As filed with the Securities and Exchange Commission on February 3, 2012

Registration No. 333-

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

Form S-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Medical Properties Trust, Inc.
MPT Operating Partnership, L.P.
MPT Finance Corporation

(Exact name of registrant issuer as specified in its charter)

See Table of Registrant Guarantors for information regarding additional Registrants

Delaware	**6798**	20-0191742
Delaware	**6798**	20-0242069
Delaware	**6798**	45-1537205
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

1000 Urban Center Drive, Suite 501 Birmingham, Alabama 35242 (205) 969-3755
(Address, including zip code, and telephone number, including area code, of registrants' principal executive offices)

Edward K. Aldag, Jr. Chairman, President, Chief Executive Officer Medical Properties Trust, Inc. 1000 Urban Center Drive, Suite 501 Birmingham, AL 35242 (205) 969-3755
(Name, address, including zip code, and telephone number, including area code, of agent for service)

The commission is requested to send copies of all communications to:

Yoel Kranz, Esq.
James P. Barri, Esq.
Goodwin Procter LLP
Exchange Place
Boston, Massachusetts 02109
(617) 570-1105

Daniel J. Zubkoff, Esq.
Douglas S. Horowitz, Esq.
Cahill Gordon & Reindel LLP
80 Pine Street
New York, New York 10005
(212) 701-3000

Approximate date of commencement of the proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box: ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box: ☑

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☑

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

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. (Check one):

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Senior Notes due 2022		
Guarantee(2)		
Total:	(1)	$0(1)

(1) An indeterminate amount of securities to be offered at indeterminate prices is being registered pursuant to this registration statement. The registrants are deferring payment of the registration fee pursuant to Rule 456(b) and is omitting this information in reliance on Rule 456(b) and Rule 457(r).
(2) In accordance with Rule 457(n), no separate fee is payable with respect to the Guarantees.

Table of co-registrants

Exact name of registrant guarantor as specified in its charter(1)	State of incorporation or organization	Primary standard industrial classification code number	I.R.S. employer identification number
Medical Properties Trust, LLC	Delaware	6798	34-1985135
MPT of Victorville, LLC	Delaware	6798	20-2486521
MPT of Bucks County, LLC	Delaware	6798	20-2486602
MPT of Bloomington, LLC	Delaware	6798	20-2603301
MPT of Covington, LLC	Delaware	6798	20-2953603
MPT of Denham Springs, LLC	Delaware	6798	20-2953661
MPT of Redding, LLC	Delaware	6798	20-3072918
MPT of Chino, LLC	Delaware	6798	20-3363654
MPT of Dallas LTACH, LLC	Delaware	6798	20-4805632
MPT of Portland, LLC	Delaware	6798	20-5337217
MPT of Warm Springs, LLC	Delaware	6798	20-5714589
MPT of Victoria, LLC	Delaware	6798	20-5714694
MPT of Luling, LLC	Delaware	6798	20-5714787
MPT of Huntington Beach, LLC	Delaware	6798	20-5714848
MPT of West Anaheim, LLC	Delaware	6798	20-5714896
MPT of La Palma, LLC	Delaware	6798	20-5714958
MPT of Paradise Valley, LLC	Delaware	6798	20-8798603
MPT of Southern California, LLC	Delaware	6798	20-8963938
MPT of Twelve Oaks, LLC	Delaware	6798	26-0559922
MPT of Shasta, LLC	Delaware	6798	26-0559841
MPT of Webster, LLC	Delaware	6798	26-2453275
MPT of Tucson, LLC	Delaware	6798	26-2520552
MPT of Bossier City, LLC	Delaware	6798	26-2520505
MPT of West Valley City, LLC	Delaware	6798	26-2512723
MPT of Idaho Falls, LLC	Delaware	6798	26-2518223
MPT of Poplar Bluff, LLC	Delaware	6798	26-2518397
MPT of Bennettsville, LLC	Delaware	6798	26-2518359
MPT of Detroit, LLC	Delaware	6798	26-2496457
MPT of Bristol, LLC	Delaware	6798	26-2394024
MPT of Newington, LLC	Delaware	6798	26-2394093
MPT of Enfield, LLC	Delaware	6798	26-2394158
MPT of Petersburg, LLC	Delaware	6798	26-2518270
MPT of Fayetteville, LLC	Delaware	6798	26-2406076
4499 Acushnet Avenue, LLC	Delaware	6798	20-2066562
8451 Pearl Street, LLC	Delaware	6798	20-2066776
MPT of Garden Grove Hospital, LLC	Delaware	6798	26-3002663
MPT of Garden Grove MOB, LLC	Delaware	6798	26-3002759
MPT of San Dimas Hospital, LLC	Delaware	6798	26-3002414
MPT of San Dimas MOB, LLC	Delaware	6798	26-3002527
MPT of Cheraw, LLC	Delaware	6798	26-2518316
MPT of Ft. Lauderdale, LLC	Delaware	6798	26-2399919
MPT of Providence, LLC	Delaware	6798	26-2825405
MPT of Springfield, LLC	Delaware	6798	26-2825629
MPT of Warwick, LLC	Delaware	6798	26-2825704
MPT of Mountain View, LLC	Delaware	6798	45-3419885
MPT of Richardson, LLC	Delaware	6798	27-2553353
MPT of Round Rock, LLC	Delaware	6798	27-2553469
MPT of Shenandoah, LLC	Delaware	6798	27-2553198
MPT of Hillsboro, LLC	Delaware	6798	27-3001181
MPT of Florence, LLC	Delaware	6798	27-3737512
MPT of Clear Lake, LLC	Delaware	6798	27-4433434
MPT of Tomball, LLC	Delaware	6798	27-4242856

Exact name of registrant guarantor as specified in its charter(1)	State of incorporation or organization	Primary standard industrial classification code number	I.R.S. employer identification number
MPT of Gilbert, LLC	Delaware	6798	27-4433943
MPT of Corinth, LLC	Delaware	6798	27-3857789
MPT of Bayonne, LLC	Delaware	6798	27-4434500
MPT of Alvarado, LLC	Delaware	6798	45-0639984
MPT of Bucks County, L.P.	Delaware	6798	20-2486672
MPT of Dallas LTACH, L.P.	Delaware	6798	20-4805835
MPT of Warm Springs, L.P.	Delaware	6798	20-5714648
MPT of Victoria, L.P.	Delaware	6798	20-5714747
MPT of Luling, L.P.	Delaware	6798	20-5714819
MPT of Huntington Beach, L.P.	Delaware	6798	20-5714872
MPT of West Anaheim, L.P.	Delaware	6798	20-5714924
MPT of La Palma, L.P.	Delaware	6798	20-5714994
MPT of Paradise Valley, L.P.	Delaware	6798	20-8798655
MPT of Southern California, L.P.	Delaware	6798	20-8963986
MPT of Twelve Oaks, L.P.	Delaware	6798	26-0560020
MPT of Shasta, L.P.	Delaware	6798	26-0559876
MPT of Webster, L.P.	Delaware	6798	26-2453328
MPT of Garden Grove Hospital, L.P.	Delaware	6798	26-3002710
MPT of Garden Grove MOB, L.P.	Delaware	6798	26-3002799
MPT of San Dimas Hospital, L.P.	Delaware	6798	26-3002474
MPT of San Dimas MOB, L.P.	Delaware	6798	26-3002622
MPT of Richardson, L.P.	Delaware	6798	27-2553826
MPT of Round Rock, L.P.	Delaware	6798	27-2553630
MPT of Shenandoah, L.P.	Delaware	6798	27-2554012
MPT of Hillsboro, L.P.	Delaware	6798	27-3046180
MPT of Clear Lake, L.P.	Delaware	6798	27-4433581
MPT of Tomball, L.P.	Delaware	6798	27-4242973
MPT of Corinth, L.P.	Delaware	6798	27-3857881
MPT of Alvarado, L.P.	Delaware	6798	45-0640615
MPT of DeSoto, L.P.	Delaware	6798	45-0617227
MPT of DeSoto, LLC	Delaware	6798	45-0616535
MPT of Hoboken Hospital, LLC	Delaware	6798	45-1798392
MPT of Hoboken Real Estate, LLC	Delaware	6798	45-1800960
MPT of Hausman, LLC	Delaware	6798	38-3854534
MPT of Overlook Parkway, LLC	Delaware	6798	80-0763884
MPT of New Braunfels, LLC	Delaware	6798	45-3456004
MPT of Westover Hills, LLC	Delaware	6798	90-0770521
MPT of Wichita, LLC	Delaware	6798	26-2405993
Wichita Health Associates Limited Partnership	Delaware	6798	95-4301648

(1) The address and phone number of each Registrant Guarantor is as follows:

c/o Medical Properties Trust, Inc.
1000 Urban Center Drive, Suite 501
Birmingham, AL 35242
(205) 969-3755

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Index to Financial Statements

The information in this preliminary prospectus is not complete and may be changed. A registration statement relating to the notes has become effective under the Securities Act of 1933, as amended. This preliminary prospectus is not an offer to sell the notes and it is not soliciting an offer to buy the notes in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated February 3, 2012
Preliminary prospectus

Medical Properties Trust

MPT OPERATING PARTNERSHIP, L.P.
MPT FINANCE CORPORATION

$200,000,000
% Senior Notes due 2022
Issue Price %

Interest payable and .

The issuers are offering $200,000,000 aggregate principal amount % senior notes due 2022 (the "notes"). The notes will mature on , 2022. The issuers will pay interest on the notes on and of each year. Interest will accrue on the notes from , 2012 and the first interest payment date will be , 2012.

An amount equal to the proceeds from this offering will be placed in an escrow account together with any additional amounts needed to redeem the notes at their aggregate offering price, plus accrued and unpaid interest on the notes from the issuance date up to, but not including, the redemption date. Subject to certain customary and other conditions to releasing the escrowed funds, the issuers will use the escrowed funds to consummate the acquisition of Ernest Health, Inc. and related transactions on the terms and conditions described in this prospectus. If the acquisition of Ernest Health, Inc. and related transactions are not consummated by May , 2012, then the issuers will be required to redeem the notes at the aggregate offering price plus accrued and unpaid interest up to, but not including, the redemption date. See "Description of notes—Escrow of proceeds; Release conditions" and "Description of notes—Special mandatory redemption."

The issuers may redeem some or all of the notes at any time after , 2017 at the redemption prices set forth herein. In addition, at any time and from time to time prior to , 2015 the issuers may redeem up to 35% of the aggregate principal amount of the notes using the proceeds of one or more equity offerings. The issuers may also redeem some or all the notes on or prior to , 2017 at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest up to, but excluding, the applicable redemption date plus a make-whole premium. The issuers must offer to purchase the notes if we experience a change of control under certain circumstances.

The notes will be the issuers' senior unsecured obligations and will be guaranteed by the issuers' parent company, Medical Properties Trust, Inc., and by each of the issuers' subsidiaries that guarantee borrowings under the issuers' revolving credit facility. The notes and the guarantees will rank equally in right of payment with all of the issuers' and the guarantors' existing and future senior indebtedness, including the issuers' senior notes due 2021 and borrowings under the issuers' existing revolving credit facility and new term loan facility, and will rank senior in right of payment to any future indebtedness that is subordinated to the notes. The notes will be effectively subordinated to all of the issuers' and the guarantors' existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes and the guarantees will be structurally subordinated to all liabilities of any of the issuers' subsidiaries that do not guarantee the notes.

Investing in the notes involves risks. See "Risk factors" beginning on page 17.

	Public offering price(1)	Underwriting discounts	Proceeds, before expenses, to the Issuers(1)
Per note	%	%	%
Total	$	$	$

(1) Plus accrued interest, if any, from , 2012.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

We expect that delivery of the notes to purchasers will be made on or about , 2012 in book-entry form through The Depository Trust Company for the account of its participants, including Clearstream Banking *société anonyme* and Euroclear Bank, S.A./N.V.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

J.P. Morgan **BofA Merrill Lynch** **Deutsche Bank Securities** **RBC Capital Markets**

Lead Managers

KeyBanc Capital Markets **SunTrust Robinson Humphrey**

Co-Managers

Raymond James **Morgan Keegan**

, 2012

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About this prospectus

This prospectus incorporates important business and financial information about us and our subsidiaries that is not included in or delivered with this prospectus. Information incorporated by reference is available without charge to prospective investors upon written request to us at c/o Medical Properties Trust, Inc., 1000 Urban Center Drive, Suite 501, Birmingham, AL 35242, or by telephone at (205) 969-3755.

We have not taken any action to permit an offering of the notes outside the United States or to permit the possession or distribution of this prospectus outside the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about and observe any restrictions relating to the offering of the notes and the distribution of this prospectus outside of the United States.

You must comply with all applicable laws and regulations in force in any applicable jurisdiction and you must obtain any consent, approval or permission required by you for the purchase, offer or sale of the notes under the laws and regulations in force in the jurisdiction to which you are subject or in which you make your purchase, offer or sale, and neither we nor the underwriters will have any responsibility therefor.

We reserve the right to withdraw this offering of notes at any time. We and the underwriters also reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the amount of notes offered hereby.

Certain persons participating in this offering may engage in transactions that stabilize, maintain or otherwise affect the price of the notes. Such transactions may include stabilization and the purchase of notes to cover short positions. For a description of these activities, see “Underwriting.”

You should rely only on the information contained or incorporated by reference in this prospectus and any “free writing prospectus” we authorize to be delivered to you. We have not authorized anyone to provide information different from that contained or incorporated by reference in this prospectus and any such “free writing prospectus.” If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, making an offer or sale of notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus, any authorized “free writing prospectus” or information we previously filed with the SEC is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Unless the context requires or otherwise indicates, references in this prospectus to “we,” “our,” “us” or “our company” refer to MPT Operating Partnership, L.P., a Delaware limited partnership, and its consolidated subsidiaries, including MPT Finance Corporation, together with Medical Properties Trust, LLC, a Delaware limited liability company and MPT Operating Partnership, L.P.’s sole general partner, and Medical Properties Trust, Inc., a Maryland corporation and the sole equity owner of Medical Properties Trust, LLC. References to “Operating Partnership” refer to MPT Operating Partnership, L.P. References to “Issuers” refer to the Operating Partnership and MPT Finance Corporation, the co-issuers of the notes. References to “Medical Properties” refer to Medical Properties Trust, Inc. As of September 30, 2011, Medical Properties had a 99.8% equity ownership interest in the Operating Partnership.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT ANY EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Forward-looking statements

We make forward-looking statements in this prospectus, including the documents incorporated by reference herein, that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. Statements regarding the following subjects, among others, are forward-looking by their nature:

- our business strategy;
- our projected operating results;
- our ability to complete the Ernest Acquisition Transactions (as described herein) on the time schedule or terms described herein or at all;
- our ability to enter into a new term loan facility (as described herein) and increase the commitments under our existing revolving credit facility, in each case, on the terms described herein or at all;
- our ability to acquire or develop net-leased facilities;
- availability of suitable facilities to acquire or develop;
- our ability to enter into, and the terms of, our prospective leases and loans;
- our ability to obtain future financing arrangements;
- the ability of Medical Properties to consummate its public offering of 23,575,000 shares of common stock (including 3,075,000 shares to be sold pursuant to the exercise in full of the equity underwriters' over-allotment option), which priced at $9.75 per share on February 1, 2012, and is expected to close on February 7, 2012;
- estimates relating to, and our ability to pay, future distributions;
- our ability to compete in the marketplace;
- market trends;
- lease rates and interest rates;
- projected capital expenditures; and
- the impact of technology on our facilities, operations and business.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. You should carefully consider these risks before you make an investment decision with respect to the notes, along with, among others, the following factors that could cause actual results to vary from our forward-looking statements:

- the failure to receive, on a timely basis or otherwise, the required approvals by government or regulatory agencies in connection with the Ernest Acquisition Transactions;

- the risk that a condition to closing under the agreement governing the Ernest Acquisition Transactions may not be satisfied;
- the possibility that the anticipated benefits from the Ernest Acquisition Transactions will take longer to realize than expected or will not be realized at all;
- factors referenced herein under the section captioned “Risk factors,” including those set forth in Medical Properties’ Annual Report on Form 10-K for the year ended December 31, 2010, as amended;
- national and local 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 the real estate industry generally or the healthcare real estate industry in particular;
- Medical Properties Trust, Inc.’s ability to maintain its status as a REIT for federal and state income tax purposes;
- our ability to attract and retain qualified personnel;
- federal and state healthcare regulatory requirements; and
- the continuing impact of the recent economic recession, which may have a negative effect on the following, among other things:
    - the financial condition of our tenants, our lenders and institutions that hold our cash balances, which may expose us to increased risks of default by these parties;
    - our ability to obtain equity and debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities 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.

When we use the words “believe,” “expect,” “may,” “potential,” “anticipate,” “estimate,” “plan,” “will,” “could,” “intend” or similar expressions, we are identifying forward-looking statements. You should not place undue reliance on these forward-looking statements.

Except as required by law, we disclaim any obligation to update such statements or to publicly announce the result of any revisions to any of the forward-looking statements contained in this prospectus to reflect future events or developments.

Prospectus summary

This summary highlights information contained elsewhere or incorporated by reference in this prospectus. This summary does not contain all the information that you should consider before making an investment decision. You should read carefully this entire prospectus, including the "Risk factors," the financial data and other information included or incorporated by reference in this prospectus, before making an investment decision.

Our company

Medical Properties Trust, Inc. is a self-advised real estate investment trust ("REIT") focused on investing in and owning net-leased healthcare facilities across the United States. We acquire and develop healthcare facilities and lease the facilities to healthcare operating companies under long-term net leases, which require the tenants to bear most of the costs associated with the properties. Our strategy is to lease our facilities to tenants that are managed by experienced operators pursuant to long-term net leases. We also occasionally make long-term, interest-only mortgage loans to healthcare operators collateralized by their real estate assets. In addition, we selectively make loans to, and other investments in, certain of our operators through our taxable REIT subsidiaries, the proceeds of which have historically been used for acquisitions and working capital. Finally, from time to time, we acquire a profit or equity interest in certain of our tenants that gives us a right to share in such tenants' profits and losses.

Our principal executive offices are located at 1000 Urban Center Drive, Suite 501, Birmingham, Alabama 35242. Our telephone number is (205) 969-3755. Our Internet address is www.medicalpropertiestrust.com. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this prospectus or any other report or document we file with or furnish to the SEC. For additional information, see "Where you can find more information" and "Incorporation by reference."

Recent developments

Results for the year ended December 31, 2011

On January 31, 2012, we announced our preliminary financial results for the quarter and year ended December 31, 2011. We had income from continuing operations of $8.1 million ($0.07 per diluted share) for the three months ended December 31, 2011, compared with income from continuing operations for the corresponding period in 2010 of $7.6 million ($0.06 per diluted share). For the year ended December 31, 2011, we had income from continuing operations of $19.4 million ($0.16 per diluted share), compared with income from continuing operations of $10.2 million ($0.09 per diluted share) for the year ended December 31, 2010. We had net income of $12.7 million ($0.11 per diluted share) for the three months ended December 31, 2011, compared with net income for the corresponding period in 2010 of $10.6 million ($0.09 per diluted share). For the year ended December 31, 2011, we had net income of $26.5 million ($0.23 per diluted share), compared with net income of $22.9 million ($0.22 per diluted share) for the year ended December 31, 2010. Our financial results for the three and twelve months ended December 31, 2010 have been restated to reclassify the operating results of the Morgantown and Sherman Oaks Hospitals to discontinued operations. As described below, we sold these two hospitals during the fourth quarter of 2011.

The preliminary financial results are unaudited and there can be no assurance that the preliminary financial results will not vary from the final audited information for the quarter and year ended December 31, 2011. In the opinion of management, all adjustments considered necessary for a fair presentation of these preliminary financial results have been made. The preliminary financial data included in this prospectus has been prepared by, and is the responsibility of, management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled or performed any procedures with respect to the accompanying preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Acquisition of healthcare property portfolio from Ernest Health, Inc. and related transactions

On January 31, 2012, affiliates of our operating partnership, MPT Operating Partnership, L.P., entered into definitive agreements to make loans to and acquire assets from Ernest Health, Inc. ("Ernest") and to make an equity contribution to the parent of Ernest for a combined purchase price and investment of approximately $396.5 million, consisting of $200.0 million to purchase real estate assets, a first mortgage loan of $100.0 million, an acquisition loan for $93.2 million and a capital contribution of $3.3 million, all as further described below.

Real estate acquisition

Pursuant to a definitive real property asset purchase agreement (the "Purchase Agreement"), certain wholly-owned subsidiaries of MPT Operating Partnership, L.P. will acquire from Ernest and certain of its subsidiaries (i) a portfolio of five rehabilitation facilities (including a ground lease interest relating to a community-based acute rehabilitation facility in Wyoming), (ii) seven long-term acute care facilities located in seven states and (iii) undeveloped land in Provo, Utah (collectively, the "Acquired Facilities") for an aggregate purchase price of $200.0 million, subject to certain adjustments. We refer to the acquisition of these assets as the "Ernest Asset Acquisition."

The Acquired Facilities will be leased to limited liability companies wholly-owned by our taxable REIT subsidiary, MPT Development Services, Inc. ("MPT TRS"), which will sublease the facilities to subsidiaries of Ernest pursuant to a master sublease agreement. The master sublease agreement will have a 20-year term with three five-year extension options and provide for an average annualized cash rent of $18.0 million, plus consumer price-indexed increases, limited to a 2% floor and 5% ceiling annually.

Mortgage loan financing

Pursuant to the Purchase Agreement, MPT TRS will make Ernest a $100.0 million mortgage loan secured by a first mortgage interest in four subsidiaries of Ernest (the "Mortgage Loan Financing"). The Mortgage Loan Financing will have a 20-year term with three five-year extension options and bear interest at 9% per year plus consumer price-indexed increases, limited to a 2% floor and 5% ceiling annually.

Acquisition loan and equity contribution

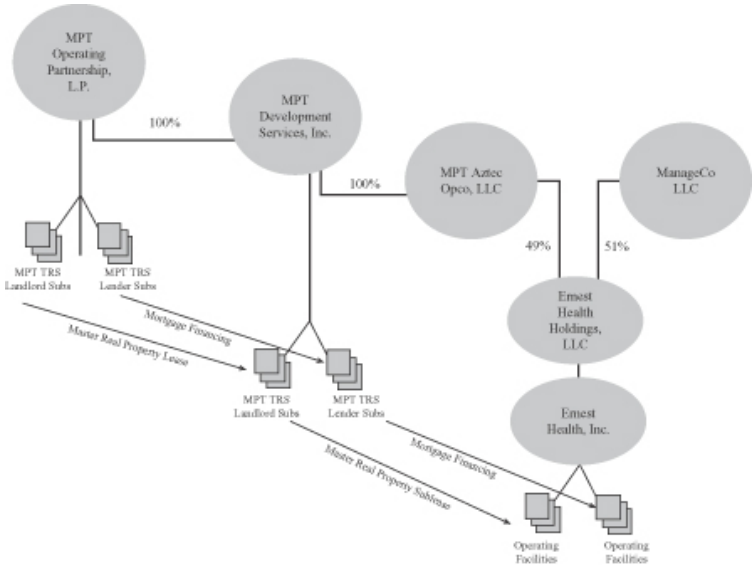
In addition, MPT Aztec Opco, LLC, a wholly-owned subsidiary of MPT TRS, will enter into a joint venture limited liability company, Ernest Health Holdings, LLC ("Ernest Holdings"), with an entity formed by the present key management personnel of Ernest ("ManageCo"). MPT Aztec Opco, LLC will make capital contributions of approximately $3.3 million to Ernest Holdings in exchange for a membership interest representing a 49% aggregate initial equity interest. The remaining 51% initial equity interest in Ernest Holdings will be owned by ManageCo, which will make contributions valued at $3.5 million in exchange for a membership interest in Ernest Holdings. Pursuant to the terms of an Agreement and Plan of Merger dated January 31, 2012, a merger subsidiary of Ernest Holdings will be merged with and into Ernest, with Ernest surviving the merger as a wholly-owned subsidiary of Ernest Holdings. In addition, MPT Aztec Opco, LLC will make an acquisition loan of approximately $93.2 million to the merger subsidiary (the "Acquisition Loan"). The Acquisition Loan will bear interest at a rate of 15.0%, with a 6% coupon payable in cash in the first year, a 7% coupon payable in cash in the second year and a 10% coupon payable in cash thereafter. The remaining 9% in year one; 8% in year two and 5% thereafter will be accrued and paid upon the occurrence of any capital or liquidity events of Ernest Holdings and will be payable in all events at maturity.

We refer to these transactions collectively as the "Ernest Acquisition Transactions."

Following the consummation of these transactions, Ernest and its operating subsidiaries will be managed and operated by ManageCo, or one or more of ManageCo's affiliates, pursuant to the terms of a management agreement, which terms shall include a base management fee payable to ManageCo and incentive payments tied to mutually agreed benchmarks. ManageCo and MPT Aztec Opco, LLC will share profits and distributions from Ernest Health Holdings according to a distribution waterfall under which, if certain benchmarks are met, such that after taking into account interest paid on the acquisition loan, ManageCo and MPT Aztec Opco, LLC will share in cash generated by Ernest Holdings in a ratio of 21% to ManageCo and 79% to MPT Aztec Opco, LLC. Under the limited liability company agreement of Ernest Holdings, MPT Aztec Opco, LLC will have no management authority or control except for certain rights consistent with a passive ownership interest, such as a limited right to approve annual budget components and the right to approve extraordinary transactions, and except in the case of certain extraordinary events, which events include any defaults under the master sublease agreement or the acquisition loan, in which case MPT Aztec Opco, LLC is given special member rights including, without limitation, the right to terminate the management agreement, hire new management, or market the company for sale.

We intend to consummate the Ernest Acquisition Transactions during the first quarter of 2012. No assurance can be given that any portion of the Ernest Acquisition Transactions will occur as described herein or at all. If the Ernest Acquisition Transactions are not consummated by May , 2012, then we will be required to redeem the notes offered hereby at the aggregate offering price plus accrued and unpaid interest up to, but not including, the redemption date. See "Description of notes—Special mandatory redemption."

The chart below illustrates the proposed structure following consummation of the Ernest Acquisition Transactions:



The table below sets forth pertinent details with respect to the properties of Ernest that we expect to acquire in connection with the Ernest Acquisition Transactions:

Property(1)	Type of property	State	Number of licensed beds	Number of square feet	Annualized rent/interest (in millions)(2)
Mountain Valley Regional Rehabilitation Hospital(3)	Inpatient Rehabilitation Facility (IRF)	AZ	40	47,254	$ 2.9
Advanced Care Hospital of Northern Colorado	Long-Term Acute Care Hospital (LTACH)	CO	20	11,780	0.7
Northern Colorado Rehabilitation Hospital	IRF	CO	40	48,600	2.0
Northern Idaho Advanced Care Hospital	LTACH	ID	40	42,000	1.5
Southwest Idaho Advanced Care Hospital	LTACH	ID	40	51,494	1.2
Advanced Care Hospital of Montana	LTACH	MT	40	48,583	1.4
Advanced Care Hospital of Southern New Mexico(3)	LTACH	NM	20	13,250	1.2

Property(1)	Type of property	State	Number of licensed beds	Number of square feet	Annualized rent/interest (in millions)(2)
Rehabilitation Hospital of Southern New Mexico(3)	IRF	NM	40	48,800	2.4
Greenwood Regional Rehabilitation Hospital	IRF	SC	46(4)	53,600	2.6
Laredo Specialty Hospital	LTACH	TX	60	65,990	2.0
Mesquite Specialty Hospital	LTACH	TX	40	50,300	1.9
Mesquite Rehabilitation Institute	IRF	TX	20	19,050	0.8
New Braunfels Regional Rehabilitation Hospital	IRF	TX	40	53,000	1.1
South Texas Rehabilitation Hospital(3)	IRF	TX	40	48,900	2.5
Utah Valley Specialty Hospital	LTACH	UT	40	50,949	1.3
Elkhorn Valley Rehabilitation Hospital	IRF	WY	40	52,800	1.5
					$ 27.0

(1) All properties will be leased under a master lease agreement, which will have a term of 20 years with three five-year renewal options.

(2) Reflects annualized rent and interest payable under the master lease agreement and mortgages described above.

(3) These facilities will be subject to mortgages.

(4) Does not include the eight-bed addition that is expected to be completed during mid-2012. 12 beds are located in a Skilled Nursing Facility.

Financing transactions

Financing of the Ernest Acquisition Transactions

On February 1, 2012 Medical Properties priced an offering of 23,575,000 shares of its common stock (including 3,075,000 shares to be sold pursuant to the exercise in full of the underwriters' over-allotment option) at a price of $9.75 per share. The offering is scheduled to settle on February 7, 2012 and is expected to generate $218.7 million of net proceeds, which will be contributed to the Operating Partnership to finance a portion of the Ernest Acquisition Transactions. We intend to finance the remainder of the Ernest Acquisition Transactions, including the related costs and expenses, with the net proceeds of this offering and our new term loan. See "Risk factors—Risks related to the notes and the offering—Our indebtedness may affect our ability to operate our

business, and may have a material adverse effect on our financial condition and results of operations. We and our subsidiaries may incur additional indebtedness, including secured indebtedness." If the Ernest Acquisition Transactions are not consummated by May , 2012, then we will be required to redeem the notes offered hereby at the aggregate offering price plus accrued and unpaid interest up to, but not including, the redemption date. See "Description of notes—Special mandatory redemption."

For the nine months ended September 30, 2011 after giving effect to the Ernest Acquisition Transactions, we had revenues, Pro Forma Adjusted EBITDA and income from continuing operations attributable to us of $143.3 million, $124.6 million and $31.8 million, respectively. Please refer to "—Summary historical and unaudited pro forma consolidated financial data" for the definition of Pro Forma Adjusted EBITDA and a reconciliation of Pro Forma Adjusted EBITDA to net income.

This prospectus relates only to the offering of notes and not to the common stock offering.

Credit facilities

On January 25, 2012, we received a commitment letter and term sheet for an $80.0 million senior unsecured term loan facility, which we refer to as our new term loan facility, from J.P. Morgan Chase Bank, N.A., an affiliate of one of the joint book-running underwriters in this offering, and RBC Capital Markets, LLC, a joint book-running underwriter in this offering. The term sheet provides for customary financial and operating covenants, substantially consistent with our revolving credit facility, including covenants relating to total leverage ratio, fixed charge coverage ratio, mortgage secured leverage ratio, recourse mortgage secured indebtedness, consolidated adjusted net worth, unsecured leverage ratio and interest coverage ratio, and covenants restricting the incurrence of debt, imposition of liens, the payment of dividends and entering into affiliate transactions. The term sheet also provides for customary events of default, including among others, nonpayment of principal or interest, material inaccuracy of representations and failure to comply with our covenants.

Effectiveness of our new term loan facility is subject to, among other things, definitive documentation and the satisfaction of customary closing conditions. We cannot assure you that we will be able to successfully establish our new term loan facility on the terms described herein or at all and establishing our new term loan facility is not a condition to the consummation of this offering. We expect to close and fund our new term loan facility concurrently with the closing of the Ernest Acquisition Transactions.

Our existing revolving credit facility includes an accordion feature pursuant to which borrowings thereunder can be increased up to $400.0 million from $330.0 million. We requested a $70.0 million increase in our revolving credit facility contemporaneously with the closing of the Ernest Acquisition Transactions. We expect that the administrative agent under our revolving credit facility will arrange a syndicate of lenders willing to hold the requested incremental revolving commitments, but we may not be able to find commitments for this incremental facility.

2011 fourth quarter events

Development activity

On October 14, 2011, we entered into agreements with a joint venture of Emerus Holding, Inc. and Baptist Health System, to acquire, provide for development funding and lease three acute care hospitals for $30.0 million in the suburban markets of San Antonio, Texas. With the execution of these agreements, we have funded $7.4 million during the fourth quarter of 2011, of which $6.2 million was used to acquire land for these three facilities. The three facilities upon completion will be leased under a master lease structure with an initial term of 15 years and three five-year extension options. We currently expect construction of these three facilities to be completed in the fourth quarter of 2012.

