets.

CRITICAL ACCOUNTING POLICIES

Refer to our 2014 Annual Report on Form 10-K, for a discussion of our critical accounting policies, which include revenue recognition, investment in real estate, purchase price allocation, loans, losses from rent receivables, stock-based compensation, our fair value option election, and our accounting policy on consolidation. During the six months ended June 30, 2015, there were no material changes to these policies.

Overview

We are a self-advised real estate investment trust (“REIT”) focused on investing in and owning net-leased healthcare facilities across the United States and selectively in foreign jurisdictions. We have operated as a REIT since April 6, 2004, and accordingly, elected REIT status upon the filing of our calendar year 2004 federal income tax return. Medical Properties Trust, Inc. was incorporated under Maryland law on August 27, 2004, and MPT Operating Partnership, L.P. was formed under Delaware law on September 10, 2003. We conduct substantially all of our business through MPT Operating Partnership, L.P. We acquire and develop healthcare facilities and lease the facilities to healthcare operating companies under long-term net leases, which require the tenant to bear most of the costs associated with the property. We also make mortgage loans to healthcare operators collateralized by their real estate assets. In addition, we selectively make loans to certain of our operators through our taxable REIT subsidiaries, the proceeds of which are typically used for acquisitions and working capital. Finally, from time to time, we acquire a profits or other equity interest in our tenants that gives us a right to share in such tenant’s profits and losses.

At June 30, 2015, our portfolio consisted of 167 properties leased or loaned to 28 operators, of which 13 are under development and eight are in the form of mortgage loans.

Our investments in healthcare real estate, including mortgage and other loans, as well as any equity investments in our tenants are considered a single reportable segment. All of our investments are currently located in the United States and Europe. At June 30, 2015 and December 31, 2014, we had \$4.2 billion and \$3.7 billion, respectively, invested in the following healthcare real estate assets:

	<u>2015</u>		<u>2014</u>	
		(Dollars in thousands)		
Real estate owned (gross)(1)	\$3,118,269	73.8%	\$2,589,128	69.1%
Mortgage loans	437,587	10.4%	397,594	10.6%
Other loans	548,865	13.0%	573,167	15.3%
Construction in progress	56,762	1.3%	23,163	0.6%
Other assets(1)	64,642	1.5%	164,284	4.4%
Total assets	<u>\$4,226,125</u>	<u>100.0%</u>	<u>\$3,747,336</u>	<u>100.0%</u>

[Table of Contents](#)

(1) Includes \$1.0 billion and \$784.2 million of healthcare real estate assets in Europe at June 30, 2015 and December 31, 2014, respectively.

The following is our revenue by operating type (dollar amounts in thousands):

Revenue by property type:

	For the Three Months Ended June 30, 2015	% of Total	For the Three Months Ended June 30, 2014	% of Total
General Acute Care Hospitals (1)(2)	\$ 55,735	55.9%	\$ 45,599	59.6%
Rehabilitation Hospitals	30,528	30.6%	17,208	22.5%
Long-term Acute Care Hospitals	13,405	13.4%	13,338	17.4%
Wellness Centers	133	0.1%	415	0.5%
Total revenue	\$ 99,801	100.0%	\$ 76,560	100.0%

	For the Six Months Ended June 30, 2015	% of Total	For the Six Months Ended June 30, 2014	% of Total
General Acute Care Hospitals (1)(3)	\$ 109,656	56.0%	\$ 86,986	58.1%
Rehabilitation Hospitals	58,994	30.2%	34,736	23.2%
Long-term Acute Care Hospitals	26,847	13.7%	27,096	18.1%
Wellness Centers	265	0.1%	831	0.6%
Total revenue	\$ 195,762	100.0%	\$ 149,649	100.0%

(1) Includes three medical office buildings.

(2) Includes \$18.1 million and \$5.5 million in revenue from our healthcare real estate assets in Europe in 2015 and 2014, respectively.

(3) Includes \$34.4 million and 10.9 million in revenue from our healthcare real estate assets in Europe in 2015 and 2014, respectively.

[Table of Contents](#)

We have 47 employees as of August 7, 2015. We believe that any foreseeable increase in the number of our employees will have only immaterial effects on our operations and general and administrative expenses. We believe that our relations with our employees are good. None of our employees are members of any labor union.

Results of Operations

Three Months Ended June 30, 2015 Compared to June 30, 2014

Net income (loss) for the three months ended June 30, 2015, was \$22.4 million, compared to \$(0.2) million for the three months ended June 30, 2014. This increase is due to the \$26.5 million impairment charge taken on our Monroe loan and other assets along with a \$3.1 million real estate impairment charge taken on our Bucks County facility in the 2014 second quarter. Funds from operations (“FFO”), after adjusting for certain items (as more fully described in Reconciliation of Non-GAAP Financial Measures), was \$62.9 million, or \$0.30 per diluted share for the 2015 second quarter as compared to \$44.5 million, or \$0.26 per diluted share for the 2014 second quarter. This 41% increase in FFO is primarily due to the increase in revenue from acquisitions and loan investments made since June 2014 along with the completion of seven First Choice development properties in 2015.

A comparison of revenues for the three month periods ended June 30, 2015 and 2014 is as follows:

	2015	% of Total	2014	% of Total	Year over Year Change
Rent billed	\$53,893	54.0%	\$45,928	60.0%	17.3%
Straight-line rents	5,252	5.3%	3,178	4.2%	65.3%
Income from direct financing leases	12,808	12.8%	12,263	16.0%	4.4%
Interest and fee income	27,848	27.9%	15,191	19.8%	83.3%
Total revenue	<u>\$99,801</u>	<u>100.0%</u>	<u>\$76,560</u>	<u>100.0%</u>	<u>30.4%</u>

Our total revenue for the 2015 second quarter is up \$23.2 million or 30.4% over the prior year. This increase is made up of the following:

- Base rents – up \$8.0 million over the prior year of which \$0.9 million is from our annual escalation provisions in our leases, \$5.5 million is from incremental revenue from acquisitions made after June 2014, and \$3.1 million is incremental revenue from development properties that were completed and put into service in 2014 and 2015. Approximately \$0.6 million of base rents were recorded in the second quarter of 2015 related to our Monroe property but none was recorded in the prior year. This increase is partially offset by \$1.8 million of lower revenues in 2015 attributable to dispositions (approximately \$0.9 million) in the second half of 2014 and a 17% decline in the Euro exchange rate (approximately \$0.9 million) as well as \$0.3 million revenue decrease from our six wellness centers.
- Straight-line rents – up \$2.1 million over the prior year of which \$1.2 million is due to incremental revenue from acquisitions made after June 2014 and \$1.4 million is incremental revenue from development properties that were completed and put into service in 2014 and 2015. These increases were partially offset by expected declines in straight-line rent due to annual minimum escalations in base rent.
- Income from direct financing leases – up \$0.5 million over the prior year of which \$0.1 million is from our annual escalation provisions in our leases and \$0.4 million is from incremental revenue from acquisitions made after June 2014.
- Interest from loans – up \$12.7 million over the prior year primarily attributable to loans made in connection with the MEDIAN transaction – see Note 3 to Item 1 of this Form 10-Q for further details.

Real estate depreciation and amortization during the second quarter of 2015 increased to \$15.0 million from \$12.4 million in 2014, due to the incremental depreciation from the properties acquired since June 30, 2014 and the development properties completed in 2014 and 2015.

During the 2014 second quarter, we recorded a \$3.1 million real estate impairment charge on our Bucks facility and a \$26.5 million impairment charge on our Monroe facility.

Acquisition expenses increased from \$2.5 million in 2014 to \$25.8 million in 2015 primarily as a result of continued activity to pursue potential deals and the completion of the MEDIAN acquisition, including approximately \$21 million of real estate transfer taxes related to the 17 properties acquired in June 2015.

[Table of Contents](#)

General and administrative expenses totaled \$10.6 million for the 2015 second quarter, which is 10.7% of total revenues consistent with the 2014 second quarter. On a dollar basis, general and administrative expenses were up \$2.4 million from the prior year second quarter due to higher compensation expense and international administrative expenses, which are up as a result of the growth and expansion of our company.

Interest expense, for the quarters ended June 30, 2015 and 2014, totaled \$26.9 million and \$24.7 million, respectively. This increase is primarily related to higher average debt balances in the current year quarter associated with our 2014 Senior Unsecured Notes and our new and expanded Credit Facility. In addition, we recorded a \$0.3 million refinancing charge in the 2014 second quarter related to the replacement of our old credit facility. Our weighted average interest rate is 4.5% for the quarter ended June 30, 2015, which is a slight decline from 5.9% in 2014. See Note 4 to our Condensed Consolidated Financial Statements in Item 1 to this Form 10-Q for further information on our debt activities.

Six Months Ended June 30, 2015 Compared to June 30, 2014

Net income for the six months ended June 30, 2015, was \$58.3 million compared to net income of \$7.0 million for the six months ended June 30, 2014, primarily due to the \$50.1 million of impairment charges taken in 2014. FFO, after adjusting for certain items (as more fully described in Reconciliation of Non-GAAP Financial Measures), was \$119.8 million, or \$0.58 per diluted share for the first six months in 2015 as compared to \$87.2 million, or \$0.52 per diluted share for the first six months of 2014. This 37% increase in FFO is primarily due to the increase in revenue from acquisitions and completed development projects made since June 2014.

A comparison of revenues for the six month periods ended June 30, 2015 and 2014 is as follows (dollar amounts in thousands):

	2015	% of Total	2014	% of Total	Year over Year Change
Rent billed	\$106,994	54.7%	\$ 88,889	59.4%	20.4%
Straight-line rents	9,980	5.1%	5,366	3.6%	86.0%
Income from direct financing leases	25,363	12.9%	24,479	16.3%	3.6%
Interest and fee income	53,425	27.3%	30,915	20.7%	72.8%
Total revenue	\$195,762	100.0%	\$149,649	100.0%	30.8%

Our total revenue for the first six months of 2015 is up \$46.1 million or 30.8% over the prior year. This increase is made up of the following:

- Base rents – up \$18.1 million over the prior year of which \$1.7 million is from our annual escalation provisions in our leases, \$12.8 million is from incremental revenue from acquisitions made after June 2014, and \$6.5 million is incremental revenue from development properties that were completed and put into service in 2014 and 2015. Approximately \$1.1 million of base rents were recorded in the first half of 2015 related to our Monroe property but none was recorded in the prior year. This increase is partially offset by \$3.5 million attributable to dispositions (approximately \$1.7 million) and the decline in the Euro (\$1.8 million impact) as well as \$0.5 million revenue decrease from our six wellness centers.
- Straight-line rents – up \$4.6 million over the prior year of which \$2.2 million is due to incremental revenue from acquisitions made after June 2014 and \$2.4 million is incremental revenue from development properties that were completed and put into service in 2014 and 2015. In the first quarter of 2014, we had a \$1 million write-off of straight-line rent receivable related to our Gilbert property – see Note 3 to Item 1 of this 10-Q for further details.
- Income from direct financing leases – up \$0.9 million over the prior year of which \$0.4 million is from our annual escalation provisions in our leases and \$0.5 million is from incremental revenue from acquisitions made after June 2014.
- Interest from loans – up \$22.5 million over the prior year primarily attributable to loans made in connection with the MEDIAN transaction – see Note 3 to Item 1 of this Form 10-Q for further details.

[Table of Contents](#)

Real estate depreciation and amortization during the first six months of 2015 increased to \$29.7 million from \$26.1 million in the same period of 2014 due to the incremental depreciation from the properties acquired and the development properties completed in 2014 and 2015. In the 2014 first quarter, we accelerated the amortization of the lease intangible asset related to our Gilbert facility resulting in \$1.1 million of additional expense.

During the first half of 2014, we recorded a \$3.1 million real estate impairment charge on our Bucks facility and a \$47.0 million impairment charge on our Monroe facility.

Acquisition expenses increased from \$3.0 million in 2014 to \$32.0 million in 2015 primarily as a result of the completion of the MEDIAN acquisition, including \$21 million of real estate transfer taxes associated with the 17 properties acquired in June 2015, and continued activity to pursue potential deals.

General and administrative expenses in the first two quarters of 2015 totaled \$21.5 million, which is 11.0% of revenues down from 11.5% of revenues in the prior year. The decline in general and administrative expenses as a percentage of revenues is primarily due to our business model as we can generally increase our revenues significantly without increasing our head count and related expense at the same rate. On a dollar basis, general and administrative expenses were up \$4.4 million from the prior year first six months due to higher compensation expense, travel and international administrative expenses, which are up as a result of the growth and expansion of our company.

Interest expense for the first six months of 2015 and 2014 totaled \$53.6 million and \$46.3 million, respectively. This increase is related to higher average debt balances in the current year associated with our 2014 Senior Unsecured Notes and our new and expanded Credit Facility. Our weighted average interest rate is slightly lower period over period - 4.5% for the first six months of 2015 and 5.9% for the first six months of 2014. See Note 4 to our Condensed Consolidated Financial Statements in Item 1 to this Form 10-Q for further information on our debt activities.

Reconciliation of Non-GAAP Financial Measures

Investors and analysts following the real estate industry utilize funds from operations, or FFO, as a supplemental performance measure. FFO, reflecting the assumption that real estate asset values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation and amortization of real estate assets, which assumes that the value of real estate diminishes predictably over time. We compute FFO in accordance with the definition provided by the National Association of Real Estate Investment Trusts, or NAREIT, which represents net income (loss) (computed in accordance with GAAP), excluding gains (losses) on sales of real estate and impairment charges on real estate assets, plus real estate depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures.

In addition to presenting FFO in accordance with the NAREIT definition, we also disclose normalized FFO, which adjusts FFO for items that relate to unanticipated or non-core events or activities or accounting changes that, if not noted, would make comparison to prior period results and market expectations less meaningful to investors and analysts.

We believe that the use of FFO, combined with the required GAAP presentations, improves the understanding of our operating results among investors and the use of normalized FFO makes comparisons of our operating results with prior periods and other companies more meaningful. While FFO and normalized FFO are relevant and widely used supplemental measures of operating and financial performance of REITs, they should not be viewed as a substitute measure of our operating performance since the measures do not reflect either depreciation and amortization costs or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, which can be significant economic costs that could materially impact our results of operations. FFO and normalized FFO should not be considered an alternative to net income (loss) (computed in accordance with GAAP) as indicators of our financial performance or to cash flow from operating activities (computed in accordance with GAAP) as an indicator of our liquidity.

[Table of Contents](#)

The following table presents a reconciliation of net income attributable to MPT common stockholders to FFO for the three and six months ended June 30, 2015 and 2014 (\$ amounts in thousands, except per share data):

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
FFO information:				
Net income (loss) attributable to MPT common stockholders	\$ 22,407	\$ (203)	\$ 58,304	\$ 7,038
Participating securities' share in earnings	(250)	(195)	(516)	(404)
Net income (loss), less participating securities' share in earnings	\$ 22,157	\$ (398)	\$ 57,788	\$ 6,634
Depreciation and amortization	14,956	12,442	29,712	26,131
Real estate impairment charges	—	5,974	—	5,974
Funds from operations	\$ 37,113	\$ 18,018	\$ 87,500	\$ 38,739
Write-off of straight line rent	—	—	—	950
Impairment charges	—	23,657	—	44,154
Unutilized financing fees / debt refinancing costs	—	291	238	291
Acquisition costs	25,809	2,535	32,048	3,047
Normalized funds from operations	<u>\$ 62,922</u>	<u>\$ 44,501</u>	<u>\$ 119,786</u>	<u>\$ 87,181</u>
Per diluted share data:				
Net income (loss), less participating securities' share in earnings	\$ 0.11	\$ —	\$ 0.28	\$ 0.04
Depreciation and amortization	0.07	0.07	0.14	0.16
Real estate impairment charges	—	0.03	—	0.03
Funds from operations	\$ 0.18	\$ 0.10	\$ 0.42	\$ 0.23
Write-off of straight line rent	—	—	—	0.01
Impairment charges	—	0.14	—	0.26
Unutilized financing fees / debt refinancing costs	—	—	—	—
Acquisition costs	0.12	0.02	0.16	0.02
Normalized funds from operations	<u>\$ 0.30</u>	<u>\$ 0.26</u>	<u>\$ 0.58</u>	<u>\$ 0.52</u>

LIQUIDITY AND CAPITAL RESOURCES

2015 Cash Flow Activity

During the six months ended June 30, 2015, we generated \$87.4 million of cash flow from operating activities, primarily consisting of rent and interest from mortgage and other loans. We used these operating cash flows along with cash on-hand to fund our dividends of \$84.5 million and certain investing activities including the additional funding of our development activities.

On January 14, 2015, we completed an underwritten public offering of 34.5 million shares (including the exercise of the underwriters' 30-day option to purchase an additional 4.5 million shares) of our common stock, resulting in net proceeds of approximately \$480 million, after deducting estimated offering expenses. We used the net proceeds from this offering along with \$81 million from our revolving credit facility to fund our acquisitions and new loan investments in 2015.

2014 Cash Flow Activity

During the six months ended June 30, 2014, we generated \$50.3 million of cash flow from operating activities, primarily consisting of rent and interest from mortgage and other loans. We used these operating cash flows along with cash on-hand to fund our dividends of \$71.8 million and certain investing activities including the additional funding of our development activities.

During the first six months of 2014, we sold 0.9 million shares of our common stock under our at-the-market offering program and completed an underwritten public offering of 8.9 million (including 1.2 million underwriters option) shares of our common stock, resulting in net proceeds of approximately \$128.3 million, after deducting estimated offering expenses. In addition, on April 17, 2014, we completed a \$300 million senior unsecured notes offering. Finally, on June 19, 2014, we closed on a new \$900 million senior unsecured credit facility including a \$25 million increase in our term loan facility. Net proceeds from these financing activities were used to fund property acquisitions in the first half of 2014.

Short-term Liquidity Requirements : As of June 30, 2015, we have less than \$0.2 million in debt principal payments due in 2015 — see debt maturity schedule below. At August 7, 2015, our availability under our revolving credit facility plus cash on-hand approximated \$0.5 billion. We established an at-the-market equity offering program in January 2014 under which we may sell up to \$250 million in shares (of which \$22.6 million has been sold through August 7, 2015) which may be used for general corporate purposes as needed. We believe any excess availability in our credit facility, our current monthly cash receipts from rent and loan interest, and the availability under our at-the-market equity offering program is sufficient to fund our operations, debt and interest obligations, and dividends in order to comply with REIT requirements for the next twelve months.

With the recent announcement of the Capella transaction and our continued investment in our development activities with Adeptus, we have approximately \$1.1 billion in short-term commitments. In addition to our existing availability under our revolving credit facility and cash on hand, we believe we have several alternative sources to fund these commitments including:

- Sale of equity securities - we expect to close on a 28.75 million share offering (including 3.75 million shares sold by the underwriters at their option) on August 11, 2015 at a \$12.25 price generating net proceeds of approximately \$337.1 million;
- Bridge loan—we received a commitment on July 27, 2015 from JPMorgan Chase Bank, N.A. and Goldman, Sachs, and Co. to provide a \$1.0 billion senior unsecured bridge loan facility to fund the Capella transactions. Such bridge loan facility has been reduced by \$100 million with the similar increase in our revolving credit facility and will be reduced by another \$337 million to approximately \$0.6 billion if the equity offering above is completed;
- Issuance of new debt securities, including senior unsecured notes; and/or
- Proceeds from strategic property sales.

[Table of Contents](#)

Long-term Liquidity Requirements : As of June 30, 2015, we have less than \$0.2 million in debt principal payments due between now and July 2016 . With our liquidity at August 7, 2015 of approximately \$0.5 billion along with our current monthly cash receipts from rent and loan interest and with the availability under our at-the-market equity offering program, we believe we have the liquidity available to us to fund our operations, debt and interest obligations, and dividends in order to comply with REIT requirements for several years.

However, with our current firm commitment level (as described in the section titled “Short-term Liquidity Requirements”) and with debt principal payments coming due in 2018 and later years, we will need additional capital, which we believe is generally available in the market such as the following:

- amending or entering into new bank term loans,
- issuance of new debt securities, including senior unsecured notes,
- sale of equity securities,
- entering into joint venture arrangements, and/or
- proceeds from strategic property sales,

However, there is no assurance that conditions will be favorable for such possible transactions or that our plans will be successful.

As of June 30, 2015, principal payments due for our debt (which exclude the effects of any premiums recorded) are as follows (in thousands):

2015	\$ 142
2016	125,299
2017	320
2018	686,815
2019	125,000
Thereafter	<u>1,322,940</u>
Total	<u>\$2,260,516</u>

Distribution Policy

The table below is a summary of our distributions declared during the two year period ended June 30, 2015:

<u>Declaration Date</u>	<u>Record Date</u>	<u>Date of Distribution</u>	<u>Distribution per Share</u>
May 14, 2015	June 11, 2015	July 9, 2015	\$ 0.22
February 23, 2015	March 12, 2015	April 9, 2015	\$ 0.22
November 13, 2014	December 4, 2014	January 8, 2015	\$ 0.21
August 21, 2014	September 18, 2014	October 15, 2014	\$ 0.21
May 15, 2014	June 12, 2014	July 10, 2014	\$ 0.21
February 21, 2014	March 14, 2014	April 11, 2014	\$ 0.21
November 7, 2013	December 3, 2013	January 7, 2014	\$ 0.21
August 15, 2013	September 12, 2013	October 10, 2013	\$ 0.20

We intend to pay to our stockholders, within the time periods prescribed by the Internal Revenue Code (“Code”), all or substantially all of our annual taxable income, including taxable gains from the sale of real estate and recognized gains on the sale of securities. It is our policy to make sufficient cash distributions to stockholders in order for us to maintain our status as a REIT under the Code and to avoid corporate income and excise taxes on undistributed income. See Note 4 to our condensed consolidated financial statements in Item 1 to this Form 10-Q for any restrictions placed on dividends by our new credit facility.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk includes risks that arise from changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. We seek to mitigate the effects of fluctuations in interest rates by matching the terms of new investments with new long-term fixed rate borrowings to the extent possible. We may or may not elect to use financial derivative instruments to hedge interest rate exposure. These decisions are principally based on our policy to match our variable rate investments with comparable borrowings, but are also based on the general trend in interest rates at the applicable dates and our perception of the future volatility of interest rates.

In addition, the value of our facilities will be subject to fluctuations based on changes in local and regional economic conditions and changes in the ability of our tenants to generate profits, all of which may affect our ability to refinance our debt if necessary. The changes in the value of our facilities would be impacted also by changes in “cap” rates, which is measured by the current base rent divided by the current market value of a facility.

Our primary exposure to market risks relates to fluctuations in interest rates and foreign currency. The following analyses present the sensitivity of the market value, earnings and cash flows of our significant financial instruments to hypothetical changes in interest rates and exchange rates as if these changes had occurred. The hypothetical changes chosen for these analyses reflect our view of changes that are reasonably possible over a one-year period. These forward looking disclosures are selective in nature and only address the potential impact from these hypothetical changes. They do not include other potential effects which could impact our business as a result of changes in market conditions. In addition, they do not include measures we may take to minimize our exposure such as entering into future interest rate swaps to hedge against interest rate increases on our variable rate debt.

Interest Rate Sensitivity

For fixed rate debt, interest rate changes affect the fair market value but do not impact net income to common stockholders or cash flows. Conversely, for floating rate debt, interest rate changes generally do not affect the fair market value but do impact net income to common stockholders and cash flows, assuming other factors are held constant. At June 30, 2015, our outstanding debt totaled \$2.3 billion, which consisted of fixed-rate debt of \$1.5 billion (including \$125.0 million of floating debt swapped to fixed) and variable rate debt of \$0.8 billion. If market interest rates increase by one percentage point, the fair value of our fixed rate debt at June 30, 2015 would decrease by \$1.4 million. Changes in the fair value of our fixed rate debt will not have any impact on us unless we decided to repurchase the debt in the open market.

If market rates of interest on our variable rate debt increase by 1%, the increase in annual interest expense on our variable rate debt would decrease future earnings and cash flows by \$0.1 million per year. If market rates of interest on our variable rate debt decrease by 1%, the decrease in interest expense on our variable rate debt would increase future earnings and cash flows by \$0.1 million per year. This assumes that the average amount outstanding under our variable rate debt for a year is \$0.8 billion, the balance of such variable rate debt at June 30, 2015.

[Table of Contents](#)

Foreign Currency Sensitivity

With our investments in Germany and throughout Europe, we are subject to fluctuations in the Euro and British Pound to US dollar currency exchange rates. Increases or decreases in the value of the Euro to US dollar and the British Pound to US dollar exchange rates may impact our financial condition and/or our results of operations. Based solely on operating results to-date in 2015 and on an annualized basis, if the Euro exchange rate were to change by 5%, our FFO would change by approximately \$2.3 million. Based solely on operating results to-date in 2015 and on an annualized basis, if the British Pound exchange rate were to change by 5%, our FFO would change by less than \$0.2 million.

Item 4. Controls and Procedures.

We have adopted and maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b), under the Securities Exchange Act of 1934, as amended, we have carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the quarter covered by this report. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting them to material information required to be disclosed by us in the reports that we file with the SEC.