During the fourth quarter of 2011, we funded an additional $4.5 million on our Florence Hospital development project. This 36-bed facility located in the greater Phoenix, Arizona area is expected to be completed in the first quarter of 2012.

Hoboken University Medical Center acquisition

On November 4, 2011, we made investments in Hoboken University Medical Center (“HUMC”) in Hoboken, New Jersey, a 350-bed acute care facility. The total investment for this transaction was $75.0 million, comprising $50.0 million for the acquisition of an 100% ownership of the real estate, a secured working capital loan of up to $20.0 million ($15.1 million outstanding at December 31, 2011), and the purchase of a $5.0 million convertible note which provides us with the option to acquire up to 25% of the hospital operator. The initial blended lease/interest rate on this investment is 11.4%. The lease with the tenant has an initial term of 15 years, contains six five-year extension options, and the rent escalates annually based on consumer price indexed increases.

Sale of Sherman Oaks Hospital

On December 30, 2011, we sold Sherman Oaks Hospital in Sherman Oaks, California to Prime Healthcare Services, Inc. for approximately $20.0 million, resulting in a gain of $3.1 million. Due to this sale, we wrote-off $1.2 million in straight-line rent receivables. In our January 31, 2012 press release announcing our preliminary financial results for the quarter and year ended December 31, 2011, we have included the operating results of this facility in discontinued operations for the current and all prior periods. Prior to the sale, we were earning $2.3 million of base rent per year.

Sale of Morgantown Hospital

On December 30, 2011, we sold MountainView Regional Rehabilitation Hospital in Morgantown, West Virginia to HealthSouth Corporation for $21.1 million, resulting in a gain of $2.3 million. In our January 31, 2012 press release announcing our preliminary financial results for the quarter and year ended December 31, 2011, we have included the operating results of this facility in discontinued operations for the current and all prior periods. Prior to the sale, we were earning $1.7 million of base rent per year.

Maturity of 6.125% exchangeable senior notes due 2011

On November 15, 2011, we paid $9.2 million in connection with the maturity of our 6.125% exchangeable senior notes due 2011.

We refer to the Emerus land acquisition, the acquisition of HUMC, the sale of our Sherman Oaks and Morgantown facilities and the maturity of our 6.125% exchangeable senior notes due 2011 collectively as the "Fourth Quarter Events."

We refer to the Fourth Quarter Events, entering into of our new term loan facility, the exercise of the accordion feature and the corresponding increase in commitments under our revolving credit facility, the consummation of this offering, Medical Properties' offering of 23,575,000 shares of common stock (including 3,075,000 shares to be sold pursuant to the exercise in full of the equity underwriters' over-allotment option) and the Ernest Acquisition Transactions and the application of funds as described in "Use of proceeds," as the "Transactions."

Operating facilities

At December 31, 2011, our portfolio consisted of 62 properties: 55 facilities (of the 60 facilities that we own, of which one is subject to long-term ground leases) were leased to 20 tenants, one was not under lease as it is under re-development, four were under development, and the remaining assets were in the form of first mortgage loans to a single operator. Our 55 leased facilities consisted of 20 general acute care hospitals, 19 long-term acute care hospitals, eight inpatient rehabilitation hospitals, two medical office buildings, and six wellness centers. The non-owned facilities on which we have made mortgage loans consist of general acute care facilities.

After giving effect to the Ernest Acquisition Transactions, as of December 31, 2011, our portfolio would have consisted of 78 properties: 67 facilities (of the 72 facilities that we own, of which two are subject to long-term ground leases) were leased to 21 tenants, one was not under lease as it was under re-development, four were under development, and the remaining assets were in the form of first mortgage loans to two operators.

The following table provides a summary of our facilities as of December 31, 2011 after giving effect to the Ernest Acquisition Transactions.

Type of property	Number of facilities	Number of licensed beds(1)	Number of square feet(1)	Investment (thousands)(1)	Weighted average lease expiration(1)
General Acute Care Hospital	27	3,415	3,803,638	$ 948,354	9.8
Long-term Acute Care Hospital	27	1,695	1,617,209	468,283	14.0
Rehabilitation Hospital	16	847	968,098	336,278	15.2
Wellness Center	6	—	251,213	15,626	8.0
Medical Office Buildings	2	—	93,287	15,795	6.9
Total:	78	5,957	6,733,445	$ 1,784,336	

(1) Excludes investment of our Florence and Emerus development properties of approximately $30.9 million.

We believe that the Ernest Acquisition Transactions will enhance the size and quality of our healthcare portfolio, and add diversity by property type, operator and geographic location, as follows:

Increased real estate assets and rents: As of September 30, 2011, our total real estate assets and related loans were $1.5 billion. For the nine months ended September 30, 2011, our total revenues were $109.9 million and $104.3 million excluding straight-line rents. We expect that the facilities we expect to acquire/lease and mortgage in the Ernest Acquisition Transactions will generate initial revenues of $27.0 million. After giving effect to the Ernest Acquisition Transactions and the Fourth Quarter Events, our total real estate assets (including loans) would have been $1.9 billion as of September 30, 2011 (representing a 29.3% increase from results not giving effect to such transactions) and our total revenues would have been $146.0 million (representing a 32.8% increase).

Increased diversification of tenants/operators: Total investments in our largest tenant, Prime Healthcare Services, Inc., or Prime, represented approximately 25.3% of our total assets as of December 31, 2011. After giving effect to the Ernest Acquisition Transactions, total investments in Prime would have represented approximately 20.3% of our total assets.

Increased geographic diversification: As of December 31, 2011, 26.8% of our portfolio was concentrated in California, based on percentage of total assets. After giving effect to the Ernest Acquisition Transactions, our geographic concentration in California would have been reduced to 21.6%, based on percentage of total assets as of December 31, 2011.

Extends lease maturity schedule: The Ernest Acquisition Transactions and the Fourth Quarter Events will have the effect of extending our overall weighted average lease expiration from 10.7 to 11.9 years. Following consummation of the Ernest Acquisition Transactions and the Fourth Quarter Events, approximately 71.6 % of the total annualized rent of our portfolio of healthcare properties will have lease expirations beyond 2020.

Accretive transactions: The Ernest Acquisition Transactions and the Fourth Quarter Events are expected to be immediately accretive to cash available for distribution to our stockholders, resulting in an improved payout ratio and stronger sustainability of our dividends.

The offering

The offering terms are summarized below solely for your convenience. This summary is not a complete description of the notes. You should read the full text and more specific details contained elsewhere in this prospectus. For a more detailed description of the notes, see "Description of notes" in this prospectus. For purposes of this section entitled "—The offering" and the "Description of notes," references to "we," "us" and "our" refer only to MPT Operating Partnership, L.P. and MPT Finance Corporation and not to their subsidiaries or any other entity.

Issuers	MPT Operating Partnership, L.P. and MPT Finance Corporation, as co-issuers.
Securities offered	$200,000,000 aggregate principal amount of % senior notes due 2022.
Stated maturity date	The notes will mature on , 2022.
Interest	The notes will accrue interest at a rate of % per year from , 2012, until maturity or earlier redemption or repurchase.
Interest payment dates	and of each year, commencing , 2012.
Escrow provisions	An amount equal to the proceeds from this offering will be placed in an escrow account together with any additional amounts needed to redeem the notes at their aggregate offering price, plus accrued and unpaid interest on the notes from the issue date up to, but not including, the redemption date. Subject to customary and other conditions to releasing escrowed funds, we will use the escrowed funds to consummate the Ernest Acquisition Transactions contemplated by this prospectus. If the Ernest Acquisition Transactions are not consummated by May , 2012, then we will be required to redeem the notes offered hereby at the aggregate offering price plus accrued and unpaid interest up to, but not including, the redemption date. See "Description of notes—Special mandatory redemption."
Optional redemption	We may redeem some or all of the notes at any time after , 2017 at the redemption prices set forth in "Description of notes— Optional redemption." We may also redeem up to 35% of the aggregate principal amount of the notes using the proceeds from certain equity offerings completed before , 2015. In addition, we may redeem some or all the notes on or prior to , 2017 at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest up to, but excluding, the applicable redemption date and a make-whole premium. See "Description of notes—Optional redemption."
Change of control; certain asset sales	If the Operating Partnership or our parent company, Medical Properties Trust, Inc., experiences a change of control, we will be required to make an offer to purchase the notes at a price equal to

	101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the purchase date under certain circumstances. See “Description of notes—Repurchase of notes upon a change of control.” If the Operating Partnership or any of its restricted subsidiaries sell assets, the issuers will be required to make an offer to purchase the notes at their face amount, plus accrued interest and unpaid interest to the purchase date under certain circumstances. See “Description of notes—Limitation on asset sales.”
Guarantees	The notes will be guaranteed, jointly and severally, on a senior unsecured basis by our parent company and by each of our subsidiaries that guarantees our revolving credit facility. See “Description of notes—The Guarantees.”
Ranking	The notes will be our and the guarantors’ general senior unsecured obligations, will rank equal in right of payment with all of such entities’ existing and future senior indebtedness, including borrowings under our revolving credit facility and under our new term loan and our senior notes due 2021, and will rank senior in right of payment to all of such entities’ existing and future subordinated indebtedness; however, the notes will be effectively subordinated to all of our and the guarantors’ secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes will also be structurally subordinated to the indebtedness and other obligations of our subsidiaries that do not guarantee the notes with respect to the assets of such entities. As of September 30, 2011 and after giving effect to the Transactions, we and the guarantors would have had $874.9 million of indebtedness (none of which would have been secured indebtedness), and our subsidiaries that will not guarantee the notes would have had $54.1 million of indebtedness and other liabilities of $6.2 million and had assets of $308.7 million or 14.8% of our company’s consolidated total assets. During 2010 and the nine months ended September 30, 2011 after giving effect to the Transactions, our subsidiaries that will not guarantee the notes had revenues of $31.4 million and $20.7 million, respectively, or 18.9% and 14.4%, respectively, of our company’s consolidated revenues.
Certain covenants	The indenture governing the notes will, among other things, restrict our ability and the ability of our restricted subsidiaries to, among other things: • incur debt; • pay dividends and make distributions; • create liens; • enter into transactions with affiliates; and • merge, consolidate or transfer all or substantially all of their assets.

	We and our restricted subsidiaries will also be required to maintain total unencumbered assets of at least 150% of our collective unsecured debt. These covenants will be subject to important exceptions and qualifications. See “Description of notes—Certain covenants.”
No public market	The notes are a new issue of securities and there is no current established trading market for the notes. The underwriters have advised us that they intend to make a market in the notes. The underwriters are not obligated, however, to make a market in the notes, and any such market-making may be discontinued by the underwriters in their discretion at any time without notice. Accordingly, there can be no assurance as to the development or liquidity of any market for the notes. See “Underwriting.”
Book-entry form	The notes will be issued in book-entry only form and will be represented by one or more permanent global certificates deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company, commonly known as DTC, in New York, New York. Beneficial interests in the global certificates representing the notes will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and such interests may not be exchanged for certificated notes, except in limited circumstances.
Use of proceeds	We expect that the net proceeds from this offering will be approximately $ after deducting underwriting discounts and our estimated expenses from this offering. We intend to ultimately use the net proceeds from this offering to finance a portion of the Ernest Acquisition Transactions. See “Use of proceeds.”
Trustee	Wilmington Trust, National Association.
Governing law	New York.
Risk factors	Investment in the notes involves risk. You should carefully consider the information under the section titled “Risk factors” and all other information included in this prospectus before investing in the notes.
Original issue discount	The notes may be issued with original issue discount, or OID, for U.S. federal income tax purposes. If the notes are issued with OID, holders subject to U.S. federal income taxation generally will be required to include the OID in gross income (as ordinary income) for U.S. federal income tax purposes as it accrues on a constant yield basis, in advance of the receipt of cash payments to which such OID is attributable (regardless of the holder’s method of tax accounting for U.S. federal income tax purposes. See “United States federal income tax considerations.”

Summary historical and unaudited pro forma consolidated financial data

The summary historical consolidated financial data presented below as of December 31, 2010 and for the years ended December 31, 2008, 2009 and 2010 have been derived from Medical Properties' audited consolidated financial statements and accompanying notes incorporated by reference herein. The summary historical consolidated financial data as of September 30, 2011 and for the nine months ended September 30, 2010 and 2011 has been derived from our unaudited consolidated financial statements, which are incorporated by reference herein. These unaudited consolidated financial statements have been prepared on a basis consistent with Medical Properties' audited consolidated financial statements. In the opinion of Medical Properties' management, the unaudited summary historical consolidated financial data reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of the results for those periods. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year or any future period. Historical results are not necessarily indicative of the results to be expected in the future.

As of September 30, 2011, Medical Properties Trust, Inc. had a 99.8% equity ownership interest in MPT Operating Partnership, L.P. Medical Properties Trust, Inc. has no significant operations other than as the sole member of its wholly owned subsidiary, Medical Properties Trust, LLC, which is the sole general partner of MPT Operating Partnership, L.P., and no material assets, other than its direct and indirect investment in MPT Operating Partnership, L.P. There is no significant difference between MPT Operating Partnership, L.P.'s net income and Medical Properties Trust, Inc.'s net income.

We derived the summary unaudited pro forma consolidated financial data from Medical Properties' unaudited pro forma condensed consolidated financial statements set forth in this prospectus under the heading "Unaudited pro forma condensed consolidated financial statements." The unaudited pro forma condensed consolidated financial statements are based on Medical Properties' audited and unaudited historical consolidated financial statements, which are incorporated by reference herein, and those of Ernest, which are incorporated by reference herein, after giving effect to the Ernest Acquisition Transactions. These unaudited pro forma condensed consolidated financial statements were prepared based upon the purchase method of accounting for the real estate acquired and our expected election to use the fair value option when accounting for our equity and loan investments in Ernest in accordance with GAAP and by applying the assumptions and adjustments described in the notes accompanying such financial statements. We do not expect to consolidate the financial statements of Ernest, which is how we have treated it for purposes of the unaudited pro forma condensed consolidated financial statements. The summary unaudited pro forma condensed consolidated financial statements presented below gives effect to the Ernest Acquisition Transactions as if they occurred on January 1, 2010 and January 1, 2011 for the pro forma operating data for December 2010 and nine months ended September 2011, respectively, and as of September 30, 2011 for the pro forma balance sheet data.

The unaudited pro forma condensed consolidated financial statements adjust the historical financial information to give effect to pro forma events that are directly attributable to the Ernest Acquisition Transactions, are factually supportable and, in the case of the pro forma

statements of operations, have a recurring impact. The pro forma adjustments are preliminary, and the unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the financial position or results of operations that may have actually occurred had the Ernest Acquisition Transactions taken place on the dates noted, or the future financial position or operating results of our company. The pro forma adjustments are based upon available information and assumptions that we believe are reasonable.

You should read the following summary historical and unaudited pro forma consolidated financial data in conjunction with "Capitalization" and "Unaudited pro forma condensed consolidated financial statements." In addition, this information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" which is incorporated by reference herein from Medical Properties' Annual Report on Form 10-K for the year ended December 31, 2010, as amended and Medical Properties' consolidated financial statements and the related notes thereto included elsewhere in this prospectus and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 and Ernest's consolidated financial statements and the related notes thereto, which are incorporated by reference herein from Medical Properties' Current Report on Form 8-K, filed by Medical Properties with the SEC on January 31, 2012. See "Where you can find more information" and "Incorporation of certain information by reference."

	Year ended December 31,			Nine months ended September 30,		Pro forma	
(in thousands, except per share amounts)	**2008(1)**	**2009(1)**	**2010(1)**	**2010(1)**	**2011(1)**	**Year ended December 31, 2010**	**Nine months ended September 30, 2011**
Operating data							
Total revenue	$107,070	$118,809	$121,847	$ 90,095	$109,937	$ 166,329	$ 143,298
Depreciation and amortization	(22,385)	(22,628)	(24,486)	(18,100)	(24,678)	(29,736)	(28,616)
Property-related and general and administrative expenses	(23,757)	(24,898)	(32,942)	(23,901)	(24,243)	(32,928)	(24,108)
Impairment charge	—	—	(12,000)	(12,000)	(564)	(12,000)	(564)
Interest and other income	86	43	1,518	1,488	58	1,518	58
Debt refinancing costs	—	—	(6,716)	(6,556)	(14,214)	(6,716)	(14,214)
Interest expense	(42,424)	(37,656)	(33,993)	(26,106)	(32,462)	(49,337)	(43,939)
Income from continuing operations	18,590	33,670	13,228	4,920	13,834	37,130	31,915
Non-controlling interests share in earnings	(33)	(37)	(99)	(63)	(131)	(99)	(131)
Income from continuing operations attributable to Medical Properties common stockholders	$ 18,557	$ 33,633	$ 13,129	$ 4,857	$ 13,703	$ 37,031	$ 31,784
Other data							
Dividends declared per share	$ 1.01	$ 0.80	$ 0.80	$ 0.60	$ 0.60	$ 0.80	$ 0.60

(in thousands)	As of December 31, 2010(1)	As of September 30, 2011(1)	Pro forma as of September 30, 2011
Balance sheet data			
Real estate assets including mortgage loans—at cost	$ 1,197,369	$ 1,423,288	$ 1,723,288
Real estate accumulated depreciation and amortization	(76,094)	(100,772)	(100,772)
Other loans	50,985	56,131	149,331
Cash and equivalents	98,408	114,368	208,530
Other assets	78,146	102,674	111,974
Total assets	$ 1,348,814	$ 1,595,689	$ 2,092,351
Debt, net	$ 369,970	$ 649,013	$ 929,013
Other liabilities	79,268	109,012	109,012
Total Medical Properties Trust, Inc. stockholders' equity	899,462	837,564	1,054,226
Non-controlling interests	114	100	100
Total equity	$ 899,576	$ 837,664	$ 1,054,326
Total liabilities and equity	$ 1,348,814	$ 1,595,689	$ 2,092,351

(in thousands, except for ratios)	Fiscal year ended December 31, 2008(1)	2009(1)	2010(1)	Nine months ended September 30, 2011
Other data				
EBITDA(2)	$100,461	$100,504	$ 91,525	$ 85,681
Adjusted EBITDA(2)	$110,329	$101,305	$103,909	$ 91,272
Net debt to Adjusted EBITDA(2)	5.61x	5.54x	2.61x	
Pro Forma Adjusted EBITDA(3)			$148,391	$124,633

(1) Medical Properties invested $469.5 million, $15.6 million and $158.4 million in real estate in 2008, 2009 and 2010, respectively, and $85.7 million and $219.9 million during the nine months ended September 30, 2010 and 2011. The results of operations resulting from these investments are reflected in Medical Properties' consolidated financial statements from the dates invested. See Note 3 in Item 8 of Medical Properties' Annual Report on Form 10-K for the year ended December 31, 2010, as amended, and Note 3 in Item 1 of our Combined Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 for further information on acquisitions of real estate, new loans and other investments. Medical Properties funded these investments generally from issuing common stock, utilizing additional amounts of our revolving credit facility, incurring additional debt or from the sale of facilities. See Notes 4, 9 and 11 in Item 8 on Medical Properties' Annual Report on Form 10-K for the year ended December 31, 2010, as amended, and Notes 4, 5 and 9 in Item 1 of our Combined Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 for further information regarding our debt, common stock and discontinued operations, respectively.

(2) We believe that earnings before interest expense, income taxes, depreciation and amortization, or EBITDA, and Adjusted EBITDA, are useful supplemental performance measures because they allow investors to view Medical Properties' performance without the impact of non-cash depreciation and amortization or the cost of debt. EBITDA includes both continuing and discontinued operations. Adjusted EBITDA is EBITDA adjusted to eliminate the impact of gains and losses on asset sales, impairment charges, write off of straight line rent, property-related expenses, executive severance and acquisitions costs. In calculating Net debt to Adjusted EBITDA, we have subtracted from net debt all cash on the balance sheet as of each applicable fiscal year end. In addition, we believe EBITDA and Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of REITs. Because EBITDA and Adjusted EBITDA are calculated before recurring cash charges including interest expense and income taxes, exclude capitalized costs, such as leasing commissions, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utility as a measure of Medical Properties' performance is limited. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur charges, costs and expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Accordingly, EBITDA and Adjusted EBITDA should be considered only as supplement to net income (computed in accordance with GAAP) as a measure of Medical Properties' financial performance. Other REITs may calculate EBITDA and Adjusted EBITDA differently than Medical Properties

does; accordingly, Medical Properties' EBITDA and Adjusted EBITDA may not be comparable to such other REITs' EBITDA and Adjusted EBITDA. EBITDA and Adjusted EBITDA as described above may not be calculated on the same basis as "Consolidated EBITDA" is calculated under the indenture governing the notes. For a description of how "Consolidated EBITDA" is calculated under the indenture governing the notes, see "Description of notes—Certain definitions."

(3) Pro Forma Adjusted EBITDA for the year ended December 31, 2010 and the nine months ended September 30, 2011 represents Medical Properties' Adjusted EBITDA after giving effect to rent, straight-line rent and interest income that would have been earned by us had the Ernest Acquisition Transactions occurred on January 1, 2010 and January 1, 2011, respectively, as described under the heading "Unaudited pro forma condensed consolidated financial statements." Adjustments exclude any interest (including deferred financing amortization/write-off), depreciation or tax impact from the Transactions as these items are excluded from the definition of EBITDA. We believe that Pro Forma Adjusted EBITDA provides useful information to investors regarding Medical Properties' financial condition and results of operations because Pro Forma Adjusted EBITDA is useful in evaluating Medical Properties' ongoing operating performance giving effect to the Ernest Acquisition Transactions. Because Pro Forma Adjusted EBITDA is calculated before recurring cash charges including interest expense and income taxes, excludes capitalized costs, such as leasing commissions, and is not adjusted for other recurring cash requirements of Medical Properties' business, its utility as a measure of Medical Properties' performance is limited. Accordingly, Pro Forma Adjusted EBITDA should be considered only as supplement to operating cash flow (computed in accordance with GAAP) as a measure of Medical Properties' liquidity.

The following table shows the reconciliation of net income to EBITDA and Adjusted EBITDA, and Pro Forma Adjusted EBITDA.

	Fiscal year ended December 31,			Nine months ended September 30,
(in thousands)	**2008**	**2009**	**2010**	**2011**
Net income	$ 32,700	$ 36,330	$ 22,913	$ 13,844
Interest expense (including debt refinancing costs)	42,338	37,613	40,731	46,537
Taxes	(1,112)	252	1,571	46
Depreciation and amortization	26,535	26,309	26,310	25,254
EBITDA	100,461	100,504	91,525	85,681
Gains on asset sales	(9,305)	(278)	(10,566)	(5)
Impairment charges	—	—	12,000	564
Write off of straight-line rent	14,037	1,079	3,694	—
Property-related expenses	5,136	—	2,400	1,846
Executive severance	—	—	2,830	—
Acquisitions costs	—	—	2,026	3,186
Adjusted EBITDA	**$110,329**	**$101,305**	**$103,909**	**$ 91,272**
Rent billed from Ernest Acquisition Transactions			18,000	13,500
Straight-line rent from Ernest Acquisition Transactions			3,502	2,626
Interest income from Ernest Acquisition Transactions			22,980	17,235
Pro forma adjustments			**$ 44,482**	**$ 33,361**
Pro Forma Adjusted EBITDA			**$148,391**	**$ 124,633**

Risk factors

An investment in the notes involves various risks, including those described below and those included in Medical Properties' Annual Report on Form 10-K for the year ended December 31, 2010, as amended, which is incorporated herein by reference. These risks are not the only ones faced by us. Additional risks not presently known or that we currently deem immaterial could also materially and adversely affect our financial condition, results of operations, business and prospects. The trading price of the notes could decline due to any of the materialization of any of these risks, and you may lose all or part of your investment. This prospectus also contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere and incorporated by reference in this prospectus. Please refer to the section entitled "Forward-looking statements."

Risks related to the Ernest Acquisition Transactions

If the Ernest Acquisition Transactions are completed, we may be subject to additional risks.

In addition to the risks described in Medical Properties' Annual Report on Form 10-K for the year ended December 31, 2010, as amended, relating to healthcare facilities that we may purchase from time to time, we would also be subject to additional risks if the Ernest Acquisition Transactions are consummated, including without limitation the following:

- we have no previous business experience with the tenants at the Acquired Facilities, and we may face difficulties in the integration of them;
- underperformance of the Acquired Facilities due to various factors, including unfavorable terms and conditions of the existing lease agreements relating to the facilities, disruptions caused by the integration of tenants with us or changes in economic conditions;
- diversion of our management's attention away from other business concerns;
- exposure to any undisclosed or unknown potential liabilities relating to the Acquired Facilities; and
- potential underinsured losses on the Acquired Facilities.

We cannot assure you that we would be able to integrate the Acquired Facilities without encountering difficulties or that any such difficulties will not have a material adverse effect on us.

In addition, some of the properties may be acquired through the Ernest Acquisition Transactions of all of the ownership interests of the entity that owns such property. Such an acquisition at the entity level rather than the asset level may expose us to any additional risks and liabilities associated with the acquired entity.

We have made minority investments in the operators of certain of our healthcare facilities and the Ernest Acquisition Transactions contemplate that we will make a similar minority investment in the operator of the Ernest facilities; the cash flows from this investment are subject to more volatility than our cash flow from properties with traditional triple-net leasing structure.

We make minority investments in the operators of certain of our healthcare facilities and the Ernest Acquisition Transactions contemplate that we will make a similar investment in the operator of the Ernest facilities utilizing the Housing and Economic Recovery Act of 2008 and taxable REIT subsidiary structure. The Ernest Acquisition Transactions, if consummated, will result in us having a minority investment in the operator of the Ernest facilities. Accordingly, the cash flows on this investment will be dependent upon the operator of the Ernest facilities and will vary from time to time depending on the success of the operator. As a result, the cash flow from this investment may be more volatile than cash flow from rent pursuant to the triple-net lease agreements with our tenants and interest income from loans to our tenants. Our business, results of operations and financial condition may be adversely affected if the operator of the Ernest facilities fails to successfully operate the facilities efficiently, effectively and in a manner that is in our best interest.

Our revenues are dependent upon our relationship with, and success of, Ernest and Prime.

After giving effect to the Ernest Acquisition Transactions and the Fourth Quarter Events, as of September 30, 2011, our portfolio would have consisted of 78 properties: 67 facilities (of the 72 facilities that we own, of which two are subject to long-term ground leases) were leased to 20 tenants, one was not under lease as it was under re-development, four were under development, and the remaining assets were in the form of first mortgage loans to two operators. After giving effect to the Ernest Acquisition Transactions and the Fourth Quarter Events, as of September 30, 2011, affiliates of Prime would have leased or mortgaged 12 facilities, representing 21.7% of the original total cost of our operating facilities and mortgage loan and subsidiaries of Ernest would have leased or mortgaged 16 facilities, representing 20.8% of the original total cost of our operating facilities and mortgage loans. For the nine months ended September 30, 2011, on a pro forma basis to give effect to the Transactions and excluding revenue from properties sold in the fourth quarter, total revenue from Prime and Ernest would have been $32.4 million and $33.4 million, respectively, or 22.2% and 22.9%, respectively, of total revenue for the nine months ended September 30, 2011.

Our relationship with Prime and Ernest, and their respective financial performance and resulting ability to satisfy their lease and loan obligations to us are material to our financial results and our ability to service our debt and make distributions to our stockholders. We are dependent upon the ability of Prime and Ernest to make rent and loan payments to us, and their failure or delay to meet these obligations could have a material adverse effect on our financial condition and results of operations.

Taxable REIT subsidiaries are subject to corporate-level taxes and transactions with taxable REIT subsidiaries may be subject to excise tax.

In connection with the Ernest Acquisition Transactions, we intend to enter into multiple leases and other transactions with our taxable REIT subsidiary and its subsidiaries. A taxable REIT subsidiary may generally hold assets and earn income that would not be qualifying assets or income if held or earned directly by a REIT but a taxable REIT subsidiary is also subject to applicable U.S. federal, state and local income taxes. In addition, under applicable rules, transactions such as leases between a taxable REIT subsidiary and its parent REIT that are not conducted on an arm’s length basis may be subject to a 100% excise tax. Imposition of a 100% excise tax could have a material adverse effect on our financial condition and results of operations and could adversely effect the trading price of our common stock.

Risks related to the notes and the offering

Our indebtedness may affect our ability to operate our business, and may have a material adverse effect on our financial condition and results of operations. We and our subsidiaries may incur additional indebtedness, including secured indebtedness.

As of September 30, 2011, and on a pro forma basis to give effect to the Transactions, the Issuers and the Guarantors would have had total outstanding indebtedness of approximately $874.9 million (none of which would have been secured indebtedness), $398.7 million available to us for borrowing under our revolving credit facility and our subsidiaries that will not guarantee the notes would have had $54.1 million of indebtedness and other liabilities of $6.2 million, all of which would have been structurally senior to the notes. During 2010 and the nine months ended September 30, 2011, our subsidiaries that will not guarantee the notes had revenues of $27.1 million and $17.4 million, respectively, or 22.2% and 15.9%, respectively, of consolidated revenues.

Our indebtedness could have significant adverse consequences to us and the holders of the notes, such as:

- requiring us to use a substantial portion of our cash flow from operations to service our indebtedness, which would reduce the available cash flow to fund working capital, capital expenditures, development projects and other general corporate purposes;
- limiting our ability to obtain additional financing to fund our working capital needs, acquisitions, capital expenditures or other debt service requirements or for other purposes;
- limiting our ability to compete with other companies who are not as highly leveraged, as we may be less capable of responding to adverse economic and industry conditions;
- restricting us from making strategic acquisitions, developing properties or exploiting business opportunities;
- restricting the way in which we conduct our business because of financial and operating covenants in the agreements governing our existing and future indebtedness, including, in the case of certain indebtedness of subsidiaries, certain covenants that restrict the ability of subsidiaries to pay dividends or make other distributions to us;
- exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our debt instruments that could have a material adverse effect on our business, financial condition and operating results;
- increasing our vulnerability to a downturn in general economic conditions; and
- limiting our ability to react to changing market conditions in our industry and in our tenants' and borrowers' industries.

Furthermore, as of September 30, 2011, on a pro forma basis to give effect to the Transactions, we would have had $119.6 million of indebtedness that bore interest at variable rates. In addition, our future borrowings may bear interest at variable rates. If interest rates increase significantly, our ability to borrow additional funds may be reduced and the risk related to our indebtedness would intensify.

In addition to our debt service obligations, our operations may require substantial investments on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations

with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets and properties, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors.

Subject to the restrictions that are expected to be contained in our new term loan facility and the indenture governing the notes offered hereby and that are contained in our revolving credit facility and the indenture governing our outstanding 6.875% senior notes due 2021 (the "2011 Notes"), we may incur significant additional indebtedness, including additional secured indebtedness. Although the terms of these agreements contain or will contain restrictions on the incurrence of additional indebtedness, these restrictions are or will be subject to a number of qualifications and exceptions, and additional indebtedness incurred in compliance with these restrictions could be significant. If the offering of common stock by Medical Properties is not consummated as expected, we may incur additional debt to finance the Ernest Acquisition Transactions. If we incur additional debt in the future, the risks described above could increase.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.

Our ability to satisfy our debt obligations will depend upon, among other things:

- our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control; and
- our future ability to borrow under our revolving credit facility, the availability of which depends on, among other things, our complying with the covenants in the indenture that will govern the notes.

We cannot assure you that our business will generate sufficient cash flow from operations, or that we will be able to draw under our revolving credit facility or otherwise, in an amount sufficient to fund our liquidity needs.

If our cash flows and capital resources are insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt agreements may restrict us from adopting some of these alternatives. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations, sell equity, and/or negotiate with our lenders to restructure the applicable debt, in order to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. Our new term loan facility, revolving credit facility, the indenture governing our 2011 Notes and the indenture governing the notes offered hereby may restrict, or market or business conditions may limit, our ability to avail ourselves to some or all of

these options. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due.

Our debt agreements contain restrictions that will limit our flexibility in operating our business.

Our revolving credit facility and the indenture governing our 2011 Notes contain and our new term loan facility and the indenture governing the notes offered hereby will contain, and any instruments governing future indebtedness of ours may contain, a number of covenants that will impose significant operating and financial restrictions on us, including restrictions on our ability to, among other things:

- incur additional debt or issue certain preferred shares;
- pay dividends on or make distributions in respect of Medical Properties' capital stock or make other restricted payments;
- make certain payments on debt that is subordinated to the notes;
- make certain investments;
- sell or transfer assets;
- create liens on certain assets;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into certain transactions with our affiliates; and
- designate our subsidiaries as unrestricted subsidiaries.

Any of these restrictions could limit our ability to plan for or react to market conditions and could otherwise restrict corporate activities. Any failure to comply with these covenants could result in a default under our new term loan facility, revolving credit facility, the indenture governing our 2011 Notes and the indenture governing the notes offered hereby. Upon a default, unless waived, the lenders under our new term loan facility and revolving credit facility could elect to terminate their commitments, cease making further loans and force us into bankruptcy or liquidation. Holders of our 2011 Notes and the notes offered hereby would also have the ability ultimately to force us into bankruptcy or liquidation, subject to the indentures governing our 2011 Notes and the notes offered hereby. In addition, a default (or an event of default) under our new term loan facility, our revolving credit facility, the indenture governing our 2011 Notes or the notes offered hereby may trigger a cross default under our other agreements and could trigger a cross-default or cross-acceleration under the agreements governing our future indebtedness. Our operating results may not be sufficient to service our indebtedness or to fund our other expenditures and we may not be able to obtain financing to meet these requirements. See "Description of notes" and "Description of other material indebtedness."

We will depend on dividends and distributions from our direct and indirect subsidiaries to fulfill our obligations under the notes. The creditors of these subsidiaries are entitled to amounts payable to them by the subsidiaries before the subsidiaries may pay any dividends or distributions to us.

Substantially all of our assets are held through our subsidiaries. We depend on these subsidiaries for substantially all of our cash flow. The creditors of each of our direct and indirect subsidiaries are entitled to payment of that subsidiary's obligations to them, when due and payable, before distributions may be made by that subsidiary to us. Thus, our ability to service our debt obligations, including our ability to pay the interest on and principal of the notes when due, depends on our subsidiaries' ability first to satisfy their obligations to their creditors and then to make distributions to us. Our subsidiaries are separate and distinct legal entities and have no obligations, other than under the guarantee of the notes for the majority of our subsidiaries, to make any funds available to us.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.

Any default under the agreements governing our indebtedness, including a default under our new term loan facility, our revolving credit facility, and the indenture governing our 2011 Notes, that is not waived by the required holders of such indebtedness, could leave us unable to pay principal, premium, if any, or interest on the notes and could substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on such indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, including our New Term Loan Facility, our revolving credit facility, and the indenture governing our 2011 Notes or the notes offered hereby, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with any accrued and unpaid interest, the lenders under our new term loan facility and revolving credit facility could elect to terminate their commitments, cease making further loans and we could be forced into bankruptcy or liquidation, as applicable. If our operating performance declines, we may in the future need to seek waivers from the required lenders under our new term loan facility and revolving credit facility to avoid being in default. If we breach our covenants under our new term loan facility and revolving credit facility and seek waivers, we may not be able to obtain waivers from the required lenders thereunder.

Your right to receive payments on the notes is effectively subordinated to the right of lenders who have a security interest in our assets to the extent of the value of those assets.

Our obligations under our new term loan facility and revolving credit facility, the 2011 Notes, the notes and the guarantors' obligations under their guarantees of borrowings under our new term loan facility, revolving credit facility, the 2011 Notes and the notes will be unsecured, but our obligations under certain other financing arrangements with lenders are secured by mortgages and security interests in certain of our properties and the ownership interests of certain of our subsidiaries. If we are declared bankrupt or insolvent, or if we default under our secured financing arrangements, the funds borrowed thereunder, together with accrued interest, could become immediately due and payable. If we were unable to repay such indebtedness, the lenders could foreclose on the pledged assets to the exclusion of holders of the notes, even if an event of

default exists under the indenture governing the notes at such time. In any such event, because the notes are not secured by any of such assets, it is possible that there would not be sufficient assets from which your claims could be satisfied.

Claims of noteholders will be structurally subordinated to claims of creditors of any of our subsidiaries that do not guarantee the notes.

We conduct all of our operations through our subsidiaries. Subject to certain limitations, the indenture governing the notes permits us to form or acquire subsidiaries that are not guarantors of the notes and permits such non-guarantor subsidiaries to acquire assets and incur indebtedness, and, as a result, noteholders would not have any claim as a creditor against any such subsidiaries. The claims of the creditors of those subsidiaries, including their trade creditors, banks and other lenders, would have priority over any of our claims or those of our other subsidiaries as equity holders of the non-guarantor subsidiaries. Consequently, in any insolvency, liquidation, reorganization, dissolution or other winding-up of any of the non-guarantor subsidiaries, creditors of those subsidiaries would be paid before any amounts would be distributed to us or to any of our other subsidiaries as equity holders, and thus be available to satisfy our and the guarantors' obligations under the notes and guarantees of the notes.

As of September 30, 2011 and on a pro forma basis to give effect to the consummation of the Transactions, our subsidiaries that will not guarantee the notes would have had $54.1 million of indebtedness and other liabilities of $6.2 million and assets of $308.7 million or 14.8% of our company's consolidated total assets. During 2010 and the nine months ended September 30, 2011, our subsidiaries that will not guarantee the notes had revenues of $27.1 million and $17.4 million, respectively, or 22.2% and 15.9%, respectively, of our company's consolidated revenues.

We may not be able to satisfy our obligations to holders of the notes upon a change of control.

Upon the occurrence of a "change of control," as defined in the indenture, with certain exceptions, each holder of the notes will have the right to require us to purchase the notes at a price equal to 101% of the principal amount thereof. Our failure to purchase, or to give notice of purchase of, the notes would be a default under the indenture and any such default could result in a default under certain of our other indebtedness, including our new term loan facility, our revolving credit facility and the indenture governing our 2011 Notes. In addition, a change of control may constitute an event of default under our new term loan facility and revolving credit facility.

There is no established trading market for the notes. If an actual trading market does not develop for the notes, you may not be able to resell them quickly, for the price that you paid or at all.

The notes will constitute a new issue of securities and there is no established trading market for the notes. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for quotation of the notes on any automated dealer quotation systems. The underwriters have advised us that they intend to make a market in the notes, but they are not obligated to do so. Each underwriter may discontinue any market making in the notes at any time, in its sole discretion, without notice. As a result, we cannot assure you as to the liquidity of any trading market for the notes.

We also cannot assure you that you will be able to sell your notes at a particular time or at all, or that the prices that you receive when you sell them will be favorable. If no active trading market

develops, you may not be able to resell your notes at their fair market value, or at all. The liquidity of, and trading market for, the notes may also be adversely affected by, among other things:

- prevailing interest rates;
- our operating performance and financial condition;
- the interest of securities dealers in making a market; and
- the market for similar securities.

It is possible that the market for the notes will be subject to disruptions. Any disruptions may have a negative effect on holders of the notes, regardless of our prospects and financial performance.

U.S. federal and state statutes allow courts, under specific circumstances, to avoid the guarantees, subordinate claims in respect of the guarantees and require note holders to return payments received from the guarantors.

Medical Properties and certain of the Operating Partnership's subsidiaries will guarantee the obligations under the notes. The issuance of the guarantees by the guarantors may be subject to review under federal and state laws if a bankruptcy, liquidation or reorganization case or a lawsuit, including in circumstances in which bankruptcy is not involved, were commenced at some future date by, or on behalf of, the unpaid creditors of a guarantor. Under the federal bankruptcy laws and comparable provisions of state fraudulent transfer, insolvency, fictitious indebtedness and similar laws, a court may avoid or otherwise decline to enforce a guarantor's guarantee or may subordinate the notes or such guarantee to the applicable guarantor's existing and future indebtedness. While the relevant laws may vary from state to state, a court might do so if it found that when the applicable guarantor entered into its guarantee, or, in some states, when payments became due under such guarantee, the applicable guarantor received less than reasonably equivalent value or fair consideration in exchange for its issuance of the guarantee and:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction, or was about to engage in a business or transaction, for which its remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured.
- under the fictitious indebtedness laws of some states, the presence of the above-listed factors is not required for a guarantee to be invalidated. A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration in exchange for such guarantee if such guarantor did not substantially benefit directly or indirectly from the issuance of such guarantee. The measures of insolvency for purposes of these fraudulent transfer, insolvency and similar laws vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor, as applicable, would be considered insolvent if:
    - the sum of its debts, including contingent and unliquidated liabilities, was greater than the fair saleable value of its assets;

- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent and unliquidated liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

A court might also avoid a guarantee, without regard to the above factors, if the court found that the applicable guarantor entered into its guarantee with the actual intent to hinder, delay or defraud its creditors. In addition, any payment by a guarantor pursuant to its guarantee could be avoided and required to be returned to such guarantor or to a fund for the benefit of such guarantor's overall creditor body, and accordingly the court might direct you to repay any amounts that you had already received from such guarantor.

To the extent a court avoids any of the guarantees as fraudulent transfers or holds any of the guarantees unenforceable or avoidable for any other reason, holders of notes would cease to have any direct claim against the applicable guarantor. If a court were to take this action, the applicable guarantor's assets would be applied first to satisfy the applicable guarantor's direct liabilities, if any, and might not be applied to the payment of the guarantee. Sufficient funds to repay the notes may not be available from other sources, including the remaining guarantors, if any.

Each guarantee will contain a provision intended to limit the guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer. This provision may not be effective to protect the guarantees from being avoided under applicable fraudulent transfer laws or may reduce the guarantor's obligation to an amount that effectively makes the guarantee worthless. Although overturned on other grounds, in a recent Florida bankruptcy case, such a provision was found to be ineffective to protect the guarantee.

MPT Finance Corporation has no material assets or operations and provides no credit support for the notes.

MPT Finance Corporation is a wholly-owned subsidiary of the Operating Partnership and was formed for the sole purpose of being a co-issuer of some of the Operating Partnerships' indebtedness. It has no material assets or operations. You should not rely upon MPT Finance Corporation to make payments on the notes.

If the Ernest Acquisition Transactions are not consummated by May , 2012, we will be required to redeem the notes. If this occurs, you may realize a lower return on your investment than if the notes had been held through maturity.

Until the satisfaction of the escrow release conditions, the escrow agent will hold the proceeds from the offering of the notes together with additional amounts sufficient to redeem the notes in a segregated escrow account for the benefit of the holders of the notes. The release of the escrowed funds will be conditioned upon the consummation of the Ernest Acquisition Transactions being satisfied or waived by May , 2012 and there being no event of default under the indenture governing the notes offered hereby at such time. There can be no assurance that such conditions will be satisfied or waived by such date and/or that no event of default will exist.

If prior to the date specified above the Ernest Acquisition Transactions are not consummated or the other conditions to release of the escrowed funds are not timely met, we will be required to

redeem the notes at the aggregate offering price plus accrued and unpaid interest up to, but not including, the redemption date. See “Description of notes—Special mandatory redemption.” Upon such redemption, you may not be able to reinvest the proceeds from the redemption in an investment that yields comparable returns.

If a bankruptcy or reorganization case is commenced, bankruptcy laws may prevent the trustee from releasing the escrowed funds.

If we or any of our subsidiaries commence a bankruptcy or reorganization case, or one is commenced against us, the applicable bankruptcy laws may prevent the trustee under the indenture governing the notes from foreclosing on, and the securities intermediary from releasing, the escrowed funds. Under the applicable bankruptcy laws, secured creditors, such as the trustee on behalf of the holders of the notes, are prohibited from foreclosing upon or disposing of a debtor’s property without prior bankruptcy court approval.

If the notes are issued with OID, a holder subject to U.S. federal income tax generally will be required to accrue income before such holder receives cash attributable to OID on the notes.

The notes may be issued with OID for U.S. federal income tax purposes. If the notes are issued with OID, holders subject to U.S. federal income taxation generally will be required to include the OID In gross income (as ordinary income) for U.S. federal income tax purposes as it accrues (on a constant yield basis), in advance of the receipt of cash payments to which such OID is attributable (regardless of the holder’s method of tax accounting for U.S. federal income tax purposes). For further discussion of the computation and reporting of OID, see “United States federal income tax considerations.”

If a bankruptcy petition were filed by or against us, holders of notes may receive a lesser amount for their claim than they would have been entitled to receive under the indenture governing the notes.

The notes may be issued with OID. If the notes are issued with OID and if a bankruptcy petition were filed by or against us under the U.S. Bankruptcy Code after the issuance of the notes, the claim by any holder of the notes for the principal amount of the notes may be limited to an amount equal to the sum of:

- the original issue price of the notes; and
- that portion of the OID that does not constitute “unmatured interest” for purposes of the U.S. Bankruptcy Code.

Any OID that was not authorized as of the date of the bankruptcy filing would constitute unmatured interest. Accordingly, holders of the notes under these circumstances may receive a lesser amount than they would be entitled to under the terms of the indenture governing the notes, even if sufficient funds are available.

Unaudited pro forma condensed consolidated financial statements

The unaudited pro forma condensed consolidated statements of income and balance sheet (which we refer to as the pro forma financial statements) adjust Medical Properties' historical consolidated financial statements for the acquisition of real estate of Ernest and new investments in loans to Ernest and equity interests in Ernest to illustrate the effect of the Ernest Acquisition Transactions. The pro forma financial statements were based on and should be read in conjunction with:

- the accompanying notes to the unaudited pro forma condensed consolidated financial statements;
- Medical Properties' consolidated financial statements for the year ended December 31, 2010 and for the nine months ended September 30, 2011 and the notes relating thereto, incorporated herein by reference; and
- the consolidated financial statements of Ernest for the year ended December 31, 2010 and for the nine months ended September 30, 2011 and the notes relating thereto, which are incorporated herein by reference to Medical Properties' Current Report on Form 8-K filed with the SEC on January 31, 2012.

The historical consolidated financial statements have been adjusted in the unaudited pro forma condensed consolidated financial statements to give effect to pro forma events that are (1) directly attributable to the Ernest Acquisition Transactions, (2) factually supportable and (3) with respect to the unaudited pro forma condensed consolidated statements of income (which we refer to as the pro forma statements of income), expected to have a continuing impact on Medical Properties' results. The pro forma statements of income for the year ended December 31, 2010 and for the nine months ended September 30, 2011, give effect to the Ernest Acquisition Transactions as if they occurred on January 1, 2010 and January 1, 2011, respectively. The unaudited pro forma condensed consolidated balance sheet (which we refer to as the pro forma balance sheet) as of September 30, 2011, gives effect to the Ernest Acquisition Transactions as if they occurred on September 30, 2011.

As described in the accompanying notes, the unaudited pro forma condensed consolidated financial statements have been prepared using the acquisition method of accounting for the real estate acquired and based on our expected election to use the fair value option when accounting for the equity and loan investments in Ernest, in each case, in accordance with GAAP and the regulations of the SEC. We have been treated as the acquirer of real estate in the transaction for accounting purposes. The purchase accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma financial statements are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed consolidated financial statements. Differences between these preliminary estimates and the final accounting will occur and these differences could have a material impact on the pro forma financial statements and Medical Properties' future results of operations and financial position.

The pro forma financial statements have been presented for informational purposes only and are not necessarily indicative of what Medical Properties' results of operations and financial position

would have been had the Ernest Acquisition Transactions been completed on the dates indicated. In addition, the pro forma financial statements do not purport to project the future results of operations or financial position of our company.

As of September 30, 2011, Medical Properties Trust, Inc. had a 99.8% equity ownership interest in MPT Operating Partnership, L.P. Medical Properties Trust, Inc. has no significant operations other than as the sole member of its wholly owned subsidiary, Medical Properties Trust, LLC, which is the sole general partner of MPT Operating Partnership, L.P., and no material assets, other than its direct and indirect investment in MPT Operating Partnership, L.P. There is no significant difference between MPT Operating Partnership, L.P.'s net income and Medical Properties Trust, Inc.'s net income.

Medical Properties Trust, Inc. and subsidiaries
Unaudited Pro Forma Condensed Consolidated Balance Sheet

(in thousands, except per share amounts)	Medical properties trust, inc. historical September 30, 2011	Ernest pro forma adjustments	Medical properties trust, inc. pro forma September 30, 2011
		(A)	
Assets			
Real estate assets			
Land, buildings and improvements, and intangible lease assets	$ 1,258,288	$ 200,000	$ 1,458,288
Mortgage loans	165,000	100,000	265,000
Gross investment in real estate assets	1,423,288	300,000	1,723,288
Accumulated depreciation and amortization	(100,772)	—	(100,772)
Net investment in real estate assets	1,322,516	300,000	1,622,516
Cash and cash equivalents	114,368	94,162 (A)	208,530
Interest and rent receivable	28,822	—	28,822
Straight-line rent receivable	34,603	—	34,603
Other loans	56,131	93,200	149,331
Investment in Ernest	—	3,300 (B)	3,300
Other assets	39,249	6,000	45,249
Total Assets	**$ 1,595,689**	**$ 496,662**	**$ 2,092,351**
Liabilities and Equity			
Liabilities			
Debt, net	$ 649,013	$ 280,000 (C)	$ 929,013
Accounts payable and accrued expenses	57,666	—	57,666
Deferred revenue	23,576	—	23,576
Lease deposits and other obligations to tenants	27,770	—	27,770
Total liabilities	758,025	280,000	1,038,025
Equity			
Preferred stock, $0.001 par value. Authorized 10,000 shares; no shares outstanding	—	—	—
Common stock, $0.001 par value. Authorized 150,000 shares; issued and outstanding—110,647 shares at September 30, 2011, actual, and 134,222 shares at September 30, 2011, as adjusted	111	23	134
Additional paid in capital	1,054,040	218,639	1,272,679
Distributions in excess of net income	(204,343)	(2,000)	(206,343)
Accumulated other comprehensive loss	(11,982)	—	(11,982)
Treasury shares, at cost	(262)	—	(262)
Total Medical Properties Trust, Inc. stockholders' equity	837,564	216,662	1,054,226
Non-controlling interests	100	—	100
Total equity	837,664	216,662	1,054,326
Total Liabilities and Equity	**$ 1,595,689**	**$ 496,662**	**$ 2,092,351**

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Medical Properties Trust, Inc. and subsidiaries
Unaudited Pro Forma Condensed Consolidated Statement of Income

(In thousands)	Medical Properties Trust, Inc. historical for the nine months ended September 30, 2011	Ernest pro forma adjustments		Medical Properties Trust, Inc. pro forma for the nine months ended September 30, 2011
Revenues				
Rent billed	$ 88,519	$ 13,500	(D)	$ 102,019
Straight-line rent	5,606	2,626	(E)	8,232
Interest and fee income	15,812	17,235	(F)	33,047
Total revenues	109,937	33,361		143,298
Expenses				
Real estate depreciation and amortization	24,678	3,938	(G)	28,616
Impairment charge	564	—		564
Property-related	629	—		629
Acquisition expenses	3,186	(135)	(H)	3,051
General and administrative	20,428	—		20,428
Total operating expenses	49,485	3,803		53,288
Operating income	60,452	29,558		90,010
Other income (expense)				
Interest and other income	58	—		58
Earnings of Ernest	—	—	(I)	—
Debt refinancing costs	(14,214)	—		(14,214)
Interest expense	(32,462)	(11,477)	(J)	(43,939)
Net other expense	(46,618)	(11,477)		(58,095)
Income from continuing operations	**13,834**	**18,081**		**31,915**
Non-controlling interest share in earnings	(131)	—		(131)
Income from continuing operations attributable to MPT common stockholders	**$ 13,703**	**$ 18,081**		**$ 31,784**

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Medical Properties Trust, Inc. and subsidiaries
Unaudited Pro Forma Condensed Consolidated Statement of Income

(In thousands)	Medical Properties Trust, Inc. historical for the twelve months ended December 31, 2010	Ernest pro forma adjustments		Medical Properties Trust, Inc. pro forma for the twelve months ended December 31, 2010
Revenues				
Rent billed	$ 92,785	$ 18,000	(D)	$ 110,785
Straight-line rent	2,074	3,502	(E)	5,576
Interest and fee income	26,988	22,980	(F)	49,968
Total revenues	121,847	44,482		166,329
Expenses				
Real estate depreciation and amortization	24,486	5,250	(G)	29,736
Impairment charge	12,000	—		12,000
Property-related	4,407			4,407
Acquisition expenses	2,026	(14)	(H)	2,012
General and administrative	26,509			26,509
Total operating expenses	69,428	5,236		74,664
Operating income	52,419	39,246		91,665
Other income (expense)				
Interest and other income	1,518	—		1,518
Earnings of Ernest	—	—	(I)	—
Debt refinancing costs	(6,716)	—		(6,716)
Interest expense	(33,993)	(15,344)	(K)	(49,337)
Net other expense	(39,191)	(15,344)		(54,535)
Income from continuing operations	13,228	23,902		37,130
Non-controlling interest share in earnings	(99)	—		(99)
Income from continuing operations attributable to MPT common stockholders	**$ 13,129**	**$ 23,902**		**$ 37,031**

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Medical Properties Trust, Inc. and subsidiaries
Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

(A) On January 31, 2012, we entered into definitive agreements to purchase the real estate of and provide mortgage loan financing to Ernest and acquire 49% interest in Ernest Holdings. We plan to finance this transaction with the combination of proceeds from this offering, borrowings under our revolving credit facility and our term loan. The sources and uses of the Ernest Acquisition Transactions are as follows:

Sources:	
Common Stock	$229,856
Proceeds from term loan	80,000
Notes offered hereby	200,000
Total sources	$509,856
Uses:	
Real estate acquired of Ernest	$200,000
Mortgage loan to Ernest	100,000
Acquisition loan to Ernest	93,200
Equity investment in Ernest	3,300
Cash for general corporate purposes	94,162
Estimated legal, accounting, consulting, travel and related expenses	19,194
Total uses	$509,856

(B) Equity investment in Ernest assumes our election of the fair value option when accounting for this investment. Changes in the fair value of our investment will be reflected in this line item.

(C) Consists of $80.0 million of borrowings under our new term loan facility and $200.0 million of the proceeds from the notes offered hereby.

(D)	Real estate assets acquired and leased	$200,000
	Initial lease rate per master sublease agreement	9%
	Annualized rent billed	$ 18,000
	Rent billed for nine months	$ 13,500

(E) Straight line rent assumes $200 million of real estate assets acquired, leased at an initial 9% rate with minimum annual rent escalations of 2%, and a 20 year term.

(F)

Mortgage loans	$100,000
Initial interest rate	9%
Annual interest income from mortgage loans	$ 9,000
Acquisition loan	$ 93,200
Initial interest rate	15%
Annual interest income from acquisition loan	$ 13,980
Total annual interest income	$ 22,980
Total interest income for nine months	$ 17,235

(G) Depreciation based off the following assumptions:

	Estimated value allocated	Estimated useful life	Estimated depreciation expense	
Land	$ 10,000	Not applicable	$ —	
Intangibles	20,000	20 years	1,000	
Building	170,000	40 years	4,250	
	$ 200,000		$ 5,250	Annual amount
			$ 3,938	Nine months amount

(H) Excludes acquisition expenses incurred during the period because acquisition assumed to be completed as of the beginning of the year.

(I) Assumes we have elected the fair value option when accounting for our equity interest in Ernest and our initial investment equates to fair value. Changes in the fair value of our investment will be reflected in this line item.

(J) Incremental interest expense estimated as follows:

	Borrowing	Interest rate	Incremental interest expense
New term loan	$ 80,000	2.47%**(1)**	$ (1,978)
Notes offered hereby	200,000	6.25%**(2)**	(12,500)
Incremental debt issuance cost amortization—new term loan			(199)
Incremental debt issuance cost amortization—revolving credit facility			(176)
Incremental debt issuance cost amortization—Notes offered hereby			(450)
Total annual incremental interest expense			$ (15,303)
Incremental interest expense for nine months			$ (11,477)

(1) Assumes term loan interest using a 2.25% spread plus average LIBOR rate of 0.22%.
(2) Assumes rate of 6.25%. If the actual rate is 50 basis points lower or higher than the rate assumed, our interest expense would decrease by $0.8 million or increase by $0.8 million, respectively.

(K) Incremental interest expense estimated as follows:

	Borrowing	Interest rate	Incremental interest expense
New term loan	$ 80,000	2.52%**(1)**	$ (2,019)
Notes offered hereby	200,000	6.25%**(2)**	(12,500)
Incremental debt issuance cost amortization—new term loan			(199)
Incremental debt issuance cost amortization—revolving credit facility			(176)
Incremental debt issuance cost amortization—Notes offered hereby			(450)
Total annual incremental interest expense			$ (15,344)

(1) Assumes term loan interest using a 2.25% spread plus average LIBOR rate of 0.27%.
(2) Assumes rate of 6.25%. If the actual rate is 50 basis points lower or higher than the rate assumed, our interest expense would decrease by $1 million or increase by $1 million, respectively .

Use of proceeds

We expect that the net proceeds from this offering will be $ million after deducting underwriters' discounts and our estimated expenses from this offering.

We intend to use the net proceeds from this offering to finance a portion of the Ernest Acquisition Transactions, which we anticipate will be consummated during the first quarter of 2012. Upon the consummation of the offering of the notes and in the event such consummation is not concurrent with the closing of the Ernest Acquisition Transactions, an amount equal to the proceeds from this offering will be placed in an escrow account together with any additional amounts needed to redeem the notes at their aggregate offering price, plus accrued and unpaid interest on the notes from the issue date up to, but not including, the redemption date, as described under "Description of notes—Special mandatory redemption." If the Ernest Acquisition Transactions are not consummated by May , 2012, then we will use the amount in the escrow account to redeem the notes offered hereby at the aggregate offering price plus accrued and unpaid interest up to, but not including, the redemption date.

We intend to fund the remainder of Ernest Acquisition Transactions, including the related costs and expenses, with the net proceeds from the public offering by Medical Properties of 23,575,000 shares of common stock (including 3,075,000 shares to be sold pursuant to the exercise in full of the equity underwriters' over-allotment option), which priced for $9.75 per share on February 1, 2012 and borrowings under our new term loan facility.

We plan to use any remaining net proceeds from this offering, Medical Properties' offering of 23,575,000 shares of common stock, and from borrowings under our new term loan facility for general corporate purposes, including debt repayment and funding any future acquisitions and investments.

The following table assumes we consummate the Ernest Acquisition Transactions and summarizes the approximate sources and approximate uses of the funds from the Transactions. As amounts payable under the Purchase Agreement related to the Ernest Acquisition Transactions are subject to adjustment, actual amounts at closing of the Ernest Acquisition Transactions may be different. Furthermore, the release of the net proceeds from this offering from escrow is conditioned upon, among other things, the satisfaction or waiver of the conditions precedent to the consummation of the Ernest Acquisition Transactions, but is not conditioned upon the sources of funds we use to finance the Ernest Acquisition Transactions. Accordingly, the actual sources of funds may be different than the approximations if, for instance, Medical Properties' offering of common stock does not close or does not close for the amount anticipated.

Sources (in thousands)		**Uses**	
Gross proceeds from notes offered hereby	$ 200,000	Financing Ernest Acquisition Transactions	$ 396,500
Gross proceeds from offering of common stock by Medical Properties(1)	229,856	Fees and expenses relating to the Transactions(3)	19,194
Borrowings under the new term loan facility(2)	80,000	General corporate purposes	94,162
Total sources	**$ 509,856**	**Total uses**	**$ 509,856**

(1) Includes 3,075,000 shares to be sold pursuant to the exercise in full of the underwriters' over-allotment option.

(2) The new term loan facility is expected to provide for an $80.0 million term loan. See "Description of other material indebtedness—Our new and existing credit facilities." We cannot assure you that we will be able to successfully establish the new term loan facility on the terms described herein or at all.

(3) Amount reflects the estimate of fees and expenses associated with the Transactions, including the fee payable to an affiliate of RBC Capital Markets, LLC, a joint book-running underwriter in this offering, with respect to financial advisory services provided in connection with the Ernest Acquisition Transactions, underwriting discounts and commissions for this offering and the offering of Medical Properties' common stock, the credit facility arrangement fee as well as legal, accounting and other professional fees related to the Transactions.

Capitalization

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2011:

- on an actual basis;
- on an as adjusted basis giving effect to:

  (1) this offering of $200.0 million aggregate principal amount of notes;

  (2) the offering and sale of 23,575,000 shares of Medical Properties' common stock (including 3,075,000 shares to be sold pursuant to the exercise in full of the equity underwriters' over-allotment option), which priced at $9.75 per share on February 1, 2012 and is expected to close on February 7, 2012;

  (3) borrowings of $80.0 million under our new term loan facility; and

  (4) application of the net proceeds from this offering, after deducting the underwriting discount and our estimated offering expenses, and the offering of common stock by Medical Properties, after deducting the underwriting discount and commissions and our estimated offering expenses, and borrowings under our new term loan facility to finance the Ernest Acquisition Transactions, and the fees, costs and expenses related thereto and for general corporate purposes as described in "Use of proceeds."

As amounts payable under the Purchase Agreement related to the Ernest Acquisition Transactions are subject to adjustment, actual amounts at closing of the Ernest Acquisition Transactions may be different. Furthermore, the release of the net proceeds from this offering from escrow is conditioned upon, among other things, the satisfaction or waiver of the conditions precedent to the consummation of the Ernest Acquisition Transactions, but is not conditioned upon the sources of funds we use to finance the Ernest Acquisition Transactions. Accordingly, the actual sources of funds may be different than the approximations if, for instance, Medical Properties' offering of common stock does not close or does not close for the amount anticipated. Accordingly, the actual amounts may differ materially from those shown below in the "As adjusted" column.

	As of September 30, 2011	
(amounts in thousands)	**Actual**	**As adjusted(1)**
Cash and cash equivalents	$ 114,368	$ 208,530
Indebtedness:		
Revolving credit facility(2)	$ —	$ —
New term loan facility(3)	—	80,000
MPT of North Cypress, L.P. revolving credit facility(4)	39,600	39,600
Notes offered hereby	—	200,000
6.875% senior notes due 2021(5)	450,000	450,000
6.125% exchangeable senior notes due 2011 (net of $23 in discounts)(6)	9,152	9,152
9.25% exchangeable senior notes due 2013 (net of $225 in discounts)(5)	10,775	10,775
Senior unsecured notes due 2016(7)	125,000	125,000
Northland mortgage loan(8)	14,486	14,486
Total long-term debt	$ 649,013	$ 929,013
Equity (including non-controlling interest)	837,664	1,054,326
Total capitalization	**$ 1,486,677**	**$ 1,983,339**

(1) Reflects 3,075,000 shares to be sold pursuant to the exercise in full of the underwriters' over-allotment option in connection with the offering of Medical Properties' common stock, which priced at $ 9.75 per share on February 1, 2012 and is expected to close on February 7, 2012.

(2) On April 26, 2011, we entered into the revolving credit facility, which provides for a $330.0 million revolving credit facility. We expect to exercise the accordion feature under our revolving credit facility in an amount of $70.0 million. See "Description of other material indebtedness—New and existing credit facilities—Revolving credit facility."

(3) Our new term loan facility is expected to provide for an $80.0 million term loan. We expect to enter into the agreement governing our new term loan facility concurrently with the closing of the Ernest Acquisition Transactions. See "Prospectus summary—Recent developments—Financing transactions—Credit facilities." We cannot assure you that we will be able to successfully establish our new term loan facility on the terms described herein or at all.