There has been no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

There have been no material changes to the Risk Factors as presented in our Annual Report on Form 10-K for the year ended December 31, 2014.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

- (a) None.
- (b) Not applicable.
- (c) None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

[Table of Contents](#)

Item 5. Other Information.

- (a) On August 4, 2015, we filed Articles of Amendment to our charter with the Maryland State Department of Assessments and Taxation increasing the number of authorized shares of common stock, par value \$0.001 per share, available for issuance from 250,000,000 to 500,000,000. The Articles of Amendment, which were effective upon filing, are attached as [Exhibit 3.2](#) to this Quarterly Report on Form 10-Q and are incorporated herein by reference.
- (b) None.

Item 6. Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
3.1(1)	Articles of Amendment to the Second Articles of Amendment and Restatement of Medical Properties Trust, Inc., filed with the Maryland State Department of Assessments and Taxation on June 23, 2015.
3.2	Articles of Amendment to the Second Articles of Amendment and Restatement of Medical Properties Trust, Inc., filed with the Maryland State Department of Assessments and Taxation on August 4, 2015.
3.3(1)	Amendment to Second Amended and Restated Bylaws of Medical Properties Trust, Inc., effective June 23, 2015.
10.1	Form of Master Lease Agreement between certain subsidiaries of MPT Operating Partnership, L.P., as Lessor, and MEDIAN Kliniken S.a.r.l. and certain of its subsidiaries, as Lessee, and related first and second amendments.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (Medical Properties Trust, Inc.)
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (Medical Properties Trust, Inc.)
31.3	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (MPT Operating Partnership, L.P.)
31.4	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (MPT Operating Partnership, L.P.)
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Medical Properties Trust, Inc.)
32.2	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (MPT Operating Partnership, L.P.)
Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Incorporated by reference to Medical Properties Trust, Inc.'s Current Report on Form 8-K filed with the Commission on June 26, 2015.

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.

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer of
the sole member of the general partner of MPT Operating
Partnership, L.P.
(Principal Financial and Accounting Officer)

Date: August 10, 2015

[Table of Contents](#)

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
3.1(1)	Articles of Amendment to the Second Articles of Amendment and Restatement of Medical Properties Trust, Inc., filed with the Maryland State Department of Assessments and Taxation on June 23, 2015.
3.2	Articles of Amendment to the Second Articles of Amendment and Restatement of Medical Properties Trust, Inc., filed with the Maryland State Department of Assessments and Taxation on August 4, 2015.
3.3(1)	Amendment to Second Amended and Restated Bylaws of Medical Properties Trust, Inc., effective June 23, 2015.
10.1	Form of Master Lease Agreement between certain subsidiaries of MPT Operating Partnership, L.P., as Lessor, and MEDIAN Kliniken S.a.r.l. and certain of its subsidiaries, as Lessee, and related first and second amendments.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (Medical Properties Trust, Inc.)
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (Medical Properties Trust, Inc.)
31.3	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (MPT Operating Partnership, L.P.)
31.4	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (MPT Operating Partnership, L.P.)
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Medical Properties Trust, Inc.)
32.2	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (MPT Operating Partnership, L.P.)
Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Incorporated by reference to Medical Properties Trust, Inc.'s Current Report on Form 8-K filed with the Commission on June 26, 2015.

ARTICLES OF AMENDMENT
OF
MEDICAL PROPERTIES TRUST, INC.

MEDICAL PROPERTIES TRUST, INC., a Maryland corporation (the "Corporation"), hereby certifies to the Maryland State Department of Assessments and Taxation (the "Department") that:

- FIRST:** The Charter of the Corporation as currently in effect is hereby amended by deleting existing Section 5.1 in its entirety and substituting in lieu thereof a new Section 5.1 to read as follows:
- Authorized Shares.** The Corporation is authorized to issue an aggregate of 510,000,000 shares of stock (the "Capital Stock"), consisting of (a) 500,000,000 shares of common stock, par value \$0.001 per share (the "Common Stock"), and (b) 10,000,000 shares of preferred stock, par value \$0.001 per share (the "Preferred Stock"). The aggregate par value of all of the shares of all of the classes of stock of the Corporation is \$510,000."
- SECOND:** The total number of shares of stock which the Corporation had authority to issue immediately prior to the foregoing amendment of the Charter was 260,000,000 shares of stock, consisting of 250,000,000 shares of Common Stock, \$.001 par value per share, and 10,000,000 shares of Preferred Stock, \$.001 par value per share. The aggregate par value of all authorized shares of stock having par value was \$260,000.
- THIRD:** The total number of shares of stock which the Corporation has authority to issue pursuant to the foregoing amendment of the Charter is 510,000,000 shares of stock, consisting of 500,000,000 shares of Common Stock, \$.001 par value per share, and 10,000,000 shares of Preferred Stock, \$.001 par value per share. The aggregate par value of all authorized shares of stock having par value is \$510,000.
- FOURTH:** The information required by Section 2-607(b)(2)(i) of the Maryland General Corporation Law is not changed by the foregoing amendment of the Charter.
- FIFTH:** The foregoing amendment to the Charter has been approved by a majority of the entire Board of Directors and the amendment is limited to a change expressly authorized by Section 2-105(a)(13) of the Maryland General Corporation Law and the Charter to be made without action by the stockholders.
- SIXTH:** These Articles of Amendment shall become effective upon filing with the Department.

SEVENTH:

The undersigned Chairman, Chief Executive Officer and President of the Corporation acknowledges these Articles of Amendment to be the corporate act of the Corporation and as to all matters or facts required to be verified under oath, the undersigned Chairman, Chief Executive Officer and President of the Corporation acknowledges that to the best of his knowledge, information and belief, these matters and facts are true in all material respects and this statement is made under the penalties of perjury.

[Signature page follows]

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by its Chairman, Chief Executive Officer and President and attested to by its Executive Vice President, Chief Operating Officer, Treasurer and Secretary on this 31st day of July, 2015.

MEDICAL PROPERTIES TRUST, INC.

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Title: Chairman, Chief Executive Officer
and President

ATTEST:

/s/ Emmett E. McLean
Emmett E. McLean
Executive Vice President, Chief Operating Officer,
Treasurer and Secretary

[Signature Page to Articles of Amendment]

Master Lease Agreement

between

MPT RHM Heiligendamm S.à r.l.

MPT RHM Wismar S.à r.l.,

MPT RHM Bad Sulze S.à r.l.

MPT RHM Hoppegarten S.à r.l.

MPT RHM Kalbe S.à r.l.

MPT RHM Flechtingen S.à r.l.

MPT RHM Flechtingen II S.à r.l.

MPT RHM Tennstedt S.à r.l.

MPT RHM Adelsberg S.à r.l.

MPT RHM Lobenstein S.à r.l.

MPT RHM Bad Lausick S.à r.l.

MPT RHM Berggiesshubel S.à r.l.

MPT RHM Gyhum S.à r.l.

MPT RHM Burg Landshut S.à r.l.

MPT RHM Moselschleife S.à r.l.

MPT RHM Braunfels S.à r.l.

MPT RHM Hohenfeld S.à r.l.

MPT RHM Kinzigtal S.à r.l.

MPT RHM Südpark S.à r.l.

MPT RHM Kaiserberg S.à r.l.

MPT RHM Schlangenbad S.à r.l.

MPT RHM Aukammtal S.à r.l.

MPT RHM Gunzenbach S.à r.l.

MPT RHM Achertal S.à r.l.

MPT RHM St. George Bad Durrheim S.à r.l.

MPT RHM Franz Alexander S.à r.l.

MPT RHM St. George Bad Krotzingen S.à r.l.

MPT RHM Grunheide S.à r.l.

MPT RHM Gottleuba S.à r.l.

MPT RHM Kladow S.à r.l.

NRZ Gruppe S.à r.l.

as Landlord

and

Remedco Tenant S.à r.l.

as Tenant

and

Median REHA Holding GmbH

Braunfels Holding GmbH

Median Holding GmbH

Median Kliniken GmbH & Co. KG

AHB Holding GmbH

Polo Holding GmbH

Karl Kliniken Holding GmbH

NRZ Holding GmbH

Median Kliniken Nord Holding GmbH

as Guarantors

and Primary Subtenants

and

Orthopädische Klinik Braunfels GmbH & Co. KG

MEDIAN Kliniken GmbH & Co. KG

Klinik Bad Gottleuba GmbH & Co. Betriebs KG

Median Reha Zentrum Gyhum GmbH & Co. KG

AHB-Klinik GmbH Berlin & Co. KG

REHA Gesellschaft für Rehabilitation mbH

MEDIAN Hohenfeld-Klinik für Orthopädie GmbH & Co. KG

MEDIAN Kinzigtal-Klinik GmbH & Co. KG

MEDIAN Klinik am Südpark GmbH & Co. KG

MEDIAN Kaiserberg-Klinik GmbH & Co. KG

MEDIAN Rehazentrum Schlangenbad GmbH & Co. KG

MEDIAN Rehaklinik Aukammtal GmbH & Co. KG

Oberrheinische Kliniken GmbH & Co. Betriebs KG

NRZ Magdeburg Median Kliniken GmbH & Co.

as Subtenants

Table of Contents

RECITALS	14
1. LEASED PROPERTY	16
2. PURPOSE OF THE LEASE	17
3. COMMENCEMENT OF THE LEASE, LEASE TERM	21
4. TERMINATION RIGHTS, COVENANTS	22
5. RENT	27
6. ANCILLARY COSTS	29
7. RENT ADJUSTMENT; FINANCIAL REPORTING	32
8. INSURANCES	33
9. TENANT'S EASEMENTS, SUBTENANTS' EASEMENTS	34
10. SUBLEASE	36
11. LEASE TRANSFER	37
12. MAINTENANCE, REPAIR, MODERNISATION	44
13. CHANGES TO THE LEASED PROPERTY	46
14. EXTENSIONS AND FINANCING	47
15. RIGHT OF ACCESS OF THE LANDLORD	52
16. OBLIGATION TO MAKE PREMISES SAFE, ENVIRONMENT, CONDITION OF PREMISES	53
17. REINSTATEMENT	54
18. RETURN OF THE LEASED PROPERTY	54
19. HBR-AGREEMENT, EASEMENTS, COMPLIANCE WITH FORMER PROPERTY PURCHASE AGREEMENTS	56
20. MISCELLANEOUS	57
21. LIST OF ANNEXES	60

THIS MASTER LEASE AGREEMENT IS DATED 29 April 2015 AND MADE BETWEEN:

1. 01) MPT RHM Heiligendamm S.à r.l. a private limited liability company (société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191147
- 02) MPT RHM Wismar S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191142
- 03) MPT RHM Bad Sulze S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191153
- 04) MPT RHM Hoppegarten S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191145
- 05) MPT RHM Kalbe S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191192
- 06) MPT RHM Flechtingen S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191274
- 07) MPT RHM Flechtingen II S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191281
- 08) MPT RHM Tennstedt S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190634

- 09) MPT RHM Adelsberg S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191283
- 10) MPT RHM Lobenstein S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190648
- 11) MPT RHM Bad Lausick S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191279
- 12) MPT RHM Berggiesshubel S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191193
- 19) MPT RHM Burg Landshut S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190578
- 20) MPT RHM Moselschleife S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191187
- 23) MPT RHM Braunfels S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190621
- 24) MPT RHM Hohenfeld S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191285

- 25) MPT RHM Kinzigtal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191175
- 26) MPT RHM Sudpark S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191177
- 27) MPT RHM Kaiserberg S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191172
- 28) MPT RHM Schlangenbad S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190616
- 29) MPT RHM Aukammtal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190620
- 30) MPT RHM Gunzenbach S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190611
- 31) MPT RHM Achertal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190571
- 32) MPT RHM St. George Bad Durrheim S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191195

33) MPT RHM Franz Alexander S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191156

34) MPT RHM St. George Bad Krotzingen S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191200

35) MPT RHM Grunheide S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191158

36) MPT RHM Gyhum S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191154

37) MPT RHM Gottleuba S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190638

38) MPT RHM Kladow S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191164

13) NRZ Gruppe S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 165183

- in relation to the Individual Leased Object owned by it, the “**Landlord**” and, collectively with all other Landlords, the “**Landlords**” –

and

2. Remedco Tenant S.à r. l. a private limited liability company (*société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg having its business address at 2-4 Rue Beck, L-1222 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 196181

- the “**Tenant**” -

- the Landlord and the Tenant collectively, the “**Parties**” and individually a “**Party**” -

3. **ANNEX G.19 and G.20:** Median REHA Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies Register register of Charlottenburg under the number **119217 B**

ANNEX G.23: Braunfels Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 118709 B**

ANNEX G.1 to G.12 and G.35: Median Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 117203 B**

ANNEX G.37: Median Kliniken GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRA 22809 B**

ANNEX G.38: AHB Holding GmbH, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 119190 B**

ANNEX G.24 to G.29: Polo Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRB 7165 BH**

ANNEX G.30 to G.34: Karl Kliniken Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 133437 B**

ANNEX G.13: NRZ Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 120917 B**

ANNEX G.36: Median Kliniken Nord Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 154780 B**

- each in relation to the Individual Leased Object let and sublet by it a “**Primary Subtenant**” or “**Guarantor**” and collectively with all other Primary Subtenants/Guarantors the “**Primary Subtenants**” or “**Guarantors**”-

4. **ANNEX H.23:** Orthopädische Klinik Braunfels GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Hasselbornring 5, 35619 Braunfels entered in the Trade and Companies Register kept at the local court of Wetzlar number **HRA 2998**

ANNEX H.1 to H.12, H.35: MEDIAN Kliniken GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRA 22809 B**

ANNEX H.37: Klinik Bad Gottleuba GmbH & Co. Betriebs KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRA 23548 B**

ANNEX H.36: Median Reha Zentrum Gyhum GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRA 49460 B**

ANNEX H.38: AHB-Klinik GmbH Berlin & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRA 21285 B**

ANNEX H.19 to H.20: REHA Gesellschaft für Rehabilitation mbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRB 18963 B**

ANNEX H.24: MEDIAN Hohenfeld-Klinik für Orthopädie GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRA 1024**

ANNEX H.25: MEDIAN Kinzigtal-Klinik GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRA 1022**

ANNEX H.26: MEDIAN Klinik am Südpark GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRA 1021**

ANNEX H.27: MEDIAN Kaiserberg-Klinik GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRA 1020**

ANNEX H.28: MEDIAN Rehazentrum Schlangenbad GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRA 4117**

ANNEX H.29: MEDIAN Rehaklinik Aukammtal GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim entered in the Trade and Companies Register kept at the local court of Friedberg (Hessen) number **HRA 4107**

ANNEX H.30 to H.34: Oberrheinische Kliniken GmbH & Co. Betriebs KG, a limited partnership (KG) organized under the laws of Germany having its business address at Hofstraße 14 - 16, 79189 Bad Krozingen entered in the Trade and Companies Register kept at the local court of Freiburg i.Br. number **HRA 310419**

ANNEX H.13: NRZ Magdeburg Median Kliniken GmbH & Co., a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin entered in the Trade and Companies Register kept at the local court of Charlottenburg number **HRA 29611 B**

- each in relation to the Individual Leased Object let by it a “Subtenant” and collectively with all other Subtenants the “**Subtenants**”-

- The number allocated to each of the Landlords under 1. above, is identical to the number of the Individual Leased Property held by such entity, as indicated in **ANNEX 1.1.** respectively -with regard to 13) NRZ Gruppe S.à r.l. - in **ANNEX RB**
- The number allocated to each of the Primary Subtenants under 3. above, indicates the number of the Individual Leased Objects to which such Primary Subtenant is a Primary Subtenant.
- The number allocated to each of the Subtenants under 4. above, indicates the number of the Individual Leased Property sublet to such Subtenant.

IT IS AGREED AS FOLLOWS:

RECITALS

- (A) This Master Lease Agreement (the “**Lease Agreement**”) is part of a transaction in which, inter alia,
- (i) as a first step (“**Step 1**”) Remedco GmbH & Co. KG (the “**Parent**”) acquired 94.9% of the shares in Median Kliniken S.à r.l. and MPT JV GmbH & Co. KG acquired 5.1% of the shares in Median Kliniken S.à r.l. from Median Gruppe S. à r.l. and Cubist Health Management GmbH & Co. KG and
 - (ii) upon closing of Step 1 – which took place on 15 December 2014 – as a further step (“**Step 2**”) a sale-and-lease-back transaction relating to the clinic properties listed in **ANNEX 00** to the Framework Deed and used and operated by the Subtenants is to be carried out. To such end, the Parent established the Tenant. Furthermore, a framework deed to which this Lease Agreement is an Annex (the “**Framework Deed**”) was notarized. Under such Framework Deed each of the Landlords (except for Landlord 13) NRZ Gruppe S.à r.l.) has entered into property purchase agreements with the respective sellers relating to each of the clinic properties contained in **ANNEX 1.1** to this Lease Agreement (notarized as Annex A.01 through A. 38 to the Framework Deed) (the “**Property Purchase Agreements**” or each a “**Property Purchase Agreement**”; for the avoidance of doubt ANNEXES A.13 to A.18, A.21 and A.22 have not been attached to this deed and are not part of the transaction). Furthermore, under such Framework Deed under **ANNEX B 13** a share purchase agreement (the “**Share Purchase Agreement**”) was agreed under which Landlord 13) NRZ Gruppe S.à r.l. who owns the clinic property *no.13* MEDIAN Klinik NRZ Magdeburg described in ANNEX RB, was indirectly acquired by an entity affiliated with the other Landlords. In addition, in such Framework Deed this Lease Agreement was agreed by the Landlords with the Tenant (notarized in Annex C to the Framework Deed) and an agreement with the respective sellers and Landlord 13) NRZ Gruppe S. à r.l. on the creation of tenant easements (notarized in Annex D to the Framework Deed) was concluded.
- IKB and SEB (IKB and SEB and any lender from time to time under the facilities agreement the “**LBO Banks**”) provided financing in connection with Step 1 under a facility agreement dated on or around 14/15 October 2014 and attached hereto as **ANNEX 4.4 ii** (such facility agreement, as amended, supplemented, extended or novated from time to time to the extent it provides funding of ‘Senior Liabilities’ as defined in that certain inter-creditor agreement between MPT RHM TRS S.À R.L. and the LBO Banks dated on or around the date of signing of the SPA, the “**LBO Facility**”).
- (B) Background of the transaction outlined in Recital A (the “**Transaction**”), in particular Step 2 thereof, is the co-operation of RHM Klinik- und Altenheimbetriebe GmbH & Co

KG (“**RHM**”), a company in the group of enterprises of Tenant and MPT Operating Partnership, L.P. (“**MPT**”) or companies affiliated to MPT in the sale and lease back transaction which was notarized in a framework deed signed on 13 September 2013 (Deed-no (*UR-Nr.*) 1676/2013 Br of the notary Dr. Florian Braunfels, Düsseldorf (the “**Rhine Framework Deed**”, the transaction notarized in the Framework Deed Rhine and the annexes thereto is referred to as “**Project Rhine**”) whereby RHM sold to entities affiliated to MPT seven clinic properties which these entities affiliated to MPT with effect as of closing of the property purchase agreement (notarized as **ANNEX A** to the Framework Deed Rhine) let to RHM under a master lease agreement (notarized in **ANNEX B** to the Framework Deed Rhine, this master lease agreement is referred to as “**Rhine Master Lease**”). Based on the experience in Project Rhine (to which already an add-on transaction which included a sale and lease transaction adding three additional clinics to the lease agreement which formed part of Project Rhine was signed on 18 September 2014 (Deed-no (*UR-Nr.*) 2040/2014 Br of the notary Dr. Florian Braunfels, Düsseldorf) and closed prior to signing this Lease Agreement which turned out to be very beneficial to the parties, Waterland Private Equity Fund V C.V. (“**Waterland**”) proposed (i) to work together to conclude additional sale and lease back transactions and (ii) that such further sale and lease back transactions should – as far as possible – be identical to the transaction documents introduced by RHM in Project Rhine.

- (C) Consequently, Waterland approached MPT and proposed to – inter alia – enter into the transaction described in Step 2 of Recital A, this Lease Agreement forms part of, based on transaction documents which are – as far as possible – identical to those used in Project Rhine and, in particular, to base the calculation of the purchase price and the rent of this sale and lease back transaction on these documents, in particular on the Rhine Master Lease and the triple net concept contained therein and the flexibility given therein for the tenant regarding subletting and the use of the properties and for the Landlord to dispose of Individual Leased Objects (as defined in Section 1.1).
- (D) By way of the Property Purchase Agreements, the Landlord (except for Landlord 13) NRZ Gruppe S.à r.l.) has purchased real property as defined in **ANNEX 1.1**. The Landlord will in accordance with and subject to the conditions set forth in the Property Purchase Agreements become the owner of the respective real property. Landlord 13) NRZ Gruppe S.à r.l. already owns the real property *no.13 MEDIAN Klinik NRZ Magdeburg* as defined in **ANNEX RB**.
- (E) By way of this Lease Agreement, the Tenant intends to lease back such real property. The Tenant furthermore intends to sublease such real property to the Primary Subtenants as

listed as primary subtenants in **ANNEX 1.1**, respectively **ANNEX RB**, to this Lease Agreement who in return will further sub-lease such properties to the the Subtenants as listed as Subtenant in **ANNEX 1.1**, respectively **ANNEX RB**. The Tenant, the Primary Subtenants and the Subtenants are Affiliates (*verbundene Unternehmen*) within the meaning of Sections 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz – AktG*) (an “**Affiliate**” or “**Affiliates**”). Each of the Primary Subtenants has undertaken towards the respective Landlord with respect to the real properties leased to them a guarantee regarding the fulfillment of all obligations of the Tenant under this Lease Agreement relating to the relevant Individual Leased Objects.

(F) The Parties agree that this Lease Agreement shall enter into effect only with respect to such real property for which the Landlord has paid the purchase price in accordance with the Property Purchase Agreement.

1. LEASED PROPERTY

1.1 Each Landlord leases to the Tenant the individual real properties as listed in **ANNEX 1.1** to this Lease Agreement with respect to which the purchase price has been paid in accordance with the Property Purchase Agreement (the “**Individual Leased Objects**”, the Individual Leased Objects jointly the “**Leased Property**”). Landlord 13) NRZ Gruppe S.à r.l. leases to the Tenant the individual real properties as listed in **ANNEX RB** (Individual Leased Object *no.13 MEDIAN Klinik NRZ Magdeburg*) to this Lease Agreement subject to the Share Purchase Agreement having been closed pursuant to Section 3 of the Share Purchase Agreement as evidenced by the Closing Memorandum.

1.2 The Leased Property includes all buildings erected thereon as well as all essential constituents (*wesentliche Bestandteile*). However, it does not include business fixtures (*Betriebsvorrichtungen*) within the meaning of Sec. 68 para. 2 sent. 1 no. 2 of the German Valuation Act (*Bewertungsgesetz*). It does also not include any appurtenances (*Zubehör*) or any other movable items brought in temporarily by the former user(s) of the Leased Property and such fixed fixtures and fittings which qualify as non-integral parts (*Scheinbestandteile*) of the Leased Property within the meaning of Sec. 95 German Civil Code (*Bürgerliches Gesetzbuch – the “Civil Code”*).

1.3 The Parties agree that all fixed fixtures and fittings installed by the Tenant after the Commencement of the Lease have been or will be attached to the Leased Property for

temporary purposes only (Section 95 (2) Civil Code). In the event that these fixtures and fittings qualify as essential constituents (*wesentliche Bestandteile*) of the Leased Property contrary to the Parties' assumption, the Tenant shall remain their owner to the exclusion of the applicability of Section 946 of the Civil Code, or shall remain entitled to remove the fixtures and fittings; as a precautionary measure, the Tenant and the Landlord declare that they agree that the ownership of such fixtures and fittings shall pass to the Tenant upon disassembly without any compensation.

1.4 The Parties furthermore agree that the leases established hereunder shall also include the right of the Tenant to use or let use by third parties such further facilities, in particular parking facilities, the use of which has been granted to the respective Landlord under easements (*Dienstbarkeiten*) by third parties with respect to or in favor of the Leased Property. The Landlord shall in particular not waive any such easements without the consent of the Tenant.

2. PURPOSE OF THE LEASE

2.1 The Leased Property shall be used for the purpose of operating clinics (including acute clinics), nursing homes, medical care center, outpatient nursing, rehabilitation services and related businesses at operational standards which, subject to the other provisions of this Lease Agreement, compare at least to the operational standards applied at the date of this Lease Agreement (the "**Purpose of the Lease**"). The Tenant shall have the right to change the actual use of any Individual Leased Object within the Purpose of the Lease, including changing the medical indication(s) for which the Individual Leased Object is used. The Tenant shall further have the right to change the standard of operation applied to an actual use within the Purpose of the Lease; however, where the standard of operation is reduced, this shall only apply if and to the extent such reduction of operational standards is necessary or commercially advisable in relation to a medical indication which the Individual Leased Object is or will be used for.