(4) One of our subsidiaries, MPT of North Cypress, L.P., a Delaware limited partnership, is the borrower under a $42.0 million revolving credit facility that matures in 2012. As of September 30, 2011, we had $39.6 million outstanding under the MPT of North Cypress, L.P. revolving credit facility.

(5) See "Description of other material indebtedness" for a description of our outstanding notes.

(6) The principal amount of the 6.125% Exchangeable Senior Notes due 2011 became due and was paid on November 15, 2011. See "Prospectus summary—Recent developments—2011 fourth quarter events—Maturity of 6.125% exchangeable senior notes due 2011."

(7) At September 30, 2011, $65.0 million of our senior notes were fixed at a rate of 5.507% pursuant to our interest rate swap in effect at that time, while $60.0 million of our senior notes were fixed at a blended rate of 7.52%."

(8) In connection with our acquisition of the Northland LTACH Hospital on February 14, 2011, we assumed a $16.1 million mortgage that matures in January 2018.

You should read the above table in conjunction with the section entitled "Unaudited pro forma condensed consolidated financial statements" included herein and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Medical Properties' Annual Report on Form 10-K for the year ended December 31, 2010, as amended, and in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, and Medical Properties' consolidated financial statements, related notes and other financial information that we have included and incorporated by reference into this prospectus and the consolidated financial statements and related notes of Ernest, which are incorporated into this prospectus by reference to Medical Properties' Current Report on Form 8-K filed with the SEC on January 31, 2012.

Combined ratio of earnings to fixed charges

The following table sets forth our combined ratio of earnings to fixed charges:

	Years ended December 31,					Nine months ended September 30,
	2006	2007	2008	2009	2010	2011
Combined ratio of earnings to fixed charges	1.97x	1.72x	1.44x	1.90x	1.33x	1.28x

Our combined ratios of earnings to fixed charges are computed by dividing earnings by fixed charges. “Earnings” is the amount resulting from adding together income (loss) from continuing operations, fixed charges, and amortization of capitalized interest and subtracting interest capitalized. “Fixed charges” is the amount resulting from adding together interest expensed and capitalized; amortized premiums, discounts and capitalized expenses related to indebtedness; and the interest portion of rent.

Description of other material indebtedness

Our new and existing credit facilities

New term loan facility

On January 25, 2012, we received a commitment letter and term sheet for an $80.0 million senior unsecured term loan facility, which we refer to as our new term loan facility, from JPMorgan Chase Bank, N.A., an affiliate of one of the joint book-running underwriters in this offering, and RBC Capital Markets, LLC, a joint book-running underwriter in this offering. The term sheet provides for customary financial and operating covenants, substantially consistent with our revolving credit facility, including covenants relating to total leverage ratio, fixed charge coverage ratio, mortgage secured leverage ratio, recourse mortgage secured indebtedness, consolidated adjusted net worth, unsecured leverage ratio and interest coverage ratio, and covenants restricting the incurrence of debt, imposition of liens, the payment of dividends and entering into affiliate transactions. The term sheet also provides for customary events of default, including among others, nonpayment of principal or interest, material inaccuracy of representations and failure to comply with our covenants.

Effectiveness of our new term loan facility is subject to, among other things, definitive documentation and the satisfaction of customary closing conditions. We cannot assure you that we will be able to successfully establish our new term loan facility on the terms described herein or at all. We expect to close and fund our new term loan facility concurrently with the closing of the Ernest Acquisition Transactions.

Revolving credit facility

On April 26, 2011, we entered into an amended and restated revolving credit agreement with JPMorgan Chase Bank, N.A., as administrative agent, KeyBank National Association, as syndication agent, and the several lenders from time to time parties thereto.

Our revolving credit facility provides for a $330 million revolving loan facility (the “Revolving Facility”), a swingline loan facility of up to 10% of the Revolving Facility (the “Swingline Facility”), and a letter of credit facility of up to 10% of the Revolving Facility (the “Letter of Credit Facility”). In connection with the offering of senior notes, we expect to amend our existing revolving credit facility in order to permit the prepayment of the notes, subject to certain terms and conditions, and to update certain financial covenants. Our revolving credit facility includes an accordion feature pursuant to which it may be increased to up to $400 million from $330 million. We requested an increase in our revolving credit facility in an amount of $70 million contemporaneously with the closing of our new term loan facility. We expect that the administrative agent under our revolving credit facility will arrange a syndicate of lenders willing to hold the requested incremental revolving commitments but we may not be able to find commitments for this incremental facility.

The maturity date of the Revolving Facility is October 31, 2015. The maturity date of any loan made under the Swingline Facility is the earlier of October 31, 2015 and the first date after such loan is made that is the 15th or last day of a calendar month and is at least 2 business days after such loan is made, and the maturity date of any letter of credit issued pursuant to the Letter of Credit Facility is the earlier of the first anniversary of the issuance of such letter of credit and the date that is 5 business days prior to October 31, 2015.

At our election, loans under the Revolving Facility may also be made as either ABR Loans or Eurodollar Loans. The applicable margin for ABR Loans under the Revolving Facility will initially be 1.60% and is adjustable on a sliding scale from 1.60% to 2.40% based on current total leverage. The applicable margin for Eurodollar Loans under the Revolving Facility will initially be 2.60% and is adjustable on a sliding scale from 2.60% to 3.40% based on current total leverage. Swingline Facility loans will bear interest at a rate equal to the rate of ABR Loans under the Revolving Facility. Letters of credit will bear interest at a rate equal to the applicable margin then in effect with respect to Eurodollar Loans under the Revolving Facility.

We may prepay our revolving credit facility at any time, subject to certain notice requirements. Borrowings under the our revolving credit facility are guaranteed by Medical Properties and the subsidiary guarantors pursuant to a Guarantee Agreement in favor of JPMorgan Chase Bank, N.A., as administrative agent. We are required to pay the lenders a quarterly commitment fee on the undrawn portion of our revolving credit facility, ranging from 0.375% to 0.50% per annum, based upon the amount of the undrawn portion of our revolving credit facility. We are also required to pay any lender issuing a letter of credit a fee of 0.20% per annum on the letter of credit obligations.

Our revolving credit facility contains customary financial and operating covenants, including covenants relating to total leverage ratio, fixed charge coverage ratio, mortgage secured leverage ratio, recourse mortgage secured indebtedness, consolidated adjusted net worth, unsecured leverage ratio, unsecured interest coverage ratio and covenants restricting the incurrence of debt, imposition of liens, the payment of dividends, and entering into affiliate transactions. Our revolving credit facility also contains customary events of default, including among others, nonpayment of principal or interest, material inaccuracy of representations and failure to comply with covenants. If an event of default occurs and is continuing under our revolving credit facility, the entire outstanding balance may become immediately due and payable.

MPT of North Cypress, L.P. revolving credit facility

In June 2007, one of our subsidiaries, MPT of North Cypress, L.P., a Delaware limited partnership, entered into a $42.0 million collateralized revolving credit facility that matures in 2012 that will not be repaid or terminated in connection with the Transactions. This facility incurs interest at the 30-day LIBOR plus 1.50% (1.77% at December 31, 2010). The amount available under the facility decreases $0.8 million per year until maturity. The facility is collateralized by one real estate property with a net book value of $56.5 million at December 31, 2010 and $55.4 million at September 30, 2011. At September 30, 2011, we had $39.6 million outstanding on this revolving credit facility and no additional availability. The weighted-average interest rate on this revolving bank credit facility was 1.74% for 2010. Because MPT of North Cypress, L.P. will not guarantee the Notes, all borrowings under this facility will be structurally senior to such notes.

2006 Senior unsecured notes

During 2006, we issued $125.0 million of Senior Unsecured Notes (the “2006 Senior Notes”). The 2006 Senior Notes were placed in private transactions exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”). At September 30, 2011, $65 million of the 2006 Senior Notes carried a variable rate of 2.67%, while the remaining $60 million was fixed at rates ranging from 7.333% to 7.715%. During the second quarter of 2010, we entered into an

interest rate swap to fix $65 million of the 2006 Senior Notes, which started July 31, 2011 (date on which the interest rate turned variable) and will run through the maturity date (or July 2016), at a rate of 5.507%. We also entered into an interest rate swap to fix $60 million of the 2006 Senior Notes starting October 31, 2011 (date on which the related interest rate is scheduled to turn variable) through the maturity date (or October 2016) at a rate of 5.675%. At September 30, 2011, the fair value of the interest rate swaps was $12.0 million. The outstanding aggregate principal amount of the 2006 Senior Notes was $125.0 million as of September 30, 2011.

Exchangeable senior notes

In November 2006, we issued and sold, in a private offering, $138.0 million of exchangeable senior notes (the “2006 Exchangeable Notes”). The principal amount of the 2006 Exchangeable Notes became due and payable and was repaid on November 15, 2011.

In March 2008, we issued and sold, in a private offering, $75.0 million of exchangeable senior notes (the “2008 Exchangeable Notes”). In April 2008, we sold an additional $7.0 million of the 2008 Exchangeable Notes pursuant to the underwriters’ overallotment option. The 2008 Exchangeable Notes pay interest semi-annually at a rate of 9.25% per annum and mature on April 1, 2013. The 2008 Exchangeable Notes had an initial exchange rate of 80.8898 shares of Medical Properties’ common stock per $1,000 principal amount, representing an exchange price of $12.36 per common share. The initial exchange rate is subject to adjustment under certain circumstances. The 2008 Exchangeable Notes are exchangeable prior to the close of business on the second day immediately preceding the stated maturity date at any time beginning on January 1, 2013 and also upon the occurrence of specified events, for cash up to their principal amounts and cash or Medical Properties’ common shares for the remainder of the exchange value in excess of the principal amount. The 2008 Exchangeable Notes are senior unsecured obligations and are guaranteed by Medical Properties. In July 2011, we used a portion of the proceeds from the 2011 Notes to repurchase 85% of the outstanding 2008 Exchangeable Notes at a price of 118.5% of the principal amount plus accrued and unpaid interest (or $84.2 million) pursuant to a cash tender offer. Additionally, in August 2011, we repurchased $1.5 million of the outstanding 2008 Exchangeable Notes in the open market. The outstanding aggregate principal amount of the 2008 Exchangeable Notes is $11.0 million as of September 30, 2011.

2011 Notes

On April 26, 2011, the Issuers completed a private placement of $450 million aggregate principal amount of their 6.875% Senior Notes due 2021 (the “2011 Notes”) to qualified institutional buyers in reliance on Rule 144A under the Securities Act, and to non-U.S. persons outside of the United States in compliance with Regulation S under the Securities Act. The 2011 Notes were subsequently registered under the Securities Act pursuant to an exchange offer.

Interest on the 2011 Notes is payable semi-annually on May 1 and November 1 of each year. The 2011 Notes pay interest in cash at a rate of 6.875% per year. The 2011 Notes mature on May 1, 2021. The Issuers may redeem some or all of the 2011 Notes at any time prior to May 1, 2016 at a “make-whole” redemption price. On or after May 1, 2016, the Issuers may redeem some or all of

the 2011 Notes at a premium that will decrease over time, plus accrued and unpaid interest to, but not including, the redemption date.

The 2011 Notes are guaranteed, jointly and severally, on an unsecured basis, by the certain subsidiary guarantors.

In the event of a Change of Control, each holder of the 2011 Notes may require the Issuers to repurchase some or all of its 2011 Notes at a repurchase price equal to 101% of the aggregate principal amount of the 2011 Notes plus accrued and unpaid interest to the date of purchase. The outstanding aggregate principal amount of the 2011 Notes was $450 million as of September 30, 2011.

Northland mortgage loan

In connection with our acquisition of the Northland LTACH Hospital on February 14, 2011, we assumed a $16.1 million mortgage. The Northland mortgage loan requires monthly principal and interest payments based on a 30-year amortization period. The Northland mortgage loan has a fixed interest rate of 6.2%, matures on January 1, 2018 and can be prepaid after January 1, 2013, subject to a certain prepayment premium.

Description of notes

The following is a summary of the material provisions of the indenture governing the Notes among MPT Operating Partnership, L.P. (“Opco”), MPT Finance Corporation (“Finco”), Medical Properties Trust, Inc., the Parent guarantor, the subsidiary guarantors and Wilmington Trust, National Association, as trustee. It does not restate that agreement, and we urge you to read the indenture in its entirety, which is available upon request to Opco at the address indicated under “Where You Can Find More Information” elsewhere in this prospectus, because it, and not this description, defines your rights as a noteholder.

You can find the definitions of certain capitalized terms used in this description under the subheading “—Certain Definitions.” The term *“Issuers”* as used in this section refers only to Opco and Finco and not to any of their subsidiaries and the term *“Parent”* as used in this section refers only to Medical Properties Trust, Inc. and not to any of its subsidiaries.

General

The initial Notes will be issued in an aggregate principal amount of $200.0 million. The Notes are unsecured senior obligations of the Issuers and will mature on , 2022. The Notes will initially bear interest at a rate of % per annum, payable semiannually to holders of record at the close of business on the or the immediately preceding the interest payment date on and of each year, commencing , 2012.

Principal of, premium, if any, and interest on the Notes will be payable, and the Notes may be exchanged or transferred, in accordance with the terms of the indenture.

Interest on the Notes will accrue from the date of original issuance. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Notes will be issued only in fully registered form, without coupons, in denominations of $2,000 of principal amount and any integral multiple of $1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Issuers are entitled to require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection with a registration of transfer.

Subject to the covenants described below under “—Covenants” and applicable law, the Issuers are entitled to issue additional notes under the indenture. The Notes and any additional notes subsequently issued under the indenture will be treated as a single class for all purposes under the indenture, including waivers, amendments, redemptions and offers to purchase. Additional notes will not necessarily be fungible with the Notes for U.S. federal income tax purposes.

Escrow of proceeds; Release conditions

Unless the Acquisition shall have been consummated simultaneously with the consummation of the offering of the Notes contemplated hereby, the maximum Escrow Proceeds will be placed by the Issuers in escrow until the satisfaction of the conditions described below. The terms of the escrow will be set forth in the Escrow Agreement, pursuant to which the Issuers will deposit with the Escrow Agent on the Issue Date the net proceeds from the offering of the Notes together with additional cash, in an amount sufficient to redeem, for cash, the Notes at a redemption price equal to the aggregate issue price of the Notes offered on the Issue Date, together with

accrued and unpaid interest on the Notes, in each case, from the Issue Date up to but not including the date of the Special Mandatory Redemption described below (collectively, the "Escrow Proceeds"). The Issuers will grant the Trustee, for the benefit of the noteholders subject to any lien of the Escrow Agent, a first priority security interest in the escrow account and all deposits and investment property therein to secure the Special Mandatory Redemption.

The Notes will be secured only by a pledge of the Escrow Proceeds and only for so long as the Escrow Proceeds remain in escrow.

The Issuers will only be entitled to direct the Escrow Agent to release Escrow Proceeds to Opco upon delivery to the Escrow Agent of an officer's certificate signed by both Issuers certifying to the satisfaction of the following conditions, which may be satisfied contemporaneously with the release of the Escrow Proceeds on or prior to the Escrow End Date (such date, the "Release Date"):

(1) (A) all conditions precedent to the consummation of the Acquisition will have been satisfied or waived in accordance with the terms of the Transaction Agreement (other than the payment of Purchase Price (as defined in the Transaction Agreement) and other than those conditions that by their terms are to be satisfied simultaneously with the consummation of the Acquisition) and (B) the Acquisition will be consummated on substantially the terms described in the prospectus substantially concurrently with the release of funds on deposit with the Escrow Agent; and

(2) No Event of Default shall have occurred and be continuing under the Indenture.

Special mandatory redemption

The Notes will be subject to a mandatory redemption (a "Special Mandatory Redemption") in the event that either (i) the Release Date has not occurred on or prior to the Escrow End Date or (ii) prior to the Escrow End Date, the Issuers have determined, in their reasonable discretion, that the escrow conditions cannot be satisfied by such date (any such date, a "Trigger Date"). The Issuers will cause the notice of Special Mandatory Redemption to be mailed to the holders, the trustee, and the Escrow Agent promptly, but in any event not later than five Business Days after the Trigger Date, and will redeem the Notes no later than five Business Days following the date of the notice of redemption. The aggregate redemption price for any Special Mandatory Redemption will be equal to the aggregate offering price of the Notes issued on the Issue Date, together with accrued and unpaid interest on the Notes from the Issue Date up to but not including the date of the Special Mandatory Redemption.

If the Escrow Agent receives a notice of a Special Mandatory Redemption pursuant to the terms of the Escrow Agreement, the Escrow Agent will upon joint written direction of the Issuers, liquidate investments of all Escrow Proceeds, if any, then held by it not later than the last Business Day prior to the date of the Special Mandatory Redemption. Concurrently with the release of the amounts necessary to fund the Special Mandatory Redemption to the paying agent, the Escrow Agent will release any excess of Escrow Proceeds over the mandatory redemption price to the Issuers (less any amounts owing to the Escrow Agent), and the Issuers will be permitted to use such excess Escrow Proceeds at their discretion.

Optional redemption

Prior to , 2017, the Issuers will be entitled at their option to redeem all or any portion of the Notes at a redemption price equal to 100% of the principal amount of such Notes plus the

Applicable Premium as of, and any accrued and unpaid interest to, but not including, the redemption date (subject to the right of each holder on the relevant record date to receive interest due on the relevant interest payment date).

On or after , 2017, the Issuers may redeem the Notes in whole or from time to time in part, at the redemption prices (expressed as percentages of the principal amount thereof) set forth below, plus accrued and unpaid interest thereon to, but not including, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period beginning on of each of the years indicated below:

Year	Percentage
2017	%
2018	%
2019	%
2020 and thereafter	100.000%

In addition, at any time prior to , 2015, the Issuers may redeem, on any one or more occasions, with all or a portion of the net cash proceeds of one or more Equity Offerings (within 60 days of the consummation of any such Equity Offering), up to 35% of the aggregate principal amount of the Notes (including any additional Notes) at a redemption price (expressed as a percentage of the aggregate principal amount of the Notes so redeemed) equal to % plus accrued and unpaid interest to but not including, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however,* that at least 65% of the original aggregate principal amount of the Notes must remain outstanding immediately after each such redemption.

After notice of optional redemption has been given as provided in the indenture, if funds for the redemption of any Notes called for redemption have been made available on the redemption date, such Notes called for redemption will cease to bear interest on the date fixed for the redemption specified in the redemption notice and the only right of the holders of such Notes will be to receive payment of the redemption price.

Notice of any optional redemption of any Notes will be given to holders (with a copy to the Trustee) at their addresses, as shown in the Notes register, not more than 60 nor less than 30 days prior to the date fixed for redemption. The notice of redemption will specify, among other items, the redemption price and the principal amount of the Notes held by the holder to be redeemed.

The Issuers will notify the trustee at least 45 days prior to the redemption date (or such shorter period as is satisfactory to the trustee) of the aggregate principal amount of the Notes to be redeemed and the redemption date. If less than all the Notes are to be redeemed, the trustee shall select, *pro rata* or by lot or by any such similar method in accordance with the procedures of DTC, the Notes to be redeemed. Notes may be redeemed in part in the minimum authorized denomination for the Notes or in any integral multiple thereof.

The Issuers or their Affiliates are entitled to acquire Notes by means other than a redemption from time to time, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, so long as such acquisition does not otherwise violate the terms of the indenture, upon such terms and at such prices as the Issuers or their Affiliates may determine, which may be more or less than the consideration for which the Notes

offered hereby are being sold and may be less than any redemption price then in effect and could be for cash or other consideration.

Sinking fund

There will be no sinking fund payments for the Notes.

Ranking the notes

The Notes will be:

- general unsecured obligations of the Issuers;
- equal in right of payment with all other existing and future senior Indebtedness of the Issuers, including Indebtedness under the Credit Agreement, the Term Loan and the indenture governing the 2011 Notes;
- senior in right of payment to any existing and future Subordinated Indebtedness of the Issuers;
- effectively subordinated to any existing and future Secured Indebtedness of the Issuers to the extent of the value of the collateral securing such Indebtedness;
- structurally subordinated to the liabilities and preferred stock of our non-Guarantor subsidiaries; and
- guaranteed by the Guarantors.

As of September 30, 2011 and on a pro forma basis to give effect to the consummation of the Transactions, the Issuers and the Guarantors would have had $874.9 million of indebtedness (none of which would have been secured indebtedness). In addition, $398.7 million would have been available for Opco (net of approximately $1.3 million of letters of credit outstanding) to borrow under the Credit Agreement.

The Guarantees

The Notes will be guaranteed by Parent and each of the Issuers' current and future Restricted Subsidiaries that guarantee the Credit Agreement until certain conditions are met.

Each Guarantee of the Notes will be:

- a general unsecured obligation of the Guarantor;
- equal in right of payment with all other existing and future senior Indebtedness of that Guarantor, including its Guarantee of the Credit Agreement, the borrowings under the Term Loan and the 2011 Notes;
- senior in right of payment to any existing and future Subordinated Indebtedness of the Guarantor;
- effectively subordinated to any existing and future Secured Indebtedness of the Guarantor to the extent of the value of the collateral securing such Indebtedness; and
- structurally subordinated to the liabilities and preferred stock of our non-Guarantor subsidiaries.

See “Risk Factors—Risks Relating to the Notes—U.S. federal and state statutes allow courts, under specific circumstances, to avoid the guarantees, subordinate claims in respect of the guarantees and require note holders to return payments received from the guarantors.”

For the fiscal year ended December 31, 2010 and the nine-months ended September 30, 2011 after giving effect to the consummation of the Transactions, the non-guarantor Subsidiaries generated approximately 18.9% and 14.4%, respectively, of the Parent’s consolidated total revenues. In addition, as of September 30, 2011 and after giving effect to the Transactions, the non-guarantor Subsidiaries held approximately 14.8% of the Parent’s consolidated total assets. See “Risk Factors—Risks Relating to the Notes— Claims of noteholders will be structurally subordinated to claims of creditors of any of our subsidiaries that do not guarantee the notes” and “Risk Factors—Risks Relating to the Notes—Your right to receive payments on the notes is effectively subordinated to the right of lenders who have a security interest in our assets to the extent of the value of those assets.”

Certain covenants

Suspension of covenants

During a Suspension Period, the Parent, Issuers and the Restricted Subsidiaries will not be subject to the following corresponding provisions of the indenture (each a “Suspended Covenant”):

- “—Covenants—Limitation on Restricted Payments”;
- “—Covenants—Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries”;
- “—Covenants—Future Guarantees by Restricted Subsidiaries”;
- “—Covenants—Limitation on Transactions with Affiliates”;
- “—Covenants—Limitation on Asset Sales”; and
- Clause (3) of “—Covenants—Consolidation, Merger and Sale of Assets.”

All other provisions of the indenture will apply at all times during any Suspension Period so long as any Notes remain outstanding thereunder; provided that the Interest Coverage Ratio that will be applicable under clause (3) of “—Covenants—Limitation on Indebtedness” will be 1.5 to 1.0 during any Suspension Period.

“Suspension Period” means any period:

(1) beginning on the date that:

(A) the Notes have Investment Grade Status;

(B) no Default or Event of Default has occurred and is continuing; and

(C) the Issuers have delivered an officer’s certificate to the trustee certifying that the conditions set forth in clauses (A) and (B) above are satisfied; and

(2) ending on the date (the *“Reversion Date”)* that the Notes cease to have Investment Grade Status.

On each Reversion Date, all Indebtedness, liens thereon and dividend blockages incurred during the Suspension Period prior to such Reversion Date will be deemed to have been outstanding on the Issue Date.

For purposes of calculating the amount available to be made as Restricted Payments under clause (C) of the first paragraph of the "—Limitation on Restricted Payments" covenant, calculations under that clause will be made with reference to the Transaction Date, as set forth in that clause. Accordingly, (x) Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (1) through (11) under the second paragraph under the "Limitation on Restricted Payments" covenant will reduce the amount available to be made as Restricted Payments under clause (C) of the first paragraph of such covenant; *provided, however,* that the amount available to be made as a Restricted Payment on the Transaction Date shall not be reduced to below zero solely as a result of such Restricted Payments, but may be reduced to below zero as a result of negative cumulative Funds from Operations during the Suspension Period for the purpose of clause (C)(i) of the first paragraph of such covenant, and (y) the items specified in clauses (C)(i)-(vi) of the first paragraph of such covenant that occur during the Suspension Period will increase the amount available to be made as Restricted Payment under clause (C) of the first paragraph of such covenant. Any Restricted Payment made during the Suspension Period that are of the type described in the second paragraph of the "Limitation on Restricted Payments" covenant (other than the Restricted Payment referred to in clauses (1) or (2) of such second paragraph or any exchange of Capital Stock for Capital Stock or Indebtedness referred to in clause (4) or (5) of such second paragraph), and the Net Cash Proceeds from any issuance of Capital Stock referred to in clauses (4) and (5) of the second paragraph of the "Limitation on Restricted Payments" covenant (adjusted to avoid double counting) shall not be included in calculating the amounts permitted to be incurred under such clause (C) on each Reversion Date. For purposes of the "—Limitation on Asset Sales" covenant, on each Reversion Date, the unutilized Excess Proceeds will be reset to zero. No Default or Event of Default will be deemed to have occurred on the Reversion Date (or thereafter) under any Suspended Covenant solely as a result of any actions taken by the Parent or any Restricted Subsidiaries thereof, or events occurring, during the Suspension Period. For purposes of the "—Maintenance of Total Unencumbered Assets" covenant, if the Parent and its Restricted Subsidiaries are not in compliance with such covenant as of a Reversion Date, no Default or Event of Default will be deemed to have occurred for up to 120 days following the Reversion Date; *provided* that neither the Parent nor any of its Restricted Subsidiaries shall incur any Secured Indebtedness until such time that the requirements of such covenant have been.

Limitation on indebtedness

(1) The Issuers will not and will not permit any of the Restricted Subsidiaries to Incur any Indebtedness (including Acquired Indebtedness) if, immediately after giving effect to the Incurrence of such additional Indebtedness and the receipt and application of the proceeds therefrom, the aggregate principal amount of all outstanding Indebtedness of the Issuers and the Restricted Subsidiaries on a consolidated basis would be greater than 60% of their Adjusted Total Assets.

(2) The Issuers will not, and will not permit any of the Restricted Subsidiaries to, Incur any Secured Indebtedness (including Acquired Indebtedness) if, immediately after giving effect to the Incurrence of such additional Secured Indebtedness and the receipt and application of the proceeds therefrom, the aggregate principal amount of all outstanding Secured Indebtedness of

the Issuers and the Restricted Subsidiaries on a consolidated basis would be greater than 40% of their Adjusted Total Assets.

(3) The Issuers will not, and will not permit any of the Restricted Subsidiaries to Incur any Indebtedness (including Acquired Indebtedness); *provided, however,* that the Issuers or any of the Restricted Subsidiaries may Incur Indebtedness (including Acquired Indebtedness) if, after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, the Interest Coverage Ratio of the Issuers and the Restricted Subsidiaries on a consolidated basis would be at least 2.0 to 1.0; provided that the amount of Indebtedness (including Acquired Indebtedness) that may be Incurred by Restricted Subsidiaries that are not Guarantors shall not exceed in the aggregate 5% of Adjusted Total Assets of the Issuers and the Restricted Subsidiaries.

(4) Notwithstanding paragraph (1), (2) or (3) above, the Issuers or any of the Restricted Subsidiaries (except as specified below) may Incur each and all of the following:

(A) Indebtedness of the Issuers or any of the Restricted Subsidiaries outstanding under any Credit Facility at any time in an aggregate principal amount not to exceed the greater of (x) $640 million and (y) 30% of Adjusted Total Assets of the Issuers and the Restricted Subsidiaries;

(B) Indebtedness of the Issuers or any of the Restricted Subsidiaries owed to:

(i) the Issuers evidenced by an unsubordinated promissory note, or

(ii) any Restricted Subsidiary;

provided, however, that any event that results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary of the Issuers or any subsequent transfer of such Indebtedness (other than to the Issuers or any other Restricted Subsidiary of the Issuers) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (B);

(C) Indebtedness of the Issuers or any of their Restricted Subsidiaries under Currency Agreements and Interest Rate Agreements; *provided* that such agreements (i) are designed solely to protect the Issuers or any of their Restricted Subsidiaries against fluctuations in foreign currency exchange rates or interest rates (whether fluctuations of fixed to floating rate interest or floating to fixed rate interest) and (ii) do not increase the Indebtedness of the obligor outstanding at any time other than as a result of fluctuations in foreign currency exchange rates or interest rates or by reason of fees, indemnities and compensation payable thereunder;

(D) Indebtedness of the Issuers or any of the Subsidiary Guarantors, to the extent the net proceeds thereof are promptly:

(i) used to purchase Notes tendered in a Change of Control Offer made as a result of a Change in Control, or

(ii) used to redeem all the Notes as described above under “Optional Redemption,”

(iii) deposited to defease the Notes as described below under “Defeasance,” or

(iv) deposited to discharge the obligations under the Notes and indenture as described below under “Satisfaction and Discharge”;

(E)(i) Guarantees of Indebtedness of the Issuers by any of the Subsidiary Guarantors; *provided* the guarantee of such Indebtedness is permitted by and made in accordance with the “Future

Guarantees by Restricted Subsidiaries" covenant described below, and (ii) Guarantees by a Subsidiary Guarantor of any Indebtedness of any other Subsidiary Guarantor;

(F) Indebtedness outstanding on the Issue Date (other than pursuant to clause (A) or (G));

(G) Indebtedness represented by the Notes and the Guarantees issued on the Issue Date;

(H) Indebtedness consisting of obligations to pay insurance premiums incurred in the ordinary course of business;

(I) Indebtedness in respect of any bankers' acceptance, bank guarantees, letter of credit, warehouse receipt or similar facilities, and reinvestment obligations related thereto, entered into in the ordinary course of business;

(J) Indebtedness in respect of workers' compensation claims, self-insurance obligations, indemnities, bankers' acceptances, performance, completion and surety bonds or guarantees and similar types of obligations in the ordinary course of business;

(K) Indebtedness represented by cash management obligations and other obligations in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in each case in connection with deposit accounts;

(L) Indebtedness supported by a letter of credit procured by the Issuers or their Restricted Subsidiaries in a principal amount not in excess of the stated amount of such letter of credit and where the underlying Indebtedness would otherwise be permitted;

(M) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to refund, refinance or replace, Indebtedness (other than intercompany Indebtedness) that was permitted by the indenture to be incurred under the provisions of paragraph (1), (2) or (3) of this covenant or clause (F), (G), (M) or (O) of this paragraph (4);

(N) Indebtedness (including Capitalized Lease Obligations) Incurred by the Issuers or any Restricted Subsidiary within 270 days of the related purchase, lease or improvement, to finance the purchase, lease or improvement of property (real or personal) or equipment used in the business of the Issuers or any Restricted Subsidiary, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets in an aggregate principal amount not to exceed at any one time outstanding the greater of (x) $42 million and (y) 2% of Adjusted Total Assets at any time outstanding.

(O) additional Indebtedness of the Issuers and their Restricted Subsidiaries in aggregate principal amount at any time outstanding not to exceed the greater of (x) $85 million and (y) 4.0% of the Issuers' and their Restricted Subsidiaries' Adjusted Total Assets; *provided, however,* that any Permitted Refinancing Indebtedness incurred under clause (M) above in respect of such Indebtedness shall be deemed to have been incurred under this clause (O) for purposes of determining the amount of Indebtedness that may at any time be incurred under this clause (O).

(5) Notwithstanding any other provision of this "Limitation on Indebtedness" covenant, the maximum amount of Indebtedness that the Parent, the Issuers or any of the Restricted Subsidiaries may Incur pursuant to this "Limitation on Indebtedness" covenant shall not be deemed to be exceeded, with respect to any outstanding Indebtedness, due solely to the result of fluctuations in the exchange rates of currencies.

(6) For purposes of determining any particular amount of Indebtedness under this "Limitation on Indebtedness" covenant,

(i) Indebtedness Incurred and outstanding under the Credit Agreement on or prior to the Issue Date shall be treated as Incurred pursuant to clause (A) of paragraph (4) of this "Limitation on Indebtedness" covenant, and

(ii) Guarantees, Liens or obligations with respect to letters of credit supporting Indebtedness otherwise included in the determination of such particular amount shall not be included.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of permitted Indebtedness described in clauses (A) through (O) of paragraph (4) above or is entitled to be incurred pursuant to paragraphs (1), (2) and (3) above, the Issuers shall, in their sole discretion, be entitled to classify all or a portion of such item of Indebtedness on the date of its incurrence or issuance and determine the order of such incurrence or issuance (and may later reclassify such item of Indebtedness) and may divide and classify such Indebtedness in more than one of the types of Indebtedness described. At any time that the Issuers or the Restricted Subsidiaries would be entitled to have incurred any then outstanding Indebtedness under clause (1), (2) and (3) of this covenant, such Indebtedness shall be automatically reclassified into Indebtedness incurred pursuant to those paragraphs. Notwithstanding the foregoing, any Indebtedness Incurred and outstanding under the Credit Agreement on or prior to the Issue Date shall be deemed to have been incurred under clause (A) of paragraph (4) above and may not be reclassified. Indebtedness permitted by this covenant need not be permitted solely by reference to one provision permitting such Indebtedness, but may be permitted in part by one such provision and in part by one or more other provisions of this covenant permitting such Indebtedness. For the avoidance of doubt, the outstanding principal amount of any particular Indebtedness shall be counted only once and any obligations arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness shall not be double counted.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided, however,* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced, plus the amount of any reasonable premium (including reasonable tender premiums), defeasance costs and any reasonable fees and expenses incurred in connection with the issuance of such new Indebtedness. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Maintenance of total unencumbered assets

The Issuers and their Restricted Subsidiaries will maintain Total Unencumbered Assets of not less than 150% of the aggregate outstanding principal amount of the Unsecured Indebtedness of the Issuers and their Restricted Subsidiaries on a consolidated basis in accordance with GAAP.

Limitation on restricted payments

Opco will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on or with respect to Capital Stock of Opco or any Restricted Subsidiary held by Persons other than Opco or any of its Restricted Subsidiaries, other than (i) dividends or distributions payable solely in shares of its Capital Stock (other than Disqualified Stock) or in options, warrants or other rights to acquire shares of such Capital Stock and (ii) *pro rata* dividends or other distributions made by a Restricted Subsidiary of Opco that is not Wholly Owned to minority stockholders (or owners of equivalent interests in the event such Subsidiary is not a corporation);

(2) purchase, redeem, retire or otherwise acquire for value any shares of Capital Stock (including options, warrants or other rights to acquire such shares of Capital Stock) of Opco or any of its direct or indirect parent entities held by any Person (other than a Restricted Subsidiary);

(3) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, or give any irrevocable notice of redemption of Subordinated Indebtedness of the Issuers or any Subsidiary Guarantor, in each case excluding (i) any intercompany Indebtedness between or among the Parent, the Issuers or any of the Subsidiary Guarantors; (ii) the payment, purchase, redemption, defeasance, acquisition or retirement (collectively, a *"purchase")* of Subordinated Indebtedness purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such payment, purchase, redemption, defeasance, acquisition or retirement and (iii) the giving of an irrevocable notice of redemption with respect to a transaction described in clauses (3) or (5) of the second paragraph of this covenant; or

(4) make an Investment, other than a Permitted Investment, in any Person

(such payments or any other actions described in clauses (1) through (4) above being collectively "*Restricted Payments")* if, at the time of, and after giving effect to, the proposed Restricted Payment:

(A) a Default or Event of Default shall have occurred and be continuing,

(B) the Issuers could not Incur at least $1.00 of Indebtedness under paragraphs (1) and (3) of the "Limitation on Indebtedness" covenant, or

(C) the aggregate amount of all Restricted Payments (the amount, if other than in cash, to be determined in good faith by the Board of Directors of the Issuers, whose determination shall be conclusive and evidenced by a Board Resolution) made after the April Issue Date shall exceed the sum of, without duplication:

(i) 95% of the aggregate amount of the Funds From Operations (or, if the Funds From Operations is a loss, minus 100% of the amount of such loss) accrued on a cumulative basis during the period (taken as one accounting period) beginning April 1, 2011 and ending on the last day of the last fiscal quarter preceding the Transaction Date for which reports have been filed with the SEC or provided to the trustee pursuant to the "SEC Reports and Reports to holders" covenant, *plus*

(ii) 100% of the aggregate Net Cash Proceeds received by the Issuers after the April Issue Date from (x) the issuance and sale of Opco's Capital Stock (other than Disqualified Stock) or (y) the issuance and sale of Parent's Capital Stock (to the extent contributed to Opco as Capital Stock

(other than Disqualified Stock)) to a Person who is not a Subsidiary of the Parent, including from an issuance or sale permitted by the indenture of Indebtedness of the Issuers or any of its Restricted Subsidiaries for cash subsequent to the April Issue Date upon the conversion of such Indebtedness into Capital Stock (other than Disqualified Stock) of Opco or Parent, or from the issuance to a Person who is not a Subsidiary of the Parent of any options, warrants or other rights to acquire Capital Stock of Opco or Parent (in each case, exclusive of any Disqualified Stock or any options, warrants or other rights that are redeemable at the option of the holder for cash or Indebtedness, or are required to be redeemed, prior to the Stated Maturity of the Notes), *plus*

(iii) 100% of (x) the aggregate net cash proceeds and (y) the fair market value of other property, in any such case, received by means of the sale or other disposition (other than to the Issuers or a Restricted Subsidiary) of Restricted Investments made by the Issuers or a Restricted Subsidiary and repurchases and redemptions of such Restricted Investments from the Issuers or a Restricted Subsidiary (other than by the Issuers or a Restricted Subsidiary) and repayments of loans or advances that constitute Restricted Investments made by the Issuers or a Restricted Subsidiary, in each case after the April Issue Date (except, in each case, to the extent any such payment or proceeds are included in the calculation of Funds From Operations), *plus*

(iv) in the case of the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary or the merger, amalgamation or consolidation of an Unrestricted Subsidiary into one of the Issuers or a Restricted Subsidiary or the transfer of all or substantially all of the assets of an Unrestricted Subsidiary to one of the Issuers or a Restricted Subsidiary after the April Issue Date, the fair market value, as determined in good faith by the Issuers or if such fair market value may exceed $50.0 million, in writing by a nationally recognized investment banking, appraisal or accounting firm, of the Investment in such Unrestricted Subsidiary or the assets transferred at the time of the redesignation of such Unrestricted Subsidiary as a Restricted Subsidiary or at the time of such merger, amalgamation, consolidation or transfer of assets (other than to the extent the Investment in such Unrestricted Subsidiary constituted a Permitted Investment), *plus*

(v) the fair market value of non-cash tangible assets or Capital Stock acquired in exchange for an issuance of Capital Stock (other than Disqualified Stock or Capital Stock issued in exchange for Capital Stock of the Issuers or Parent utilized pursuant to clauses (3) or (4) of the succeeding paragraph) of Opco or, to the extent contributed to Opco or one or more Restricted Subsidiaries, the Parent, in each case, subsequent to the April Issue Date (including upon conversion or exchange of the Common Units for Capital Stock of the Parent, in which case the fair market value shall equal the fair market value received upon issuance of such Common Units), *plus*

(vi) without duplication, in the event the Issuers or any Restricted Subsidiary makes any Investment in a Person that, as a result of or in connection with such Investment, becomes a Restricted Subsidiary, an amount not to exceed the amount of Investments previously made by the Issuers and the Restricted Subsidiaries in such Person that was treated as a Restricted Payment.

As of December 31, 2011 and after giving effect to the public offering of MPT's common stock (including shares to be sold pursuant to the exercise in full of the equity underwriters' over-allotment option), which is expected to close on February 7, 2012, there was approximately $218.7 million available for Restricted Payments pursuant to the foregoing clause (C).

Notwithstanding the foregoing, the limitations on Restricted Payments described above shall not apply to the following:

(1) any distribution or other action which is necessary to maintain the Parent's status as a REIT under the Code, if the aggregate principal amount of outstanding Indebtedness of the Issuers and the Restricted Subsidiaries on a consolidated basis determined in accordance with GAAP is less than 60% of Adjusted Total Assets as of the end of the fiscal quarter covered in the Parent's annual or quarterly report most recently furnished to holders of the Notes or filed with the SEC, as the case may be;

(2) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of a redemption notice related thereto, as the case may be, if, at said date of declaration or notice, such payment would comply with the foregoing paragraph;

(3) the payment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness, including premium, if any, and accrued and unpaid interest, with the proceeds of, or in exchange for, Indebtedness Incurred under paragraph (1), (2) or (3) or clause (M) of paragraph (4) of the "Limitation on Indebtedness" covenant;

(4)(a) the making of any Restricted Payment in exchange for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of Opco or the Parent (other than any Disqualified Stock or any Capital Stock sold to an Issuer or a Restricted Subsidiary or to an employee stock ownership plan or any trust established by the Parent or any of its Subsidiaries) or from substantially concurrent contributions to the equity capital of Opco (collectively, including any such contributions, *"Refunding Capital Stock")* (with any offering within 90 days deemed as substantially concurrent); and (b) the declaration and payment of accrued dividends on any Capital Stock redeemed, repurchased, retired, defeased or acquired out of the proceeds of the sale of Refunding Capital Stock within 90 days of such sale; *provided,* that the amount of any such proceeds or contributions that are utilized for any Restricted Payment pursuant to this clause (4) shall be excluded from the amount described in clause (4)(C)(ii) of this covenant;

(5) the payment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness, including premium, if any, and accrued and unpaid interest with the proceeds of, or in exchange for, an issuance of, shares of Capital Stock of the Parent or Opco (or options, warrants or other rights to acquire such Capital Stock) that occurs within 90 days of such payment, redemption, repurchase, defeasance or other acquisition or retirement for value; *provided,* that the amount of any such proceeds or contributions that are utilized for any Restricted Payments pursuant to this clause (5) shall be excluded from the amount described in clause (4)(C)(ii) of this covenant;

(6)(x) the distribution or dividend to Parent, the proceeds of which are used to repurchase, redeem or otherwise acquire or retire for value any shares of Capital Stock of the Parent held by any of the Parent's or Medical Property Trust LLC's and (y) the repurchase, redemption or other acquisition or retirement for value of any shares of Capital Stock of Opco or any Restricted Subsidiary in each case held by any of the Parent's or an Issuer's or any Restricted Subsidiaries' current or former officers, directors, consultants or employees (or any permitted transferees, assigns, estates or heirs of any of the foregoing); *provided, however,* the aggregate amount distributed or dividended to Parent and paid by the Issuers and the Restricted Subsidiaries pursuant to this clause (6) shall not exceed $5 million in any calendar year (excluding for

purposes of calculating such amount the amount paid for Capital Stock repurchased, redeemed, acquired or retired with the cash proceeds from the repayment of outstanding loans previously made by the Parent, an Issuer or a Restricted Subsidiary thereof for the purpose of financing the acquisition of such Capital Stock), with unused amounts in any calendar year being carried over to the next two succeeding calendar years; provided further, that such amount in any calendar year may be increased by an amount not to exceed (A) the Net Cash Proceeds from the sale of Capital Stock (other than Disqualified Stock) of Opco or Parent to the extent contributed to Opco or any of its Restricted Subsidiaries to members of management, directors or consultants of the Parent, Opco or any of the Restricted Subsidiaries that occurs after the April Issue Date, to the extent such proceeds (i) have not otherwise been and are not thereafter applied to the payment of any other Restricted Payment or (ii) are not attributable to loans made by the Parent, an Issuer or a Restricted Subsidiary thereof for the purpose of financing the acquisition of such Capital Stock, plus (B) the cash proceeds of key man life insurance policies received by the Issuers and their Restricted Subsidiaries after the April Issue Date, less (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (6); provided further, however, that cancellation of Indebtedness owing to an Issuer or any of its Restricted Subsidiaries from current or former officers, directors, consultants or employees (or any permitted transferees, assigns, estates or heirs of any of the foregoing) of the Parent, an Issuer or any Restricted Subsidiary thereof in connection with a repurchase of Capital Stock of the Parent, the Issuers or any Restricted Subsidiary shall not be deemed to constitute a Restricted Payment for purposes of the Indenture;

(7)(x) distributions or dividends to Parent, the proceeds of which are used and (y) payments made or expected to be made by the Issuers or any Restricted Subsidiary, in each case, in respect of withholding or similar taxes payable upon exercise of Capital Stock by any future, present or former employee, director, officer, manager or consultant (or any permitted transferees, assigns, estates or heirs of any of the foregoing) and any repurchases of Capital Stock deemed to occur upon exercise of stock options or warrants if such Capital Stock represents a portion of the exercise price of such options or warrants or required withholding or similar taxes and cashless repurchases of Capital Stock deemed to occur upon exercise of stock options or warrants if such Capital Stock represent a portion of the exercise price of such options or warrants;

(8) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness pursuant to the provisions similar to those described under “Repurchase of Notes Upon a Change of Control” and “Limitation on Asset Sales”; *provided* that all Notes validly tendered by holders of Notes in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have been repurchased, redeemed, acquired or retired for value;

(9) Permitted Payments to Parent;

(10) any distribution or dividend to Parent, the proceeds of which are used for the payment of cash in lieu of the issuance of fractional shares of Capital Stock upon exercise or conversion of securities exercisable or convertible into Capital Stock of the Parent and the payment of cash in lieu of the issuance of fractional shares of Capital Stock upon exercise or conversion of securities exercisable or convertible into Capital Stock of Opco; or

(11) additional Restricted Payments in an aggregate amount not to exceed $170 million;

provided, however, that, except in the case of clauses (1), (2) and (3), no Default or Event of Default shall have occurred and be continuing or occur as a direct consequence of the actions or payments set forth therein.

The net amount of any Restricted Payment permitted pursuant to clauses (1) and (2) of the immediately preceding paragraph (adjusted to avoid double counting) shall be included in calculating whether the conditions of clause (C) of the first paragraph of this "Limitation on Restricted Payments" covenant have been met with respect to any subsequent Restricted Payments. The net amount of any Restricted Payment permitted pursuant to clauses (3) through (11) of the immediately preceding paragraph shall be excluded in calculating whether the conditions of clause (C) of the first paragraph of this "Limitation on Restricted Payments" covenant have been met with respect to any subsequent Restricted Payments. The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued to or by the Issuers or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

Limitation on dividend and other payment restrictions affecting restricted subsidiaries

The Issuers will not, and will not permit any Restricted Subsidiaries to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any such Restricted Subsidiary to:

(A) pay dividends or make any other distributions permitted by applicable law on any Capital Stock of such Restricted Subsidiary owned by an Issuer or any of its Restricted Subsidiaries,

(B) pay any Indebtedness owed to an Issuer or any other Restricted Subsidiary,

(C) make loans or advances to an Issuer or any other Restricted Subsidiary, or

(D) transfer its property or assets to an Issuer or any other Restricted Subsidiary.

The foregoing provisions shall not restrict any encumbrances or restrictions:

(1) existing under, by reason of or with respect to, the indenture, the Credit Agreement and any other agreement in effect on the Issue Date as in effect on the Issue Date, and any amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements of such agreements; *provided, however,* that the encumbrances and restrictions in any such amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements are not materially more restrictive, taken as a whole, than those in effect on the Issue Date;

(2) existing under, by reason of or with respect to any other Indebtedness of the Issuers or their Restricted Subsidiaries permitted under the indenture; *provided, however,* that the Issuers have determined in good faith that the encumbrances and restrictions contained in the agreement or agreements governing the other Indebtedness are not materially more restrictive, taken as a whole, than those contained in customary comparable financings and will not impair in any material respect the Issuers' and the Guarantors' ability to make payments on the Notes when due;

(3) existing with respect to any Person or the property or assets of such Person acquired by an Issuer or any Restricted Subsidiary, existing at the time of such acquisition and not incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so acquired and any amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements thereof; *provided, however,* that

the encumbrances and restrictions in any such amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements are entered into in the ordinary course of business or not materially more restrictive, taken as a whole, than those contained in the instruments or agreements with respect to such Person or its property or assets as in effect on the date of such acquisition;

(4) existing under, by reason of or with respect to provisions in joint venture, operating or similar agreements;

(5) in the case of clause (D) in the first paragraph of this “Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries” covenant:

(a) that restrict in a customary manner the subletting, assignment or transfer of any property or asset that is a lease, license, conveyance or contract or similar property or asset,

(b) existing by virtue of any transfer of, agreement to transfer, option or right with respect to, or Lien on, any property or assets of an Issuer or any Restricted Subsidiary not otherwise prohibited by the indenture,

(c) existing under, by reason of or with respect to (i) purchase money obligations for property acquired in the ordinary course of business or (ii) capital leases or operating leases that impose encumbrances or restrictions on the property so acquired or covered thereby, or

(d) arising or agreed to in the ordinary course of business, not relating to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of an Issuer or any Restricted Subsidiary in any manner material to an Issuer and its Restricted Subsidiaries taken as a whole;

(6) any encumbrance or restriction with respect to a Restricted Subsidiary that is a Guarantor which was previously an Unrestricted Subsidiary pursuant to or by reason of an agreement that such Subsidiary is a party to or entered into before the date on which such Subsidiary became a Restricted Subsidiary; *provided* that such agreement was not entered into in anticipation of an Unrestricted Subsidiary becoming a Restricted Subsidiary and any such encumbrance or restriction does not extend to any assets or property of the Issuers or any other Restricted Subsidiary other than the assets and property of such Subsidiary; and

(7) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of the Capital Stock of, or property and assets of, such Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the closing of such sale or other disposition.

Nothing contained in this “Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries” covenant shall prevent an Issuer or any Restricted Subsidiary from restricting the sale or other disposition of property or assets of an Issuer or any of its Restricted Subsidiaries that secure Indebtedness of the Issuers or any of their Restricted Subsidiaries. For purposes of determining compliance with this covenant, (1) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock, and (2) the subordination of loans or advances made to a Restricted Subsidiary to other Indebtedness incurred by such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Future guarantees by restricted subsidiaries

The Issuers will cause each Restricted Subsidiary that is not a Guarantor that borrows under or Guarantees the Credit Agreement on the Issue Date, and any domestic Restricted Subsidiary that is not a Guarantor that borrows under or Guarantees the Credit Agreement or any other capital markets Indebtedness thereafter, to, within 30 days thereof, execute and deliver to the trustee a supplemental indenture pursuant to which such Restricted Subsidiary will unconditionally Guarantee, on a joint and several basis, the full and prompt payment of the principal of, premium, if any, and interest in respect of the Notes on a senior basis and all other obligations under the indenture.

Any Subsidiary Guarantee by a Restricted Subsidiary shall provide by its terms that it shall be automatically and unconditionally released and discharged upon:

(1) any sale, exchange or transfer, to any Person that is not a Subsidiary of an Issuer of Capital Stock held by an Issuer and its Restricted Subsidiaries in, or all or substantially all the assets of, such Restricted Subsidiary (which sale, exchange or transfer is not prohibited by the indenture) such that, immediately after giving effect to such transaction, such Restricted Subsidiary would no longer constitute a Subsidiary of an Issuer,

(2) in connection with the merger or consolidation of a Subsidiary Guarantor with (a) an Issuer or (b) any other Subsidiary Guarantor *(provided* that the surviving entity remains a Subsidiary Guarantor),

(3) if the Issuers properly designate any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary under the indenture,

(4) upon the Legal Defeasance (as defined below) or Covenant Defeasance (as defined below) or satisfaction and discharge of the indenture,

(5) upon a liquidation or dissolution of a Subsidiary Guarantor permitted under the indenture, or

(6) the release or discharge of the Guarantee that resulted in the creation of such Subsidiary Guarantee, except a discharge or release by or as a result of payment under such Guarantee.

In addition, any Subsidiary Guarantee shall be automatically and unconditionally released and discharged if such Subsidiary ceases to guarantee obligations under the Credit Agreement or ceases to constitute a co-borrower with respect to the Credit Agreement.

Limitation on transactions with Affiliates

The Issuers will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, enter into, renew or extend any transaction (including the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with any holder (or any Affiliate of such holder) of 10% or more of any class of Capital Stock of the Parent or with any Affiliate of the Parent, an Issuer or any Restricted Subsidiary, in each case involving consideration in excess of $5 million, except upon terms that are not materially less favorable to the Issuers or such Restricted Subsidiary than could be obtained, at the time of such transaction or, if such transaction is pursuant to a written agreement, at the time of the execution of the agreement providing therefor, in a comparable arm’s length transaction with a Person that is not such a holder or an Affiliate.

The foregoing limitation does not limit, and shall not apply to:

(1) transactions (A) approved by a majority of the disinterested directors of the Board of Directors of the Parent or (B) for which the Parent or any Restricted Subsidiary delivers to the trustee a written opinion of a nationally recognized investment banking, appraisal or accounting firm stating that the transaction is fair to the Parent or such Restricted Subsidiary from a financial point of view;

(2) any transaction solely between an Issuer and any of its Restricted Subsidiaries or solely between Restricted Subsidiaries;

(3) the payment of reasonable fees and compensation (including through the issuance of Capital Stock) to, and indemnification and similar arrangements on behalf of, current, former or future directors, officers, employees or consultants of Parent or any Restricted Subsidiary of Parent;

(4) the issuance or sale of Capital Stock (other than Disqualified Stock) of an Issuer;

(5) any Restricted Payments not prohibited by the “Limitation on Restricted Payments” covenant and Investments constituting Permitted Investments;

(6) any contracts, instruments or other agreements or arrangements in each case as in effect on the date of the indenture, and any transactions pursuant thereto or contemplated thereby, or any amendment, modification or supplement thereto or any replacement thereof entered into from time to time, as long as such agreement or arrangements as so amended, modified, supplemented or replaced, taken as a whole, is not materially more disadvantageous to the Issuers and the Restricted Subsidiaries at the time executed than the original agreement or arrangements as in effect on the date of the indenture;

(7) any employment, consulting, service or termination agreement, or customary indemnification arrangements, entered into by an Issuer or any Restricted Subsidiary with current, former or future officers and employees of the Parent or an Issuer or such Restricted Subsidiary and the payment of compensation to officers and employees of the Parent, an Issuer or any Restricted Subsidiary (including amounts paid pursuant to employee benefit plans, employee stock option or similar plans), in each case in the ordinary course of business;

(8) loans and advances to officers and employees of the Parent, an Issuer or any Restricted Subsidiary or guarantees in respect thereof (or cancellation of such loans, advances or guarantees), for bona fide business purposes, including for reasonable moving and relocation, entertainment and travel expenses and similar expenses, made in the ordinary course of business;

(9) transactions with a Person that is an Affiliate of the Parent or an Issuer solely because the Parent or an Issuer, directly or indirectly, owns Capital Stock of, or controls such Person;

(10) any transaction with a Person who is not an Affiliate immediately before the consummation of such transaction that becomes an Affiliate as a result of such transaction; or

(11) the entering into or amending of any tax sharing, allocation or similar agreement and any payments thereunder.

Notwithstanding the foregoing, any transaction or series of related transactions covered by the first paragraph of this "Limitation on Transactions with Affiliates" covenant and not covered by (2) through (11) of the immediately foregoing paragraph:

(1) the aggregate amount of which exceeds $10 million in value must be approved or determined to be fair in the manner provided for in clause (1)(A) or (B) above; and

(2) the aggregate amount of which exceeds $25 million in value, must be determined to be fair in the manner provided for in clause (1)(B) above.

SEC reports and reports to holders

Whether or not Opco is then required to file reports with the SEC, Opco shall file with the SEC all such reports and other information as it would be required to file with the SEC by Sections 13(a) or 15(d) under the Exchange Act if it was subject thereto; *provided, however,* that, if filing such documents by Opco with the SEC is not permitted under the Exchange Act, Opco shall, within 15 days after the time Opco would be required to file such information with the SEC if it were subject to Section 13 or 15(d) under the Exchange Act, provide such documents and reports to the trustee and upon written request supply copies of such documents and reports to any holder and shall post such documents and reports on Opco's public website. Opco shall supply the trustee and each holder or shall supply to the trustee for forwarding to each such holder, without cost to such holder, copies of such reports and other information. Delivery of such information, documents and reports to the trustee is for informational purposes only and the trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuers compliance with any of its covenants hereunder (as to which the trustee is entitled to rely exclusively on officer's certificates).

So long as permitted by the SEC, at any time that either (x) one or more Subsidiaries of Opco is an Unrestricted Subsidiary or (y) Opco holds directly any material assets (including Capital Stock) other than the Capital Stock of the Issuers, then the quarterly and annual financial information required by this covenant will include a reasonably detailed presentation, either in "Management's Discussion and Analysis of Financial Condition and Results of Operations" or any other comparable section, of the financial condition and results of operations of the Issuers and their Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries and other material assets of the Issuers.

Opco shall also, within a reasonably prompt period of time following the disclosure of the annual and quarterly information required above, conduct a conference call with respect to such information and results of operations for the relevant reporting period. No fewer than three Business Days prior to the date of the conference call required to be held in accordance with the preceding sentence, Opco shall issue a press release to the appropriate internationally recognized wire services announcing the date that such information will be available and the time and date of such conference call.

So long as the Parent is a Guarantor of the Notes, the Indenture will permit Opco to satisfy its obligations in this covenant with respect to filing, furnishing, providing and posting documents, reports and other information relating to Opco by the Parent's filing, furnishing, providing and posting, as the case may be, of such documents, reports and other information relating to the Parent; *provided* that the same is accompanied by consolidating information that explains in

reasonable detail and in the same manner described in this prospectus the differences between the information relating to the Parent and its consolidated Subsidiaries on the one hand, and the information relating to the Parent, the Issuers and the Subsidiary Guarantors on a standalone basis, on the other hand, as of the ending date of the period covered by such report.

Limitation on asset sales

The Issuers will not, and will not permit any of their Restricted Subsidiaries to, consummate any Asset Sale, unless:

(1) the consideration received by the Issuers or such Restricted Subsidiary is at least equal to the fair market value of the assets sold or disposed of; and

(2) at least 75% of the consideration received consists of cash, Temporary Cash Investments or Replacement Assets, or a combination of cash, Temporary Cash Investments or Replacement Assets; *provided, however,* with respect to the sale of one or more properties that up to 75% of the consideration may consist of indebtedness of the purchaser of such properties so long as such Indebtedness is secured by a first priority Lien on the property or properties sold.

For purposes of this provision, each of the following shall be deemed to be cash:

(a) any liabilities of the Issuers or any Restricted Subsidiary (as shown on the most recent consolidated balance sheet of the Issuers and their Restricted Subsidiaries other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Guarantee) that are assumed by the transferee of any such assets pursuant to an agreement that releases the Issuers or any such Restricted Subsidiary from further liability with respect to such liabilities or that are assumed by contract or operation of law;

(b) any securities, notes or other obligations received by an Issuer or any such Restricted Subsidiary from such transferee that are converted by the Parent or such Restricted Subsidiary into cash or Temporary Cash Investments within 180 days (to the extent of the cash or Temporary Cash Investments received in that conversion); and

(c) any Designated Non-Cash Consideration received by the Issuers or any such Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (c) that is at the time outstanding, not to exceed the greater of (x) $42 million and (y) 2.0% of the Issuers' Adjusted Total Assets at the time of the receipt of such Designated Non-Cash Consideration, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value.

Within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Issuers or any such Restricted Subsidiary may apply such Net Cash Proceeds:

(1) to prepay, repay, redeem or purchase Pari Passu Indebtedness of the Issuers or a Subsidiary Guarantor that is Secured Indebtedness (in each case other than Indebtedness owed to the Issuers or an Affiliate of the Issuers);

(2) to make an Investment in *(provided* such Investment is in the form of Capital Stock), or to acquire all or substantially all of the assets of, a Person engaged in a Permitted Business if such Person is, or will become as a result thereof, a Restricted Subsidiary;

(3) to prepay, repay, redeem or purchase (x) Pari Passu Indebtedness of an Issuer or of any Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor; *provided, however,* that if the Issuers or a Guarantor shall so prepay, repay, redeem or purchase any such Pari Passu Indebtedness, the Issuers will equally and ratably reduce obligations under the Notes if the Notes are then prepayable or, if the Notes may not then be prepaid, the Issuers shall make an offer (in accordance with the procedures set forth below) with the ratable proceeds to all holders to purchase their Notes at 100% of the principal amount thereof, plus accrued but unpaid interest, if any, thereon, up to the principal amount of Notes that would otherwise be prepaid, or (y) any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor;

(4) to fund all or a portion of an optional redemption of the Notes as described under "—Optional Redemption";

(5) to make a capital expenditure;

(6) to acquire Replacement Assets to be used or that are useful in a Permitted Business; or

(7) any combination of the foregoing;

provided, that the Issuers will be deemed to have complied with the provisions described in clauses (2), (5) and (6) of this paragraph if and to the extent that, within 365 days after the Asset Sale that generated the Net Cash Proceeds, the Issuers or any of the Restricted Subsidiaries has entered into and not abandoned or rejected a binding agreement to acquire the assets or Capital Stock of a Permitted Business, acquire Replacement Assets or make a capital expenditure in compliance with the provisions described in clauses (2), (5) and (6) of this paragraph (each an *"Acceptable Commitments"),* and that Acceptable Commitment (or a replacement commitment should the Acceptable Commitment be subsequently cancelled or terminated for any reason) is thereafter completed within 180 days after the end of such 365-day period. Pending the final application of any such Net Cash Proceeds, the Issuers may temporarily reduce the revolving Indebtedness under any Credit Facility or otherwise invest such Net Cash Proceeds in any manner that is not prohibited by the indenture. The amount of such excess Net Cash Proceeds required to be applied (or to be committed to be applied) during such 365 day period as set forth in the third paragraph above and not so applied by the end of such period shall constitute *"Excess Proceeds."*

When the aggregate amount of Excess Proceeds exceeds $20.0 million, the Issuers shall make an offer to all holders of the Notes and, if required by the terms of any Indebtedness that is Pari Passu Indebtedness, to the holders of such Pari Passu Indebtedness on a *pro rata* basis (an *"Asset Sale Offer"),* to purchase the maximum aggregate principal amount of the Notes and such Pari Passu Indebtedness that is in an amount equal to at least $2,000, that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100.0% of the principal amount thereof (or accreted value thereof, if less), plus accrued and unpaid interest, if any, to the date fixed for the closing of such offer, in accordance with the procedures set forth in the indenture. The Issuers will commence an Asset Sale Offer with respect to Excess Proceeds within ten Business Days after the date that Excess Proceeds exceed $20.0 million by delivering the notice required pursuant to the terms of the indenture, with a copy to the trustee. The Issuers may satisfy the foregoing obligations with respect to any Excess Proceeds from an Asset Sale by making an Asset Sale Offer with respect to such Excess Proceeds prior to the expiration of the relevant 365 days or with respect to Excess Proceeds of $20.0 million or less.

To the extent that the aggregate amount of Notes and such Pari Passu Indebtedness tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuers and the Restricted Subsidiaries may use any remaining Excess Proceeds for any purpose not prohibited by the indenture. If the aggregate principal amount of Notes or the Pari Passu Indebtedness surrendered by such holders thereof exceeds the amount of Excess Proceeds, the trustee shall select the Notes and the Issuers shall select such Pari Passu Indebtedness to be purchased on a pro rata basis based on the accreted value or principal amount of the Notes or such Pari Passu Indebtedness tendered. Upon completion of any such Asset Sale Offer, the amount of Excess Proceeds that resulted in the Asset Sale Offer shall be reset to zero.