The Purpose of the Lease shall include complementary and ancillary facilities appropriate or conducive to the Purpose of the Lease, including complementary service businesses such as restaurants, shops, therapy departments, laundry services, etc. Any use of the Leased Property for a purpose not included in the Purpose of the Lease shall be subject to the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed if the future use is for health care purposes in a wide sense.

Once such consent is granted, the Parties will, if necessary, amend the relevant Tenant Easement to reflect the extended use and the Landlord will cause and maintain for the remaining Lease Term, a corresponding amendment of the registration of the Tenant Easement to reflecting the extended use. Any costs of such amendment registration shall be borne by the Tenant.

- 2.2 The Tenant acknowledges that with respect to the following Individual Leased Objects the use is only permitted to the degree it is in line (i) with respect to the Individual Leased Object *no. 35 MEDIAN Klinik Grünheide, no. 38 MEDIAN Klinik Berlin-Kladow and no. 37 MEDIAN Gesundheitspark Bad Gottleuba* the requirements of the agreements (as amended) granting hereditary building rights as defined in Section 7.3 of the respective Property Purchase Agreement (the “**HBR-Agreements**” and each of them an “**HBR-Agreement**”), (ii) with respect to the Individual Leased Objects *no. 01 MEDIAN Klinik Heiligendamm, no. 02 MEDIAN Klinik Wismar, no. 32 MEDIAN Klinik Bad Dürreim, no. 23 Orthopädische Klinik Braunfels, no. 28 MEDIAN Reha Zentrum Schlangenbad* the requirements of the property purchase agreements referred to in Section 7.2 of the respective Property Purchase Agreements (these property purchase agreements referred to is hereinafter referred to as “**Former Property Purchase Agreements**” and each of them a “**Former Property Purchase Agreement**”) and (iii) with respect to the Individual Leased Objects *no. 37 MEDIAN Gesundheitspark Bad Gottleuba, no. 13 MEDIAN Klinik NRZ Magdeburg, no. 35 MEDIAN Klinik Grünheide and no. 36 MEDIAN Reha-Zentrum Gyhum and no. 38 MEDIAN Klinik Berlin-Kladow* with the obligations and acts secured by the land charges contained in **ANNEX 19.1.** and (iv) with the further obligations referred to in Section 19 second paragraph.
- 2.3 The Landlord assumes no liability for the present or future condition or suitability of the Leased Property for the Purpose of the Lease. The risk that suitability may be limited as a result of any current or future regulatory requirements shall be borne by the Tenant and the Tenant shall not be released from its obligation to pay rent, unless the Landlord has withheld, in violation of this Lease Agreement, a consent necessary for the Tenant to comply with future regulatory requirements. The Landlord shall be obliged to assist the Tenant – at the Tenant’s sole cost and expense – to the degree necessary in order to enable the Tenant to comply with any current or future regulatory requirements.
- 2.4 The Tenant confirms – to its best knowledge – that – unless provided otherwise in **ANNEX 2.4** with respect to a Leased Object – it (or, as the case may be, the relevant Primary Subtenant and the relevant Subtenant) is in possession of all material regulatory permits (*öffentlich-rechtliche Erlaubnisse*) required for the operation of each Individual

Leased Object (the “**Required Permits**”) and is in compliance with all such Required Permits and with the relevant laws and regulations regarding the Leased Property and the operation thereof, in particular health care laws, in all material respects. If the Tenant becomes aware of a Required Permit - other than those referred to in **ANNEX 2.4** - not being in place or complied with it will immediately notify the Landlord to the Individual Leased Object concerned and provide the Landlord with a step plan to remedy within 6 months from becoming aware.

Throughout the term of the Lease Agreement, the Tenant shall be obliged to obtain, and shall procure that the relevant Primary Subtenant and the relevant Subtenant, obtains any Required Permits (other than those disclosed as missing or being incomplete in **ANNEX 2.4**) necessary for the then actual or contemplated use of the Individual Leased Object and the Tenant shall be obliged to comply and shall procure that the relevant Primary Subtenant and the relevant Subtenant complies with the relevant laws and regulations regarding the Leased Property and the operation thereof, in particular health care laws, in all material respects.

2.5

All fixings, installations, systems and equipment necessary for the operation of Tenant’s business under the Purpose of the Lease, including, but not limited to name and company plates, illuminated lettering, company signs and signage, flagpoles, pictures, external antennae, plant and machinery housing, may be transported to, fixed on, installed in and operated on the Leased Property by the Tenant or by third parties acting on behalf of the Tenant. The issuance of any necessary administrative (*behördlich*) permits, consents or approvals and payment of all fees associated therewith shall be the sole responsibility of the Tenant. The Landlord shall be obliged to assist the Tenant – at the Tenant’s sole cost and expense – to the degree necessary in order to enable the Tenant to obtain such administrative (*behördlich*) permits, consents or approvals.

The Tenant shall or shall procure that the relevant Primary Subtenant and the relevant Subtenants will operate the Individual Leased Objects in compliance with the Purpose of the Lease throughout the Lease Term, unless the Landlord consents to not operating the Individual Leased Objects. The consent may not be unreasonably withheld or delayed by the Landlord.

Provided that, in relation to the Individual Leased Objects referred to in Section 2.2 the following does not constitute a breach of the of the obligations and acts referred to under Section 2.2 and easements existing or agreed upon or to be agreed upon by the parties to Property Purchase Agreements under the Property Purchases Agreements, no such consent by the Landlord is required and the Tenant is not in breach of its obligation pursuant to sentence 1 if:

- i. and as long as the Tenant (or the relevant Primary Subtenant or, as the case may be, Subtenant) is prohibited from operating an Individual Leased Object in whole or in part due to restrictions and limitations imposed on it by public authorities or is otherwise legally or factually prohibited to operate an Individual Leased Object, in particular in case of destruction of the relevant Individual Leased Object, in each case where it is not in the Tenant's (or relevant Primary Subtenant's or as the case may be Subtenant's) control to prevent the obstacle and where such obstacle was not caused by a conduct of the Tenant which constitutes a breach of any of its obligations under this Lease Agreement, or
- ii. the Tenant (or the relevant Primary Subtenant or, as the case may be, Subtenant) cannot reasonably operate the Individual Leased Object (or a part thereof) other than at a financial loss (taking into account possible changes in the use, including (without limitation) different medical indications, but in each case within the Purpose of the Lease), or
- iii. the non-operation does not exceed the time period required in order to perform major refurbishment work or to change the use of the Individual Leased Object (or a part thereof) within the Purpose of the Lease (including any alterations to the building structure) in accordance with Section 2.1 and in any case the non-operation shall not exceed 24 months, or
- iv. the non-operation only relates to ancillary parts of the Individual Leased Objects which in the reasonable opinion of the Tenant are not required for the then current or contemplated use (in each case in compliance with Section 2.1) where such parts can be reactivated for use in the future.

For the avoidance of doubt, the Tenant shall not be obliged to operate (or procure that the Primary Subtenant respectively the Subtenants operate) technical building facilities of an Individual Leased Object, provided (i) such technical building facilities are not required for the actual use of the Individual Leased Object, (ii) such technical building facilities are not serving security purposes, and (iii) the operation of such technical building facilities is not required under public laws or permits (*Erlaubnissen*). The Parties clarify that this does not affect Tenant's maintenance, repair and modernisation obligations regarding these technical building facilities, to which Section 12.4 applies.

Furthermore, for the avoidance of doubt, the Tenant shall not be obliged to operate (or procure that the Primary Subtenant, respectively the Subtenants, operate) building facilities of an Individual Leased Object, which at the time this Agreement is notarized are not being operated and such non-operation does not conflict with the obligations and acts referred to in Section 2.2, Required Permits or relevant laws and regulations, in particular, health care laws. Furthermore, the Parties agree that with respect to such building facilities the Tenant shall not be subject to a maintenance, repair and modernization obligation. His obligation to comply with applicable legal provisions and, in particular, to provide for safety with regard to such buildings, however, shall not be affected.

3. COMMENCEMENT OF THE LEASE, LEASE TERM

- 3.1 The lease shall commence for any Individual Leased Object upon its transfer of possession to the Landlord in accordance with the respective Property Purchase Agreement, except for the lease by the Landlord 13) NRZ Gruppe S.à r.l. of the individual real property listed in **ANNEX RB** (Individual Leased Object no. 13 *MEDIAN Klinik NRZ Magdeburg*) which shall commence upon the Share Purchase Agreement having been closed pursuant to Section 3 the Share Purchase Agreement as evidenced by the Closing Memorandum (the “**Commencement of the Lease**”; the year calculated from the Commencement of the Lease as well as each consecutive year, a “**Lease Year**”). The Tenant is already in possession of the Leased Property which possession is mediated by the respective Primary Subtenant and Subtenant, respectively, so that no handover is required.
- 3.2 The term of the Lease Agreement is from the respective Commencement of the Lease until 27 years as from the Commencement of the Lease relating to that Individual Leased Object for which the Commencement of the Lease has occurred last (the “**Lease Term**”). This Lease Agreement is entered into for this fixed period of time and may not be terminated upon notice without cause during the Lease Term.
- 3.3 Each Party shall have the right to request that as soon as the Commencement of the Lease for any Individual Leased Object has occurred the Parties enter into a written amendment to the Lease Agreement documenting the Individual Leased Objects for which the lease has commenced and the exact date of the Commencement of the Lease. Each Party shall furthermore have the right to request that the Parties enter into a written amendment to the Lease Agreement documenting the Lease Term, in particular the calendar day on which the Lease Term terminates.

If so requested, each Party shall be obliged to cooperate in any such process and to execute the respective written amendment without undue delay.

4. TERMINATION RIGHTS, COVENANTS

4.1 The Parties shall have the right to terminate this Lease Agreement for cause (*aus wichtigem Grund*) without observing a notice period. The Tenant understands and accepts that given the nature of this Lease Agreement and the limited obligations of the Landlord, any circumstances such as impairment of the rightful Purpose of the Lease, discovery of hidden defects or partial or complete destruction of the Leased Property do not give the Tenant the right to terminate this Lease Agreement for cause. The Landlord understands and accepts that given the long-term nature of this Lease Agreement, the interest of the Tenant and the comprehensive termination rights set forth in Sections 4.2 and 4.3 below, any circumstances which are not at least as significantly adverse to the interest of the Landlord as those described in Sections 4.2 and 4.3 below, do not give the Landlord the right to terminate this Lease Agreement (in its entirety or with respect to one or more Individual Leased Objects) for cause (*aus wichtigem Grund*) under statutory law.

4.2 The Landlord may terminate this Lease Agreement with respect to an Individual Leased Object for cause (*aus wichtigem Grund*) pursuant to Section 4.1 if:

- i. the Tenant is
 - a. in arrears with two (2) Individual Rent payments in whole or in part for the relevant Individual Leased Object, or
 - b. in arrears with a total amount past due which is equal to or greater than two (2) monthly Individual Rent payments for the relevant Individual Leased Object, or
 - c. in arrears with all or parts of a monthly Individual Rent payment which have been past due for longer than two (2) months,

in each case provided that the Landlord has given written notice to the Tenant thereof and of its intention to terminate and further provided that the relevant payment obligation is not fulfilled within three (3) bank working days of receipt of such notice by the Tenant. The termination right shall not apply if and to the extent the relevant payment obligation which is the subject of any of the paragraphs a. to c. above relates to the amount of a rent adjustment pursuant to Section 7 the calculation of which is disputed in good faith by the Tenant (the Parties clarify that this shall not apply to the entire adjustment amount but only to the amount disputed in good faith);

- ii. the Tenant abandons the relevant Individual Leased Object or uses the Individual Leased Object, without the prior written consent of the Landlord, for purposes other than those included in the Purpose of the Lease;
- iii. the Tenant is in breach of its obligation to operate the Individual Leased Object pursuant to Section 2.6;
- iv. the Tenant is unable to use the relevant Individual Leased Object for the Purpose of the Lease due to non-fulfillment of any regulatory requirements relating to that Individual Leased Object, unless the Tenant is diligently pursuing a solution;
- v. insolvency proceedings have been opened in respect of the Tenant or the opening of insolvency proceedings on the Tenant has been rejected for insufficiency of assets;
- vi. the Tenant is in material breach of any of its material obligations under this Lease Agreement relating to the relevant Individual Leased Object (other than those obligations under Section 2.4 for which Section 4.2 vii. shall apply) and the Landlord has notified the Tenant of the breach and of its intention to terminate in a written notice providing for at least thirty (30) business days (as from receipt by the Tenant) to cure the breach of the Tenant, unless, with respect to breaches that cannot be cured with the payment of money, such breach is cured within a period of ninety (90) days after aforementioned notification by the Landlord, or, if such breach is not susceptible to remedy within ninety (90) days, such longer period as may be required (not to exceed hundred-and-twenty (120) days) with the exercise of reasonable diligence provided that the Tenant is in fact pursuing such cure with such diligence; or
- vii. the Tenant is in material breach of its obligations under Section 2.4, provided that (i) such breach will reasonably be expected to lead to a breach of Sections 4.4 through 4.6, and (ii) the notification and curing mechanism as set forth in Section 4.2 vi. (which shall apply *mutatis mutandis*) has been complied with.

- 4.3 The Landlord may terminate this Lease Agreement in its entirety for cause (*aus wichtigem Grund*) pursuant to Section 4.1 if:
- i. the Tenant has been in arrears with all or parts of a monthly Rent for two (2) consecutive months provided that the Landlord has given written notice to the Tenant thereof and of its intention to terminate this Lease Agreement and the relevant payment obligation is not fulfilled within three (3) business days of receipt of such notice by the Tenant and unless the relevant payment obligation relates to a rent adjustment pursuant to Section 7 the calculation of which is disputed in good faith by the Tenant; or
 - ii. the Tenant is in un-remedied and un-waived breach of its obligations which entitle the Landlord to terminate the Lease Agreement with respect to 4 Leased Objects or with respect to such number of Individual Leased Objects which at least represent 20 % of the Rent. The parties clarify that this is also the case if the Lease Agreement has already been terminated under this Section 4 with respect to Individual Leased Objects and the threshold in the preceding sentence is met if these Individual Leased Objects are taken into account. The Landlords agree that the above threshold shall be increased accordingly if additional properties become part of this Agreement.

4.4 The Tenant undertakes

- i. to maintain, on each financial quarter year end a consolidated EBITDAR to EDITDAR Rent (the terms EBITDAR and EDITDAR Rent shall have the meaning assigned to these terms in **ANNEX 4.4 i.** to this Lease Agreement) cover ratio of at least 1.25:1, calculated by reference to the last 12 months ending on such financial quarter year end and to certify compliance with such requirement on a quarterly basis in a compliance certificate to be submitted to the Landlord not more than forty-five (45) days following the relevant financial quarter year end. In case an Individual Leased Object is destroyed or damaged by an insured risk, the Tenant shall be entitled to apply any insurance monies received or receivable for the relevant period in respect of business interruption or loss of rent towards earnings for calculating EBITDAR (which shall not be considered Exceptional Items in the meaning of the definition of EBIT as contained in **ANNEX 4.4 i.** to this Lease Agreement). For the time through 30 September 2015 the cover ratio provided for in the first sentence of this Section 4.4. i shall be reduced to 1.15:1;

- ii. to refrain from paying out any dividend or any management fee to Affiliates of Tenant if and as long as the Tenant is in default with Section 4.2 i. and/or Section 4.3 i. and/or its obligation to comply with Section 4.4 i. The Parties clarify that this does not restrict Tenant's right to make distributions to Affiliates of the Tenant if such distributions are made to enable any Affiliate to satisfy its payment obligations under the LBO Facility; and
 - iii. to provide the Landlord with such information relating to the calculation of EDITDAR and/or the compliance certificate to be submitted to the Landlord as the Landlord may reasonably request in connection with its review of EDITDAR and/or the compliance certificate as aforesaid, including (if the Landlord so requires) certification by an independent accountant appointed for such purposes by the Landlord and at the sole cost of the Landlord. Section 7.3 shall remain unaffected.
- 4.5 If the consolidated EBITDAR to EDITDAR Rent cover ratio of the Tenant or the Group (as defined in **ANNEX 4.4 i.** to which it applies, from time to time) set out in Section 4.4 i. and evidenced in the relevant compliance certificates falls below 1.25:1 for two (2) consecutive quarters, the Landlord has the right to request in writing that the Tenant provides, within twenty (20) calendar days from the Tenant's receipt of such request, a first demand bank surety (*Bankbürgschaft auf erstes Anfordern*) on customary terms issued by a reputable and licensed German or European bank, savings bank or co-operative bank in an amount of two (2) quarters' Rent payable at the time of the notice received. If the Tenant does not provide such bank guarantee in due time, the Landlord shall have the right to terminate this Lease Agreement in its entirety.
- 4.6 If the consolidated EBITDAR to EDITDAR Rent cover ratio set out in Section 4.4 i. and evidenced in the relevant compliance certificates falls below 1.0:1 for two (2) consecutive quarters or for two (2) quarters in any period of four (4) consecutive quarters, the Landlord has the right to terminate this Lease Agreement in its entirety, provided that the Landlord
- i. shall have notified the Tenant of its intention to terminate the Lease Agreement in its entirety based on breach of this Section 4.6; and
 - ii. shall have granted the Tenant a grace period of thirty (30) calendar days from such notice to allow for a cure in accordance with this Section 4.6 without such cure having occurred during that grace period.

If the Tenant receives new equity (whether in the form of an increase of the partnership contributions (*Einlagen*) or as a contribution into the capital reserves (*Kapitalrücklage*)) or shareholder loans which are contractually subordinated to the claims of the Landlord (collectively, “**Additional Equity**”) within thirty (30) calendar days after the relevant written notice in accordance with this Section 4.6 have been served by the Landlord (the aggregate amount of the Additional Equity, the “**Cure Amount**”), then the consolidated EBITDAR to EBITDAR Rent cover ratio shall be recalculated for the financial quarter year end at which the EBITDAR to EDITDAR Rent cover ratio was missed (and for the subsequent three financial quarter year ends) giving effect to a pro forma increase of EBITDAR by an amount equal to the Cure Amount.

- 4.7 In order to prevent the consolidated EBITDAR to EBITDAR Rent cover ratio set out in Section 4.6 to be missed at a financial quarter year end, the Tenant may also receive Additional Equity prior to such financial quarter year end, in which case the consolidated EBITDAR to EBITDAR Rent cover ratio shall be calculated for that financial quarter year end (and for the subsequent three financial quarter year ends) giving effect to a pro forma increase of EBITDAR by an amount equal to the Cure Amount.
- 4.8 Cure Amounts under Sections 4.6 may not be provided more often than ten times during the term of the Lease Agreement.
- 4.9 For the avoidance of any doubt, Cure Amounts may not be provided in lieu of or in addition to providing a first demand bank guarantee where required pursuant to Section 4.5.
- 4.10 If the consolidated EBITDAR to EDITDAR Rent cover ratio equals to or exceeds 1.25:1 for two consecutive quarters, the Tenant may require the Landlord to release and return any first demand bank guarantee provided by the Tenant previously pursuant to Section 4.5.
- 4.11 In case of a termination under Sections 4.2, 4.3, 4.5 and 4.6, the Tenant shall have the right (but not the duty) to re-acquire the Leased Property (in case of a termination of the entire Lease Agreement) or the relevant Individual Leased Object (in case of termination of the Lease Agreement with respect to such Individual Leased Object). If the Tenant

exercises its right to re-acquire, the Parties shall enter into a property sale and purchase agreement within forty-five (45) days of termination as aforesaid which will not contain any representations or warranties and by which the Leased Property, or the relevant Individual Leased Object, as the case may be, is sold for a purchase price in cash which is the greater of (i) the relevant purchase price under the Property Purchase Agreement paid by the Landlord for the Leased Property or the relevant Individual Leased Object, as the case may be or (ii) the fair market value of the Leased Property, or the relevant Individual Leased Object, as the case may be.

4.12 In case of a termination right under Section 4.2 which relates to the Individual Leased Object *no. 24 MEDIAN Hohenfeld Kliniken für Psychosomatik und Orthopädie* and/or *no. 37 MEDIAN Gesundheitspark Bad Gottleuba*, prior to exercising such termination right the Parties will negotiate in good faith, taking into account the interests of the relevant Parties concerned, to which extent the termination can reasonably be limited to those parts of the Individual Leased Object to which the non-compliance justifying the termination relates to the degree those parts can functionally be considered to be or to become a separate clinic. In that context, the Parties will give due regard to the technical and/or commercial severability of such parts of the Individual Leased Object.

4.13 Any notice of termination shall be invalid unless effected in writing.

5. RENT

5.1 The monthly rent for the Leased Property (the “**Rent**”) is the aggregate amount of all monthly rents for the Individual Leased Objects (the “**Individual Rents**”). The Individual Rents are set out in **ANNEX 1.1** and **ANNEX RB** to this Lease Agreement.

5.2 The Rent shall be payable in advance on a monthly basis, no later than on the third (3rd) business day of each month (the “**Due Date**”), to an account to be specified by the Landlord. If the Tenant is in default with the payment of the Rent for at least five business days, the Tenant shall owe default interest at a rate of 500 basis points above the legal base interest rate (as defined in Section 247 of the Civil Code). The Landlord will issue invoices which comply with all requirements as set forth in sec. 14 and 14a German VAT Act. This Lease Agreement shall not be considered an invoice.

5.3 Intentionally left blank

- 5.4 Any payment referred to in this Lease Agreement shall be made in the lawful currency of the Federal Republic of Germany from time to time. If applicable, amounts payable under this Lease Agreement shall be converted at the official exchange rate published by the German authorities.
- 5.5 Subject to Section 5.6 below, the right of the Tenant to reduce or withhold the rent for any reason, including a reduction pursuant to Section 536 of the Civil Code or non-payment pursuant to Section 326 of the Civil Code, is excluded unless such claim is uncontested (*unbestritten*) or has become *res judicata* (*rechtskräftig*). The sole remedy of the Tenant for any breach of the obligations of the Landlord under this Lease Agreement – which requires a willful or gross negligent conduct of the Landlord - shall be a claim for monetary damages. For the avoidance of doubt, the Landlord shall be under no obligation to ensure that the Purpose of the Lease is not impaired due to any circumstances beyond its control (e.g., access is restricted as a result of traffic detours, blocked streets or construction sites). However, the Landlord shall assist the Tenant to the degree necessary to exercise any owner’s rights accruing as a result of any such impairments at Tenant’s sole cost and expense. The Tenant shall be entitled to any and all damages collected as a result of such impairments.
- 5.6 Only in the event of a destruction of an Individual Leased Object by gross negligence or willful misconduct of the Landlord which makes all or part of the Individual Leased Object unusable for the Purpose of the Lease, the Tenant shall be released from its obligation to pay rent for such Individual Leased Object or parts thereof for the period that it is unusable for the Purpose of the Lease (the “**Release**”). If, in this case, the Individual Leased Object or a significant part thereof is still unusable thirty-six (36) months after the destruction, either Party may terminate this Lease Agreement with respect to the Individual Leased Object; provided, however, that the thirty-six (36) months period shall be extended by another six (6) months if in the reasonable opinion of the Landlord and the Tenant, or, in case of disagreement, of a publicly appointed and certified expert who shall upon application of either Party be designated by the president (chairperson) or a deputy of the Chamber of Industry and Commerce in the district in which the Individual Leased Object is located, at the end of the thirty-six (36) months period the reconstruction has substantially commenced and is likely to make the Individual Leased Object usable within the next six (6) months. The expert shall render its opinion within two (2) weeks after its appointment. The decision by the expert shall be final and binding for both Parties and any resort to a court of law is hereby excluded. The expert shall also allocate the costs of his services among the Parties by analogous application of Sections 91 et seq. of the German Code of Civil Procedure (*ZPO*).

In case that the destruction has been caused by willful misconduct or negligence of the Landlord, the right to cease payment of rent and the right to terminate in accordance with this Section 5.6 shall be the exclusive remedy of the Tenant for any destruction of all or parts of an Individual Leased Object. Any other claims, including claims for damage, are expressly excluded. For the avoidance of doubt, also in case of destruction not caused by willful misconduct or negligence of the Landlord the obligation of the Tenant to pay rent is not affected by the destruction. The obligations set forth in Section 17 remain unaffected by a termination of this Lease Agreement pursuant to this Section 5.6.