Pending the final application of any Net Cash Proceeds pursuant to this covenant, the holder of such Net Cash Proceeds may apply such Net Cash Proceeds temporarily to reduce Indebtedness outstanding under a revolving credit facility or otherwise invest such Net Cash Proceeds in any manner not prohibited by the indenture.

The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the indenture, the Issuers will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in the indenture by virtue thereof.

The Credit Agreement limits and our new term loan facility will limit, and future credit agreements or other agreements relating to Indebtedness to which the Issuers become a party may prohibit or limit, the Issuers from purchasing any Notes pursuant to this Asset Sale covenant. In the event the Issuers are prohibited from purchasing the Notes, the Issuers could seek the consent of their lenders to the purchase of the Notes or could attempt to refinance the indebtedness that contains such prohibition. If the Issuers do not obtain such consent or repay such indebtedness, they will remain prohibited from purchasing the Notes. In such case, the Issuers' failure to purchase tendered Notes would constitute an Event of Default under the indenture.

The provisions under the indenture relative to the Issuers' obligation to make an offer to repurchase the Notes as a result of an Asset Sale may be waived or modified with the written consent of the holders of a majority in principal amount of the Notes then outstanding.

Consolidation, merger and sale of assets

No Issuer will consolidate with or merge with or into, or sell, convey, transfer or otherwise dispose of all or substantially of it and its Restricted Subsidiaries' (taken as a whole) property and assets (as an entirety or substantially an entirety in one transaction or a series of related transactions) to, any Person or permit any Person (other than a Restricted Subsidiary) to merge with or into it unless:

(1) such Issuer shall be the continuing Person, or the Person (if other than such Issuer) formed by such consolidation or into which such Issuer is merged or that acquired such property and assets of such Issuer shall be a corporation, limited liability company, partnership (including a limited partnership) or trust organized and validly existing under the laws of the United States of America or any state or jurisdiction thereof and shall expressly assume, by a supplemental indenture, executed and delivered to the trustee, all of the obligations of such Issuer with respect

to the Notes and under the indenture *(provided* that in the case of a limited liability company, partnership (including a limited partnership) or trust, there shall also be a corporation organized and validly existing under the laws of the United States of America or any state or jurisdiction thereof which shall expressly jointly with such limited liability company, partnership (including a limited partnership) or trust, assume, by a supplemental indenture, executed and delivered to the trustee, all of the obligations of such Issuer with respect to the Notes and under the indenture);

(2) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction and any related financing transactions as if the same had occurred at the beginning of the applicable Four-Quarter Period, on a *pro forma* basis the Issuers, or any Person becoming the successor obligor of the Notes, as the case may be, could Incur at least $1.00 of Indebtedness under paragraphs (1) and (3) of the "Limitation on Indebtedness" covenant; *provided, however,* that this clause (3) shall not apply to a consolidation or merger with or into a Wholly Owned Restricted Subsidiary; and

(4) the Issuers deliver to the trustee an officer's certificate (attaching the arithmetic computations to demonstrate compliance with clause (3) above) and an opinion of counsel, in each case stating that such consolidation, merger or transfer and such supplemental indenture complies with this covenant and that all conditions precedent provided for herein relating to such transaction have been complied with and, with respect to the opinion of counsel, that the supplemental indenture constitutes a valid and binding obligation enforceable against the Issuers, or the Person (if other than an Issuer) formed by such consolidation or into which such Issuer is merged or that acquired all or substantially all of such Issuer's and its Restricted Subsidiaries' property and assets;

provided, however, that clause (3) above does not apply if, in the good faith determination of the Board of Directors of the Parent, whose determination shall be evidenced by a Board Resolution, the principal purpose of such transaction is to change the state of domicile of an Issuer; *provided, further, however,* that any such transaction shall not have as one of its purposes the evasion of the foregoing limitations.

The Issuers will not permit any Subsidiary Guarantor to consolidate with or merge with or into, or convey or transfer, in one transaction or a series of transactions, all or substantially all of its property and assets to any Person unless:

(1) the resulting, surviving or transferee Person (if not such Subsidiary) shall be a Person organized and existing under the laws of the jurisdiction under which such Subsidiary was organized or under the laws of the United States of America, or any State thereof or the District of Columbia, and such Person shall expressly assume, by a supplemental indenture, all the obligations of such Subsidiary Guarantor, if any, under the Notes or its Subsidiary Guarantee, as applicable; *provided, however,* that the foregoing requirement will not apply in the case of a Subsidiary Guarantor or all or substantially all of its property and assets (x) that has been disposed of in its entirety to another Person (other than to an Issuer or an Affiliate of an Issuer), whether through a merger, consolidation or sale of Capital Stock or assets or (y) that, as a result of the disposition of all or a portion of its Capital Stock, ceases to be a Subsidiary, so long as, in both cases, in connection therewith the Issuers provide an Officer's Certificate to the trustee to the effect that the Issuers will comply with their obligations under the covenant described under "—Limitation on Asset Sales";

(2) immediately after giving effect to such transaction or transactions on a *pro forma* basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of such transaction as having been issued by such Person at the time of such transaction), no Default shall have occurred and be continuing; and

(3) the Issuers deliver to the trustee an officer's certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the indenture and, with respect to the opinion of counsel, that the supplemental indenture constitutes a valid and binding obligation enforceable against the Issuers, the Subsidiary Guarantors, the Parent and the surviving Persons.

Notwithstanding the foregoing, any Subsidiary Guarantor may (i) merge with an Affiliate of an Issuer or an Affiliate or a Restricted Subsidiary or another Subsidiary Guarantor solely for the purpose of changing the state of domicile of the Subsidiary Guarantor, (ii) merge with or into or transfer all or part of its properties and assets to another Subsidiary Guarantor or the Issuers, or (iii) convert into a corporation, partnership, limited partnership, limited liability company or trust organized under the laws of the jurisdiction of organization of such Subsidiary Guarantor.

Notwithstanding the foregoing, the Acquisition and the related transactions shall be permitted under the Indenture.

Repurchase of notes upon a change of control

If a Change of Control occurs, each holder of Notes will have the right to require the Issuers to purchase some or all (in principal amounts of $2,000 or an integral multiple of $1,000) of such holder's Notes pursuant to the offer described below (the *"Change of Control Offer").*

Any Change of Control Offer will include a cash offer price of 101% of the principal amount of any Notes purchased plus accrued and unpaid interest to the date of purchase (the *"Change of Control Payment").* If a Change of Control Offer is required, within ten Business Days following a Change of Control, the Issuers will mail a notice to each holder (with a copy to the trustee) describing the Change of Control and offering to repurchase Notes on a specified date (the *"Change of Control Payment Date").* The Change of Control Payment Date will be no earlier than 30 days and no later than 60 days from the date the notice is mailed.

On the Change of Control Payment Date, the Issuers will, to the extent lawful:

(1) accept for payment all Notes properly tendered and not withdrawn pursuant to the Change of Control Offer;

(2) deposit the Change of Control Payment with the paying agent in respect of all Notes so accepted; and

(3) deliver to the trustee the Notes accepted and an officers' certificate stating the aggregate principal amount of all Notes purchased by the Issuers.

The paying agent will promptly mail to each holder of Notes properly tendered the Change of Control Payment for such Notes, and the trustee will promptly authenticate and mail, or cause to be transferred by book entry, to each holder a new Note in principal amount equal to any unpurchased portion of the Notes surrendered.

The Issuers will comply with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations to the extent those laws and regulations are applicable to any

Change of Control Offer. If the provisions of any of the applicable securities laws or securities regulations conflict with the provisions of the covenant described above, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue of that compliance.

A third party, instead of the Issuers, may make the Change of Control Offer in compliance with the requirements set forth in the indenture and purchase all Notes properly tendered and not withdrawn. In addition, the Issuers will not be obligated to make or consummate a Change of Control Offer with respect to the Notes, if they have irrevocably elected to redeem all of the Notes under provisions described under "—Optional Redemption" and have not defaulted in its redemption obligations. The provisions under the indenture relating to the Issuers' obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the holders of a majority in principal amount of the Notes then outstanding.

Some change of control events may constitute a default under the Credit Agreement and our new term loan facility. Future indebtedness of the Issuers or Guarantors may contain prohibitions on the events that constitute a Change of Control. The Credit Agreement requires, our new term loan facility will require and future indebtedness may require the indebtedness to be purchased or repaid if a Change of Control occurs. Moreover, the exercise by the holders of their right to require the Issuers to repurchase the Notes could cause a default under such indebtedness, even if the Change of Control itself does not. Finally, the Issuers' ability to pay cash to the holders of Notes, if required to do so, may be limited by its then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. See "Risk Factors—Risks Relating to the Notes—We may not be able to satisfy our obligations to holders of the notes upon a Change of Control."

The definition of "Change of Control" includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Issuers and their Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Furthermore, this term has not been interpreted under New York law (which is the governing law of the Indenture) to represent a specific quantitative test. Accordingly, the ability of a holder of Notes to require the Issuers to repurchase its Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of Issuers and their Subsidiaries taken as a whole to another Person or group may be uncertain. In addition, the Chancery Court of Delaware, in a recent decision, raised the possibility that a "Change of Control" as a result of a failure to have "continuing directors" comprising a majority of a Board of Directors may be unenforceable on public policy grounds.

Limitation on activities of Finco

Finco may not hold any material assets, become liable for any material obligations, engage in any trade or business, or conduct any business activity, other than (1) the issuance of its Capital Stock to Opco or any wholly owned Restricted Subsidiary of Opco, (2) the incurrence of Indebtedness as a co-obligor or guarantor, as the case may be, of the Notes, the Credit Agreement and any other Indebtedness that is permitted to be incurred under the covenant described under the heading "—Limitation on Incurrence of Indebtedness"; *provided* that the net proceeds of such Indebtedness are not retained by Finco, and (3) activities incidental thereto. Neither the Parent

nor any Restricted Subsidiary shall engage in any transaction with Finco in violation of the immediately preceding sentence.

Events of default

Events of Default under the indenture include the following:

(1) default in the payment of principal of, or premium, if any, on any Note when they are due and payable at maturity, upon acceleration, redemption or otherwise;

(2) default in the payment of interest on any Note when they are due and payable, and such default continues for a period of 30 days;

(3) the Issuers or Restricted Subsidiaries do not comply with their obligations under "—Merger, Consolidation or Sale;"

(4) the Issuers fail to make or consummate a Change of Control Offer following a Change of Control when required as described under "—Repurchase of Notes Upon a Change of Control";

(5) the Issuers or Restricted Subsidiaries default in the performance of or breach any other covenant or agreement of the Issuers or the Restricted Subsidiaries in the indenture or under the
Notes (other than a default specified in clause (1), (2), (3) or (4) above) and such default or breach continues for 60 consecutive days after written notice by the trustee or the holders of 25% or more in aggregate principal amount of the Notes;

(6) there occurs with respect to any issue or issues of Indebtedness of an Issuer or any Significant Subsidiary having an outstanding principal amount of $45 million or more in the aggregate for all such issues of all such Persons, whether such Indebtedness now exists or shall hereafter be created,

(a) an event of default that has caused the holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and such Indebtedness has not been discharged in full or such acceleration has not been rescinded or annulled within 30 days of such acceleration and/or

(b) the failure to make a principal payment at the final (but not any interim) fixed maturity and such defaulted payment shall not have been made, waived or extended within 30 days of such payment default;

(7) any final and non-appealable judgment or order for the payment of money in excess of $45 million in the aggregate for all such final judgments or orders against all such Persons:

(a) shall be rendered against an Issuer or any Significant Subsidiary and shall not be paid or discharged, and

(b) there shall be any period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed $45 million during which a stay of enforcement of such final judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

(8) a court of competent jurisdiction enters a decree or order for:

(a) relief in respect of an Issuer or any Significant Subsidiary in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect,

(b) appointment of a receiver, liquidator, assignee custodian, trustee, sequestrator or similar official of an Issuer or any Significant Subsidiary or for all or substantially all of the property and assets of an Issuer or any Significant Subsidiary, or

(c) the winding up or liquidation of the affairs of an Issuer or any Significant Subsidiary and, in each case, such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or

(9) an Issuer or any Significant Subsidiary:

(a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under such law,

(b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of an Issuer or such Significant Subsidiary or for all or substantially all of the property and assets of an Issuer or such Significant Subsidiary, or

(c) effects any general assignment for the benefit of its creditors.

If an Event of Default (other than an Event of Default specified in clause (8) or (9) above that occurs with respect to an Issuer) occurs and is continuing under the indenture, the trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Issuers (and to the trustee if such notice is given by the holders), may, and the trustee at the request of the holders of at least 25% in aggregate principal amount of the Notes then outstanding shall, declare the principal of, premium, if any, and accrued interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued interest shall be immediately due and payable. In the event of a declaration of acceleration because an Event of Default set forth in clause (6) above has occurred and is continuing, such declaration of acceleration shall be automatically rescinded and annulled if the event of default triggering such Event of Default pursuant to clause (6) shall be remedied or cured by the relevant Issuer or Significant Subsidiary or waived by the holders of the relevant Indebtedness within 60 days after the declaration of acceleration with respect thereto.

If an Event of Default specified in clause (8) or (9) above occurs with respect to an Issuer, the principal of, premium, if any, and accrued interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder. The holders of at least a majority in principal amount of the outstanding Notes by written notice to the Issuers and to the trustee, may waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

(1) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived, and

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction. As to the waiver of defaults, see “—Modification and Waiver.”

The holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee. However, the trustee may

refuse to follow any direction that conflicts with law or the indenture, that may involve the trustee in personal liability, or that the trustee determines in good faith may be unduly prejudicial to the rights of holders of Notes not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from holders of Notes. A holder may not pursue any remedy with respect to the indenture or the Notes unless:

(1) the holder gives the trustee written notice of a continuing Event of Default;

(2) the holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the trustee to pursue the remedy;

(3) such holder or holders offer the trustee indemnity satisfactory to the trustee against any costs, liability or expense;

(4) the trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(5) during such 60-day period, the holders of a majority in aggregate principal amount of the outstanding Notes do not give the trustee a direction that is inconsistent with the request.

However, such limitations do not apply to the right of any holder of a Note to receive payment of the principal of, premium, if any, or interest on, such Note or to bring suit for the enforcement of any such payment on or after the due date expressed in the Notes, which right shall not be impaired or affected without the consent of the holder.

The indenture requires certain officers of the Issuers to deliver an officer's certificate to the trustee, on or before a date not more than 120 days after the end of each fiscal year, stating that a review has been conducted of the activities of the Issuers and their Restricted Subsidiaries and of its performance under the indenture and that the Issuers and their Restricted Subsidiaries have fulfilled all obligations thereunder, or, if there has been a default in fulfillment of any such obligation, specifying each such default and the nature and status thereof. The Issuers will also be obligated to notify the trustee of any default or defaults in the performance of any covenants or agreements under the indenture within 30 days of becoming aware of any such default unless such default has been cured before the end of the 30 day period.

Defeasance

The Issuers may, at their option and at any time, elect to have their obligations and the obligations of the Guarantors discharged with respect to the outstanding Notes *("Legal Defeasance")* and cure all then existing Events of Default. Legal Defeasance means that the Issuers and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by the Notes and the Guarantees, and the indenture shall cease to be of further effect as to all outstanding Notes and Guarantees, except as to

(1) rights of holders to receive payments in respect of the principal of and interest on the Notes when such payments are due from the trust funds referred to below,

(2) the Issuers' obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes, and the maintenance of an office or agency for payment and money for security payments held in trust,

(3) the rights, powers, trust, duties, and immunities of the trustee, and the Issuers' obligations in connection therewith, and

(4) the Legal Defeasance provisions of the indenture.

In addition, the Issuers may, at their option and at any time, elect to have their obligations and the obligations of the Guarantors released with respect to most of the covenants under the indenture, except as described otherwise in the indenture *("Covenant Defeasance"),* and thereafter any omission to comply with such obligations shall not constitute a Default. In the event Covenant Defeasance occurs, certain Events of Default (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) will no longer apply. The Issuers may exercise their Legal Defeasance option regardless of whether they previously exercised Covenant Defeasance.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuers must irrevocably deposit with the trustee, in trust, for the benefit of the holders, U.S. legal tender, U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient (without reinvestment) in the opinion of a nationally recognized firm of independent public accountants selected by the Issuers, to pay the principal of and interest on the Notes on the stated date for payment or on the redemption date of the Notes,

(2) in the case of Legal Defeasance, the Issuers shall have delivered to the trustee an opinion of counsel in the United States confirming that:

(a) the Issuers have received from, or there has been published by the Internal Revenue Service, a ruling, or

(b) since the date of the indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon this opinion of counsel shall confirm that, the holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred,

(3) in the case of Covenant Defeasance, the Issuers shall have delivered to the trustee an opinion of counsel in the United States reasonably acceptable to the trustee confirming that the holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the Covenant Defeasance had not occurred,

(4) no Default shall have occurred and be continuing on the date of such deposit (other than a Default resulting from the borrowing of funds to be applied to such deposit and any similar and simultaneous deposit relating to other Indebtedness and, in each case, the granting of Liens on the deposited funds in connection therewith),

(5) the Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under any other material agreement or instrument (other than the indenture) to which the Parent or any of its Subsidiaries is a party or by which the Parent or any of its Subsidiaries is bound (other than any such Default or default relating to any Indebtedness

being defeased from any borrowing of funds to be applied to such deposit and any similar and simultaneous deposit relating to such Indebtedness, and the granting of Liens on the deposited funds in connection therewith),

(6) the Issuers shall have delivered to the trustee an officers' certificate stating that the deposit was not made by them with the intent of preferring the holders over any other of their creditors or with the intent of defeating, hindering, delaying or defrauding any other of their creditors or others, and

(7) the Issuers shall have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that the conditions provided for in, in the case of the officers' certificate, clauses (1) through (6) and, in the case of the opinion of counsel, clauses (2) and/ or (3) and (5) of this paragraph have been complied with.

Satisfaction and discharge

The indenture will be discharged and will cease to be of further effect (except as to surviving rights or registration of transfer or exchange of the Notes, as expressly provided for in the indenture) as to all outstanding Notes when

(1) either:

(a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuers and thereafter repaid to the Issuers or discharged from such trust) have been delivered to the trustee for cancellation; or

(b) all Notes not theretofore delivered to the trustee for cancellation (1) have become due and payable or (2) will become due and payable within one year, or are to be called for redemption within one year, under arrangements reasonably satisfactory to the trustee for the giving of notice of redemption by the trustee in the name, and at the expense, of the Issuers, and the Issuers have irrevocably deposited or caused to be deposited with the trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of maturity or redemption, as the case may be, together with irrevocable instructions from the Issuers directing the trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuers have paid all other sums payable under the indenture by the Parent or the Issuers; and

(3) the Issuers have delivered to the trustee an officers' certificate and an opinion of counsel stating that all conditions precedent under the indenture relating to the satisfaction and discharge of the indenture have been complied with.

Modification and waiver

Subject to certain limited exceptions, modifications and amendments of the indenture may be made by the Issuers and the trustee with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding Notes; *provided, however,* that no such modification or amendment may, without the consent of each holder affected thereby:

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Note,

(2) reduce the principal amount of, or premium, if any, or interest on, any Note,

(3) change the place of payment of principal of, or premium, if any, or interest on, any Note,

(4) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the Redemption Date) of any Note,

(5) reduce the above-stated percentages of outstanding Notes the consent of whose holders is necessary to modify or amend the indenture,

(6) waive a default in the payment of principal of, premium, if any, or interest on the Notes (except a rescission of the declaration of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes then outstanding and a waiver of the payment default that resulted from such acceleration, so long as all other existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived),

(7) voluntarily release a Guarantor of the Notes, except as permitted by the indenture,

(8) reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose holders is necessary for waiver of compliance with certain provisions of the indenture or for waiver of certain defaults, or

(9) modify or change any provisions of the indenture affecting the ranking of the Notes as to right of payment or the Guarantees thereof in any manner adverse to the holders of the Notes.

Notwithstanding the preceding, without the consent of any holder, the Parent, the Issuers, the Subsidiary Guarantors and trustee may amend the indenture:

(1) to cure any ambiguity, omission, defect or inconsistency;

(2) to provide for the assumption by a successor corporation of the obligations of the Parent, the Issuers or any Subsidiary Guarantor under the indenture;

(3) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(4) to add Guarantees with respect to the Notes or to secure the Notes;

(5) to add to the covenants of the Parent, the Issuers or a Restricted Subsidiary for the benefit of the holders or to surrender any right or power conferred upon the Parent, the Issuers or a Restricted Subsidiary;

(6) to make any change that does not adversely affect the rights of any holder, as evidenced by an officers' certificate delivered to the trustee (upon which it may fully rely);

(7) to comply with any requirement of the SEC in order to effect or maintain the qualification of the indenture under the Trust Indenture Act;

(8) to make any amendment to the provisions of the indenture relating to the transfer and legending of Notes; provided, however, that (a) compliance with the indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any other applicable securities law and (b) such amendment does not materially and adversely affect the rights of holders to transfer Notes;

(9) to conform the text of the indenture or the Guarantees or the Notes to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a substantially verbatim recitation of a provision of the indenture or the Guarantees or the Notes, as evidenced by an officers' certificate delivered to the trustee (upon which it may fully rely);

(10) evidence and provide for the acceptance of appointment by a successor trustee, *provided* that the successor trustee is otherwise qualified and eligible to act as such under the terms of the indenture;

(11) provide for a reduction in the minimum denominations of the Notes;

(12) comply with the rules of any applicable securities depositary; or

(13) to provide for the issuance of additional notes and related guarantees in accordance with the limitations set forth in the indenture.

The consent of the holders is not necessary under the indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

After an amendment under the indenture becomes effective, the Issuers are required to mail to holders a notice briefly describing such amendment. However, the failure to give such notice to all holders, or any defect therein, will not impair or affect the validity of the amendment.

No personal liability of incorporators, stockholders, officers, directors, or employees

The indenture provides that no recourse for the payment of the principal of, premium, if any, or interest on any of the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Issuers or the Guarantors in the indenture, or in any of the Notes or Guarantees or because of the creation of any Indebtedness represented thereby, shall be had against any incorporator, stockholder, officer, director, employee or controlling person of the Issuers or the Guarantors or of any successor Person thereof. Each holder, by accepting the Notes, waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes.

Book-entry, delivery and form

We have obtained the information in this section concerning The Depository Trust Company ("DTC"), Clearstream Banking, S.A., Luxembourg ("Clearstream, Luxembourg") and Euroclear Bank S.A.N.V., as operator of the Euroclear System ("Euroclear") and their book-entry systems and procedures from sources that we believe to be reliable. We take no responsibility for an accurate portrayal of this information. In addition, the description of the clearing systems in this section reflects our understanding of the rules and procedures of DTC, Clearstream, Luxembourg and Euroclear as they are currently in effect. Those systems could change their rules and procedures at any time.

The notes will initially be represented by one or more fully registered global notes. Each such global note will be deposited with, or on behalf of, DTC or any successor thereto and registered in the name of Cede & Co. (DTC's nominee). You may hold your interests in the global notes in

the United States through DTC, or in Europe through Clearstream, Luxembourg or Euroclear, either as a participant in such systems or indirectly through organizations which are participants in such systems. Clearstream, Luxembourg and Euroclear will hold interests in the global notes on behalf of their respective participating organizations or customers through customers' securities accounts in Clearstream, Luxembourg's or Euroclear's names on the books of their respective depositaries, which in turn will hold those positions in customers' securities accounts in the depositaries' names on the books of DTC. Citibank, N.A. will act as depositary for Clearstream, Luxembourg and JPMorgan Chase Bank, N.A. will act as depositary for Euroclear.

So long as DTC or its nominee is the registered owner of the global securities representing the notes, DTC or such nominee will be considered the sole owner and holder of the notes for all purposes of the notes and the indenture. Except as provided below, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not receive or be entitled to receive physical delivery of the notes in definitive form and will not be considered the owners or holders of the notes under the indenture, including for purposes of receiving any reports delivered by us or the trustee pursuant to the indenture. Accordingly, each person owning a beneficial interest in a note must rely on the procedures of DTC or its nominee and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder of notes.

Unless and until we issue the notes in fully certificated, registered form under the limited circumstances described below under the heading "—Certificated Notes":

- you will not be entitled to receive a certificate representing your interest in the notes;
- all references in this prospectus to actions by holders will refer to actions taken by DTC upon instructions from its direct participants; and
- all references in this prospectus to payments and notices to holders will refer to payments and notices to DTC or Cede & Co., as the registered holder of the notes, for distribution to you in accordance with DTC procedures.

The Depository Trust Company

DTC will act as securities depositary for the notes. The notes will be issued as fully registered notes registered in the name of Cede & Co. DTC is:

- a limited-purpose trust company organized under the New York Banking Law;
- a "banking organization" under the New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" under the New York Uniform Commercial Code; and
- a "clearing agency" registered under the provisions of Section 17A of the Securities Exchange Act of 1934.

DTC holds securities that its direct participants deposit with DTC. DTC facilitates the settlement among direct participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in direct participants' accounts, thereby eliminating the need for physical movement of securities certificates.

Direct participants of DTC include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations and certain other organizations. DTC is owned by a number of its direct participants. Indirect participants of DTC, such as securities brokers and dealers, banks and trust companies, can also access the DTC system if they maintain a custodial relationship with a direct participant.

Purchases of notes under DTC's system must be made by or through direct participants, which will receive a credit for the notes on DTC's records. The ownership interest of each beneficial owner is in turn to be recorded on the records of direct participants and indirect participants. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct participants or indirect participants through which such beneficial owners entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in notes, except as provided below in "—Certificated notes."

To facilitate subsequent transfers, all notes deposited with DTC are registered in the name of DTC's nominee, Cede & Co. The deposit of notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the notes. DTC's records reflect only the identity of the direct participants to whose accounts such notes are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Book-entry format

Under the book-entry format, the paying agent will pay interest or principal payments to Cede & Co., as nominee of DTC. DTC will forward the payment to the direct participants, who will then forward the payment to the indirect participants (including Clearstream, Luxembourg or Euroclear) or to you as the beneficial owner. You may experience some delay in receiving your payments under this system. Neither we, the trustee under the indenture nor any paying agent has any direct responsibility or liability for the payment of principal or interest on the notes to owners of beneficial interests in the notes.

DTC is required to make book-entry transfers on behalf of its direct participants and is required to receive and transmit payments of principal, premium, if any, and interest on the notes. Any direct participant or indirect participant with which you have an account is similarly required to make book-entry transfers and to receive and transmit payments with respect to the notes on your behalf. We and the trustee under the indenture have no responsibility for any aspect of the actions of DTC, Clearstream, Luxembourg or Euroclear or any of their direct or indirect participants. In addition, we and the trustee under the indenture have no responsibility or liability for any aspect of the records kept by DTC, Clearstream, Luxembourg, Euroclear or any of

their direct or indirect participants relating to or payments made on account of beneficial ownership interests in the notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. We also do not supervise these systems in any way.

The trustee will not recognize you as a holder under the indenture, and you can only exercise the rights of a holder indirectly through DTC and its direct participants. DTC has advised us that it will only take action regarding a note if one or more of the direct participants to whom the note is credited directs DTC to take such action and only in respect of the portion of the aggregate principal amount of the notes as to which that participant or participants has or have given that direction. DTC can only act on behalf of its direct participants. Your ability to pledge notes to non-direct participants, and to take other actions, may be limited because you will not possess a physical certificate that represents your notes.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the notes unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC will mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the notes are credited on the record date (identified in a listing attached to the omnibus proxy).

Clearstream, Luxembourg or Euroclear will credit payments to the cash accounts of Clearstream, Luxembourg customers or Euroclear participants in accordance with the relevant system's rules and procedures, to the extent received by its depositary. These payments will be subject to tax reporting in accordance with relevant United States tax laws and regulations. Clearstream, Luxembourg or the Euroclear Operator, as the case may be, will take any other action permitted to be taken by a holder under the indenture on behalf of a Clearstream, Luxembourg customer or Euroclear participant only in accordance with its relevant rules and procedures and subject to its depositary's ability to effect those actions on its behalf through DTC.

DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the notes among participants of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform those procedures, and they may discontinue those procedures at any time.

Transfers within and among book-entry systems

Transfers between DTC's direct participants will occur in accordance with DTC rules. Transfers between Clearstream, Luxembourg customers and Euroclear participants will occur in accordance with its applicable rules and operating procedures.

DTC will effect cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg customers or Euroclear participants, on the other hand, in accordance with DTC rules on behalf of the relevant European international clearing system by its depositary. However, cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in that system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, instruct its depositary to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC.

Clearstream, Luxembourg customers and Euroclear participants may not deliver instructions directly to the depositaries.

Because of time-zone differences, credits of securities received in Clearstream, Luxembourg or Euroclear resulting from a transaction with a DTC direct participant will be made during the subsequent securities settlement processing, dated the business day following the DTC settlement date. Those credits or any transactions in those securities settled during that processing will be reported to the relevant Clearstream, Luxembourg customer or Euroclear participant on that business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of securities by or through a Clearstream, Luxembourg customer or a Euroclear participant to a DTC direct participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash amount only as of the business day following settlement in DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of debt securities among their respective participants, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

Certificated notes

Unless and until they are exchanged, in whole or in part, for notes in definitive form in accordance with the terms of the notes, the notes may not be transferred except (1) as a whole by DTC to a nominee of DTC or (2) by a nominee of DTC to DTC or another nominee of DTC or (3) by DTC or any such nominee to a successor of DTC or a nominee of such successor.

We will issue notes to you or your nominees, in fully certificated registered form, rather than to DTC or its nominees, only if:

- we advise the trustee in writing that DTC is no longer willing or able to discharge its responsibilities properly or that DTC is no longer a registered clearing agency under the Securities Exchange Act of 1934, and the trustee or we are unable to locate a qualified successor within 90 days;
- an event of default has occurred and is continuing under the indenture and a request for such exchange has been made; or
- we, at our option, elect to terminate the book-entry system through DTC.

If any of the three above events occurs, DTC is required to notify all direct participants that notes in fully certificated registered form are available through DTC. DTC will then surrender the global note representing the notes along with instructions for re-registration. The trustee will re-issue the debt securities in fully certificated registered form and will recognize the registered holders of the certificated debt securities as holders under the indenture.

Unless and until we issue the notes in fully certificated, registered form, (1) you will not be entitled to receive a certificate representing your interest in the notes; (2) all references in this prospectus to actions by holders will refer to actions taken by the depositary upon instructions from their direct participants; and (3) all references in this prospectus to payments and notices to holders will refer to payments and notices to the depositary, as the registered holder of the notes, for distribution to you in accordance with its policies and procedures.

Concerning the trustee

The indenture provides that, except during the continuance of a Default, the trustee will not be liable, except for the performance of such duties as are specifically set forth in the indenture. If an Event of Default has occurred and is continuing, the trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it under the indenture as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

The indenture and provisions of the Trust Indenture Act of 1939 incorporated by reference into the indenture contain limitations on the rights of the trustee, should it become a creditor of an Issuer, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The trustee is permitted to engage in other transactions; *provided, however,* that if it acquires any conflicting interest, it must eliminate such conflict or resign.

Certain definitions

Set forth below are definitions of certain terms contained in the indenture that are used in this description. Please refer to the indenture for the definition of other capitalized terms used in this description that are not defined below.

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or that is assumed in connection with an Asset Acquisition from such Person by a Restricted Subsidiary; *provided, however,* that Indebtedness of such Person that is redeemed, defeased, retired or otherwise repaid at the time of or immediately upon consummation of the transactions by which such Person becomes a Restricted Subsidiary or such Asset Acquisition shall not be Acquired Indebtedness.