6. ANCILLARY COSTS

6.1 In addition to the Rent, the Tenant shall bear the following ancillary costs in relation to each of the Individual Leased Objects (collectively, the “Ancillary Costs”):

- i. all operating costs listed in Section 2 of the German Regulation on Operating Costs (*Betriebskostenverordnung*) as amended from time to time; as well as
- ii. all other present or future operating costs outside the scope of the German Regulation on Operating Costs and other incidental costs of the Individual Leased Objects,
including, but not limited to:
 - a. all costs of cleaning exterior windows and the building façade, including the costs of cleaning outside shutters, blinds, and other sun and weather protection equipment (to the extent installed);
 - b. all operating, supply, repair and maintenance costs of the façade lift, garage doors and technical access restrictions, ventilation systems, air conditioning system, and the costs of all other technical systems and installations of the building, property or underground garage, if any, not mentioned above or in Section 2 of the German Regulation on Operating Costs, such as fire safety equipment, emergency power system, emergency lighting, doorbell and intercom system, grease collection system, lifting system, dimmer system, malfunction reporting system and other systems;
 - c. all costs of snow and ice removal, and all costs of strewing salt or gravel;

- d. all costs of cleaning the property and building, as well as the costs of cleaning, operating and lighting all common areas, parking spaces, underground garages, including all equipment and supplies required therefore;
- e. all costs of cleaning and maintaining all exterior areas, including all supplies and equipment required therefor, as well as all costs of replacing or supplementing plants, and the costs of cleaning rain gutters;
- f. all costs of custodians or custodian services, and all costs of any other personnel and equipment necessary for operating and providing security services for the building and property;
- g. all costs to maintain right of ways (*Wegerechte*) and to comply with easements entered in the land register or public easements (*Baulasten*) relating to the Individual Leased Object (including those used by the Tenant and to be established under the Provisions of the Property Purchase Agreements, respectively the Framework Agreement.), costs under neighbour agreements, costs for shared facilities, costs to comply with the obligations assumed under the Former Property Purchase Agreements, costs resulting from non-compliance by Tenant and his affiliates with such obligations (in particular penalties, fines, remedies or the like) and similar costs;
- h. relating to Individual Leased Objects no. 35 *MEDIAN Klinik Grünheide*, no. 38 *MEDIAN Klinik Berlin-Kladow* and no. 37 *MEDIAN Gesundheitspark Bad Gottleuba* all rental payments under the HBR-Agreement including the annual interest payment under the HBR-Agreement for *MEDIAN Gesundheitspark Bad Gottleuba*;
- i. all costs to comply with the obligations and acts secured by the land charges listed in **ANNEX 19.1** and all costs, penalties, fines and repayments claims resulting from Tenant or his Affiliates not complying or not having complied in the past with such obligations and acts; and
- j. all fees, taxes and other public charges (*öffentliche Abgaben*), that are incurred in respect of the Individual Leased Objects or will be newly imposed or introduced for the Individual Leased Objects in the future. The Tenant shall also bear public charges relating to redevelopment areas (*Sanierungsgebiete, Stadterneuerungsgebiete, Stadtumbaugebiete, Umlegungsgebiete*). If however

such charges result from measures which result in a major improvement and a major long term increase of the value of the Individual Leased Object the Parties shall agree in good faith on a diverging allocation of such charges in light of the benefits resulting from the relevant measures for the Landlord.

- 6.2 To the extent possible, the Tenant shall enter into all necessary contracts with the relevant (public utility) companies and shall settle the corresponding Ancillary Costs with the respective service providers directly in its own name. The Tenant shall inform the Landlord in due time when the contract entered into between the Tenant and the relevant (public utility) company ends and the Landlord needs to enter into the contract required for the operation of the relevant Individual Leased Object.
- 6.3 In the event that direct settlement pursuant to Section 6.2 is not possible, the Parties agree on the following: The Tenant is obliged to make adequate monthly advance payments on the Ancillary Costs. The Landlord is obliged to prepare in each calendar year a statement of Ancillary Costs (the “**Ancillary Costs Statement**”) actually incurred in the previous year and to deliver to the Tenant a detailed calculation, together with supporting invoices and all other relevant documentation necessary to verify the calculation, within nine (9) months following expiry of the accounting period. If the Ancillary Costs Statement shows deviations between the monthly advance payments made by the Tenant and the Ancillary Costs paid by the Landlord, the Landlord may reasonably adjust the monthly advance payments by way of a written adjustment notification to the Tenant (the “**Ancillary Costs Adjustment Notification**”) and the Tenant may request such adjustment and the corresponding Ancillary Costs Adjustment Notification from the Landlord. In such case, the adjusted advance payments shall be payable as of the month following the receipt of the Ancillary Costs Adjustment Notification. Also with respect to such payments the Landlord will issue invoices which comply with all requirements as set forth in sec. 14 and 14a German VAT Act.
- 6.4 Certain Subtenants are operating and will continue to operate on the respective Individual Leased Object heat and/or power plants or combined heat and power plants (*Kraft-Wärme-Kopplungsanlagen*). The respective agreements on the operations of such facilities will not be affected by this Agreement. The Landlord shall not impede the respective Subtenant’s access to such facility in order to enable proper operations of such facilities. All costs relating to such facilities as well as all costs resulting from an early termination of agreements relating to such facilities shall continue to be borne by the respective party to such agreements. The Tenant shall ensure that they are not borne by the Landlord.

7. RENT ADJUSTMENT; FINANCIAL REPORTING

7.1 As of 1 January 2016 and, thereafter, at the end of each calendar year (the term from the beginning until the end of such calendar year, the “**Lease Review Period**”), each of the Individual Rents shall automatically be increased for the future by the higher of 1.0% of the rent or 70% of the percentage by which the consumer price index (*Verbraucherpreisindex*) for Germany determined by the Federal Statistical Office (*Statistisches Bundesamt*) (the “**CPI**”) has changed compared to its level at the beginning of the relevant Lease Review Period (the “**Yearly Rent Adjustment**”).

The first Lease Review Period shall run as of the end of the month in which the lease for a respective Individual Leased Object commenced under this Agreement until 31 December 2015. For such period the increase shall be calculated on a pro rata temporis basis, respectively the CPI development in such period (e.g. if the lease commences in June, the increase shall be the higher of 0.5*1% or 70% of the percentage by which the CPI increased between 1. July 2015 and 31. December 2015).

ANNEX 7.1 to this Lease Agreement contains samples showing how the Yearly Rent Adjustment is to be calculated.

7.1.1 The Parties assume that the price clause agreed in Section 7.1 is permissible within the meaning of the provisions of the German Price Clause Act (*Preisklauselgesetz – “PrKG”*) since an exemption from the prohibition of price clauses pursuant to Section 1 PrKG is applicable. In the event that this is not the case, the Parties shall be obliged to replace the clause by a provision which comes as close as economically possible to the clause agreed.

7.1.2 In the event that the CPI is not determined or published (any longer) by the Federal Statistical Office or it is legally impossible for any other reason to link the Individual Rents to the index, the Parties shall be obliged to replace the clause by a provision which comes as economically close as possible to the clause agreed.

7.2 The Tenant shall be obliged to provide the Landlord with the following financial statements in accordance with Luxembourg GAAP (or IFRS) or, if consolidation only occurs at the level of parent companies of the Tenant, in particular, the Parent, the Primary Subtenants and the Subtenants, of such other country specific GAAP of the relevant parent company and the related consolidating schedules regarding each Individual Leased Object (or, where an Individual Leased Object is operated by more than one Primary Subtenant and/or Subtenant, the consolidating schedules relating to these Primary Subtenants and Subtenants, respectively):

- i. within forty-five (45) calendar days from the end of the first three financial quarters of each financial year, internal consolidated management accounts (balance sheet, income statement and statement of cash flow) for that financial quarter of the Tenant (or, if consolidation only occurs on the level of one of the Tenant’s parent companies, of the relevant parent company);

- ii. within one hundred and twenty (120) calendar days from the end of each financial year, the audited consolidated financial statements (balance sheet, income statement and statement of cashflow) for that financial year of the Tenant (or, if consolidation only occurs on the level of one of the Tenant's parent companies, of the relevant parent company); and
- iii. within fifteen (15) calendar days from the start of each of its financial years, the Tenant's annual budget for that financial year (including estimated amounts for capital expenditures).

The Tenant shall, together with each of the financial statements set out above, provide the Landlord with a calculation of the EBITDAR for each of the Individual Leased Objects (or, where an Individual Leased Objects is operated by more than one Primary Subtenant and or Subtenant, the consolidating schedules relating to these Primary Subtenants and/or Subtenants, respectively). In case of (ii) above, the EBITDAR calculation shall be certified by an independent auditor (rèviseur d'entreprise agree) appointed by the Tenant (or if consolidation only occurs on the level of one of the Tenant's parent companies, in particular, the Parent, of the relevant company's auditor).

If the current reporting system is not meeting the standards provided for in this Section 7.2 the Tenant may use the current reporting system for the financial statements relating to 2015 but shall be obliged to provide financial statement or budgets which relate to the time from 1 January 2016 in the form provided for in this Section 7.2.

8. INSURANCES

- 8.1 The Tenant shall procure insurances for the Leased Property throughout the term of this Lease Agreement as set out in **ANNEX 8.1** to this Lease Agreement (collectively, the

“**Insurance Coverage**”). Provided that the insurance coverage at Commencement of the Lease for a the respective Individual Leased Property is in line with what is usual and common for such kind of properties, and notwithstanding the obligation to maintain this coverage until the provisions of this Section 8 apply, the obligations under this Section 8 commence three months from Commencement of the respective Individual Leased Property concerned. The Tenant shall further show proof, without undue delay after transfer of possession as defined in the Property Purchase Agreement with respect to an Individual Leased Object, that such Insurance Coverage has been procured for such Individual Leased Object, that the Landlord will be included as co-insured (*Mitversicherungsnehmer*) in those insurance policies which are part of the Insurance Coverage and that the respective insurance company will inform the Landlord if the Tenant is in breach with any obligations with its obligations under the insurance contracts and that the respective insurance company will not terminate the contract or deny coverage prior to an expiry of a period of one month from the Landlord being notified. In case of notification the Landlord shall, in particular, (i) have the right to pay amounts due on behalf of the Tenant and to be reimbursed by the Tenant and (ii) have the right to procure the Insurance Coverage and to be reimbursed by the Tenant.

8.2 At the Landlord’s request, the Tenant shall provide the Landlord with information of the type, scope, taking out, and existence of the Insurance Coverage as well as of payment of the insurance premiums. The Tenant shall immediately report to the Landlord insured events having a value of more than EUR 500,000.

8.3 The Tenant is entitled to take out further insurance policies for the Leased Property at its own costs and for its own benefit to cover further risks other than those listed in **ANNEX 8.1**.

9. TENANT’S EASEMENTS, SUBTENANTS’ EASEMENTS

9.1 The Tenant has a vital interest in securing its right of use regarding the Leased Property. As a consequence, the Parties agree that the right of use of the Tenants shall be granted as tenant easement by way of a restricted personal easement (*beschränkte persönliche Dienstbarkeiten*) (each a “**Tenant Easement**”). The Landlord is obliged to cause, and maintain for the entire Lease Term, the registration of the Tenant Easement

- i. ranking ahead of any registration in division III of the land register other than the registrations in division III listed in **ANNEX 19.1** in favour of public entities already existing at the time the Leased Property is acquired to which the Tenant Easement shall rank junior.
- as well as
- ii. in division II ranking junior only to the encumbrances which are to be assumed by the Landlord under the Property Purchase Agreement or agreed to be assumed in the Property Purchase Agreement and the Subtenant Easements pursuant to Section 9.2 relating to the respective Leased Object,

as further set forth in **ANNEX D** to the Framework Deed which Tenant Easement shall be applied for at the same date as concluding the Framework Deed.

The maximum amount of compensation for Tenant Easement pursuant to Section 882 of the Civil Code shall be in each case EUR 10,000. The Tenant Easement may only be entered in the land register with such maximum amount.

9.2

The Subtenants have a vital interest in securing its rights of use regarding the Individual Leased Object in case of entering into a direct lease pursuant to Section 11.8 or a New Direct Lease pursuant to Section 11.2. As a consequence, each of the Landlords and the respective Subtenants agree that the right of use of the respective Subtenant in the Individual Leased Object in such case shall be granted as a tenant easement by way of a restricted personal easement (*beschränkt persönliche Dienstbarkeit*) as set forth in **ANNEX D** to the Framework Deed (each "Subtenant Easement"). Each of the Landlords is obliged to cause and maintain for the entire Lease Term and throughout the entire term of the direct lease pursuant to Section 11.8 or a New Direct Lease pursuant to Section 11.2, the registration of the respective Subtenant Easement

- i. ranking ahead of any registration in division III of the land register other than the registrations in division III listed in **ANNEX 19.1** in favour of public entities already existing at the time the Individual Leased Object is acquired to which the Subtenant Easement shall rank junior
as well as
- ii. in division II ranking junior only to the encumbrances which are to be assumed by the Landlord under the Property Purchase Agreement but ranking ahead of the Tenant Easement referred to under Section 9.1.

The respective Subtenant shall only be entitled to make use of the Subtenant Easement securing its use right once a written request pursuant to Section 11.8 has been made or a New Direct Lease pursuant to Section 11.2 has entered into force.

The maximum amount of compensation for Subtenant Easement pursuant to Section 882 of the Civil Code shall be in each case EUR 10,000. The Subtenant Easement may only be entered in the land register with such maximum amount.

The Subtenant Easement shall be applied for at the same date as the Tenant Easement when concluding the Framework Deed.

- 9.3 The costs of creating and cancelling the Tenant Easement shall be borne by the Tenant, the costs of creating and cancelling the respective Subtenant Easement shall be borne by the Subtenant which is beneficiary of such Subtenant Easement. The cancellation approvals contained in **ANNEX F** to the Framework Deed shall be applied for at the same date as concluding the Framework Deed but shall be put in escrow with the acting notary under the escrow instruction also contained in **ANNEX F** to the Framework Deed.

10. SUBLEASE

- 10.1 Any lease agreements between the Tenant and any occupants, including the Primary Subtenants and the Subtenants, of the Individual Leased Objects which would transfer to the Landlord pursuant to Section 566 and Section 578 of the Civil Code upon consummation of the Property Purchase Agreement in respect of the relevant Individual Leased Objects, shall be converted into sublease agreements or, as the case may be, sub-sublease agreements between the Tenant and the relevant Primary Subtenant, respectively, and the relevant occupants, including the Subtenants.
- 10.2 The Tenant shall be and shall remain entitled to (i) sublease the Individual Leased Objects in whole or in part to the relevant Primary Subtenant and the relevant Primary Subtenant shall be entitled to sublease the Individual Leased Objects in whole or in part to the relevant Subtenants or other Affiliates (as defined in the **Recitals (E)**) of the Tenant and (ii) change such subleases to the Primary Subtenants or consent to changes of the sub-subleases with the Subtenants.

- 10.3 The Tenant, the relevant Primary Subtenant and the relevant Subtenant shall be and shall remain entitled to sublease parts of the individually leased objects to medical doctors using the facilities for medical purposes and, furthermore, to sublease unsubstantial parts of the Individual Leased Objects to other third parties provided that the sublease is within the limitations of the Purpose of the Lease (e.g., cafeteria, kiosks, hairdresser) and does not tie the amount of the rent payable under such sublease to the profit (*Gewinn*) of the third party. Otherwise, the sublease of the Individual Leased Objects as well as allowing Primary Subtenants and/or Subtenants to sublease is subject to the Landlord's prior written approval which the Landlord shall not unreasonably withhold. The Landlord agrees and consents that the Subtenant MEDIAN Hohenfeld Klinik für Orthopädie GmbH & Co. KG may sublet the individual Lease Object no. 24 or parts thereof to MEDIAN Hohenfeld Klinik für Psychosomatik GmbH & Co. KG. The Tenant shall notify the Landlord up to two times per calendar year upon written request about (i) the size of any subleased or sub-subleased space, (ii) the rental income from any (sub)subleases and (iii) the identity of the Primary Subtenants and any (sub)subtenants.
- 10.4 Section 540 para. 1, 2nd sentence of the Civil Code shall not apply.

11. LEASE TRANSFER

- 11.1 The Tenant confirms, that upon signing of this Lease Agreement, the relevant Subtenants and Primary Subtenants are Affiliates of the Tenant. The Tenant shall have – subject to the provisions of this Section 11 – the right to transfer or let transfer shares or voting rights (i) in a Subtenant (or, where an Individual Leased Object is operated by more than one Subtenant, in those Subtenants) or (ii) in a Primary Subtenant to a third party not being an Affiliate of the Tenant resulting in a situation that such Subtenant (or, where an Individual Leased Object is operated by more than one Subtenant, that such Subtenants) or such Primary Subtenant respectively is not an Affiliate of the Tenant anymore (and therefore the Tenant or its respective direct or indirect majority shareholder does not hold – directly or indirectly - more than 50 % of the shares and voting rights in the Primary Subtenant or Subtenant (or, where an Individual Leased Object is operated by more than one Subtenant, in those Subtenants) anymore ((i) and (ii) being a “**Transfer of Shares in Subtenant**”), if the Tenant informs the Landlord in writing not less than sixty (60) calendar days prior to the effective date of such Transfer of Shares in Subtenant at the latest. The Parties clarify that several transfers of shares or voting rights in the same Subtenant or Primary Subtenant amounting to more than 50% in aggregate are to be considered one Transfer of Shares in Subtenant in the meaning of this Section 11.1. For

the avoidance of any doubt, transfers of shares or voting rights in a Subtenant or Primary Subtenant to an Affiliate of the Tenant shall be permitted without limitation and not constitute a Transfer of Shares in Subtenant.

11.2 A Transfer of Shares in Subtenant which is conducted in line with Section 11.1 shall have the effect that

- i. with respect to the Individual Leased Object sublet to the relevant Subtenant (or Subtenants, as the case may be), this lease continues as a direct lease (or direct leases, as the case may be) between the Landlord and the relevant Subtenant or Subtenants – as the case may be – (each a “**New Direct Lease**”) upon the terms and conditions of this Lease Agreement in effect at that point in time (the “**Lease Conversion**”) provided that the rent and ancillary costs payable under the New Direct Lease shall be the Individual Rent and the Ancillary Costs relating to the relevant Individual Leased Object payable at that point in time only, and the Tenant and the relevant Primary Subtenant will not be a party to the New Direct Lease; for the avoidance of any doubt, the rent adjustment mechanism set out in Section 7 shall also apply in the New Direct Lease,
- ii. the Individual Leased Object subject to the New Direct Lease(s) shall no longer be subject to the rights and obligations under this Lease Agreement as between the Landlord and the Tenant, in particular, the Tenant shall no longer be obliged to pay the Individual Rent and Ancillary Costs to the Landlord for the Individual Leased Object subject to the New Direct Lease(s), and
- iii. the Individual Leased Object subject to the New Direct Lease(s) shall no longer be subject to the rights and obligations under the primary sublease agreement as between the Tenant and the relevant Primary Subtenant, and
- iv. the sub-sublease between the relevant Primary Subtenant and the Subtenant (or Subtenants, as the case may be) regarding the relevant Individual Leased Object shall terminate,

unless the Landlord has objected to the Lease Conversion in writing within twenty-five (25) business days upon the information received by the Tenant based on the allegation that the credit standing of the Subtenant and (but only if a guarantee, letter of comfort or a similar type of security (including a domination and profit and loss pooling agreement) has been granted) the third party, or the credit standing of the Tenant after the Lease

Conversion is materially worse than the credit standing of the Tenant at the time of the objection (the “**Credit Standing Objection**”). In case of a Credit Standing Objection, one of the audit firms KPMG, Deloitte, Ernst & Young or PricewaterhouseCoopers who shall upon application of either Party be selected and appointed by the President of the Chamber of Industry and Commerce in the district in which the Individual Leased Object is located (the “**Expert**”), shall decide on whether the Credit Standing Objection is justified and, accordingly, whether the Lease Conversion shall take effect. The Expert shall render its decision within four (4) weeks after its appointment. The decision by the Expert shall be final and binding for both Parties and the relevant Primary Subtenant and the relevant Subtenant and any resort to a court of law is hereby excluded. The Expert shall also allocate the costs of his services among the Parties by analogous application of Sections 91 et seq. of the German Code of Civil Procedure (*ZPO*).

For the avoidance of doubt the above shall also apply if a Transfer of Shares in Subtenant is effected indirectly by means of a transfer of shares in a Primary Subtenant.

The Parties and the Subtenants clarify that the rights under this Section 11.2 shall only be exercised by all Subtenants of one Individual Leased Object jointly or against all Subtenants of one Individual Leased Object and, in this case, the New Direct Lease with all such Subtenants as jointly liable tenants.

11.3 The Landlord may transfer Individual Leased Objects to any third party, subject to the following provisions:

11.3.1 If the Landlord transfers an Individual Leased Object to any third party, the third party automatically takes over the rights and obligations of the Landlord that arise under this Lease Agreement with respect to the relevant Individual Leased Object pursuant to mandatory statutory law (Section 566 and Section 578 of the Civil Code) and the Individual Leased Object will no longer be subject to the rights and obligations under this Lease Agreement as between the Landlord and the Tenant, but subject to a new lease (the “**New Lease**”) between the third party as new landlord and the Tenant upon the terms and conditions of this Lease Agreement in effect at that point in time, provided that the rent and ancillary costs payable under the New Lease shall be the Individual Rent and the Ancillary Costs relating to the relevant Individual Leased Object payable at that point in time only. The Landlord shall inform the Tenant of such transfer in writing.

11.3.2 As a principle, the Landlord may only transfer Individual Leased Objects as a whole. However, with respect to any of the Individual Leased Object *no. 24 MEDIAN Hohenfeld*

Kliniken für Psychosomatik und Orthopädie and no. 37 MEDIAN Gesundheitspark Bad Gottleuba the Landlord shall have the right, taking into account the interests of the Tenant and relevant Subtenants concerned, to separate and transfer parts of those Individual Leased Objects which can functionally be considered to be or to become a separate clinic. In that context, the Landlord will give due regard to the technical and/or commercial severability of such parts of the Individual Leased Objects and the Tenant shall, and shall procure that the relevant Primary Subtenant and the relevant Subtenants will, cooperate with the Landlord. The Landlord shall indemnify the Tenant from any losses, liabilities, expenses, and costs incurred in connection with such separation. In case of a transfer of such separated parts of one of these Individual Leased Objects the allocation of rents shall be agreed upon by the Parties in good faith in an amendment to this agreement.

- 11.4 The Tenant shall be entitled to assign and transfer rights and obligations under this Lease Agreement by way of an assumption of contract (*Vertragsübernahme*) with respect to one or more Individual Leased Objects (a "**Lease Assumption**") so long as it informs the Landlord in writing not less than sixty (60) calendar days prior to the effective date of such Lease Assumption at the latest, unless the Landlord has raised a Credit Standing Objection as defined in Section 11.2 and in which case the time period and process set out in Section 11.2 relating to a Credit Standing Objection applies to this Section 11.4 *mutatis mutandis*.

However, no such Credit Standing Objection shall be permitted in case of a Lease Assumption in whole or with respect to one or more Individual Leased Objects by an Affiliate of the Tenant and the Tenant irrevocably and unconditionally guarantees (*garantieren*) by way of an independent performance obligation (*selbstständiges Erfüllungsversprechen*) to the Landlord the performance of the obligations relating to the Individual Leased Objects to which the transfer of rights and obligations relates owed by the Tenant to the Landlord under this Lease Agreement.

- 11.5 Any Transfer of Shares in Subtenant and any Lease Assumption shall be permissible without the consent of the Landlord only if, following such Transfer of Shares in Subtenant and/or Lease Assumption the number of Individual Leased Objects which remains subject to this Lease Agreement (adding, for that purpose, the number of Individual Leased Objects which are subject to New Leases pursuant to Section 11.3) is not smaller than the number of Individual Leased Objects which were transferred to the Landlord pursuant to the terms of the Property Purchase Agreements, or which became subject to this Lease Agreement following the closing pursuant to Section 3 of the Share Purchase Agreement minus four (4).

For as long as amounts under the LBO Facility or under the first refinancing of the LBO Facility directly following the LBO Facility remain outstanding the following shall apply:

In the event that the lenders under the finance documents of the LBO Facility or (as the case may be) the first refinancing of the LBO Facility directly following the LBO Facility (or the security agent on their behalf) have enforced the share pledge and undertaken the sale of part or all of the Tenant and/or its Affiliates, the Transfer of Shares in Subtenant and/or Lease Assumption shall be permissible without the consent of the Landlord provided the number of Individual Leased Objects which remain subject to this Lease Agreement (adding for that purpose the number of Individual Leased Objects which are subject to the New Leases pursuant to Section 11.3) is

- i. not smaller than the number of Individual Leased Objects which were transferred to the Landlord pursuant to the terms of the Property Purchase Agreements or which became subject to this Lease Agreement following the closing pursuant to Section 3 of the Share Purchase Agreement minus eight (8), provided transfer of possession in the meaning of Section 7 of the Property Purchase Agreement and closing pursuant to Section 3 of the Share Purchase Agreement listed in **ANNEX 0.0** to the Framework Deed have taken place regarding properties representing more than 60% of the total purchase price (including the agreed property value for property no. 13) of all properties as listed in **ANNEX 0.0** to the Framework Deed,
- ii. not smaller than the number of Individual Leased Objects which were transferred to the Landlord pursuant to the terms of the Property Purchase Agreements or which became subject to this Lease Agreement following the closing pursuant to Section 3 of the Share Purchase Agreement minus six (6), provided transfer of possession in the meaning of Section 7 of the Property Purchase Agreement and closing pursuant to Section 3 of the Share Purchase Agreement listed in **ANNEX 0.0** to the Framework Deed have taken place regarding properties representing more than 40%, but not more than 60% of the total purchase price (including the agreed property value for property no. 13) of all properties as listed in **ANNEX 0.0** to the Framework Deed and

- iii. not smaller than the number of Individual Leased Objects which were transferred to the Landlord pursuant to the terms of the Property Purchase Agreements or which became subject to this Lease Agreement following the closing pursuant to Section 3 of the Share Purchase Agreement minus four (4), provided transfer of possession in the meaning of Section 7 of the Property Purchase Agreement and closing pursuant to Section 3 of the Share Purchase Agreement listed in **ANNEX 0.0** to the Framework Deed have taken place regarding properties representing more than 20% but not more than 40% of the total purchase price (including the agreed property value for property no. 13) of all properties as listed in **ANNEX 0.0** to the Framework Deed.