"*Adjusted Total Assets"* means, for any Person, the sum of:

(1) Total Assets for such Person as of the end of the fiscal quarter preceding the Transaction Date; and

(2) any increase in Total Assets following the end of such quarter determined on a *pro forma* basis, including any *pro forma* increase in Total Assets resulting from the application of the proceeds of any additional Indebtedness.

"Acquisition" means the acquisition by certain wholly-owned subsidiaries as contemplated under the Transaction Agreement.

"Affiliate" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms *"controlling," "controlled by"* and *"under common control with"),* as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Premium" means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; and

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the Note at , 2017 (such redemption price being set forth in the table appearing above under the caption "—Optional Redemption") plus (ii) all required interest payments due on the Note through , 2017 (excluding interest paid prior to the redemption date and accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

(b) the principal amount of the Note on such redemption date.

The Trustee shall not be responsible for the calculation of, or otherwise required to verify, the Applicable Premium.

"April Issue Date" means April 26, 2011, the date of issuance of the Issuers' 6.875% Senior Notes due 2021.

"Asset Acquisition" means:

(1) an investment by an Issuer or any of its Restricted Subsidiaries in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be merged, amalgamated or consolidated with and into an Issuer or any of its Restricted Subsidiaries; *provided, however,* that such Person's primary business is related, ancillary, incidental or complementary to the businesses of the Issuers or any of their Restricted Subsidiaries on the date of such investment; or

(2) an acquisition by an Issuer or any of its Restricted Subsidiaries from any other Person of assets or one or more properties of such Person; *provided, however,* that the assets and properties acquired are related, ancillary, incidental or complementary to the businesses of the Issuers or any of their Restricted Subsidiaries on the date of such acquisition.

"Asset Disposition" means the sale or other disposition by an Issuer or any of the Restricted Subsidiaries, other than to an Issuer or another Restricted Subsidiary, of:

(1) all or substantially all of the Capital Stock of any Restricted Subsidiary, whether in a single transaction or a series of transactions; or

(2) all or substantially all of the assets that constitute a division or line of business, or one or more properties, of an Issuer or any of the Restricted Subsidiaries, whether in a single transaction or a series of transactions.

"Asset Sale" means any sale, transfer or other disposition, including by way of merger, consolidation or Sale and Leaseback Transaction, in one transaction or a series of related transactions by an Issuer or any of the Restricted Subsidiaries to any Person other than an Issuer or any of the Restricted Subsidiaries of:

(1) all or any of the Capital Stock of any Restricted Subsidiary;

(2) all or substantially all of the assets that constitute a division or line of business of an Issuer or any of its Restricted Subsidiaries;

(3) any property and assets of an Issuer or any of its Restricted Subsidiaries outside the ordinary course of business of such Issuer or such Restricted Subsidiary and, in each case, that is not governed by the provisions of the indenture applicable to mergers, consolidations and sales of assets of such Issuer;

provided, however, that "Asset Sale" shall not include:

(a) the lease or sublease of any Real Estate Asset;

(b) sales, leases, assignments, licenses, sublicenses, subleases or other dispositions of inventory, receivables and other current assets;

(c) the sale, conveyance, transfer, lease, disposition or other transfer of all or substantially all of the assets of the Issuers as permitted under "Consolidation, Merger and Sale of Assets";

(d) the license or sublicense of intellectual property or other general intangibles;

(e) the issuance of Capital Stock by a Restricted Subsidiary in which the percentage interest (direct and indirect) in the Capital Stock of such Restricted Subsidiary owned by the Issuers after giving effect to such issuance, is at least equal to the percentage interest prior to such issuance;

(f) the surrender or waiver of contract rights or settlement, release or surrender of a contract, tort or other litigation claim in the ordinary course of business;

(g) any Restricted Payment permitted by the "Limitation on Restricted Payments" covenant or that constitutes a Permitted Investment;

(h) sales, transfers or other dispositions of assets or the issuance of Capital Stock of a Restricted Subsidiary with a fair market value not in excess of $10.0 million in any transaction or series of related transactions;

(i) sales or other dispositions of assets for consideration at least equal to the fair market value of the assets sold or disposed of, to the extent that the consideration received would satisfy clause (2) of the third paragraph of the "Limitation on Asset Sales" covenant;

(j) sales or other dispositions of cash or Temporary Cash Investments;

(k) the creation, granting, perfection or realization of any Lien permitted under the indenture;

(l) the lease, assignment or sublease of property in the ordinary course of business so long as the same does not materially interfere with the business of the Issuers and their Restricted Subsidiaries, taken as a whole;

(m) sales, exchanges, transfers or other dispositions of damaged, worn-out or obsolete or otherwise unsuitable or unnecessary equipment or assets that, in the Parent's reasonable judgment, are no longer used or useful in the business of the Issuers or their Restricted Subsidiaries and any sale or disposition of property in connection with scheduled turnarounds, maintenance and equipment and facility updates;

(n) to the extent allowable under Section 1031 of the Code, any exchange of like property (excluding any boot thereon) for use in a Permitted Business between an Issuer or any Restricted Subsidiary and another Person;

(o) the voluntary unwinding of any hedging agreements or other derivative instruments (including any Interest Rate Agreements and Currency Agreements) other than those entered into for speculative purposes; and

(p) solely for purposes of clauses (1) and (2) of the first paragraph of the covenant described under "—Covenants—Asset Sales," any foreclosures, expropriations, condemnations or similar actions with respect to assets.

"Attributable Debt" in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value of the total obligations of the lessee for net rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction. For purposes hereof such present value shall be calculated using a discount rate equal to the rate of interest implicit in such Sale and Leaseback Transaction, determined by lessee in good faith on a basis consistent with comparable determinations of Capitalized Lease Obligations under GAAP; *provided, however,* that if such sale and leaseback transaction results in a Capitalized Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capitalized Lease Obligations."

"Average Life" means at any date of determination with respect to any debt security, the quotient obtained by dividing:

(1) the sum of the products of:

(i) the number of years from such date of determination to the dates of each successive scheduled principal payment of such debt security; and

(ii) the amount of such principal payment, by

(2) the sum of all such principal payments.

"Board of Directors" means, as to any Person, the board of directors (or similar governing body) of such Person or any duly authorized committee thereof.

"Board Resolution" means, with respect to any Person, a copy of a resolution certified by the Secretary or an Assistant Secretary of such Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the trustee.

"Business Day" means a day other than a Saturday, Sunday or any other day on which banking institutions in New York City or the location of the corporate trust office of the trustee are authorized or required by law, regulation or executive order to close.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting), including partnership or limited liability company interests, whether general or limited, in the equity of such Person, whether outstanding on the Issue Date or issued thereafter, including all Common Stock and Preferred Stock.

"Capitalized Lease" means, as applied to any Person, any lease of any property, whether real, personal or mixed, of which the discounted present value of the rental obligations of such Person as lessee, in conformity with GAAP, is required to be capitalized on the balance sheet of such Person.

"Capitalized Lease Obligations" means, at the time any determination is to be made, the amount of the liability in respect of a Capitalized Lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP.

"Change of Control" means the occurrence of one or more of the following events:

(1) any sale, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of Opco and its Subsidiaries taken as a whole to any "person"

or “group” (as such terms are defined in Sections 13(d) and 14(d)(2) of the Exchange Act), together with any Affiliates thereof (whether or not otherwise in compliance with the provisions of the indenture); *provided, however,* that for the avoidance of doubt, the lease of all or substantially all of the assets of Opco and its Subsidiaries taken as a whole shall not constitute a Change of Control;

(2) a “person” or “group” (as such terms are defined in Sections 13(d) and 14(d)(2) of the Exchange Act), becomes the ultimate “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act) of more than 50% of the total voting power of the Voting Stock of Opco or any of its direct or indirect parent companies on a fully diluted basis;

(3) the approval by the holders of Capital Stock of an Issuer of any plan or proposal for the liquidation or dissolution of an Issuer (whether or not otherwise in compliance with the provisions of the indenture); or

(4) individuals who on the Issue Date constitute the Board of Directors of the Parent (together with any new or replacement directors whose election by the Board of Directors of the Parent or whose nomination by the Board of Directors of the Parent for election by the Parent’s shareholders was approved by a vote of at least a majority of the members of the Board of Directors of the Parent then still in office who either were members of the Board of Directors of the Parent on the Issue Date or whose election or nomination for election was so approved) cease for any reason to constitute a majority of the members of the Board of Directors of the Parent then in office.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Stock” means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) that have no preference on liquidation or with respect to distributions over any other class of Capital Stock, including partnership interests, whether general or limited, of such Person’s equity, whether outstanding on the Issue Date or issued thereafter, including all series and classes of common stock.

“Common Units” means the common units of Opco, as defined in Opco’s limited partnership agreement.

“Consolidated EBITDA” means, for any period, the aggregate net income (or loss) (before giving effect to cash dividends on preferred units of Opco (or distributions to Parent to pay dividends on preferred stock of Parent) or charges resulting from the redemption of preferred units of Opco (or preferred stock of Parent) attributable to Opco and its Restricted Subsidiaries for such period determined on a consolidated basis in conformity with GAAP

I. excluding (without duplication):

(1) the net income of any Person, other than an Issuer or a Restricted Subsidiary, except to the extent of the amount of dividends or other distributions actually paid in cash (or to the extent converted into cash) or Temporary Cash Investments to an Issuer or any of its Restricted Subsidiaries by such Person during such period and the net losses for any such Person shall only be included to the extent funded with cash from an Issuer or a Restricted Subsidiary;

(2) the cumulative effect of a change in accounting principles;

(3) all extraordinary gains and extraordinary losses together with any related provision for taxes on such gains and losses;

(4) any fees and expenses (including any transaction or retention bonus) incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, asset disposition, issuance or repayment of debt, issuance of equity securities, refinancing transaction or amendment or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Issue Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction;

(5) any income (loss) for such period attributable to the early extinguishment of Indebtedness, hedging agreements or other derivative instruments;

(6) any after-tax gains or losses attributable to asset dispositions (including any Asset Sales) or abandonments (including any disposal of abandoned or discontinued operations) or the sale or other disposition of any Capital Stock of any Person other than in the ordinary course of business as determined in good faith by the Issuers; and

(7) all non-cash items increasing net income;

II. increased by, to the extent such amount was deducted in calculating such net income (without duplication):

(a) Consolidated Interest Expense;

(b) provision for taxes based on income or profits or capital gains, including federal, state, provincial, franchise, excise and similar taxes and foreign withholding taxes;

(c) depreciation and amortization (including without limitation amortization of deferred financing fees or costs, amortization or impairment write-offs of goodwill and other intangibles, long lived assets and Investments in debt and equity securities, but excluding amortization of prepaid cash expenses that were paid in a prior period);

(d) non-recurring charges (including any unusual or non-recurring operating expenses directly attributable to the implementation of cost savings initiatives), severance, relocation costs, integration and facilities' opening costs, signing costs, retention or completion bonuses, transition costs, rent expense on operating leases to the extent that a liability for such rent has been established in purchase accounting or through a restructuring provision (and accretion of the discount on any such liability), costs related to closure/consolidation of facilities and curtailments or modifications to pension and post-retirement employee benefit plans (including any settlement of pension liabilities) excluding, in all cases under this clause (d), cash restructuring charges, accruals and reserves; and

(e) all Non-Cash Charges, and

(f) increased (by losses) or decreased (by gains) by (without duplication) any net noncash gain or loss resulting in such period from hedging or other derivative instruments (including any Interest Rate Agreements or Currency Agreements) and the application of Accounting Standards Codification 815.

Notwithstanding the preceding, the income taxes of, and the depreciation and amortization and other non-cash items of, a Subsidiary shall be added (or subtracted) to net income to compute

Consolidated EBITDA only to the extent (and in the same proportion) that net income of such Subsidiary was included after giving effect to the impact of clause (1) above.

"Consolidated Interest Expense" means, for any period, the aggregate amount of interest expense, less the aggregate amount of interest income for such period, in respect of Indebtedness of the Issuers and the Restricted Subsidiaries during such period, all as determined on a consolidated basis in conformity with GAAP including (without duplication):

(1) the interest portion of any deferred payment obligations;

(2) all commissions, discounts and other fees and expenses owed with respect to letters of credit and bankers' acceptance financing;

(3) the net cash costs associated with Interest Rate Agreements and Indebtedness that is Guaranteed or secured by assets of an Issuer or any Restricted Subsidiary; and

(4) all but the principal component of rentals in respect of Capitalized Lease Obligations paid, accrued or scheduled to be paid or to be accrued by an Issuer and the Restricted Subsidiaries;

excluding, to the extent included in interest expense above, (i) accretion of accrual of discounted liabilities not constituting Indebtedness, (ii) any expense resulting from the discounting of any Indebtedness in connection with the application of purchase accounting in connection with any acquisition, (iii) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses, (iv) any expensing of bridge, commitment or other financing fees and (v) non-cash costs associated with Interest Rate Agreements and Currency Agreements or attributable to mark-to-market valuation of derivative instruments pursuant to GAAP.

"Credit Agreement" means the Amended and Restated Revolving Credit Agreement, dated as of April 26, 2011, by and among Opco and the Restricted Subsidiaries now or hereafter party thereto as borrowers or guarantors, the Parent as guarantor, the lenders party thereto in their capacities as lenders thereunder and JPMorgan Chase Bank, N.A., as administrative agent, together with the related documents thereto (including any guarantee agreements and security documents).

"Credit Facility" means one or more credit or debt facilities (including any credit or debt facilities provided under the Credit Agreement), financings, commercial paper facilities, note purchase agreements or other debt instruments, indentures or agreements, providing for revolving credit loans, term loans, swing line loans, notes, securities, letters of credit or other debt obligations, in each case, as amended, restated, modified, renewed, refunded, restructured, supplemented, replaced or refinanced in whole or in part from time to time, including any amendment increasing the amount of Indebtedness incurred or available to be borrowed thereunder, extending the maturity of any Indebtedness incurred thereunder or contemplated thereby or deleting, adding or substituting one or more parties thereto (whether or not such added or substituted parties are banks or other lenders or investors).

"Currency Agreement" means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Designated Non-cash Consideration" means the fair market value of non-cash consideration received by an Issuer or any of its Restricted Subsidiaries in connection with an Asset Sale that is

so designated as Designated Non-cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, executed by the principal financial officer of the Issuers, less the amount of cash or Temporary Cash Investments received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

"Disqualified Stock" means any class or series of Capital Stock of any Person that by its terms or otherwise is:

(1) required to be redeemed on or prior to the date that is 91 days after the Stated Maturity of the Notes;

(2) redeemable at the option of the holder of such class or series of Capital Stock, at any time on or prior to the date that is 91 days after the Stated Maturity of the Notes (other than into shares of Capital Stock that is not Disqualified Stock); or

(3) convertible into or exchangeable for Capital Stock referred to in clause (1) or (2) above or Indebtedness having a scheduled maturity on or prior to the date that is 91 days after the Stated Maturity of the Notes;

provided, however, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the Stated Maturity of the Notes shall not constitute Disqualified Stock if the "asset sale" or "change of control" provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in "Limitation on Asset Sales" and "Repurchase of Notes upon a Change of Control" covenants described above and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "—Covenants—Limitation on Restricted Payments." Disqualified Stock shall not include (i) Capital Stock which is issued to any plan for the benefit of employees of the Parent or its Subsidiaries or by any such plan to such employees solely because it may be required to be repurchased by the Parent or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations and (ii) Capital Stock issued to any future, present or former employee, director, officer or consultant of the Parent, an Issuer (or any of their respective direct or indirect parents or Subsidiaries) which is redeemable or subject to repurchase pursuant to any management equity subscription agreement, stock option agreement, stock ownership plan, put agreement, stockholder agreement or similar agreement that may be in effect from time to time. Disqualified Stock shall not include Common Units.

"Equity Offering" means a public or private offering of Capital Stock (other than Disqualified Stock) of Opco or the Parent to the extent the net proceeds thereof are contributed to Opco as Capital Stock (other than Disqualified Stock).

"*Escrow Agent*" means Wilmington Trust, National Association, as escrow agent under the Escrow Agreement or any successor escrow agent as set forth in the Escrow Agreement.

"*Escrow Agreement*" means the Escrow Agreement to be dated as of the Issue Date, among the Issuers, the Trustee and the Escrow Agent, as amended, supplemented, modified, extended, renewed, restated or replaced in whole or in part from time to time.

"*Escrow End Date*" means May , 2012.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

"fair market value" means the price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy. For purposes of determining compliance with the provisions of the indenture described under the caption "—Covenants," any determination that the fair market value of assets other than cash or Temporary Cash Investments is equal to or greater than $20.0 million will be as determined in good faith by the Board of Directors of the Parent, whose determination shall be conclusive if evidenced by a Board Resolution, and otherwise by the principal financial officer of the Parent acting in good faith, each of whose determination will be conclusive.

"Four Quarter Period" means, for purposes of calculating the Interest Coverage Ratio with respect to any Transaction Date, the then most recent four fiscal quarters prior to such Transaction Date for which reports have been filed with the SEC or provided to the trustee pursuant to the "—Covenants—SEC Reports and Reports to holders" covenant.

"Funds From Operations" for any period means the consolidated net income attributable to the Issuers and the Restricted Subsidiaries for such period determined in conformity with GAAP after adjustments for unconsolidated partnerships and joint ventures, plus depreciation and amortization of real property (including furniture and equipment) and other real estate assets and excluding (to the extent such amount was deducted in calculating such consolidated net income):

(1) gains or losses from (a) the restructuring or refinancing of Indebtedness or (b) sales of properties;

(2) non-cash asset impairment charges (including write-offs of former tenant receivables);

(3) non-cash, non-recurring charges (*provided*, in each case, that if any non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Funds From Operations to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period);

(4) write-offs or reserves of straight-line rent;

(5) fees and expenses incurred in connection with any acquisition or debt refinancing;

(6) executive severance in an amount not to exceed $10 million in the aggregate;

(7) amortization of debt costs; and

(8) any non-cash expenses and costs of the Issuers and their Restricted Subsidiaries that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements.

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the Issue Date (without giving effect to SFAS No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities), including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board

or in such other statements by such other entity as approved by a significant segment of the accounting profession. Except as otherwise specifically provided in the indenture, all ratios and computations contained or referred to in the indenture shall be computed in conformity with GAAP applied on a consistent basis.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner, including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness or other obligations.

"Guarantor" means the Parent and each Subsidiary Guarantor.

"Incur" means, with respect to any Indebtedness, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness, including an "Incurrence" of Acquired Indebtedness; *provided, however,* that neither the accrual of interest, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, nor the accretion of original issue discount shall be considered an Incurrence of Indebtedness.

"Indebtedness" means, with respect to any Person at any date of determination (without duplication):

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) the face amount of letters of credit or other similar instruments (excluding obligations with respect to letters of credit (including trade letters of credit) securing obligations (other than obligations described in (1) or (2) above or (5), (6) or (7) below) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement);

(4) all unconditional obligations of such Person to pay the deferred and unpaid purchase price of property or services, which purchase price is due more than six months after the date of placing such property in service or taking delivery and title thereto or the completion of such services, except Trade Payables;

(5) all Capitalized Lease Obligations and Attributable Debt;

(6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided, however,* that the amount of such Indebtedness shall be the lesser of (A) the fair market value of such asset at that date of determination and (B) the amount of such Indebtedness;

(7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person; and

(8) to the extent not otherwise included in this definition or the definition of Consolidated Interest Expense, obligations under Currency Agreements and Interest Rate Agreements, in each case if and to the extent that any of the foregoing (other than letters of credit) in clauses

(1) through (7) would appear as a liability on a balance sheet (excluding the footnotes) of such Person in accordance with GAAP.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations of the type described above and, with respect to obligations under any Guarantee, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided, however*, that:

(i) the amount outstanding at any time of any Indebtedness issued with original issue discount shall be deemed to be the face amount with respect to such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at the date of determination in conformity with GAAP;

(ii) Indebtedness shall not include any liability for foreign, federal, state, local or other taxes;

(iii) Indebtedness shall not include any obligations in respect of indemnification, adjustment of purchase price or similar obligations, or from Guarantees or letters of credit, surety bonds or performance bonds, in each case securing any such obligations of the Issuers or any of the Restricted Subsidiaries, in any case Incurred in connection with the disposition of any business, assets or Restricted Subsidiary (other than Guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition) in a principal amount not in excess of the gross proceeds including non-cash proceeds (the fair market value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value) actually received by the Issuer and the Restricted Subsidiaries on a consolidated basis in connection with such disposition; and

(iv) Indebtedness shall not include contingent obligations under performance bonds, performance guarantees, surety bonds, appeal bonds or similar obligations incurred in the ordinary course of business and consistent with past practices.

"Interest Coverage Ratio" means, on any Transaction Date, the ratio of:

(1) the aggregate amount of Consolidated EBITDA for the then applicable Four Quarter Period to

(2) the aggregate Consolidated Interest Expense during such Four Quarter Period.

In making the foregoing calculation (and without duplication),

(1) *pro forma* effect shall be given to any Indebtedness Incurred or repaid during the period *("Reference Period")* commencing on the first day of the Four Quarter Period and ending on the Transaction Date (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement), in each case as if such Indebtedness had been Incurred or repaid on the first day of such Reference Period;

(2) Consolidated Interest Expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a *pro forma* basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period;

(3) *pro forma* effect shall be given to Asset Dispositions, Asset Acquisitions and Permitted Mortgage Investments (including giving *pro forma* effect to the application of proceeds of any Asset Disposition and any Indebtedness Incurred or repaid in connection with any such Asset Acquisitions or Asset Dispositions) that occur during such Reference Period or subsequent to the end of the related Four Quarter Period as if they had occurred and such proceeds had been applied on the first day of such Reference Period and after giving effect to Pro Forma Cost Savings;

(4) *pro forma* effect shall be given to asset dispositions and asset acquisitions (including giving *pro forma* effect to (i) the application of proceeds of any asset disposition and any Indebtedness Incurred or repaid in connection with any such asset acquisitions or asset dispositions, (ii) expense and cost reductions calculated on a basis consistent with Regulation S-X under the Exchange Act and (iii) Pro Forma Cost Savings) that have been made by any Person that is or has become a Restricted Subsidiary or has been merged with or into an Issuer or any of its Restricted Subsidiaries during such Reference Period or subsequent to the end of the related Four Quarter Period and that would have constituted asset dispositions or asset acquisitions during such Reference Period or subsequent to the end of the related Four Quarter Period had such transactions occurred when such Person was a Restricted Subsidiary as if such asset dispositions or asset acquisitions were Asset Dispositions or Asset Acquisitions and had occurred on the first day of such Reference Period;

(5) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Transaction Date; and

(6) consolidated interest expense attributable to interest on any Indebtedness (whether existing or being incurred) computed on a *pro forma* basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any interest rate option, swap, cap or similar agreement applicable to such Indebtedness if such agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period. Interest on Indebtedness that may optionally be determined at an interest rate based on a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if not, then based upon such operational rate chosen as the Issuers may designate. Interest on any Indebtedness under a revolving credit facility computed on a *pro forma* basis shall be computed based on the average daily balance of such Indebtedness during the applicable period except as set forth in clause (1) of this definition. Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP;

provided, however, that to the extent that clause (3) or (4) of this paragraph requires that *pro forma* effect be given to an Asset Acquisition, Asset Disposition, Permitted Mortgage Investment, asset acquisition or asset disposition, as the case may be, such *pro forma* calculation shall be based upon the four full fiscal quarters immediately preceding the Transaction Date of the Person, or division or line of business, or one or more properties, of the Person that is acquired or disposed of to the extent that such financial information is available or otherwise a reasonable estimate thereof is available.

"Interest Rate Agreement" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement with respect to interest rates.

"Investment" in any Person means any direct or indirect advance, loan or other extension of credit (including by way of Guarantee or similar arrangement, but excluding advances to customers and distributors and trade credit made in the ordinary course of business that are, in conformity with GAAP, recorded as accounts receivable on the consolidated balance sheet of an Issuer and its Restricted Subsidiaries and commission, travel and similar advances to employees, directors, officers, managers and consultants in each case made in the ordinary course of business) or capital contribution to (by means of any transfer of cash or other property (tangible or intangible) to others or any payment for property or services solely for the account or use of others, or otherwise), or any purchase or acquisition of Capital Stock, bonds, notes, debentures or other similar instruments issued by, such Person and shall include:

(1) the designation of a Restricted Subsidiary as an Unrestricted Subsidiary; and

(2) the fair market value of the Capital Stock (or any other Investment), held by an Issuer or any of its Restricted Subsidiaries of (or in) any Person that has ceased to be a Restricted Subsidiary;

provided, however, that the fair market value of the Investment remaining in any Person shall be deemed not to exceed the aggregate amount of Investments previously made in such Person valued at the time such Investments were made, less the net reduction of such Investments. For purposes of the definition of "Unrestricted Subsidiary" and the "Limitation on Restricted Payments" covenant described above:

(i) "Investment" shall include the fair market value of the assets (net of liabilities (other than liabilities to an Issuer or any of its Restricted Subsidiaries)) of any Restricted Subsidiary at the time such Restricted Subsidiary is designated an Unrestricted Subsidiary;

(ii) the fair market value of the assets (net of liabilities (other than liabilities to an Issuer or any of its Restricted Subsidiaries)) of any Unrestricted Subsidiary at the time that such Unrestricted Subsidiary is designated a Restricted Subsidiary shall be considered a reduction in outstanding Investments; and

(iii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer.

"Investment Grade Status" means, with respect to the Issuers, when the Notes have (1) a rating of "Baa3" or higher from Moody's and (2) a rating of "BBB-" or higher from S&P, in each case published by the applicable agency.

"Issue Date" means , 2012.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to give any security interest).

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Net Cash Proceeds" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or Temporary Cash Investments, including payments in respect of deferred payment

obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Temporary Cash Investments (except to the extent such obligations are financed or sold with recourse to an Issuer or any of its Restricted Subsidiaries) and proceeds from the conversion or sale of other property received when converted to or sold for cash or cash equivalents, net of brokerage and sales commissions and other fees and expenses (including fees and expenses of counsel, accountants and investment bankers) related to such Asset Sale.

"Non-Cash Charges" means (a) all losses from Investments recorded using the equity method, (b) any non-cash expenses and costs of the Issuers and their Restricted Subsidiaries that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements, (c) the non-cash impact of acquisition method accounting, and (d) other non-cash charges (*provided*, in each case, that if any non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Funds From Operations to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period).

"*Pari Passu Indebtedness*" means any Indebtedness of an Issuer or any Subsidiary Guarantor that ranks pari passu in right of payment with the Notes or the Subsidiary Guarantee thereof by such Subsidiary Guarantor, as applicable.

"Permitted Business" means any business activity (including Permitted Mortgage Investments) in which the Parent, the Issuers and Restricted Subsidiaries are engaged or propose to be engaged in (as described in this prospectus) on the Issue Date, any business activity related to properties customarily constituting assets of a healthcare REIT, or any business reasonably related, ancillary, incidental or complementary thereto, or reasonable expansions or extensions thereof.

"Permitted Investment" means:

(1)(a) an Investment in an Issuer or any of the Restricted Subsidiaries or (b) a Person that will, upon the making of such Investment, become a Restricted Subsidiary or be merged or consolidated with or into or transfer or convey all or substantially all its assets to, an Issuer or any of its Restricted Subsidiaries and, in each case, any Investment held by such Person; *provided* that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation or transfer;

(2) investments in cash and Temporary Cash Investments;

(3) Investments made by an Issuer or the Restricted Subsidiaries as a result of consideration received in connection with an Asset Sale made in compliance with the "Limitation on Asset Sales" covenant or from any other disposition or transfer of assets not constituting an Asset Sale;

(4) Investments represented by Guarantees that are otherwise permitted under the indenture;

(5) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses in accordance with GAAP;

(6) Investments received in satisfaction of judgments or in settlements of debt or compromises of obligations incurred in the ordinary course of business;

(7) any Investment acquired solely in exchange for Capital Stock (other than Disqualified Stock) of the Parent or Opco, which the Parent or Opco did not receive in exchange for a cash payment, Indebtedness or Disqualified Stock, but excluding any new cash Investments made thereafter;

(8) Investments in tenants in an aggregate amount not to exceed the greater of (x) $210 million and (y) 10% of Adjusted Total Assets at any one time outstanding;

(9) obligations under Currency Agreements and Interest Rate Agreements otherwise permitted under the indenture;

(10) Permitted Mortgage Investments;

(11) any transaction which constitutes an Investment to the extent permitted and made in accordance with the provisions of the second paragraph of the covenant described under "—Covenants—Limitation on Transactions with Affiliates" (except transactions described under clauses (1), (5), (8) and (9) of such paragraph);

(12) any Investment consisting of prepaid expenses, negotiable instruments held for collection and lease, endorsements for deposit or collection in the ordinary course of business, utility or workers compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business;

(13) pledges or deposits by a Person under workers' compensation laws, unemployment insurance laws or similar legislation, or deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;

(14) any Investment acquired by an Issuer or any of its Restricted Subsidiaries (a) in exchange for any other Investment or accounts receivable or rents receivable held by the Parent or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable or rents receivable or (b) as a result of a foreclosure by the Parent or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(15) any Investment consisting of a loan or advance to officers, directors or employees of the Parent, an Issuer or any of its Restricted Subsidiaries (a) in connection with the purchase by such Persons of Capital Stock of the Parent or (b) for additional purposes made in the ordinary course of business, in the aggregate under this clause (15) not to exceed $2.5 million at any one time outstanding;

(16) any Investment made in connection with the funding of contributions under any nonqualified employee retirement plan or similar employee compensation plan in an amount not to exceed the amount of compensation expenses recognized by the Parent, an Issuer and any of its Restricted Subsidiaries in connection with such plans;

(17) any Investment existing on the Issue Date or made pursuant to a (x) binding commitment or (y) the Transaction Agreement and any related agreements, in each case, in effect on the Issue Date or an Investment consisting of any extension, modification, replacement or renewal of any such Investment or binding commitment existing on the Issue Date;

(18) additional Investments not to exceed the greater of (x) $110 million and (y) 5.0% of Adjusted Total Assets at any time outstanding; and

(19) Investments in Unrestricted Subsidiaries and joint ventures in an aggregate amount, taken together with all other Investments made in reliance on this clause not to exceed the greater of

(x) $110 million and (y) 5.0% of Adjusted Total Assets (net of, with respect to the Investment in any particular Person, the cash return thereon received after the Issue Date as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated EBITDA), not to exceed the amount of Investments in such Person made after the Issue Date in reliance on this clause).

"Permitted Mortgage Investment" means any Investment in secured notes, mortgage, deeds of trust, collateralized mortgage obligations, commercial mortgage-backed securities, other secured debt securities, secured debt derivative or other secured debt instruments, so long as such investment relates directly or indirectly to real property that constitutes or is used as a skilled nursing home center, hospital, assisted living facility, medical office or other property customarily constituting an asset of a real estate investment trust specializing in healthcare or senior housing property.

"Permitted Payments to Parent" means, without duplication as to amounts:

(A) payments to Parent to pay reasonable accounting, legal and administrative expenses of Parent when due, in an aggregate amount not to exceed $500,000 per annum; and

(B) payments to Parent in respect of its state, franchise and local tax liabilities.

"Permitted Refinancing Indebtedness" means:

(A) any Indebtedness of an Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease, discharge or refund other Indebtedness of an Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so extended, refinanced, renewed, replaced, defeased, discharged or refunded (plus all accrued interest thereon and the amount of any fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has:

(a) a final maturity date later than (x) the final maturity date of the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded or (y) the date that is 91 days after the maturity of the Notes, and

(b) an Average Life equal to or greater than the Average Life of the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded or 91 days more than the Average Life of the Notes;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded is contractually subordinated in right of payment to the Notes or the Guarantee, such Permitted Refinancing Indebtedness is contractually subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded;

(4) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded is *pari passu* in right of payment with the Notes or any Guarantee thereof, such

Permitted Refinancing Indebtedness is *pari passu* in right of payment with, or subordinated in right of payment to, the Notes or such Guarantee; and

(5) such Indebtedness is incurred either (a) by an Issuer or any Subsidiary Guarantor or (b) by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) that have a preference on liquidation or with respect to distributions over any other class of Capital Stock, including preferred partnership interests, whether general or limited, or such Person's preferred or preference stock, whether outstanding on the Issue Date or issued thereafter, including all series and classes of such preferred or preference stock.