For the avoidance of doubt the above shall also apply if a Transfer of Shares in Subtenant is effected indirectly by means of a transfer of shares in a Primary Subtenant.

For the avoidance of doubt, a Lease Assumption of this Lease Agreement in whole in accordance with Section 11.4 second paragraph shall not be subject to the conditions contained in this Section 11.5.

- 11.6 Any Lease Conversion and any Lease Assumption as well as any reduction of the Leased Property under Section 11.3 shall only take effect with (i) the execution of the New Direct Lease and a respective amendment to this Lease Agreement in case of a Lease Conversion or a Lease Assumption and (ii) the execution of the New Lease and a respective amendment to this Lease Agreement in case of a transfer by the Landlord, in each case in compliance with the special written form requirements of Sections 550 sentence 1, 126 of the Civil Code. Each Party shall be obliged to cooperate in this process and to execute the respective documents without undue delay in case the respective preconditions have been fulfilled. In case of a Lease Conversion or a Lease Assumption the Tenant shall furthermore be obliged to procure the prompt cooperation and execution of the New Direct Lease by the (new) tenant. In case of a transfer by the Landlord the Landlord shall furthermore be obliged to procure the prompt cooperation and execution of the New Lease by the (new) landlord. Section 20.6 shall remain unaffected.

- 11.7 The Landlord shall have the right to transfer its position under this Lease Agreement to an Affiliate of the Landlord (the "**New Landlord**") in the way that the New Landlord assumes all rights and obligations of the Landlord under this Lease Agreement with debt releasing effect (*schuldbefreiender Wirkung*) and the Landlord concludes a separate lease agreement regarding the Leased Property with the New Landlord who then becomes Tenant to the Landlord. The Parties agree to enter into an amendment to this Lease

Agreement documenting this conversion (which shall become effective with the corresponding amendment to the Lease Agreement becoming effective) immediately upon written request of the Landlord which the Landlord may submit at any time. The Landlord shall furthermore undertake in such case towards the Tenant (i) that the New Landlord remains an Affiliate of the Landlord during the term of this Lease Agreement and (ii) that the Landlord will maintain a lease with the New Landlord which ensures that the New Landlord can at any time during the term of this Lease Agreement fulfill the obligations towards the Tenant under this Lease Agreement. The Landlord (and the New Landlord) shall have the right to retransfer the position of the New Landlord to the Landlord so that the Landlord becomes, with debt releasing effect (*schuldbefreiender Wirkung*), the direct landlord to the Tenant again. The second sentence of this Section 11.7 shall also apply on this reconversion. The Parties clarify that the Landlord shall at any time have the right to make use of the first three sentences of this Section 11.7 again and transfer the Lease Agreement to the New Landlord or another Affiliates of the Landlord and also the New Landlord shall have the right to transfer the Lease Agreement under the same conditions to another Affiliate of the Landlord and to retransfer to the Landlord again with the effects provided for in this Section 11.7.

11.8 The Landlord and the Subtenant agree with regard to the Individual Leased Object owned by the Landlord and sublet to the Subtenant on the following:

- i. Upon the written request of the Subtenant of the Individual Leased Object the Landlord undertakes to enter into a direct lease with such Subtenant with respect to the Individual Leased Object sublet to the Subtenant upon the terms and conditions of this Lease Agreement in effect at that point in time, provided that the rental and ancillary costs payable under such direct Lease shall be the individual rent and ancillary costs relating to the relevant Individual Leased Object payable at that point in time only.
- ii. Upon the written request of the Landlord of the Individual Leased Object the respective Subtenant undertakes to enter into a direct lease with such Landlord with respect to the Individual Leased Object sublet to the Subtenant upon the terms and conditions of this Lease Agreement in effect at that point of time, provided that the rental and ancillary costs payable under such direct lease shall be the individual rent and ancillary costs relating to the relevant Individual Leased Object payable at that point of time only.

- iii. Landlords', respectively Subtenant's, obligation to enter into a direct lease with the Subtenant, respectively the Landlord, pursuant to i. or ii. is subject to the following:
- This Lease Agreement has been terminated in its entirety or with respect to the Individual Leased Object let to the Subtenant following the filing of insolvency proceedings over the estate of the Tenant and/or
 - the Sublease Agreement between the Tenant and Primary Subtenant from whom the Subtenant has leased the Individual Leased Object has been terminated following the filing of insolvency proceedings over the estate of the Tenant and/or the Primary Subtenant and/or
 - the Landlord terminates this Lease Agreement in its entirety or with respect to the Individual Leased Object let to the Subtenant under Section 4 of this Lease Agreements.

Landlord's right to terminate this Lease Agreement in its entirety or with respect to the Individual Leased Object let to the Subtenant under Section 4 of this Lease Agreements shall remain unaffected. In case of any termination of this Lease Agreement in its entirety or with respect to Individual Leased Objects the obligations of the Landlord and the respective Subtenants under this Section 11.8 shall remain unaffected and survive.

12. MAINTENANCE, REPAIR, MODERNISATION

- 12.1 The Tenant shall be responsible for Maintenance (*Instandhaltung*), Repair (*Instandsetzung*) and Modernisation (*Modernisierung*) of the Leased Property, including roof and structure (*Dach und Fach*), at its own costs during the Lease Term. The Maintenance, Repair and Modernization of the Leased Property should be performed in conformity with the general operating standards the Tenant applies as at the date hereof to ensure at least the same standard of operation of the Leased Property for the Purpose of the Lease existing on the date hereof. However, the Tenant may adapt the general operating standards where this is, in its reasonable opinion, necessary or advisable depending on the actual or contemplated use (to the extent within the Purpose of the

Lease), including in the event of a change of a medical indication, and depending on the requirements by the payors (*Kostenträger*). Insofar, Section 2.1 sentences 2 and 3 shall apply *mutatis mutandis*.

- 12.1.1 “**Maintenance**” within the meaning of this Lease Agreement comprises all measures to preserve fitness for use of the Leased Property for the Purpose of the Lease, to prevent defects and damage as well as to slow down wear and tear, ageing, effects resulting from bad weather or deterioration. This shall comprise in particular cleaning, maintenance, servicing and protective measures, such as the scheduled replacement of consumables and, where applicable, the readjustment of loose parts.
- 12.1.2 “**Repair**” within the meaning of this Lease Agreement comprises all measures which are necessary to remove defects and damage, in particular in order to remedy the consequences of wear and tear, ageing, effects resulting from bad weather or deterioration and to remove any constructional or other defects and damage occurred. Repair especially comprises measures for determining the causes of defects/damage, protective and safety measures for preventing accidents before and during the performance of the repair measures, the disassembly of damaged parts, the replacement or repair of damaged parts, adjustment and readjustment, test runs, acceptance and release of repaired parts and relevant equipment or facilities.
- 12.1.3 “**Modernization**” within the meaning of this Lease Agreement means any exchange/replacement instead of repair measures, which are (or can) no longer be carried out, because this is either technically required or economically reasonable, i.e., if one unit is exchanged for/replaced by another, normally new equivalent. Modernization shall also include improvements serving to increase the functional safety or the efficiency without changing the required function.
- 12.2 The Tenant shall at its own cost enter into maintenance agreements with suitable and reliable providers (including companies affiliated with Tenant) for all technical installations of the building, and provide the Landlord with copies of the respective agreements and of all inspection and maintenance reports upon demand. No such maintenance agreements shall be necessary if the Tenant (or the relevant Primary Subtenant or the relevant Subtenant) employs qualified service personnel.
- 12.3 Insofar as the Tenant does not properly fulfill an obligation to perform any Maintenance, Repair or Modernization, the Landlord is entitled, after the end of a reasonable grace period granted together with a written warning that the Landlord will otherwise perform

the work itself, to carry out or have the necessary measures carried out itself at the expense of the Tenant. In such case, the Tenant shall keep the areas concerned accessible and tolerate the performance of the necessary measures to be carried out. The Landlord shall take the utmost care not to interfere with the Tenant's business operations. In case of imminent damage or other emergency, a warning or setting of a grace period is not necessary.

- 12.4 The Tenant shall not be obliged to perform Maintenance, Repair or Modernization for technical building facilities not used, provided (i) such technical building facilities are not required for the proper operation and in the reasonable opinion of the Tenant redundant for the current and contemplated use of the Individual Leased Object, (ii) such technical building facilities are not serving security purposes, (iii) the operation of such technical building facilities is not required under public laws or permits, and (iv) the basic standard of a facility of this type is maintained. Section 16 shall remain unaffected.

13. CHANGES TO THE LEASED PROPERTY

- 13.1 The Tenant may carry out structural changes to the Leased Property without the prior consent of the Landlord, in particular, but not limited to, conversions of existing facilities or installations of new fittings, the erection/moving/removal of lightweight walls as well as the installation of any additional facilities which might be needed for the Tenant's business operations without the Landlord's consent, provided that any such work does not interfere with the building fabric (roof and structure, building services, statics). The Tenant shall merely announce such structural changes to the Landlord reasonably in advance to the performance of the work. The Tenant may also carry out structural changes, which do interfere with the building fabric, provided that the Landlord has given its prior written consent, such consent not to be unreasonably withheld or delayed.

In particular, the Landlord shall be required to grant its consent if the change in question:

- i. is necessary to comply with any law or regulation;
- ii. has been required by any public authorities, or
- iii. has been requested by any payor (*Kostenträger*), or

- iv. is necessary or commercially advisable to react to changing requirements by the relevant payors (*Kostenträger*) in relation to a medical indication which the Individual Leased Object is or will be used for, or
- v. is envisaged generally or specifically under **ANNEX 14.1(a)**, **ANNEX 14.1(b)** or the **Business Plan** (attached as **ANNEX 13.1 (i)**).

The Landlord is deemed to have granted its consent if it has not responded within twenty (20) business days to a notification by the Tenant substantially as set out in **ANNEX 13.1(ii)** to this Lease Agreement.

- 13.2 The Tenant shall obtain at its own cost any official authorizations and permits which may be required for the structural changes made by the Tenant pursuant to Section 13.1 and fulfill all public-law requirements associated with structural and non-structural changes. In this context, the Landlord shall assist the Tenant. The Tenant shall reimburse all reasonable costs incurred by the Landlord due to such assistance.
- 13.3 The Parties acknowledge that currently works, including structure changes, are being carried out at the Individual Leased Objects mentioned in **ANNEX 13.3** to the extent described in **ANNEX 13.3** and with respect to which – from commencement of the Lease Agreement – the provisions under Section 13.1 and 13.2 shall apply. The Landlord consents to the execution of these works described in **ANNEX 13.3**.

14. EXTENSIONS AND FINANCING

- 14.1 (a) Any one or more extensions described in **ANNEX 14.1(a)** with respect to the Individual Leased Objects identified therein or in the Business Plan (and which are requested by the Tenant up to an aggregate investment amount of EUR 55 Mio. (Fifty Five Million) (including handling fees for the Tenant and VAT, if any; (each a “**Pre-Agreed Extension**”) and collectively, the “**Pre-Agreed Extensions**”)) shall be financed by the Landlord and constructed by the Tenant in his own name provided that
 - i. such financing shall only extend to such parts of any such Pre-Agreed Extension which do not qualify as business fixtures (*Betriebsvorrichtungen*);
 - ii. the Tenant has – during the first three (3) years from Commencement of the Lease regarding the first Individual Leased Object with respect to which the lease commences – requested the Landlord in writing to construct such Pre-Agreed Extension and has attached supporting documentation to such request, and

- iii. the construction of such Pre-Agreed Extension is expected to commence no later than twelve (12) months after the request described in (ii.) above has been received by the Landlord and to be completed and accepted no later than thirty-six (36) months after the request described in (ii.) above has been received by the Landlord; and
- iv. payments by the Landlord shall be made in the amount of the actual construction costs (plus a reasonable handling fee for the Tenant) but only up to an amount not exceeding the amount of the construction costs provided in the request under (ii.) above and, in any event, not exceeding the aggregate investment amount given in **ANNEX 14.1(a)** or in the Business Plan for the respective Pre-Agreed Extension, and only upon presentation of verifiable invoices and any other certificates and/or documentation reasonably requested by the Landlord supporting the relevant items of expenditure at the time of completion and acceptance of the such Pre-Agreed Extension. Notwithstanding the foregoing the Tenant is entitled to request advance staged payments upon presentation of verifiable invoices and any other certificates and/or documentation reasonably requested by the Landlord supporting the relevant items of expenditure, together with a confirmation by the Tenant and the architect or engineer supervising the construction that the underlying works have been executed without material defects and the amount of the invoice corresponds to the pro rata share of the works executed of the total construction costs for the relevant Pre-Agreed Extension, and in such circumstances the Landlord shall advance such staged payments, subject to the draw request procedures described in Section 14.1 (v.) below; and
- v. payments by the Landlord shall be conditioned upon Tenant complying with the draw request procedures described on **ANNEX 14.5**, it being understood, however, that with regard to the extensions referred to in ANNEX 14.1(b) and relating to MEDIAN Klinik Grünheide the Tenant shall be entitled to request under this provision also the financing of extensions already completed by the time the lease for MEDIAN Klinik Grünheide becomes effective.

If the Parties agree in good faith that the construction of any Pre-Agreed Extension is treated, from a German VAT perspective, as a VAT able supply by the Tenant to the Landlord, the Tenant shall, upon the request of the Landlord, issue to the Landlord a

proper invoice complying with the requirements of Sec. 14 UStG and the Landlord shall, subject to the aggregate investment amount (including handling fees for the Tenant and VAT), pay the resulting VAT (if any) to the Tenant in addition to the relevant payment under (iv.) above.

The Landlord shall be entitled to make a 15% tax deduction pursuant to sec. 48 EStG on any payment under (iv.) above unless the Tenant presents to him a valid exemption certificate (*Freistellungsbescheinigung*) for purposes of German Construction Deduction Tax (*Baubzugsteuer*) within the meaning of sec. 48b EStG. The Landlord shall be obliged to remit the withheld tax to the competent authority and to fully comply with the information, billing and procedural requirements pursuant to sec. 48a EStG. The Tenant shall use best efforts to apply for and obtain the exemption certificate within the meaning of sec. 48b EStG. If the competent tax authority refuses to grant such exemption certificate in a binding assessment notice (*formal bestandskräftiger Verwaltungsakt*) on the grounds that the services rendered by the Tenant do not qualify as construction services (*Bauleistungen*) within the meaning of sec. 48 EStG, the Landlord shall not be entitled to make the 15% tax deduction pursuant to sec. 48 EStG on any payment under (iv.) above.

The Landlord shall only be responsible for actual construction costs (plus a reasonable handling fee for the Tenant) and all other costs associated with any such Pre-Agreed Extension whatsoever and howsoever shall be the responsibility of the Tenant solely. Such construction by the Landlord shall be compensated for by increasing the Individual Rent(s) for the Individual Leased Object(s) so extended (the “**Incremental Rent for Pre-Agreed Extension**”) as set out in Section 14.2 below.

14.1 (b) The Landlord and the Tenant have agreed on the specific measures set forth in **ANNEX 14.1(b)** with respect to the Individual Leased Objects identified therein (the “**Specific Pre-Agreed Extensions**”).

The Landlord undertakes to provide the Tenant with the funds required to implement the Specific Pre-Agreed Extensions which shall be constructed by the Tenant in his own name. The Specific Pre-Agreed Extensions are part of the aggregate investment amount of EUR 55 mio. referred to in Section 14.1(a).

To the Specific Pre-Agreed Extensions Section 14 shall apply, however, with the exception of Section 14.1(a) ii. to v. which shall be replaced by the following:

- i. The respective funds shall be made available by the Landlord in the amount of the actual construction costs (plus a reasonable handling fee for the Tenant) upon presentation of verifiable invoices or any other certificates and/or documentation reasonably requested by the Landlord supporting the relevant expenditure at the time of completion and acceptance of the Specific Pre-Agreed Extensions. Notwithstanding the foregoing the Tenant is entitled to request advance payments upon presentation of verifiable invoices or any other certificates and/or documentation reasonably requested by the landlord supporting the relevant items of expenditure, together with the confirmation by the Tenant and the architect or engineer supervising the construction that the underlying works have been executed without material defects and the amount of the invoice corresponds to the pro rata share of the works executed of the total constructions for the relevant Specific Pre-Agreed Extensions,
- ii. The landlord shall advance the required funds within 10 business days upon a draw request having been made.

14.2 The Incremental Rent p.a. for any Pre-Agreed Extension (including any Specific Pre-Agreed Extension) shall be calculated as follows: the investment amount (net, if and to the extent input VAT is eligible for recovery by the Landlord) spent or to be spent by the Landlord for such Pre-Agreed Extension or Specific Pre-Agreed Extension (the “**Investment Amount**”) multiplied by an interest yield of 8% and thereafter adjusted in accordance with Section 7. Interest shall accrue from the time of spending the respective amounts.

The Tenant shall have the right to request that the Landlord finances further extensions so requested by the Tenant which are not Pre-Agreed Extensions or Specific Pre-Agreed Extensions (each an “**Additional Extension**” and, together with any Pre-Agreed Extension or Specific Pre-Agreed Extension, an “**Extension**”). In each such case, the Tenant and the Landlord will negotiate in good faith to agree on (i) an investment amount for such Additional Extension and (ii) an incremental rent for such Additional Extension (the “**Incremental Rent for Additional Extension**”, and, together with the Incremental Rent for Pre-Agreed Extension, the “**Incremental Rent**”) based on the same methodology (but not based on the same yield) on which the calculation of the Individual Rents for the Individual Leased Objects and the related purchase prices was made. If, despite negotiations, the Parties cannot agree on an investment amount or an Incremental Rent for Additional Extension in relation to an Additional Extension, the Tenant shall have the right to request that the Landlord reasonably facilitates, and the Landlord shall

be required to support the Tenant in good faith in, a financing and construction of such Additional Extension by the Tenant provided that such Additional Extension is a separate functional clinic which can be operated and sold separately from the existing Individual Leased Object and to the degree the value, transferability and operability of the existing Individual Leased Object is not detrimentally impacted. If and to the extent necessary to achieve such financing and construction by the Tenant, the Landlord shall separate and sell to the Tenant (without any representations or warranties) at fair market value, or (if this is sufficient for the purposes of the Tenant) create a hereditary building right (or an easement (*Dienstbarkeit*)) for a customary consideration on the land on which such extension is to be erected. In each such case, the Landlord and the Tenant will negotiate in good faith to agree on a solution which achieves the Tenant's purposes in the best possible manner but does not burden the Landlord's interests and enter into a written amendment to the Lease Agreement documenting the resulting changes to the Lease Agreement, if any.

14.3 The Tenant shall have the contractual responsibility for constructing or for procuring the construction of any Extension based on the plans and concepts provided by the Tenant and it shall be the Tenant's responsibility to construct, or to procure the construction of, the Extension and to organize, manage and monitor the works relating to any Extension and to procure all necessary permissions, approvals, licenses and authorities relating to any Extension and the Tenant shall indemnify and keep indemnified the Landlord in relation to any costs and liabilities in connection with such matters. The Landlord shall be obliged to assist the Tenant – at the Tenant's sole cost and expense – to the degree necessary to enable the Tenant to comply with the obligations and responsibilities under this Section 14.3. The Parties shall negotiate in good faith to agree on all relevant logistics in connection with any such Extension. The Parties agree that Section 1.3 shall not apply to an Extension financed in full or in part by the Landlord so that such Extension and any part thereof will be owned by the Landlord and part of the respective Individual Leased Object, except for any business fixtures (*Betriebsvorrichtungen*) included in an Extension which shall remain with the Tenant. Section 18 remains unaffected.

14.4 Any Extension financed in full or in part by the Landlord shall, upon finalization of the construction and handover to the Tenant by the construction company, become subject to this Lease Agreement and the relevant Individual Rent shall increase by the Incremental Rent calculated in accordance with Section 14.2 or as agreed between the Parties pursuant to Section 14.3 and any other modification to the terms of this Lease Agreement as agreed between the Parties shall be documented as referred to in Section 14.5.

14.5 As soon as any Extension financed in full or in part by the Landlord is finalized and handed over to the Tenant by the construction company, the Parties shall document the amendments to the Lease Agreement referred to in Section 14.4 in a written amendment to this Lease Agreement. Each Party shall have the right to request that after presentation of a request for an Extension and prior to commencement of the construction works the Parties enter into a written amendment to the Lease Agreement documenting the resulting changes to the Lease Agreement. If so requested, each Party shall be obliged to cooperate in this process and to execute the respective written amendment without undue delay.

Any Extension financed in full or in part by the Landlord shall be subject – unless otherwise provided for in Section 14.1 (b) - to the draw request procedures as follows and Tenant shall reimburse Landlord promptly for all reasonable costs and expenses incurred by Landlord in connection therewith:

Draw Request Procedures

Tenant shall submit a draw request in form and substance reasonably acceptable to Landlord (each a “**Draw Request**”) detailing the requested cost or expenditure with respect to the applicable Pre-Agreed Extension and including any other information or documentation required by Section 14.5. Tenant shall submit a Draw Request not less than **30** business days prior to the date on which Tenant desires a draw or funding; provided, however, Tenant shall submit only one (1) Draw Request each calendar month.

15. **RIGHT OF ACCESS OF THE LANDLORD**

15.1 The Landlord is entitled to enter and inspect the Leased Property, following prior notice given reasonably in advance, during normal business hours, in the company of an employee of the Tenant and without interfering with the Tenant’s business operations.

15.2 In the case of imminent danger, the Landlord is entitled to enter the Leased Property also without prior notice and in the Tenant’s absence.

16. OBLIGATION TO MAKE PREMISES SAFE, ENVIRONMENT, CONDITION OF PREMISES

- 16.1 The Tenant is obliged to make the premises safe for persons and vehicles (*Verkehrssicherungspflicht*) at its own cost. The Tenant hereby indemnifies the Landlord from all third party claims resulting from any breach of this obligation, unless such claims result from the fault of the Landlord or its authorized agents or representatives. The Tenant shall promptly inform the Landlord of any such claims alleged by third parties.
- 16.2 The Tenant shall hold harmless and indemnify the Landlord from and against any liability relating to any environmental pollution, residual contamination, detrimental alteration to soil, or hazardous substance (the “**Environmental Damage**”) on, in or emanating from, the Leased Property, building or other facility operated or used on the Leased Property, unless the Landlord or any of its representatives or employees has caused such Environmental Damage.
- 16.3 Prior to the Commencement of the Lease Affiliates to the Tenant have been owner or – with respect to Individual Leased Object *no. 35 MEDIAN Klinik Grünheide*, *no. 38 MEDIAN Klinik Berlin-Kladow* and *no. 37 MEDIAN Gesundheitspark Bad Gottleuba* – beneficiary of a hereditary building right regarding the Leased Property or have already been in possession of the Leased Property and therefore the Tenant is aware of the condition of the Leased Property at Commencement of the Lease Agreement and therefore cannot raise any defect or other claim with respect to the condition of the Leased Property at commencement of the Lease Agreement. Likewise any liability of the Landlord for defects of the Leased Property arising from Commencement is excluded, including those resulting from accessibility and surrounding conditions as construction works, noise etc. The Tenant shall hold harmless and indemnify the Landlord from and against any liability relating from the condition of the Leased Property unless this condition results from the fault of the Landlord.
- 16.4 The Parties clarify that all obligations of the Tenant under this Lease Agreement – in particular to maintain, repair and modernize – shall not be limited or altered by the status or condition of the Leased Property at the Commencement of the Lease Agreement and that the Tenant shall be obliged to bring the Leased Object in the condition provided for in this Lease Agreement (in particular to remedy defects and Environmental Damage).

17. REINSTATEMENT

- 17.1 In cases of a complete or partial destruction of an Individual Leased Object, the Tenant is obliged to use the amounts paid under any insurance for the relevant Individual Leased Object to reinstate the Individual Leased Object to at least the same standard as prior to the destruction (unless subsequently subject to a different use within the Permitted Purpose of the Lease in which case Section 2.1 sentences 2 and 3 shall apply *mutatis mutandis*) without undue delay after the damaging event, provided that the sum paid out under the insurance is sufficient for the reinstatement. To the extent that the sum paid under the insurance is not sufficient for the reinstatement of the Individual Leased Object, the Tenant shall bear the additional costs unless the destruction of the Individual Leased Object has been caused by gross negligence or willful misconduct of the Landlord.
- 17.2 If the destruction occurs within the last three (3) years of the Lease Term the Tenant shall have the right, instead of reinstating the Individual Leased Object, to pay the insurance amount to the Landlord. To the extent that the insurance amount paid is not sufficient for the Reinstatement of the Individual Leased Object, the Tenant shall bear the additional costs unless the destruction of the Individual Leased Object has been caused by gross negligence or willful misconduct of the Landlord.
- 17.3 The Landlord is obliged to make the reinstated Individual Leased Object available to the Tenant at the terms and conditions of this Lease Agreement.

18. RETURN OF THE LEASED PROPERTY

- 18.1 Upon termination of the lease with respect to an Individual Leased Object, the Tenant shall return the Individual Leased Object cleared of movable furnishings and in a condition which is in compliance with the Tenant's obligations under Section 12.
- 18.2 With respect to Building Fixtures and Fittings (as defined in Section 18.2.4) and Business Fixtures and Fittings (as defined in Section 18.2.5) the following shall apply upon termination of the lease with respect to an Individual Leased Object:
- 18.2.1 All Building Fixtures and Fittings shall remain with the Landlord without consideration.
- 18.2.2 The Tenant has the right to professionally remove at its own cost any Business Fixtures and Fittings and all appurtenances (*Zubehör*). However, before removing any such

Business Fixtures and Fittings or appurtenances (*Zubehör*) prior to the expiry of the Lease Term (other than through a termination pursuant to Section 4), the Tenant shall offer or shall procure that the relevant Primary Subtenant and/or Subtenant offers the Landlord, at least ninety (90) calendar days prior to such expiry, all such Business Fixtures and Fittings and all appurtenances (*Zubehör*) for sale at the then current fair market value. In case of a termination by the Landlord pursuant to Section 4, the Tenant (or the relevant Primary Subtenant and/or Subtenant) shall make such offer within 30 calendar days after the Tenant has received the termination notice by the Landlord. The Landlord may only accept the offer in relation to the entirety of such Business Fixtures and Fittings and appurtenances with respect to an Individual Leased Object. If the Landlord has not accepted that offer within forty-five (45) calendar days from the offer, the Tenant is entitled to proceed with its right to remove.

- 18.2.3 In case of disagreement between the Parties on which items constitute Building Fixtures and Fittings or Business Fixtures and Fittings or on the then current fair market value of the Business Fixtures and Fittings and appurtenances to be offered to the Landlord either Party may request that a publicly appointed and certified expert, specialized in this field, be designated by the president (chairperson) or a deputy of the Chamber of Industry and Commerce in the district in which the Individual Leased Object is located to resolve on the disagreement. The expert shall render its opinion within two (2) months after its appointment. The decision by the expert shall be final and binding for both Parties and any resort to a court of law is hereby excluded. The expert shall also allocate the costs of his services among the Parties by analogous application of Sections 91 et seq. of the German Code of Civil Procedure (*ZPO*).
- 18.2.4 “**Building Fixtures and Fittings**” means chattels, goods or other items that have been fixed to the relevant Individual Leased Object so as to become part of it (i.e. may not be removed without destroying or damaging the relevant Individual Leased Object or the relevant item) and which are not Business Fixtures and Fittings. For the avoidance of doubt, fixed beds are not Building Fixtures and Fittings.
- 18.2.5 “**Business Fixtures and Fittings**” means chattels or other items of personal property placed in or attached to the Property by the Tenant for the purposes of its trade or business and which are capable of physical removal without causing damage to the Property and without the chattel or item of personal property losing its essential utility as a result of the removal.
- 18.3 The Tenant is obliged to surrender all keys for an Individual Leased Object to the Landlord following termination of the Lease Term with respect to such Individual Leased Object. The same shall apply to code cards.

19. HBR-AGREEMENT, EASEMENTS, COMPLIANCE WITH FORMER PROPERTY PURCHASE AGREEMENTS

The Tenant shall be obliged to comply – to the extent factually and legally possible for the Tenant and its Affiliates - with all obligations of the Landlord, if and to the extent, such obligations still apply under said agreements and acts:

- i. under the HBR-Agreements regarding Individual Leased Objects *no. 35 MEDIAN Klinik Grünheide, no. 38 MEDIAN Klinik Berlin-Kladow and no. 37 MEDIAN Gesundheitspark Bad Gottleuba,*
- ii. under the Former Property Purchase Agreements – to the degree assumed regarding – *no. 01 MEDIAN Klinik Heiligendamm, no. 02 MEDIAN Klinik Wismar, no. 23 Median Klinik Braunfels, no. 28 MEDIAN Reha-Zentrum Schlangenbad, no. 32 MEDIAN Klinik Bad Dürenheim,*
- iii. under the agreements or acts secured by the land charges listed in **ANNEX 19.1** *no. 37 MEDIAN Gesundheitspark Bad Gottleuba, no. 13 MEDIAN Klinik NRZ Magdeburg, no. 35 MEDIAN Klinik Grünheide and no. 36 MEDIAN Reha-Zentrum Gyhum and no. 38 MEDIAN Klinik Berlin-Kladow* and the obligations and acts secured by the land charges referred to in **ANNEX 19.1**.

The Tenant shall further comply with all obligations assumed by the Landlord under the Property Purchase Agreement -respectively of Landlord NRZ Gruppe S.à r.l. - in relation to the use of the Individual Leased Objects including those resulting from easements (including easements securing the energy contracting agreements listed in **ANNEX 19.2** with respect to which an easement has not yet been entered but the registration in the land register has been agreed upon and those easements and public charges to be established under the Property Purchase Agreements and the Framework Agreement) or Former Property Purchase Agreements, in each case to the extent the Tenant can legally and/or factually comply with such restrictions and obligations.

The Landlord shall be obliged to comply with all of its obligations under (i) the HBR-Agreement regarding Individual Leased Objects *no. 35 MEDIAN Klinik Grünheide, no. 38 MEDIAN Klinik Berlin-Kladow and no. 37 MEDIAN Gesundheitspark Bad Gottleuba* and (ii) under the Former Property Purchase Agreements - to the degree assumed - under the Property Purchase Agreement regarding Individual Leased Objects *no. 01 MEDIAN Klinik Heiligendamm, no. 02 MEDIAN Klinik Wismar, no. 23 Median Klinik Braunfels, no. 28 MEDIAN Reha-Zentrum Schlangenbad* and (iii) the agreements or acts secured by the land charges listed in **ANNEX 19.1** *no. 37 MEDIAN Gesundheitspark Bad Gottleuba, no. 13 MEDIAN Klinik NRZ Magdeburg, no. 35 MEDIAN Klinik Grünheide and no. 36 MEDIAN Reha-Zentrum Gyhum and no. 38 MEDIAN Klinik Berlin-Kladow* and the obligations and acts secured by the land charges referred to in **ANNEX 19.1** if and to the extent the Tenant can neither legally nor factually comply with such obligations and acts.

20. MISCELLANEOUS

20.1 In case the Tenant under this Lease Agreement and the tenant under the Rhine Master Lease merge or otherwise become the same entities the Parties shall agree in good faith on such amendments reasonably required to have the Lease Agreement and the Rhine Master Lease merged into one agreement.

20.2 The Primary Subtenants guarantee on first demand the fulfillment of all obligations of the Tenant under this Lease Agreement relating to the Individual Leased Objects with respect to which they are a Primary Subtenant as provided for in **ANNEX 1.1** respectively **ANNEX RB** subject to the limitations provided for in **ANNEX 20.2**.

The Subtenants shall only have direct rights and obligations against the Landlords under this Lease Agreement and the Landlords shall only have direct rights and obligations against the Subtenants under this Lease Agreement if and to the extent exclusively stipulated in this Lease Agreement. For the avoidance of doubt the Subtenants shall not be liable for liabilities of the Tenant under this Agreement and, furthermore, shall not be liable jointly.

20.3 This Lease Agreement contains all provisions agreed upon by the Parties with respect to the lease. No oral side agreements have been made.

- 20.4 Changes and amendments to this Lease Agreement, including this clause, require the written form. To the extent that the written form is prescribed in this Lease Agreement, this requirement can be waived only in writing. This shall also apply to the cancellation of this written form provision.
- 20.5 The Parties, the Primary Subtenants and the Subtenants agree and acknowledge that the Parties shall have the right to amend all and any provisions of this Lease Agreement without participation or consent by the Primary Subtenants or the Subtenants being required, unless provided otherwise in the following sentence. The provisions of Sections 9.2, 11.2, 11.8 and 20.2 can only be amended with effect vis-à-vis the respective Subtenant if the Subtenant or the Subtenants concerned are party to the amendment. If a direct lease between a Landlord and a Subtenant is concluded the Subtenant concerned is only bound to amendments with respect to which it has been party.
- 20.6 The Parties are aware of the special written form requirements of Sections 550 sentence 1, 126 of the Civil Code. They hereby mutually agree to take, upon request made at any time by one party, all actions and to make all declarations which are necessary to satisfy the written form requirements provided for by law, in particular in connection with entering into any supplemental agreements (*Nachtragsverträge*), and not to prematurely terminate this Lease Agreement until that point in time based on non-compliance with the written form requirement provided for by law.
- 20.7 In this Lease Agreement, the Landlord authorizes (*bevollmächtigt*) the Tenant to exercise certain owner's rights. The Landlord shall upon Tenant's request provide the Tenant with separate written powers of attorney (*Vollmachten*) in German language authorizing (*bevollmächtigen*) the Tenant to exercise such owner's rights. Tenant may retain third parties to fulfill his obligations under this Agreement.
- 20.8 In the event that any suit, action, investigation, proceeding, claim or demand with respect to which the Tenant may be obliged to indemnify the Landlord under this Lease Agreement is commenced, asserted or announced by any third party against the Landlord (the "**Third Party Claim**"), the Landlord agrees to permit the Tenant to participate in the defense of the Third Party Claim. The Tenant shall have the right, at any time, to assume the sole control of the defense, in particular, to appoint and instruct counsel, and the Landlord agrees to litigate or settle the Third Party Claim in accordance with Tenant's instructions and to comply with any other directions of the Tenant in relation to the defense of the Third Party Claim. The Landlord shall fully cooperate with the Tenant in the defense of any Third Party Claim.

- 20.9 The invalidity or impracticability of one or several provisions hereof shall not affect the validity of the remaining provisions of this Lease Agreement. The same shall apply in the event that the Agreement lacks a provision which would have been necessary. The invalid or impracticable provision or the missing provision shall be replaced by a legally permissible and practicable provision which comes as close as economically possible to the intent and purpose of the invalid, impracticable or missing provision according to the opinion of the Parties. This does not apply to an acquirer or acquirers of one or more than one Individual Leased Object; to such acquirer or acquirers the statutory provisions shall apply.
- 20.10 Section 566 para. 2, first sentence of the Civil Code shall not apply.
- 20.11 The Landlords shall not be jointly liable (*keine Gesamtschuldnerschaft*) and shall not be joint creditors (*keine Gesamtgläuberschaft*).
- 20.12 Landlord MPT RHM Heiligendamm S.à r.l. shall act as agent for all Landlords under this Agreement (and under any New Leases) and be authorised (*bevollmächtigt*) to receive any notice, declaration or document under or in connection with this Lease Agreement by the Tenant on behalf of all Landlords.
- 20.13 Terms to which a German translation has been added in parentheses shall be interpreted as having the meaning assigned to them by the German translation.
- 20.14 This Lease Agreement shall be governed by the laws of the Federal Republic of Germany, the application of the UN sales convention (CISG) being excluded. The exclusive place of jurisdiction for settling any disputes arising out of or in connection with this Lease Agreement shall, to the degree legally possible, is Düsseldorf, Germany.

21. LIST OF ANNEXES

The following Annexes are attached to this Lease Agreement and form integral parts thereof:

ANNEX 1.1 – Individual Leased Objects, Individual Rents, Primary Subtenants, Subtenants

ANNEX RB - Individual Leased Object, Individual Rent, Primary Subtenant, Subtenant with regard to the Individual Leased Object no 13 MEDIAN Klinik NRZ Magdeburg

ANNEX 2.4 – Noncompliant Leased Objects

ANNEX 4.4 i. – Definition of EBITDAR and EBITDAR Rent

ANNEX 4.4. ii – LBO Facility

ANNEX 7.1 – Sample for calculation of Yearly Rent Adjustments

ANNEX 8.1 – Insurance Coverage

ANNEX 13.1(i) – Business Plan

ANNEX 13.1(ii) – Notification on structural changes

ANNEX 13.3 – Current Construction Works

ANNEX 14.1(a) – Pre-Agreed Extensions

ANNEX 14.1(b) – Specific Pre-Agreed Extensions

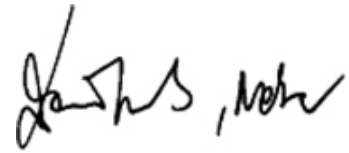
ANNEX 19.1 – Land Charges with Obligations to be fulfilled by Tenant

ANNEX 19.2 – List of Energy Contracting Agreements

ANNEX 20.2 – Limitation Language

gez. C. Hohmann

gez. A. Coenen

A handwritten signature in black ink, appearing to read "John S. [unclear]".

First Amendment Agreement

to the

Master Lease Agreement

originally dated 29 April 2015

Table of Contents

RECITALS	10
1. Claims Secured By Land Charges	11
2. MISCELLANEOUS	12

THIS FIRST AMENDMENT AGREEMENT to the MASTER LEASE AGREEMENT originally dated 29 April 2015 IS DATED 24 June 2015 AND MADE BETWEEN:

1. 01) MPT RHM Heiligendamm S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191147
- 02) MPT RHM Wismar S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191142
- 03) MPT RHM Bad Sulze S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191153
- 04) MPT RHM Hoppegarten S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191145
- 05) MPT RHM Kalbe S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191192
- 06) MPT RHM Flechtingen S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191274
- 07) MPT RHM Flechtingen II S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191281
- 08) MPT RHM Tennstedt S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190634

- 09) MPT RHM Adelsberg S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191283
- 10) MPT RHM Lobenstein S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190648
- 11) MPT RHM Bad Lausick S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191279
- 12) MPT RHM Berggiesshubel S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191193
- 19) MPT RHM Burg Landshut S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190578
- 20) MPT RHM Moselschleife S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191187
- 23) MPT RHM Braunfels S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190621
- 24) MPT RHM Hohenfeld S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191285

- 25) MPT RHM Kinzigtal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191175
- 26) MPT RHM Sudpark S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191177
- 27) MPT RHM Kaiserberg S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191172
- 28) MPT RHM Schlangenbad S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190616
- 29) MPT RHM Aukammtal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190620.
- 30) MPT RHM Gunzenbach S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190611
- 31) MPT RHM Achertal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190571
- 32) MPT RHM St. George Bad Durrheim S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191195

33) MPT RHM Franz Alexander S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191156

34) MPT RHM St. George Bad Krotzingen S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191200

35) MPT RHM Grunheide S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191158

36) MPT RHM Gyhum S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191154

37) MPT RHM Gottleuba S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 190638

38) MPT RHM Kladow S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 191164

13) NRZ Gruppe S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number 165183

– in relation to the Individual Leased Object owned by it, the “**Landlord**” and, collectively with all other Landlords, the “**Landlords**” –

and

2. Remedco Tenant S.à r. l. a private limited liability company (*société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg having its business address at 2-4 Rue Beck, L-1222 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 196181

– the “**Tenant**” –

– the Landlord and the Tenant collectively, the “**Parties**” and individually a “**Party**” –

3. G 19 to 20) Median REHA Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 119217 B

G 23) Braunfels Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 118709 B

G 1 to 12, 35) Median Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 117203 B

G 37) Median Kliniken GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 22809 B

G 38) AHB Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 119190 B

G 24 to 29) Polo Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRB 7165 B

G 30 to 34) Karl Kliniken Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 133437 B

G 13) NRZ Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 120917 B

G 36) Median Kliniken Nord Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 154780 B

– each in relation to the Individual Leased Object let and sublet by it a **“Primary Subtenant”** or **“Guarantor”** and collectively with all other Primary Subtenants/Guarantors the **“Primary Subtenants”** or **“Guarantors”**–

4. H 23) Orthopädische Klinik Braunfels GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Hasselborning 5, 35619 Braunfels and registered with the Trade and Companies register of the local court of Wetzlar under the number HRA 2998 B

H 1) to 12), 35) MEDIAN Kliniken GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 22809 B

H 37) Klinik Bad Gottleuba GmbH & Co. Betriebs KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 23548 B

H 36) Median Reha Zentrum Gyhum GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 49460 B

H 38) AHB-Klinik GmbH Berlin & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin at registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 21285 B

H 19) to 20) REHA Gesellschaft für Rehabilitation mbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 18963 B

H 24) MEDIAN Hohenfeld-Klinik für Orthopädie GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1024

H 25) MEDIAN Kinzigtal-Klinik GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1022

H 26) MEDIAN Klinik am Südpark GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1021

H 27) MEDIAN Kaiserberg-Klinik GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1020

H 28) MEDIAN Rehasentrum Schlangenbad GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 4117

H 29) MEDIAN Rehaklinik Aukammtal GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 4107

H 30) to 34) Oberrheinische Kliniken GmbH & Co. Betriebs KG, a limited partnership (KG) organized under the laws of Germany having its business address at Hofstraße 14-16, 79189 Bad Krozingen and registered with the Trade and Companies register of the local court of Freiburg i.Br. under the number HRA 310419

H 13) NRZ Magdeburg Median Kliniken GmbH & Co., a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 29611 B

– each in relation to the Individual Leased Object let by it a “**Subtenant**” and collectively with all other Subtenants the “**Subtenants**”–

IT IS AGREED AS FOLLOWS:

RECITALS

- (A) On 29 April 2015 the Landlord concluded a master lease agreement (the “**Lease Agreement**”) with the Tenant, the Primary Subtenants and the Subtenants as part of a sale-and-lease-back transaction and notarized as ANNEX C of the framework deed with deed-no. (*Urkundenrolle Nr.*) 978/2015 Br of the notary Dr. Florian Braunfels (the “**Framework Deed**”). The parties to the Framework Deed in addition, *inter alia*, entered into the property purchase agreements notarized as ANNEXES A.01 to A.38 to the Framework Deed (the “**Property Purchase Agreement(s)**”) as well as the share purchase agreement notarized as ANNEX B.13.
- (B) Unless otherwise defined in this first amendment agreement to the Lease Agreement (the “**First Amendment**”) capitalised terms used herein shall have the meanings attributed to the Lease Agreement.
- (C) This First Amendment is part of a supplement to the sale-and-lease-back transaction, notarized in the framework deed to which this First Amendment is ANNEX A.1-1 (the “**1. Deed Addendum**”).

NOW, THEREFORE:

1. CLAIMS SECURED BY LAND CHARGES

1.1 Section 6.1.ii.i of the Lease Agreement provides that the Tenant shall – inter alia – bear all costs to comply with the obligations and acts secured by the land charges listed in ANNEX 19.1 and all costs, penalties, fines and repayments claims resulting from the Tenant or his Affiliates not complying or not having complied in the past with such obligations and acts. Section 19.iii of the Lease Agreement provides that the Tenant shall – inter alia – comply with all obligations of the Landlord, if and to the extent, such obligations still apply under the agreements or acts secured by the land charges listed in ANNEX 19.1 no. 37 MEDIAN Gesundheitspark Bad Gottleuba, no. 13 MEDIAN Klinik NRZ Magdeburg, no. 35 MEDIAN Klinik Grünheide and no. 36 MEDIAN Reha-Zentrum Gyhum and no. 38 MEDIAN Klinik Berlin-Kladow and the obligations and acts secured by the land charges referred to in ANNEX 19.1. The Parties, the Primary Subtenants of the Individual Leased Objects referred to in the preceding two sentences and in ANNEX 19.1 as well as the Subtenants of the Individual Leased Objects referred to in the preceding two sentences and in ANNEX 19.1 agree that the respective Landlords concerned shall have direct claims against the Primary Subtenants concerned and the Subtenants concerned and that the Primary Subtenants concerned and the Subtenants concerned shall indemnify the Landlord concerned from all costs to comply with the obligations and acts secured by the land charges listed in ANNEX 19.1 and all costs, penalties, fines and repayments claims resulting from the Tenant or his Affiliates not complying or not having complied in the past with such obligations and acts and from all obligations referred to in the second sentence of this paragraph so that the respective Landlord concerned shall at any time be released from such penalties, fines and repayments claims and obligations. Therefore, only the obligation in rem (*dingliche Haftung*) relating to the respective land charge listed in ANNEX 19.1 but not the personal obligation (*persönliche Schuld*) secured is assumed by the Landlord concerned.

1.2 The last sentence of Sec. 20.2 of the second paragraph of the Lease Agreement shall be deleted accordingly and be replaced by the following sentence:

“For the avoidance of doubt the Subtenants shall unless explicitly provided otherwise in this Lease Agreement not be liable for liabilities of the Tenant under this Agreement and, furthermore, shall not be liable jointly.”

1.3 Section 20.5 second sentence shall be replaced by the following paragraph:

“The provisions of Sections 9.2, 11.2, 11.8, 20.2 of the Lease Agreement and Section 1.1 of the First Amendment can only be amended with effect vis-à-vis the respective Subtenant if the Subtenant or the Subtenants concerned are party to the amendment.”

2. MISCELLANEOUS

2.1 The Parties, the Primary Subtenants and the Subtenants confirm that with respect to this First Amendment Section 20.5 has been complied with.

2.2 Sec. 20.6 of the Lease Agreement shall read as follows:

“The Parties are aware of the special written form requirements of Sections 550 sentence 1, 126 of the Civil Code. They hereby mutually agree to take, upon request made at any time by one party, all actions and to make all declarations which are necessary to satisfy the written form requirements provided for by law, in particular in connection with entering into any supplemental agreements (*Nachtragsverträge*), and not to prematurely terminate this Lease Agreement until that point in time based on non-compliance with the written form requirement provided for by law. This does not apply to an acquirer or acquirers of one or more than one Individual Leased Object; to such acquirer or acquirers the statutory provisions shall apply.”

2.3 Unless explicitly provided otherwise in this First Amendment the Lease Agreement shall remain valid, in force and shall continue to apply and the Parties hereby explicitly approve and reconfirm the Lease Agreement as amended by this First Amendment.

A handwritten signature in black ink, appearing to read "S. M. Kow", is located in the top right corner of the page.

Second Amendment Agreement

to the

Master Lease Agreement

dated 29 April 2015

and the

First Amendment

dated

24 June 2015

Table of Contents

RECITALS	10
1. References	11
2. COMMENCEMENT OF THE LEASE	11
3. RENT	11
4. MISCELLANEOUS	12

THIS SECOND AMENDMENT AGREEMENT to the MASTER LEASE AGREEMENT originally dated 29 April 2015 and the FIRST AMENDMENT dated 24 June 2015 IS DATED 29 June 2015 AND MADE BETWEEN:

1. 01) MPT RHM Heiligendamm S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191147
- 02) MPT RHM Wismar S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191142
- 03) MPT RHM Bad Sulze S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191153
- 04) MPT RHM Hoppegarten S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191145
- 05) MPT RHM Kalbe S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191192
- 06) MPT RHM Flechtingen S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191274
- 07) MPT RHM Flechtingen II S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191281

- 08) MPT RHM Tennstedt S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190634
- 09) MPT RHM Adelsberg S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191283
- 10) MPT RHM Lobenstein S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190648
- 11) MPT RHM Bad Lausick S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191279
- 12) MPT RHM Berggiesshubel S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191193
- 19) MPT RHM Burg Landshut S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190578
- 20) MPT RHM Moselschleife S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191187
- 23) MPT RHM Braunfels S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190621

- 24) MPT RHM Hohenfeld S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191285
- 25) MPT RHM Kinzigal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191175
- 26) MPT RHM Sudpark S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191177
- 27) MPT RHM Kaiserberg S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191172
- 28) MPT RHM Schlangenbad S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190616
- 29) MPT RHM Aukammtal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190620.
- 30) MPT RHM Gunzenbach S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190611
- 31) MPT RHM Achertal S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190571

32) MPT RHM St. George Bad Durrheim S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191195

33) MPT RHM Franz Alexander S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191156

34) MPT RHM St. George Bad Krotzingen S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191200

35) MPT RHM Grunheide S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191158

36) MPT RHM Gyhum S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191154

37) MPT RHM Gottleuba S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 190638

38) MPT RHM Kladow S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 191164

13) NRZ Gruppe S.à r.l. a private limited liability company ((société à responsabilité limitée (S.à r.l.)) organized under the laws of Luxembourg having its business address at 6, rue Eugène Ruppert, L-2453 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 165183

and

2. Remedco Tenant S.à r. l. a private limited liability company (*société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg having its business address at 2-4 Rue Beck, L-1222 Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 196181

– the “**Tenant**” –

– the Landlord and the Tenant collectively, the “**Parties**” and individually a “**Party**” –

3. G 19 to 20) Median REHA Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 119217 B

G 23) Braunfels Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 118709 B

G 1 to 12, 35) Median Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 117203 B

G 37) Median Kliniken GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 22809 B

G 38) AHB Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 119190 B

G 24 to 29) Polo Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRB 7165 B

G 30 to 34) Karl Kliniken Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 133437 B

G 13) NRZ Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 120917 B

G 36) Median Kliniken Nord Holding GmbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 154780 B

– each in relation to the Individual Leased Object let and sublet by it a “**Primary Subtenant**” or “**Guarantor**” and collectively with all other Primary Subtenants/Guarantors the “**Primary Subtenants**” or “**Guarantors**”–

4. H 23) Orthopädische Klinik Braunfels GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Hasselbornring 5, 35619 Braunfels and registered with the Trade and Companies register of the local court of Wetzlar under the number HRA 2998 B

H 1) to 12), 35) MEDIAN Kliniken GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 22809 B

H 37) Klinik Bad Gottleuba GmbH & Co. Betriebs KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 23548 B

H 36) Median Reha Zentrum Gyhum GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 49460 B

H 38) AHB-Klinik GmbH Berlin & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin at registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 21285 B

H 19) to 20) REHA Gesellschaft für Rehabilitation mbH, a private limited liability company (GmbH) organized under the laws of Germany having its business address at Bismarckstraße 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRB 18963 B

H 24) MEDIAN Hohenfeld-Klinik für Orthopädie GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1024

H 25) MEDIAN Kinzigtal-Klinik GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1022

H 26) MEDIAN Klinik am Südpark GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1021

H 27) MEDIAN Kaiserberg-Klinik GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 1020

H 28) MEDIAN Rehazentrum Schlangenbad GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 4117

H 29) MEDIAN Rehaklinik Aukammtal GmbH & Co. KG, a limited partnership (KG) organized under the laws of Germany having its business address at Zanderstraße 28, 61231 Bad Nauheim and registered with the Trade and Companies register of the local court of Friedberg (Hessen) under the number HRA 4107

H 30) to 34) Oberrheinische Kliniken GmbH & Co. Betriebs KG, a limited partnership (KG) organized under the laws of Germany having its business address at Hofstraße 14-16, 79189 Bad Krozingen and registered with the Trade and Companies register of the local court of Freiburg i.Br. under the number HRA 310419

H 13) NRZ Magdeburg Median Kliniken GmbH & Co., a limited partnership (KG) organized under the laws of Germany having its business address at Bismarckstr. 105, 10625 Berlin and registered with the Trade and Companies register of the local court of Charlottenburg under the number HRA 29611 B

– each in relation to the Individual Leased Object let by it a “**Subtenant**” and collectively with all other Subtenants the “**Subtenants**”–

IT IS AGREED AS FOLLOWS:

RECITALS

- (A) On 29 April 2015 the Landlord concluded a master lease agreement (the “**Lease Agreement**”) with the Tenant, the Primary Subtenants and the Subtenants as part of a sale-and-lease-back transaction and notarized as ANNEX C of the framework deed with deed-no. (*Urkundenrolle Nr.*) 978/2015 Br of the notary Dr. Florian Braunfels (the “**Framework Deed**”). The parties to the Framework Deed in addition, *inter alia*, entered into the property purchase agreements notarized as ANNEXES A.01 to A.38 to the Framework Deed (the “**Property Purchase Agreement(s)**”) as well as the share purchase agreement notarized as ANNEX B.13. The Framework Deed was amended by Deed-No. 1421/2015 Br of the notary Dr. Florian Braunfels (the “**Deed Addendum**”). In particular the Property Purchase Agreements notarized as Annexes A.01 to A.38 to the Framework Deed and the Share Purchase Agreement notarized as Annex B.13 to the Framework Deed were amended in the Deed Addendum and the First Amendment (a first amendment to the Lease Agreement) was entered into.

- (B) Unless otherwise defined in this second amendment to the Lease Agreement (“Second Amendment”) capitalized terms used herein shall have the meanings attributed to in the Lease Agreement (as amended by the First Amendment).
- (C) The parties wish to amend the Lease Agreement in this Second Amendment (which is part of a supplement to the Sales-and-Lease-Back Transaction in form of a second amendment to the Framework Deed (the “**Second Deed Addendum**”) as follows:

NOW, THEREFORE.

1. REFERENCES

- 1.1 The Parties agree that to the degree the Lease Agreement as amended by the First Amendment and the Second Amendment contains references, in particular to parts of the Framework Deed and Annexes (including references to other deeds) or provisions therein these references refer to the respective most recent version amended by the Deed Addendum and the Second Deed Addendum.

2. COMMENCEMENT OF THE LEASE

The Parties agree that to the degree that section 3.1 of the Lease Agreement refers to the respective Property Purchase Agreement or the closing of the Share Purchase Agreement this shall refer to the respective Property Purchase Agreement and the Share Purchase Agreement as amended by the Deed Addendum and the Second Deed Addendum.

3. RENT

With respect to Rent for avoidance of doubt the Parties confirm that in case commencement takes place during a day and not with commencement of a day the Commencement of the Lease takes place at the exact time at which transfer of possession regarding the Individual Leased Object concerned takes place whereas the obligation to pay the respective Individual Rent commences with the first full day of the Lease Term of the Individual Leased Object concerned.

4. MISCELLANEOUS

Unless explicitly provided otherwise in this Second Amendment the Lease Agreement in the form as amended by the First Amendment shall remain valid, in force and shall continue to apply.

Annex 1.1 Kaufobjekt/Purchase Object: PPA 02 MEDIAN Klinik Wismar

A. Beschreibung der Liegenschaft

Amtsgericht	Wismar		
Grundbuch von	Wismar		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	6861	12	12, 13/3, 13/4
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen

Flurstück

Abteilung II		– Beschränkte persönliche Dienstbarkeit (Kraft-Wärme-Kopplungsanlage) für Techem Energy Contracting GmbH
	13/3	– Bedingte und befristete Rückauflassungsvormerkung für die
	13/4	Hansestadt Wismar mit mehrmalig ausnutzbarem Vorrangsvorbehalt für Grundpfandrechte bis zu EUR 27.609.761,58, nebst bis zu 20% Zinsen jährlich und bis zu 10% Nebenleistung einmalig, Anrechnung der Grundschuld III/1
Abteilung III		– Lfd. Nr. 1.1: Briefgrundschuld i.H.v. EUR 21.112.385,92 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, hinsichtlich des zuletzt zu zahlenden Teilbetrags i.H.v. EUR 2.556.459,41 sowie hinsichtlich der Zinsen und der anteiligen Nebenleistung sofort vollstreckbar, geteilt in:
		• Lfd. Nr. 1.1.1: Briefgrundschuld i.H.v. EUR 15.112.385,92 für Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar;
		• Lfd. Nr. 1.1.2: Briefgrundschuld i.H.v. EUR 6.000.000,00 für IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar
		– Lfd. Nr. 2: Buchgrundschuld i.H.v. EUR 500.000,00 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistung einmalig, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total EUR 24.600.00,00

D. Käufer/Vermieter

MPT RHM Wismar S.à r.l.

E. Verkäufer

MEDIAN Kliniken GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Median Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kliniken GmbH & Co. KG

H. Mietzins/Rent

Total EUR 2.070.336,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 03MEDIAN Klinik Bad Sülze

A. Beschreibung der Liegenschaft

Amtsgericht	Ribnitz-Damgarten		
Grundbuch von	Bad Sülze		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	3517	3	306/2, 315/2, 315/3
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen

Flurstück

Abteilung II	alle	– Beschränkte persönliche Dienstbarkeit (Betreiben einer KWK Anlage) für die duobloq Energie GmbH
Abteilung III	alle	– Lfd. Nr. 1: Briefgrundschuld i.H.v. DM 10.000.000,00 (EUR 5.112.918,81) für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar
		– Lfd. Nr. 2: Briefgrundschuld i.H.v. DM 12.000.000,00 (EUR 6.135.502,57) für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig
		– Lfd. Nr. 3: Buchgrundschuld i.H.v. EUR 3.758.058,52 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, geteilt in:
		• Lfd. Nr. 3.1: Buchgrundschuld i.H.v. EUR 2.870.977,33 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig
		• Lfd. Nr. 3.2: Buchgrundschuld i.H.v. EUR 887.081,19 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig
		– Lfd. Nr. 5: Buchgrundschuld i.H.v. EUR 5.112.918,81 für die IKB Deutsche Industriebank, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total EUR 22.600.00,00

D. Käufer/Vermieter

MPT RHM Bad Sulze S.à r.l.

-
- E. Verkäufer**
MEDIAN Kliniken GmbH & Co. KG
- F. Hauptuntermieter/Primary Subtenant**
Median Holding GmbH
- G. Untermieter/Subtenant**
Median Kliniken GmbH & Co KG
- H. Mietzins/Rent**
Total EUR 1.902.016,00 pro Jahr (zahlbar in Raten monatlich im Voraus)
- I. Zu übernehmende Belastungen in Abteilung III**
- J. Noch einzutragende Belastungen in Abteilung II**

Annex 1.1 Kaufobjekt/Purchase Object: PPA 06 MEDIAN Klinik Flechtingen I

A. Beschreibung der Liegenschaft

Amtsgericht Grundbuch von Blatt / Flur / Flurstück(e)	Haldensleben Flechtingen Blatt 1797	Flur 6	Flurstück(e) 119 120/1
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen

	Flurstück	
Abteilung II	119, 120/1	- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
		- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
		- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
		- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
		- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
		- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
		- Grunddienstbarkeit (verschiedene Geh- und Fahrrecht)
Abteilung III	119	- Beschränkte persönliche Dienstbarkeit (Gasdruckregelstationsrecht) für die E. ON Avacon AG - Beschränkte persönliche Dienstbarkeit (Gasleitungs- und Fernmeldekabelrecht) für die E. ON Avacon AG; Recht zum Bauen, Betreiben, Unterhalten und Auswechseln von Gas- und Fernmeldekabel
	Zusammen mit Flechtingen II 119,120/1	- Lfd. Nr. 7: Buchgrundschuld i.H.v. EUR 500.000,00 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistung einmalig, sofort vollstreckbar - Lfd. Nr. 1: Briefgrundschuld i.H.v. EUR 5.112.918,81 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar - Lfd. Nr. 2: Buchgrundschuld i.H.v. EUR 4.192.593,43 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig

- Lfd. Nr. 3: Buchgrundschild i.H.v. EUR 2.556.459,41 für die norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung, sofort vollstreckbar; geteilt in:
 - Lfd. Nr. 3.1: Buchgrundschild i.H.v. EUR 1.400.935,44 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar
 - Lfd. Nr. 3.2: Buchgrundschild i.H.v. EUR 1.155.523,97 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar,
- Lfd. Nr. 4: Buchgrundschild i.H.v. EUR 4.844.476,03 abgetreten an die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig

C. Kaufpreis/Purchase Price

Total EUR 17.200.000,00

D. Käufer/Vermieter

MPT RHM Flechtingen S.à r.l.

E. Verkäufer

MEDIAN Kliniken GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Median Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kliniken GmbH & Co. KG

H. Mietzins/Rent

Total EUR 1.447.552,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III

J. Noch einzutragende Belastungen in Abteilung II

Annex 1.1 Kaufobjekt/Purchase Object: PPA 07 MEDIAN Klinik Flechtingen II**A. Beschreibung der Liegenschaft**

Amtsgericht	Haldensleben		
Grundbuch von	Flechtingen		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	1797	6	125/1
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen

	Flurstück	
Abteilung II	125/1	– Geh- und Fahrrecht zugunsten der Eigentümer der benachbarten Grundstücke
Abteilung III	Zusammen mit Flechtingen I	– Lfd. Nr. 7: Buchgrundschuld i.H.v. EUR 500.000,00 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistung einmalig, sofort vollstreckbar
	125/1	– Lfd. Nr. 6: Buchgrundschuld i.H.v. EUR 28.121.053,47 für die Frankfurter Hypothekenbank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar hinsichtlich eines Teilbetrags von DM 5.000.000,00 nebst anteiliger Zinsen von 15% und anteiliger Nebenleistung von 10%

C. Kaufpreis/Purchase Price

Total EUR 25.300.000,00

D. Käufer/Vermieter

MPT RHM Flechtingen II S.à r.l.

E. Verkäufer

MEDIAN Kliniken GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Median Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kliniken GmbH & Co. KG

H. Mietzins/Rent

Total EUR 2.129.248,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 08 MEDIAN Klinik Bad Tennstedt

A. Beschreibung der Liegenschaft

Amtsgericht	Mühlhausen Zweigstelle Bad Langensalza		
Grundbuch von	Bad Tennstedt		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	4473	26	417/0, 420/0, 421/0, 411/0, 412/2, 414/0, 413/2, 418/0, 419/0, 416/0, 423/0, 424/0, 422/0, 391/0, 396/1 390/0, 392/0, 395/0, 397/0, 398/1, 415/1, 415/2, 412/1, 400/1, 413/3, 413/4
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen

	Flurstück	
Abteilung II	391/0 396/1 390/0 397/0 398/1	– Beschränkte persönliche Dienstbarkeit (Leitungs- und Anlagenrecht) für den Abwasserzweckverband Mittlere Unstrut
	414/0, 416/0	– Beschränkte persönliche Dienstbarkeit (Errichtungs-, Betriebs- und Nutzungsrecht für eine KWK-Anlage) für duobloq Energie GmbH
Abteilung III	417/0 420/0 421/0 411/0 412/2 414/0 413/2 418/0 419/0 416/0	– Lfd. Nr. 1: Briefgrundschuld i.H.v. DM 10.000.000,00 (EUR 5.112.918,81) für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar
	391/0 396/1 390/0 392/0 395/0 397/0	– Lfd. Nr. 2: Briefgrundschuld i.H.v. DM 12.000.000,00 (EUR 6.135.502,57) für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig
	398/1 415/1 415/2 400/1 413/3	– Lfd. Nr. 3: Buchgrundschuld i.H.v. DM 10.000.000,00 (EUR 5.112.918,81) für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar

– Lfd. Nr. 4: Buchgrundsschuld i.H.v. EUR 10.279.155,26 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, **davon abgetreten:**

- Lfd. Nr. 4A: letztrangiger Teilbetrag i.H.v. EUR 6.000.000,00 an die IKB Deutsche Industriebank, mit Nebenleistung und Zinsen

Alle Flurstücke – Lfd. Nr. 6: Buchgrundsschuld i.H.v. EUR 500.000,00 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistung einmalig, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total **EUR 31.500.000,00**

D. Käufer/Vermieter

MPT RHM Tennstedt S.à r.l.

E. Verkäufer

MEDIAN Kliniken GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Median Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kliniken GmbH & Co. KG

H. Mietzins/Rent

Total **EUR 2.651.040,00 pro Jahr (zahlbar in Raten monatlich im Voraus)**

I. Zu übernehmende Belastungen in Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 10 MEDIAN Klinik Bad Lobenstein

A. Beschreibung der Liegenschaft

Amtsgericht	Pößneck Zweigstelle Lobenstein		
Grundbuch von	Lobenstein		
Blatt / Flur / Flurstück(e)	Blatt 1053	Flur 5	Flurstück(e) 1542, 1547, 1541, 368, 1532, 1539, 1538, 1540, 1533, 1536/1, 1520/2, 1678, 1535, 1553/5, 1554/4
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen Flurstück

Abteilung II	368, 1678 1678 1532	<ul style="list-style-type: none"> – Beschränkte persönliche Dienstbarkeit (Kabelrecht) für die TEAG Thüringer Energie AG – Beschränkte persönliche Dienstbarkeit (Gasleitungsrecht) für die Gasversorgung Thüringen GmbH – Beschränkt persönliche Dienstbarkeit (Leitungs- und Anlagenrecht für duobloq Energie GmbH
Abteilung III	1542, 1547, 1541, 368, 1532, 1539, 1538, 1540, 1533, 1536/1, 1520/2, 1678, 1535, 1553/5, 1554/4	<ul style="list-style-type: none"> – Lfd. Nr. 1: Buchgrundschild i.H.v. EUR 22.533.741,50 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, DM 5.860.000,00 einmalige Nebenleistung, sofort vollstreckbar wegen des zuletzt zu zahlenden Teilbetrags i.H.v. DM 7.000.000,00 nebst Zinsen i.H.v. 15% und anteiliger Nebenleistung, davon abgetreten: <ul style="list-style-type: none"> • Lfd. Nr. 1a: Letztrangiger Teilbetrag i.H.v. EUR 6.000.000,00 abgetreten mit Nebenleistung und Zinsen an die IKB Deutsche Industriebank AG – Lfd. Nr. 2: Buchgrundschild i.H.v. EUR 500.000,00 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistung einmalig, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total	EUR 24.100.000,00
--------------	--------------------------

D. Käufer/Vermieter

MPT RHM Lobenstein S.à r.l.

E. Verkäufer

MEDIAN Kliniken GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Median Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kliniken GmbH & Co. KG

H. Mietzins/Rent

Total EUR 2.028.256,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 11 MEDIAN Klinik Bad Lausick

A. Beschreibung der Liegenschaft

Amtsgericht	Grimma		
Grundbuch von	Bad Lausick		
Blatt / Flur / Flurstück(e)	Blatt 1121	Flur	Flurstück(e) 567, 576, 577, 568, 569, 566/2
Eingetragener Eigentümer	MEDIAN Kliniken GmbH & Co. KG		

B. Belastungen

	Flurstück	
Abteilung II	567, 568, 569	– Beschränkte persönliche Dienstbarkeit (abwassertechnisches Anlagenrecht) für die Kommunale Wasserwerke Grimma-Geithain GmbH
	567, 576, 577	– Beschränkte persönliche Dienstbarkeit (Geh- und Fahrtrecht) an für die Kommunale Wasserwerke Grimma-Geithain GmbH
	alle	– Beschränkte persönliche Dienstbarkeit (Strom- und Wärmeerzeugungsanlagenrecht) an den Flurstücken Nr. 567, 576, 577, 568, 569 und 566/2 für duobloq Energie GmbH
Abteilung III	alle Flurstücke	– Lfd. Nr. 1: Briefgrundschuld i.H.v. DM 10.000.000,00 (EUR 5.112.918,81) für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar
		– Lfd. Nr. 2: Buchgrundschuld i.H.v. EUR 6.774.049,25 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, 10% Nebenleistung einmalig
		– Lfd. Nr. 3: Buchgrundschuld i.H.v. EUR 2.556.459,41 abgetreten an die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar
		– Lfd. Nr. 4a: Buchgrundschuld i.H.v. EUR 3.443.540,59 abgetreten an die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig
		– Lfd. Nr. 6: Buchgrundschuld i.H.v. EUR 500.000,00 für die IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistung einmalig, sofort vollstreckbar

-
- C. Kaufpreis/Purchase Price**
Total EUR 17.800.000,00
- D. Käufer/Vermieter**
MPT RHM Bad Lausick S.à r.l.
- E. Verkäufer**
MEDIAN Kliniken GmbH & Co. KG
- F. Hauptuntermieter/Primary Subtenant**
Median Holding GmbH
- G. Untermieter/Subtenant**
MEDIAN Kliniken GmbH & Co. KG
- H. Mietzins/Rent**
Total EUR 1.498.048,00 pro Jahr (zahlbar in Raten monatlich im Voraus)
- I. Zu übernehmende Belastungen in Abteilung III**

Annex 1.1 Kaufobjekt/Purchase Object: PPA 23 MEDIAN Klinik Braunfels

A. Beschreibung der Liegenschaft

Amtsgericht			
Grundbuch von	Wetzlar		
Blatt / Flur / Flurstück(e)	Braunfels		
	Blatt	Flur	Flurstück(e)
	3919	1	259/1
Eingetragener Eigentümer	Orthopädische Klinik Braunfels GmbH & Co. KG		

B. Belastungen Flurstück

Abteilung II		keine
Abteilung III	259/1	<ul style="list-style-type: none"> – Lfd. Nr. 1: Buchgrundschuld i.H.v. EUR 9.203.253,86, 15% Zinsen jährlich, sofort vollstreckbar, geteilt in: <ul style="list-style-type: none"> • Lfd. Nr. 1a: Buchgrundschuld i.H.v. EUR 6.135.502,57 für die Norddeutsche Landesbank Girozentrale, 15% Zinsen jährlich, sofort vollstreckbar, davon abgetreten: <ul style="list-style-type: none"> – Lfd. Nr. 1aI: letztrangiger Teilbetrag i.H.v. EUR 727.502,57 an die IKB Deutsche Industriebank AG, 15% Zinsen, sofort vollstreckbar • Lfd. Nr. 1b: Buchgrundschuld i.H.v. EUR 3.067.751,29 für IKB Deutsche Industriebank AG, 15% Zinsen jährlich, sofort vollstreckbar – Lfd. Nr. 2: Buchgrundschuld i.H.v. EUR 500.000,00 für IKB Deutsche Industriebank AG, 15% Zinsen jährlich, 5% Nebenleistungen einmalig, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total EUR 15.700.000,00

D. Käufer/Vermieter

MPT RHM Braunfels S.à r.l.

E. Verkäufer

Orthopädische Klinik Braunfels GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Braunfels Holding GmbH

G. Untermieter/Subtenant

Orthopädische Klinik Braunfels GmbH & Co. KG

H. Mietzins/Rent

Total EUR 1.321.215,00 pro Jahr (zahlbar monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 24 MEDIAN Hohenfeld-Kliniken für Orthopädie und Psychosomatik, Bad Camberg**A. Beschreibung der Liegenschaft**

Amtsgericht	Limburg a.d. Lahn		
Grundbuch von	Camberg		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	2558	44	79/7, 79/8
Eingetragener Eigentümer	Polo Holding GmbH		

B. Belastungen Flurstück

Abteilung II	79/7	– Reallast – Verpflichtung auf entgeltliche Lieferung von Wärme zugunsten des jeweiligen Eigentümers des Grundstücks Flurstücks 79/8
	79/7, 79/8	– Beschränkte persönliche Dienstbarkeit (Kraft-WärmeKopplungsanlagenrecht) für Techem Energy Contracting GmbH
Abteilung III	79/8	– Lfd. Nr. 3: Briefgrundschuld i.H.v. DM 3.800.000,00 (EUR 1.942.909,14) für Pfälzische Hypothekenbank AG, 18% Zinsen jährlich, sofort vollstreckbar
		– Lfd. Nr. 4: Buchgrundschuld i.H.v. EUR 930.000,00 für Eurohypo AG, 18% Zinsen jährlich

C. Kaufpreis/Purchase Price

Total EUR 18.100.000,00

D. Käufer/Vermieter

MPT RHM Hohenfeld S.à r.l.

E. Verkäufer/Seller

Polo Holding GmbH

F. Hauptuntermieter/Primary Subtenant

Polo Holding GmbH

G. Untermieter/Subtenant

Median Hohenfeld-Klinik für Orthopädie GmbH & Co. KG

H. Mietzins/Rent

Total EUR 1.522.210,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abt. III

Keine/None

Annex 1.1 Kaufobjekt/Purchase Object: PPA 25 MEDIAN Kinzigtal-Klinik**A. Beschreibung der Liegenschaft**

Amtsgericht	Gelnhausen		
Grundbuch von	Bad Soden		
Blatt / Flur / Flurstück(e)	Blatt 1494	Flur 17	Flurstück(e) 51/3, 51/10, 51/11, 51/13, 51/14, 51/15, 51/16, 51/9, 174/5
Eingetragener Eigentümer	Polo Holding GmbH		

B. Belastungen Flurstück

Abteilung II	51/9, 174/5	– Beschränkte persönliche Dienstbarkeit (KWK Anlagenrecht) für duobloq Energie GmbH
Abteilung III	alle Flurstücke	– Lfd. Nr. 1: Briefgrundschuld i.H.v. EUR 2.045.167,52 für Deutsche Hypothekenbank Frankfurt AG, 13% Zinsen jährlich, sofort vollstreckbar – Lfd. Nr. 2: Buchgrundschuld i.H.v. EUR 1.022.583,76 für Deutsche Hypothekenbank Frankfurt AG, 13% Zinsen jährlich, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total EUR 7.700.000,00

D. Käufer/Vermieter

MPT RHM Kinzigtal S.à r.l.

E. Verkäufer

Polo Holding GmbH

F. Hauptuntermieter/Primary Subtenant

Polo Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kinzigtal-Klinik GmbH & Co. KG

H. Mietzins/Rent

Total EUR 647.570,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 26 MEDIAN Klinik am Südpark**A. Beschreibung der Liegenschaft**

Amtsgericht	Friedberg (Hessen)		
Grundbuch von	Bad Nauheim		
Blatt / Flur / Flurstück(e)	Blatt 5375	Flur 10	Flurstück(e) 409/1, 415/2
Eingetragener Eigentümer	Polo Holding GmbH		

B. Belastungen Flurstück

Abteilung II	409/1, und Teile von 415/2	– Vormerkung zur Sicherung des Anspruchs auf Rückübertragung des Eigentums für das Land Hessen
	Teile von 415/2	– Vormerkung zur Sicherung des Anspruchs auf Übertragung des Eigentums für das Land Hessen
Abteilung III	409/1, 415/2	– Lfd. Nr. 1: Buchgrundschuld i.H.v. DM 12.000.000,00 (EUR 6.135.502,57) für die Aktiengesellschaft Pfälzische Hypothekenbank, 25% Zinsen jährlich, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total EUR 11.200.000,00

D. Käufer/Vermieter

MPT RHM Sudpark S.à r.l.

E. Verkäufer

Polo Holding GmbH

F. Hauptuntermieter/Primary Subtenant

Polo Holding GmbH

G. Untermieter/Subtenant

MEDIAN Klinik am Südpark GmbH & Co. KG

H. Mietzins/Rent

Total EUR 941.920,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III**J. Noch einzutragende Belastungen in Abteilung II**

Beschränkt persönliche Dienstbarkeit gemäß beigefügter Bewilligung (Anlage 1.2 a))

Annex 1.1 Kaufobjekt/Purchase Object: PPA 27 MEDIAN Kaiserberg-Klinik**A. Beschreibung der Liegenschaft**

Amtsgericht	Friedberg (Hessen)		
Grundbuch von	Bad Nauheim		
Blatt / Flur / Flurstück(e)	Blatt 53757	Flur	Flurstück(e) 16/2, 14/1, 15/1
Eingetragener Eigentümer	Polo Holding GmbH		

B. Belastungen

	Flurstück	
Abteilung II	14/1, 16/2	– Vormerkung zur Sicherung des Anspruchs auf Rückübertragung des Eigentums für das Land Hessen
	16/2	– Beschränkte persönliche Dienstbarkeit (Wohnungsrecht) für Willy Pitzer, geb. am 23.3.1923 und Evelin Pitzer, geb. am 30.07.1940; löschar bei Todesnachweis
Abteilung III	14/1, 16/2	– Lfd. Nr. 3: Buchgrundschuld i.H.v. DM 10.000.000,00 (EUR 5.112.918,81) für Aktiengesellschaft Pfälzische Hypothekenbank, 15% Zinsen jährlich, sofort vollstreckbar

C. Kaufpreis/Purchase Price

Total EUR 19.000.000,00

D. Käufer/Vermieter

MPT RHM Kaiserberg S.à r.l.

E. Verkäufer

Polo Holding GmbH

F. Hauptuntermieter/Primary Subtenant

Polo Holding GmbH

G. Untermieter/Subtenant

MEDIAN Kaiserberg-Klinik GmbH Co. KG

H. Mietzins/Rent

Total EUR 1.598.850,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III**J. Noch einzutragende Belastungen in Abteilung II**

Beschränkt persönliche Dienstbarkeit gemäß beigefügter Bewilligung (Anlage 1.2. a))

Annex 1.1 Kaufobjekt/Purchase Object: PPA 28 MEDIAN RehaZentrum Schlangenbad

A. Beschreibung der Liegenschaft

Amtsgericht	Bad Schwalbach		
Grundbuch von	Schlangenbad		
Blatt / Flur / Flurstück(e)	Blatt 1583	Flur 2 6	Flurstück(e) 12/4, 13/1, 17/8, 11/10, 11/8, 22/2, 22/5
Eingetragener Eigentümer	MEDIAN Rehazentrum Schlangenbad GmbH & Co. KG		

B. Belastungen

	Flurstück	
Abteilung II	11/10, 11/8	– Das Flurstück ist als Teil einer Gesamtanlage im Sinne von § 18 Abs.1 des Hessischen Denkmalschutzgesetzes in das Denkmalsbuch des Landes Hessen eingetragen
	11/10, 22/2, 22/5	– Beschränkte persönliche Dienstbarkeit (Wärmeversorgungsrecht) für die Rheingau Elektrizitätswerke GmbH
	17/8, 22/2, 22/5	– Beschränkte persönliche Dienstbarkeit (Energieversorgungserdkabelrecht mit dazugehörigen Straßenleuchten und Kabelverteilerschrank) für Süwag Energie AG
	22/2	– Grunddienstbarkeit (Gehund Fahrrecht) für den jeweiligen Eigentümer der Flurstücke 22/4, 22/6, 22/7, 22/8
		– Grunddienstbarkeit (Recht, die durch das Grundstück führenden Wasserleitungen in Betrieb zu halten, zu unterhalten, sowie ggf. zu erneuern; Betretungs- und Befahrungsrecht) für den jeweiligen Eigentümer der Flurstücke 22/4, 22/6, 22/7, 22/8
		– Grunddienstbarkeit (Zutrittsrecht zur Klinik I, um von der Parkplatzseite den in der Klinik I gelegenen Behindertenzugang zum Thermalhallenbad benutzen zu können) für den jeweiligen Eigentümer des Flurstücks 22/3
		– Grunddienstbarkeit (Zutrittsrecht zur Klinik I, um über den gemeinsamen Haupteingang zum Thermalhallenbad zu gelangen) für den jeweiligen Eigentümer des Flurstücks 22/3
		– Grunddienstbarkeit (Zutrittsrecht zur Klinik I, um im Brandfalle aus dem Thermalhallenbad durch die Werkstatträume im Keller einen Fluchtweg zu erhalten) für den jeweiligen Eigentümer des Flurstücks 22/3

		<ul style="list-style-type: none"> – Beschränkte persönliche Dienstbarkeit (Elektroversorgungskabelrecht) für die Gemeinde Schlangenbad – Beschränkte persönliche Dienstbarkeit (Frischwasserleitungsrecht) für die Gemeinde Schlangenbad – Beschränkte persönliche Dienstbarkeit (Strom- und Wärmeversorgungsanlagenrecht) für die hessenENERGIE Gesellschaft für rationelle Energienutzung mbH
	22/2, 22/5	– Grunddienstbarkeit (Recht die durch die dienenden Grundstücke führenden Wasserleitungen in Betrieb zu halten, zu unterhalten, sowie gegebenenfalls zu erneuern; Betretungs- und Befahrungsrecht) für den jeweiligen Eigentümer der Flurstücke 1/12, 1/13, 1/14
Abteilung III		– Lfd. Nr. 1: Buchgrundschuld i.H.v. EUR 3.000.000,00 für die COMMERZBANK AG, 15% Zinsen jährlich, sofort vollstreckbar
C. Kaufpreis/Purchase Price		
	Total	EUR 5.000.000,00
D. Käufer/Vermieter		
	MPT RHM Schlangenbad S.à r.l.	
E. Verkäufer		
	MEDIAN Rehasentrum Schlangenbad GmbH & Co. KG	
F. Hauptuntermieter/Primary Subtenant		
	Polo Holding GmbH	
G. Untermieter/Subtenant		
	MEDIAN Rehasentrum Schlangenbad GmbH & Co. KG	
H. Mietzins/Rent		
	Total	EUR 420.769,00 pro Jahr (zahlbar in Raten monatlich im Vo-raus)
I. Zu übernehmende Belastungen in Abt. III		
	Keine/None	

Annex 1.1 Kaufobjekt/Purchase Object: PPA 29 MEDIAN Rehaklinik Aukammtal, Wiesbaden**A. Beschreibung der Liegenschaft**

Amtsgericht	Wiesbaden		
Grundbuch von	Bierstadt		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	8128	59	432
Eingetragener Eigentümer	Rehaklinik Aukammtal Pitzer GmbH & Co. KG (umfirmiert in MEDIAN Rehaklinik Aukammtal GmbH & Co KG)		

B. Belastungen Flurstück

Abteilung II	Teile von	– Grunddienstbarkeit (Geh- und Fahrrecht nebst Versorgungsleitungs- und Kanalanschlussrecht) für den jeweiligen Eigentümer des Grundstücks Sonnenberg Flur 14 Flurstück 105/7
	432	
	432	– Lfd. Nr. 5: Beschränkte persönliche Dienstbarkeit (Recht zur alleinigen Errichtung und Betriebsführung von Strom- und Wärmeversorgungsanlagen mit entsprechender Untersagungspflicht des Eigentümers; bedingt befristet) für hessenENERGIE Gesellschaft für rationelle Energienutzung mbH, Wiesbaden;
Abteilung III		– Lfd. Nr. 5: Buchgrundschuld i.H.v. EUR 12.000.000,00 für die Eurohypo AG, 18% Zinsen jährlich, sofort vollstreckbar bezüglich eines Teilbetrages i.H.v. EUR 2.400.000,00 nebst den anteiligen Zinsen

C. Kaufpreis/Purchase Price

Total **EUR 9.300.000,00**

D. Käufer/Vermieter

MPT RHM Aukammtal S.à r.l

E. Verkäufer

MEDIAN Rehaklinik Aukammtal GmbH & Co. KG,
vormals Rehaklinik Aukammtal Pitzer GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

Polo Holding GmbH

G. Untermieter/Subtenant

MEDIAN Rehaklinik Aukammtal GmbH & Co. KG

H. Mietzins/Rent

Total EUR 782.631,00 pro Jahr (zahlbar in Raten monatlich im Voraus)

I. Zu übernehmende Belastungen in Abteilung III

J. Noch einzutragende Belastungen in Abteilung II

Annex 1.1 Kaufobjekt/Purchase Object: PPA 30 MEDIAN Klinik Gunzenbachhof

A. Beschreibung der Liegenschaft

Amtsgericht	Achern		
Grundbuch von	Baden-Baden		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	431		2240
Eingetragener Eigentümer	Karl Kliniken Holding GmbH		
Blatt / Flur / Flurstück(e)	Blatt	Flur	Flurstück(e)
	498		2241
Eingetragener Eigentümer	Grundbesitzgesellschaft Oberrheinische Kliniken GmbH & Co. KG		

B. Belastungen

	Flurstück	
Abteilung II	2240	– Bauverbot auf einer näher bestimmten Fläche auf Grundstück Flst. Nr. 2241
	2241	– Herrschvermerke eingetragen
Abteilung III	2240	– Lfd. Nr. 5: Buchgrundschuld i.H.v. EUR 664.679,45 für HSH Nordbank AG, 14% Zinsen jährlich, sofort vollstreckbar
		– Lfd. Nr. 6: Buchgrundschuld i.H.v. EUR 1.022.583,76 für HSH Nordbank AG, 16% Zinsen jährlich, 10% Nebenleistungen einmalig, sofort vollstreckbar
	2241	– Lfd. Nr. 33: Buchgrundschuld i.H.v. EUR 5.112.918,81 für HSH Nordbank AG, 16% Zinsen jährlich, 8% Nebenleistung einmalig, sofort vollstreckbar, mitbelastet sind die Grundstücke Flst. Nr. 242/29 der Gemarkung Bad Dürreheim [Klinik St. Georg Bad Dürreheim], Flst. Nr. 24, 24/2, 29/1, 26 der Gemarkung Nordrach [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Gemarkung Ottenhöfen [Achertal-Klinik] und Flst. Nr. 193 und 193/20 Gemarkung Bad Krozingen [Haus St. Georg Bad Krozingen]

- Lfd. Nr. 34: Buchgrundsschuld i.H.v. EUR 12.271.005,15 **geteilt in:**
- Lfd. Nr. 34: Buchgrundsschuld i.H.v. EUR 11.248.421,39 für HSH Nordbank AG, 16% Zinsen jährlich, 8% Nebenleistung einmalig, mitbelastet sind die Grundstücke Flst. Nr. 242/29 der Gemarkung Bad Dürrhein [Klinik St. Georg Bad Dürrhein], Flst. Nr. 24, 24/2, 29/1, 26 der Gemarkung Nordrach [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Gemarkung Ottenhöfen [Achertal-Klinik] und Flst. Nr. 193 und 193/20 Gemarkung Bad Krozingen [Haus St. Georg Bad Krozingen]
 - Lfd. Nr. 34a: Buchgrundsschuld i.H.v. DM 1.022.583,76 (Grundbuchfehler: EUR gemeint) für HSH Nordbank AG, 16% Zinsen jährlich, 8% Nebenleistungen einmalig, mitbelastet sind die Grundstücke Flst. Nr. 242/29 der Gemarkung Bad Dürrhein [Klinik St. Georg Bad Dürrhein], Flst. Nr. 24, 24/2, 29/1, 26 der Gemarkung Nordrach [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Gemarkung Ottenhöfen [Achertal-Klinik] und Flst. Nr. 193 und 193/20 Gemarkung Bad Krozingen [Haus St. Georg Bad Krozingen] *[Anmerkung: ausweislich des Veränderungsvermerks zur Abtretung an die HSH Nordbank AG erfolgte die Abtretung nur i.H.v. DM 1.022.592,76, während die vorangegangene Abtretung ausweislich des Grundbuchs i.H.v. EUR 1.022.583,76 erfolgt ist – offensichtlicher Fehler des Grundbuchs]*
 - Lfd. Nr. 35: Buchgrundsschuld i.H.v. EUR 1.533.875,64 für HSH Nordbank AG, 18% Zinsen jährlich, sofort vollstreckbar, mitbelastet sind die Grundstücke Flst. Nr. 242/29 im Grundbuch von Bad Dürrhein (Blatt 2024) [Klinik St. Georg Bad Dürrhein], Flst. Nr. 24, 24/2, 29/1, 26 Grundbuch von Nordrach (Blatt 155) [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2

Grundbuch von Ottenhöfen (Blatt 830) [Achertal-Klinik] und Flst. Nr. 193 und 193/20 Grundbuch von Bad Krozingen (Blatt 1822) [Haus St. Georg Bad Krozingen] [Anmerkung: Die Flst. Nr. 242/29 und 333/12 sind bei der Gesamthaft doppelt aufgeführt und dabei keinem Grundbuch zugeordnet, Mithaft für Flst. Nr. 333/12 erloschen – offensichtlicher Fehler des Grundbuchs]

- Lfd. Nr. 36: Buchgrundschuld i.H.v. EUR 2.556.459,41 für HSH Nordbank AG, 16% Zinsen jährlich, sofort vollstreckbar, mitbelastet sind die Grundstücke Flst. Nr. 242/29 im Grundbuch von Bad Dürkheim (Blatt 2024) [Klinik St. Georg Bad Dürkheim], Flst. Nr. 24, 24/2, 29/1, 26 Grundbuch von Nordrach (Blatt 155) [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Grundbuch von Ottenhöfen (Blatt 830) [Achertal-Klinik] und Flst. Nr. 193 und 193/20 Grundbuch von Bad Krozingen (Blatt 1822) [Haus St. Georg Bad Krozingen] [Anmerkung: Die Flst. Nr. 242/29 und 333/12 sind bei der Gesamthaft doppelt aufgeführt und dabei keinem Grundbuch zugeordnet, Mithaft für Flst. Nr. 333/12 erloschen – offensichtlicher Fehler des Grundbuchs]
- Lfd. Nr. 37: Buchgrundschuld i.H.v. EUR 2.556.459,41 für HSH Nordbank AG, 16% Zinsen jährlich, sofort vollstreckbar, mitbelastet sind die Grundstücke Flst. Nr. 242/29 im Grundbuch von Bad Dürkheim (Blatt 2024) [Klinik St. Georg Bad Dürkheim], Flst. Nr. 24, 24/2, 29/1, 26 Grundbuch von Nordrach (Blatt 155) [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Grundbuch Ottenhöfen (Blatt 830) [Achertal-Klinik] und Flst. Nr. 193 und 193/20 Grundbuch Bad Krozingen (Blatt 1822) [Haus St. Georg Bad Krozingen]
- Lfd. Nr. 38: Buchgrundschuld i.H.v. EUR 2.556.459,41 für HSH Nordbank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar, mitbelastet sind die Grundstücke Flst. Nr. 242/29 Grundbuch von Bad Dürkheim (Blatt 2024) [Klinik St. Georg Bad Dürkheim], Flst. Nr. 24, 24/2, 29/1, 26 Grundbuch von Nordrach (Blatt 155)

[Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Grundbuch von Ottenhöfen (Blatt 830) [Achartal-Klinik] und Flst. Nr. 193 und 193/20 Grundbuch von Bad Krozingen (Blatt 1822) [Haus St. Georg Bad Krozingen] [Anmerkung: Flst. Nr. 242/29 bei der Gesamthaft doppelt aufgeführt und dabei keinem Grundbuch zugeordnet, Mithaft für Flst. Nr. 333/12 erloschen – offensichtlicher Fehler des Grundbuchs]

- Lfd. Nr. 39: Buchgrundschuld i.H.v. EUR 5.112.918,81 für HSH Nordbank AG, 15% Zinsen jährlich, 10% Nebenleistung einmalig, mitbelastet sind die Grundstücke Flst. Nr. 242/29 im Grundbuch von Bad Dürkheim (Blatt 2024) [Klinik St. Georg Bad Dürkheim], Flst. Nr. 24, 24/2, 29/1, 26 Grundbuch von Nordrach (Blatt 155) [Franz-Alexander-Klinik/Haus St. Georg Nordrach], Flst. Nr. 411/1 und 411/2 Grundbuch von Ottenhöfen (Blatt 830) [Achartal-Klinik] und Flst. Nr. 193 und 193/20 Grundbuch von Bad Krozingen (Blatt 1822) [Haus St. Georg Bad Krozingen]
- Lfd. Nr. 40: Buchgrundschuld i.H.v. EUR 3.000.000,00 für Herrn Rudi May, Frau Bianca May, Herrn Bernhard May und Frau Viktoria May als Gesamtberechtigte gemäß § 428 BGB, 18% Zinsen jährlich, 10% Nebenleistung einmalig, sofort vollstreckbar, die Abtretung der Grundschuld ohne Zustimmung des Eigentümers ist ausgeschlossen, Mithaft besteht in den Grundbüchern von: Bad Dürkheim, Blatt 2024 (Flst. Nr. 242/29); Bad Dürkheim, Blatt 1490 (Flst. Nr. 242/31); Bad Krozingen, Blatt 1822 (Flst. Nr. 193, 193/20); Baden-Baden, Blatt 498 (Flst. Nr. 2241 nicht im Grundbuch eingetragen); Nordrach, Blatt 155 (Flst. Nr. 29/1, 26, 24, 24/2); Ottenhöfen, Blatt 830 (Flst. Nr. 411/1, 411/2).

C. Kaufpreis/Purchase Price

EUR 9.780.000,00 (für Flurstück 2241)

EUR 720.000,00 (für Flurstück 2240)

Total **EUR 10.500.000,00**

D. Käufer/Vermieter

MPT RHM Gunzenbach S.à r.l.

E. Verkäufer

Karl Kliniken Holding GmbH (bzgl. Blatt 431)

Grundbesitzgesellschaft Oberrheinische Kliniken GmbH & Co. KG (bzgl. Blatt 498)

F. Hauptuntermieter/Primary Subtenant

Karl Kliniken Holding GmbH

G. Untermieter/Subtenant

Oberrheinische Kliniken GmbH & Co. Betriebs-KG

H. Mietzins/Rent

Total **EUR 883.575,00 pro Jahr (zahlbar in Raten monatlich im Voraus)**

I. Zu übernehmende Belastungen in Abteilung III

Annex 1.1 Kaufobjekt/Purchase Object: PPA 36 MEDIAN Reha-Zentrum Gyhum

A. Beschreibung der Liegenschaft

Amtsgericht		Zeven		
Grundbuch von		Gyhum		
Blatt / Flur / Flurstück(e)	Blatt		Flur	Flurstück(e)
	197		3	alle Flurstücke, die unter der laufenden Nr. 31 des Bestandsverzeichnisses eingetragen sind
Eingetragener Eigentümer		Reha-Zentrum Gyhum GmbH & Co. KG (jetzt MEDIAN Reha-Zentrum Gyhum GmbH & Co. KG)		
Belastungen	Flurstück			
Abteilung II		<ul style="list-style-type: none"> – Beschränkte persönliche Dienstbarkeit – Schmutzwasserleitungsrecht für die Samtgemeinde Zeven – Beschränkte persönliche Dienstbarkeit: Recht zur Errichtung und zum Betrieb einer Erdgasreglerstation für die Stadt Zeven (Stadtwerke Zeven) – Beschränkte persönliche Dienstbarkeit: Mittelspannungs- und Steuerkabelrecht für die Überlandwerk Nord-Hannover AG – Beschränkte persönliche Dienstbarkeit: Leitungsrecht für die Überlandwerk Nord-Hannover AG – Beschränkte persönliche Dienstbarkeit: Schmutzwasserleitungsrecht für die Samtgemeinde Zeven – Beschränkte persönliche Dienstbarkeit: Recht zur Errichtung und Unterhaltung eines Mittelspannungs- und Steuerkabels für die Überlandwerk Nord-Hannover AG – Beschränkte persönliche Dienstbarkeit: Nutzungsrecht als Fußweg für die Gemeinde Gyhum – Reallast (Verpflichtung zur Aufrechterhaltung und Unterhaltung der Gehölzreihe nebst Heckenanlage) zugunsten der Gemeinde Gyhum 		

Abteilung III

- Befristete beschränkte persönliche Dienstbarkeit (Nutzungsbeschränkung) für das Land Niedersachsen
- Lfd. Nr. 11: Briefgrundschuld i.H.v. EUR 3.425.655,60 für die Deutsche Apothekerund Ärztebank eG, Düsseldorf; 19% Zinsen jährlich; sofort vollstreckbar
- Lfd. Nr. 12: Briefgrundschuld i.H.v. EUR 920.325,39 für die Deutsche Apothekerund Ärztebank eG, Düsseldorf; 19% Zinsen jährlich; sofort vollstreckbar
- Lfd. Nr. 13: Buchgrundschuld i.H.v. EUR 15.338.756,44, 19% Zinsen jährlich, sofort vollstreckbar, **geteilt in:**
 - Lfd. Nr. 13: Buchgrundschuld i.H.v. EUR 2.633.756,44 für die Commerzbank Aktiengesellschaft, Frankfurt am Main; 19% Zinsen jährlich; sofort vollstreckbar;
 - Lfd. Nr. 13a: Buchgrundschuld i.H.v. EUR 12.705.000,00 für die Deutsche Apothekerund Ärztebank eG, Düsseldorf; 19% Zinsen jährlich; sofort vollstreckbar, **davon abgetreten:**
 - Lfd. Nr. 13aI: EUR 3.248.634,69 mit Zinsen an die Commerzbank Aktiengesellschaft, Frankfurt am Main
 - Lfd. Nr. 15: Buchgrundschuld i.H.v. EUR 2.172.990,50 für die Commerzbank Aktiengesellschaft, Frankfurt am Main; 19% Zinsen jährlich; sofort vollstreckbar;
 - Lfd. Nr. 18: Buchgrundschuld i.H.v. EUR 500.000,00 für das Land Niedersachsen; 5 Prozentpunkte über dem jeweiligen Basiszinssatz, höchstens aber 15% Zinsen

C. Kaufpreis/Purchase Price

Total EUR 26.700.000,00

D. Käufer/Vermieter

MPT RHM Gyhum S.à r.l.

E. Verkäufer

MEDIAN Reha-Zentrum Gyhum GmbH & Co. KG

F. Hauptuntermieter/Primary Subtenant

MEDIAN Kliniken Nord Holding GmbH

G. Untermieter/Subtenant

MEDIAN Reha-Zentrum Gyhum GmbH & Co. KG

H. Mietzins/Rent

Total **EUR 2.243.000,00 pro Jahr (zahlbar in Raten monatlich im Voraus)**

I. Zu übernehmende Belastungen in Abteilung III

Buchgrundschild i.H.v. EUR 500.000,00 für das Land Niedersachsen; 5 Prozentpunkte über dem jeweiligen Basiszinssatz, höchstens aber 15% Zinsen

J. Noch einzutragende Belastungen in Abteilung II

Auf Verlangen von EWE: Beschränkt persönliche Dienstbarkeit entsprechend der Verpflichtung zur Eintragung des Verkäufers nach (Anlage 1.2a))

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934**

I, Edward K. Aldag, Jr., certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of Medical Properties Trust, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2015

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

Chairman, President and Chief Executive Officer of Medical Properties Trust, Inc.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934**

I, R. Steven Hamner, certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of Medical Properties Trust, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2015

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer of Medical
Properties Trust, Inc.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934**

I, Edward K. Aldag, Jr., certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of MPT Operating Partnership, L.P.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2015

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

Chairman, President and Chief Executive Officer of the sole member of the general partner of MPT Operating Partnership, L.P.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934**

I, R. Steven Hamner, certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of MPT Operating Partnership, L.P.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2015

/s/ R. Steven Hamner

R. Steven Hamner

Executive Vice President and Chief Financial Officer of the sole member of the general partner of MPT Operating Partnership, L.P.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(b) UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of Medical Properties Trust, Inc. (the "Company") for the quarter ended June 30, 2015 (the "Report"), each of the undersigned, Edward K. Aldag, Jr. and R. Steven Hamner, certifies, pursuant to Section 18 U.S.C. Section 1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 10, 2015

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

Chairman, President and Chief Executive Officer of Medical Properties Trust, Inc.

/s/ R. Steven Hamner

R. Steven Hamner

Executive Vice President and Chief Financial Officer of Medical Properties Trust, Inc.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(b) UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of MPT Operating Partnership, L.P. (the "Company") for the quarter ended June 30, 2015 (the "Report"), each of the undersigned, Edward K. Aldag, Jr. and R. Steven Hamner, certifies, pursuant to Section 18 U.S.C. Section 1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 10, 2015

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

Chairman, President and Chief Executive Officer of the sole member of the general partner of MPT Operating Partnership, L.P.

/s/ R. Steven Hamner

R. Steven Hamner

Executive Vice President and Chief Financial Officer of the sole member of the general partner of MPT Operating Partnership, L.P.