"Pro Forma Cost Savings" means, with respect to any period, the reductions in costs (including such reductions resulting from employee terminations, facilities consolidations and closings, standardization of employee benefits and compensation policies, consolidation of property, casualty and other insurance coverage and policies, standardization of sales and distribution methods, reductions in taxes other than income taxes) that occurred during such period that are (1) directly attributable to an asset acquisition or (2) implemented and that are factually supportable and reasonably quantifiable by the underlying records of such business, as if, in the case of each of clauses (1) and (2), all such reductions in costs had been effected as of the beginning of such period, decreased by any incremental expenses incurred or to be incurred during such period in order to achieve such reduction in costs, all such costs to be determined in good faith by the chief financial officer of the Parent or the Issuers.

"Real Estate Assets" of a Person means, as of any date, the real estate assets of such Person and its Restricted Subsidiaries on such date, on a consolidated basis determined in accordance with GAAP.

"Replacement Assets" means (1) tangible non-current assets that will be used or useful in a Permitted Business or (2) substantially all the assets of a Permitted Business or a majority of the Voting Stock of any Person engaged in a Permitted Business that will become on the date of acquisition thereof a Restricted Subsidiary.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means, with respect to a Person, any Subsidiary of such Person other than an Unrestricted Subsidiary. Unless the context otherwise requires, Restricted Subsidiaries refer to Restricted Subsidiaries of the Issuers.

"Sale and Leaseback Transaction" means any direct or indirect arrangement with any Person or to which any such Person is a party, providing for the leasing to the Parent or any Restricted Subsidiary of any property, whether owned by the Parent or any such Restricted Subsidiary at the Issue Date or later acquired, which has been or is to be sold or transferred by the Parent or any such Restricted Subsidiary to such Person or any other Person from whom funds have been or are to be advanced by such Person on the security of such property.

"Secured Indebtedness" means any Indebtedness secured by a Lien upon the property of the Issuers or any Restricted Subsidiaries.

"Significant Subsidiary," with respect to any Person, means any restricted subsidiary of such Person that satisfies the criteria for a "significant subsidiary" set forth in Rule 1-02(w) of Regulation S-X under the Exchange Act, as such regulation is in effect on the Issue Date.

"S&P" means Standard & Poor's Ratings Services and its successors.

"*Special Mandatory Redemption*" has the meaning ascribed to such term under "—Special mandatory redemption."

"Stated Maturity" means:

(1) with respect to any debt security, the date specified in such debt security as the fixed date on which the final installment of principal of such debt security is due and payable; and

(2) with respect to any scheduled installment of principal of or interest on any debt security, the date specified in such debt security as the fixed date on which such installment is due and payable,

provided, that Stated Maturity shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subordinated Indebtedness" means Indebtedness which by the terms of such Indebtedness is subordinated in right of payment to the principal of and interest and premium, if any, on the Notes or any Guarantee thereof.

"Subsidiary" means, with respect to any Person, any corporation, association or other business entity of which more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and the accounts of which would be consolidated with those of such Person in its consolidated financial statements in accordance with GAAP, if such statements were prepared as of such date.

"Subsidiary Guarantors" means (i) each Restricted Subsidiary of the Issuers on the Issue Date that Guarantees the Credit Agreement and (ii) each other Person that is required to become a Guarantor by the terms of the indenture after the Issue Date, in each case, until such Person is released from its Guarantee of the Notes.

"Temporary Cash Investment" means any of the following:

(1) United States dollars;

(2) direct obligations of the United States of America or any agency thereof or obligations fully and unconditionally guaranteed by the United States of America or any agency thereof;

(3) time deposits accounts, term deposit accounts, time deposits, bankers' acceptances, certificates of deposit, Eurodollar time deposits and money market deposits maturing within twelve months or less of the date of acquisition thereof issued by (A) a bank or trust company which is organized under the laws of the United States of America, any state thereof, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of $250 million and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under

the Securities Act) or (B) any money-market fund sponsored by a registered broker dealer or mutual fund distributor;

(4) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (2) and (3) above entered into with a bank meeting the qualifications described in clause (3) above;

(5) commercial paper, maturing not more than six months after the date of acquisition, issued by a corporation (other than an Affiliate of the Parent) organized and in existence under the laws of the United States of America, any state of the United States of America with a rating at the time as of which any investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P;

(6) securities with maturities of twelve months or less from the date of acquisition issued or fully and unconditionally guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or Moody's;

(7) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (3)(A) of this definition;

(8) any fund investing substantially all of its assets in investments that constitute Temporary Cash Investments of the kinds described in clauses (1) through (7) of this definition; and

(9) money market funds that (A) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (B) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least $5,000,000,000.

"Total Assets" means, for any Person as of any date, the sum of (a) Undepreciated Real Estate Assets *plus* (b) the book value of all assets (excluding Real Estate Assets and intangibles) of such Person and its Restricted Subsidiaries as of such date of determination on a consolidated basis determined in accordance with GAAP.

"Total Unencumbered Assets" means, for any Person as of any date, the Total Assets of such Person and its Restricted Subsidiaries as of such date, that do not secure any portion of Secured Indebtedness, on a consolidated basis determined in accordance with GAAP.

"Trade Payables" means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services.

"*Transaction Agreement*" means the Real Property Asset Purchase Agreement, by and among Ernest Health, Inc., certain wholly owned subsidiaries of Opco and the other parties signatory thereto dated as of January 31, 2012 as in effect on the date of this prospectus.

"Transaction Date" means, with respect to the Incurrence of any Indebtedness by an Issuer or any of its Restricted Subsidiaries, the date such Indebtedness is to be Incurred and, with respect to any Restricted Payment, the date such Restricted Payment is to be made.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in

the most recent Federal Reserve Statistical Release H.15 (519) ("Statistical Release") that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to , 2017; *provided, however,* that if the period from the redemption date to , 2017, is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Undepreciated Real Estate Assets" means, as of any date, the cost (being the original cost to an Issuer or the Restricted Subsidiaries plus capital improvements) of real estate assets of the Issuers and the Subsidiaries on such date, before depreciation and amortization of such real estate assets, determined on a consolidated basis in conformity with GAAP.

"Unrestricted Subsidiary" means

(1) any Subsidiary of the Issuers that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors of the Parent in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary.

Except during a Suspension Period, the Board of Directors of the Parent may designate any Restricted Subsidiary (including any newly acquired or newly formed Subsidiary of the Issuers) to be an Unrestricted Subsidiary unless such Subsidiary owns any Capital Stock of, or owns or holds any Lien on any property of, the Parent or any of its Restricted Subsidiaries; *provided, however,* that:

(i) any Guarantee by the Parent or any of its Restricted Subsidiaries of any Indebtedness of the Subsidiary being so designated shall be deemed an "Incurrence" of such Indebtedness and an "Investment" by the Parent or such Restricted Subsidiary (or all, if applicable) at the time of such designation;

(ii) either (i) the Subsidiary to be so designated has total assets of $1,000 or less or (ii) if such Subsidiary has assets greater than $1,000, such designation would be permitted under the "Limitation on Restricted Payments" covenant described above; and

(iii) if applicable, the Incurrence of Indebtedness and the Investment referred to in clause (a) above would be permitted under the "Limitation on Restricted Payments" covenants described above.

The Board of Directors of the Parent may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however,* that:

(i) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such designation; and

(ii) all Indebtedness of such Unrestricted Subsidiary outstanding immediately after such designation would, if Incurred at such time, have been permitted to be Incurred (and shall be deemed to have been Incurred) for all purposes of the indenture.

Any such designation by the Board of Directors of the Parent shall be evidenced to the trustee by promptly filing with the trustee a copy of the Board Resolution giving effect to such designation

and an officers' certificate certifying that such designation complied with the foregoing provisions.

"Unsecured Indebtedness" means any Indebtedness of the Parent or any of its Restricted Subsidiaries that is not Secured Indebtedness.

"U.S. Government Obligations" means direct obligations of, obligations guaranteed by, or participations in pools consisting solely of obligations of or obligations guaranteed by, the United States of America for the payment of which obligations or guarantee the full faith and credit of the United States of America is pledged and that are not callable or redeemable at the option of the issuer thereof.

"Voting Stock" means with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

"Wholly Owned" means, with respect to any Subsidiary of any Person, the ownership of all of the outstanding Capital Stock of such Subsidiary (other than any director's qualifying shares or Investments by individuals mandated by applicable law) by such Person or one or more Wholly Owned Subsidiaries of such Person.

United States federal income tax considerations

Taxation of our company and our stockholders

This section summarizes the current material federal income tax consequences to our company and our shareholders generally resulting from the treatment of our company as a REIT. Because this section is a general summary, it does not address all of the potential tax issues that may be relevant to you in light of your particular circumstances. Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C., or Baker Donelson, has acted as our counsel, has reviewed this summary, and is of the opinion that the discussion contained herein fairly summarizes the federal income tax consequences that are material to a holder of the notes. The discussion does not address all aspects of taxation that may be relevant to particular stockholders in light of their personal investment or tax circumstances, or to certain types of stockholders that are subject to special treatment under the federal income tax laws, such as insurance companies, tax-exempt organizations (except to the limited extent discussed in "—Taxation of Tax-Exempt Stockholders"), financial institutions or broker-dealers, and non-United States individuals and foreign corporations (except to the limited extent discussed in "Taxation of Non-United States Stockholders").

The statements in this section of the opinion of Baker Donelson, referred to as the Tax Opinion, are based on the current federal income tax laws governing qualification as a REIT. We cannot assure you that new laws, interpretations of law or court decisions, any of which may take effect retroactively, will not cause any statement in this section to be inaccurate. You should be aware that opinions of counsel are not binding on the IRS, and no assurance can be given that the IRS will not challenge the conclusions set forth in those opinions.

This section is not a substitute for careful tax planning. We urge you to consult your own tax advisors regarding the specific federal state, local, foreign and other tax consequences to you, in the light of your own particular circumstances, of the purchase, ownership and disposition of shares of our common stock, our election to be taxed as a REIT and the effect of potential changes in applicable tax laws.

Taxation of Medical Properties

We were previously taxed as a subchapter S corporation. We revoked our subchapter S election on April 6, 2004 and we have elected to be taxed as a REIT under Sections 856 through 860 of the Code, commencing with our taxable year that began on April 6, 2004 and ended on December 31, 2004. In connection with this offering, our REIT counsel, Baker Donelson, has opined that, for federal income tax purposes, we are and have been organized in conformity with the requirements for qualification to be taxed as a REIT under the Code commencing with our initial short taxable year ended December 31, 2004, and that our current and proposed method of operations as described in this prospectus and as represented to our counsel by us satisfies currently, and will enable us to continue to satisfy in the future, the requirements for such qualification and taxation as a REIT under the Code for future taxable years. This opinion, however, is based upon factual assumptions and representations made by us.

We believe that our proposed future method of operation will enable us to continue to qualify as a REIT. However, no assurances can be given that our beliefs or expectations will be fulfilled, as such qualification and taxation as a REIT depends upon our ability to meet, for each taxable year, various tests imposed under the Code as discussed below. Those qualification tests involve

the percentage of income that we earn from specified sources, the percentage of our assets that falls within specified categories, the diversity of our stock ownership, and the percentage of our earnings that we distribute. Baker Donelson will not review our compliance with those tests on a continuing basis. Accordingly, with respect to our current and future taxable years, no assurance can be given that the actual results of our operation will satisfy such requirements. For a discussion of the tax consequences of our failure to maintain our qualification as a REIT, see "— Requirements for Qualification—Failure to Qualify."

The sections of the Code relating to qualification and operation as a REIT, and the federal income taxation of a REIT and its stockholders, are highly technical and complex. The following discussion sets forth only the material aspects of those sections. This summary is qualified in its entirety by the applicable Code provisions and the related rules and regulations.

We generally will not be subject to federal income tax on the taxable income that we currently distribute to our stockholders. The benefit of that tax treatment is that it avoids the "double taxation," or taxation at both the corporate and stockholder levels, that generally results from owning stock in a corporation. However, we will be subject to federal tax in the following circumstances:

- We are subject to the corporate federal income tax on taxable income, including net capital gain, that we do not distribute to stockholders during, or within a specified time period after, the calendar year in which the income is earned.
- We are subject to the corporate "alternative minimum tax" on any items of tax preference that we do not distribute or allocate to stockholders.
- We are subject to tax, at the highest corporate rate, on:
    - net gain from the sale or other disposition of property acquired through foreclosure ("foreclosure property") that we hold primarily for sale to customers in the ordinary course of business, and
    - other non-qualifying income from foreclosure property.
- We are subject to a 100% tax on net income from sales or other dispositions of property, other than foreclosure property, that we hold primarily for sale to customers in the ordinary course of business.
- If we fail to satisfy the 75% gross income test or the 95% gross income test, as described below under "—Requirements for Qualification—Gross Income Tests," but nonetheless continue to qualify as a REIT because we meet other requirements, we will be subject to a 100% tax on:
    - the greater of (1) the amount by which we fail the 75% gross income test, or (2) the amount by which we fail the 95% gross income test (or for our taxable year ended December 31, 2004, the excess of 90% of our gross income over the amount of gross income attributable to sources that qualify under the 95% gross income test), multiplied by
    - a fraction intended to reflect our profitability.
- If we fail to distribute during a calendar year at least the sum of: (1) 85% of our REIT ordinary income for the year, (2) 95% of our REIT capital gain net income for the year and (3) any undistributed taxable income from earlier periods, then we will be subject to a 4% excise tax on the excess of the required distribution over the amount we actually distributed.

- If we fail to satisfy one or more requirements for REIT qualification during a taxable year beginning on or after January 1, 2005, other than a gross income test or an asset test, we will be required to pay a penalty of $50,000 for each such failure.
- We may elect to retain and pay income tax on our net long-term capital gain. In that case, a United States stockholder would be taxed on its proportionate share of our undistributed long-term capital gain (to the extent that we make a timely designation of such gain to the stockholder) and would receive a credit or refund for its proportionate share of the tax we paid.
- We may be subject to a 100% excise tax on certain transactions with a taxable REIT subsidiary that are not conducted at arm's-length.
- If we acquire any asset from a "C corporation" (that is, a corporation generally subject to the full corporate-level tax) in a transaction in which the basis of the asset in our hands is determined by reference to the basis of the asset in the hands of the C corporation, and we recognize gain on the disposition of the asset during the 10 year period beginning on the date that we acquired the asset, then the asset's "built-in" gain will be subject to tax at the highest corporate rate.

Requirements for qualification

To continue to qualify as a REIT, we must meet various (1) organizational requirements, (2) gross income tests, (3) asset tests, and (4) annual distribution requirements.

Organizational requirements. A REIT is a corporation, trust or association that meets each of the following requirements:

(1) it is managed by one or more trustees or directors;

(2) its beneficial ownership is evidenced by transferable stock, or by transferable certificates of beneficial interest;

(3) it would be taxable as a domestic corporation, but for its election to be taxed as a REIT under Sections 856 through 860 of the Code;

(4) it is neither a financial institution nor an insurance company subject to special provisions of the federal income tax laws;

(5) at least 100 persons are beneficial owners of its stock or ownership certificates (determined without reference to any rules of attribution);

(6) not more than 50% in value of its outstanding stock or ownership certificates is owned, directly or indirectly, by *five* or fewer individuals, which the federal income tax laws define to include certain entities, during the last half of any taxable year; and

(7) it elects to be a REIT, or has made such election for a previous taxable year, and satisfies all relevant filing and other administrative requirements established by the IRS that must be met to elect and maintain REIT status.

We must meet requirements one through four during our entire taxable year and must meet requirement five during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months. If we comply with all the

requirements for ascertaining information concerning the ownership of our *outstanding* stock in a taxable year and have no reason to know that we violated requirement six, we will be deemed to have satisfied requirement six for that taxable year. We did not have to satisfy requirements five and six for our taxable year ending December 31, 2004. After the issuance of common stock pursuant to our April 2004 private placement, we had issued common stock with enough diversity of ownership to satisfy requirements five and six as set forth above. Our charter provides for restrictions regarding the ownership and transfer of our shares of common stock so that we should continue to satisfy these requirements. The provisions of our charter restricting the ownership and transfer of our shares of common stock are described in "Description of Medical Properties Trust, Inc. Capital Stock—Restrictions on Ownership and Transfer."

For purposes of determining stock ownership under requirement six, an "individual" generally includes a supplemental unemployment compensation benefits plan, a private foundation, or a portion of a trust permanently set aside or used exclusively for charitable purposes. An "individual," however, generally does not include a trust that is a qualified employee pension or profit sharing trust under the federal income tax laws, and beneficiaries of such a trust will be treated as holding our shares in proportion to their actuarial interests in the trust for purposes of requirement six.

A corporation that is a "qualified REIT subsidiary," or QRS, is not treated as a corporation separate from its parent REIT. All assets, liabilities, and items of income, deduction and credit of a QRS are treated as assets, liabilities, and items of income, deduction and credit of the REIT. A QRS is a corporation other than a "taxable REIT subsidiary" as described below, all of the capital stock of which is owned by the REIT. Thus, in applying the requirements described herein, any QRS that we own will be ignored, and all assets, liabilities, and items of income, deduction and credit of such subsidiary will be treated as our assets, liabilities, and items of income, deduction and credit.

An unincorporated domestic entity with two or more owners that is eligible to elect its tax classification under Treasury Regulation Section 301.7701 but does not make such an election is generally treated as a partnership for federal income tax purposes. In the case of a REIT that is a partner in a partnership that has other partners, the REIT is treated as owning its proportionate share of the assets of the partnership and as earning its allocable share of the gross income of the partnership for purposes of the applicable REIT qualification tests. We will treat our operating partnership as a partnership for U.S. federal income tax purposes. Accordingly, our proportionate share of the assets, liabilities and items of income of the operating partnership and any other partnership, joint venture, or limited liability company that is treated as a partnership for federal income tax purposes in which we acquire an interest, directly or indirectly, is treated as our assets and gross income for purposes of applying the various REIT qualification requirements.

A REIT is permitted to own up to 100% of the stock of one or more "taxable REIT subsidiaries." We have formed and made taxable REIT subsidiary elections with respect to MPT TRS, a Delaware corporation formed in January 2004, MPT Covington TRS, Inc., a Delaware corporation formed in January 2010 and MPT Finance Corporation, Inc., a Delaware corporation formed in April 2011. Ernest will also be a TRS as a result of the Ernest Acquisition Transactions. We have also formed limited liability companies wholly-owned by MPT Development Services, Inc. which are disregarded entities for federal income tax purposes. A taxable REIT subsidiary is a fully taxable corporation that may earn income that would not be qualifying income if earned directly by the parent REIT. The subsidiary and the REIT must jointly file an election with the IRS to treat the subsidiary as a taxable REIT subsidiary. A taxable REIT subsidiary will pay income tax at regular

corporate rates on any income that it earns. In addition, the taxable REIT subsidiary rules limit the deductibility of interest paid or accrued by a taxable REIT subsidiary to its parent REIT to assure that the taxable REIT subsidiary is subject to an appropriate level of corporate taxation. Further, the rules impose a 100% excise tax on certain types of transactions between a taxable REIT subsidiary and its parent REIT or the REIT's tenants that are not conducted on an arm's-length basis. We may engage in activities indirectly through a taxable REIT subsidiary as necessary or convenient to avoid obtaining the benefit of income or services that would jeopardize our REIT status if we engaged in the activities directly. In particular, we would likely engage in activities through a taxable REIT subsidiary if we wished to provide services to unrelated parties which might produce income that does not qualify under the gross income tests described below. We might also engage in otherwise prohibited transactions through a taxable REIT subsidiary. See description below under "—Requirements for Qualification — Prohibited Transactions." A taxable REIT subsidiary may not operate or manage a healthcare facility, though for tax years beginning after July 30, 2008 a healthcare facility leased to a taxable REIT subsidiary from a REIT may be operated on behalf of the taxable REIT subsidiary by an eligible independent contractor. For purposes of this definition a "healthcare facility" means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility, or other licensed facility which extends medical or nursing or ancillary services to patients and which is operated by a service provider which is eligible for participation in the Medicare program under Title XVIII of the Social Security Act with respect to such facility. MPT Covington TRS, Inc. has been formed specifically for the purpose of leasing a healthcare facility from us, subleasing that facility to an entity in which it owns an equity interest, and having that facility operated by an eligible independent contractor. We have obtained a private letter ruling from the Service holding that ownership of the equity interest and the operation of the facility in accordance with the agreements among the parties do not adversely affect the taxable REIT subsidiary status of MPT Covington TRS, Inc. We have structured other transactions in which MPT TRS owns an indirect equity interest in a tenant entity in a similar manner, and we will structure leases with subsidiaries of Ernest in a similar manner and may structure other such transactions in the future. See "—Income Taxation of the Partnerships and Their Partners—Taxable REIT Subsidiaries."

Gross income tests. We must satisfy two gross income tests annually to maintain our qualification as a REIT. First, at least 75% of our gross income for each taxable year must consist of defined types of income that we derive, directly or indirectly, from investments relating to real property or mortgages on real property or qualified temporary investment income. Qualifying income for purposes of that 75% gross income test generally includes:

- rents from real property;
- interest on debt secured by mortgages on real property or on interests in real property;
- dividends or other distributions on, and gain from the sale of, shares in other REITs;
- gain from the sale of real estate assets;
- income derived from the temporary investment of new capital that is attributable to the issuance of our shares of common stock or a public offering of our debt with a maturity date of at least five years and that we receive during the one year period beginning on the date on which we received such new capital; and
- gross income from foreclosure property.

Second, in general, at least 95% of our gross income for each taxable year must consist of income that is qualifying income for purposes of the 75% gross income test, other types of interest and dividends or gain from the sale or disposition of stock or securities. Gross income from our sale of property that we hold primarily for sale to customers in the ordinary course of business is excluded from both the numerator and the denominator in both income tests. In addition, for taxable years beginning on and after January 1, 2005, income and gain from "hedging transactions" that we enter into to hedge indebtedness incurred or to be incurred to acquire or carry real estate assets and that are clearly and timely identified as such also will be excluded from both the numerator and the denominator for purposes of the 95% gross income test and for transactions entered into after July 30, 2008, such income and gain also will be excluded from the 75% gross income test. For items of income and gain recognized after July 30, 2008, passive foreign exchange gain is excluded from the 95% gross income test and real estate foreign exchange gain is excluded from both the 95% and the 75% gross income tests. The following paragraphs discuss the specific application of the gross income tests to us.

The Secretary of the Treasury is given broad authority to determine whether particular items of gain or income qualify or not under the 75% and 95% gross income tests, or are to be excluded from the measure of gross income for such purposes.

Rents from real property. Rent that we receive from our real property will qualify as "rents from real property," which is qualifying income for purposes of the 75% and 95% gross income tests, only if the following conditions are met.

First, the rent must not be based in whole or in part on the income or profits of any person. Participating rent, however, will qualify as "rents from real property" if it is based on percentages of receipts or sales and the percentages:

- are fixed at the time the leases are entered into;
- are not renegotiated during the term of the leases in a manner that has the effect of basing rent on income or profits; and
- conform with normal business practice.

More generally, the rent will not qualify as "rents from real property" if, considering the relevant lease and all the surrounding circumstances, the arrangement does not conform with normal business practice, but is in reality used as a means of basing the rent on income or profits. We have represented to Baker Donelson that we intend to set and accept rents which are fixed dollar amounts or a fixed percentage of gross revenue, and not determined to any extent by reference to any person's income or profits, in compliance with the rules above.

Second, we must not own, actually or constructively, 10% or more of the stock or the assets or net profits of any tenant, referred to as a related party tenant, other than a taxable REIT subsidiary. Failure to adhere to this limitation would cause the rental income from the related party tenant to not be treated as qualifying income for purposes of the REIT gross income tests. The constructive ownership rules generally provide that, if 10% or more in value of our stock is owned, directly or indirectly, by or for any person, we are considered as owning the stock owned, directly or indirectly, by or for such person. In addition, our charter prohibits transfers of our shares that would cause us to own, actually or constructively, 10% or more of the ownership interests in a tenant. Presently we own a less than 10% ownership interest in each of two tenant entities. We do not own, actually or constructively, 10% or more of any tenant other than a

taxable REIT subsidiary. We have represented to counsel that we will not rent any facility to a related-party tenant. However, MPT Covington TRS, Inc. has acquired a greater than 10% equity interest in an entity to which it subleases a healthcare facility which is operated by an eligible independent operator. We have obtained a private letter ruling from the Service indicating that the ownership of the equity interest and the operation of the facility in accordance with the agreements among the parties do not adversely affect the taxable REIT subsidiary status of MPT Covington TRS, Inc. or disqualify the rents paid by MPT Covington TRS, Inc. to us from being treated as qualifying income under the 75% and 95% gross income tests. We may structure future transactions in a similar manner. However, there is no assurance that the IRS will not take a contrary position with respect to the structuring of such other transactions. The Ernest Acquisition Transactions are also structured in a similar manner with the exception that the existing management of Ernest and its subsidiaries will be the manager of the acquired or mortgaged facilities. At present existing management operates Ernest and its subsidiaries as officer and employees. Although certain management personnel will remain as officers of Ernest, they will be employees of and compensated by ManageCo. We believe that ManageCo will meet the definition of an eligible independent contractor under Section 856(d)(9) of the Code. Section 856(d)(9) defines “eligible independent contractor” as any independent contractor if, at the time such contractor enters into an agreement with a taxable REIT subsidiary to operate a qualified healthcare facility, such contractor is actively engaged in the trade or business of operating such facilities for any person who is not a related person to the REIT or the taxable REIT subsidiary. In addition, MPT TRS, and MPT Covington TRS, Inc. have made and will make loans to tenants to acquire operations and for other purposes. We have structured and will structure these loans as debt and believe that they will be characterized as such, and that our rental income from our tenant borrowers will be treated as qualifying income for purposes of the REIT gross income tests. However, there can be no assurance that the IRS will not take a contrary position. If the IRS were to successfully treat a loan to a particular tenant as an equity interest, the tenant would be a related party tenant with respect to us, the rent that we receive from the tenant would not be qualifying income for purposes of the REIT gross income tests, and we could lose our REIT status. However, as stated above, we believe that these loans will be treated as debt rather than equity interests. Finally, because the constructive ownership rules are broad and it is not possible to monitor continually direct and indirect transfers of our shares, no absolute assurance can be given that such transfers or other events of which we have no knowledge will not cause us to own constructively 10% or more of a tenant other than a taxable REIT subsidiary at some future date.

As described above, we currently own 100% of the stock of MPT TRS, MPT Covington TRS, Inc. and MPT Finance Corporation, Inc., all of which are taxable REIT subsidiaries, and may in the future own up to 100% of the stock of one or more additional taxable REIT subsidiaries. Under an exception to the related-party tenant rule described in the preceding paragraph, rent that we receive from a taxable REIT subsidiary will qualify as “rents from real property” as long as (1) the taxable REIT subsidiary is a qualifying taxable REIT subsidiary (among other things, it does not operate or manage a healthcare facility), (2) at least 90% of the leased space in the facility is leased to persons other than taxable REIT subsidiaries and related party tenants, and (3) the amount paid by the taxable REIT subsidiary to rent space at the facility is substantially comparable to rents paid by other tenants of the facility for comparable space. In addition, for tax years beginning after July 30, 2008, rents paid to a REIT by a taxable REIT subsidiary with respect to a “qualified health care property” (as defined in section 856(e)(6)(D) of the Code), operated on behalf of such taxable REIT subsidiary by a person who is an “eligible independent

contractor" (as defined in section 856(d)(9) of the Code, as amended under the Housing and Economic Recovery Tax Act of 2008 (the "2008 Act")), are qualifying rental income for purposes of the 75% and 95% gross income tests. We have formed and made a taxable REIT subsidiary election with respect to MPT Covington TRS, Inc. for the purpose of leasing a qualified healthcare facility from us, subleasing that facility to an entity in which it owns an equity interest, and having that facility operated by an eligible independent contractor. We have obtained a private letter ruling from the IRS holding that the rent received by us from MPT Covington TRS, Inc. will qualify as rent from real property under these exceptions. We have since structured leases with taxable REIT subsidiaries in a similar manner and will structure leases with the subsidiaries of Ernest in a similar manner.

Third, the rent attributable to the personal property leased in connection with a lease of real property must not be greater than 15% of the total rent received under the lease. The rent attributable to personal property under a lease is the amount that bears the same ratio to total rent under the lease for the taxable year as the average of the fair market values of the leased personal property at the beginning and at the end of the taxable year bears to the average of the aggregate fair market values of both the real and personal property covered by the lease at the beginning and at the end of such taxable year (the "personal property ratio"). With respect to each of our leases, we believe that the personal property ratio generally will be less than 15%. Where that is not, or may in the future not be, the case, we believe that any income attributable to personal property will not jeopardize our ability to qualify as a REIT. There can be no assurance, however, that the IRS would not challenge our calculation of a personal property ratio, or that a court would not uphold such assertion. If such a challenge were successfully asserted, we could fail to satisfy the 75% or 95% gross income test and thus lose our REIT status.

Fourth, we cannot furnish or render noncustomary services to the tenants of our facilities, or manage or operate our facilities, other than through an independent contractor who is adequately compensated and from whom we do not derive or receive any income. However, we need not provide services through an "independent contractor," but instead may provide services directly to our tenants, if the services are "usually or customarily rendered" in connection with the rental of space for occupancy only and are not considered to be provided for the tenants' convenience. In addition, we may provide a minimal amount of "noncustomary" services to the tenants of a facility, other than through an independent contractor, as long as our income from the services does not exceed 1% of our income from the related facility. Finally, we may own up to 100% of the stock of one or more taxable REIT subsidiaries, which may provide noncustomary services to our tenants without tainting our rents from the related facilities. We do not intend to perform any services other than customary ones for our tenants, other than services provided through independent contractors or taxable REIT subsidiaries. We have represented to Baker Donelson that we will not perform noncustomary services which would jeopardize our REIT status.

Finally, in order for the rent payable under the leases of our properties to constitute "rents from real property," the leases must be respected as true leases for federal income tax purposes and not treated as service contracts, joint ventures, financing arrangements, or another type of arrangement. We generally treat our leases with respect to our properties as true leases for federal income tax purposes; however, there can be no assurance that the IRS would not consider a particular lease a financing arrangement instead of a true lease for federal income tax purposes. In that case, and in any case in which we intentionally structure a lease as a financing arrangement, our income from that lease would be interest income rather than rent and would

be qualifying income for purposes of the 75% gross income test to the extent that our "loan" does not exceed the fair market value of the real estate assets associated with the facility. All of the interest income from our loan would be qualifying income for purposes of the 95% gross income test. We believe that the characterization of a lease as a financing arrangement would not adversely affect our ability to qualify as a REIT.

If a portion of the rent we receive from a facility does not qualify as "rents from real property" because the rent attributable to personal property exceeds 15% of the total rent for a taxable year, the portion of the rent attributable to personal property will not be qualifying income for purposes of either the 75% or 95% gross income test. If rent attributable to personal property, plus any other income that is nonqualifying income for purposes of the 95% gross income test, during a taxable year exceeds 5% of our gross income during the year, we would lose our REIT status. By contrast, in the following circumstances, none of the rent from a lease of a facility would qualify as "rents from real property": (1) the rent is considered based on the income or profits of the tenant; (2) the tenant is a related party tenant or fails to qualify for the exception to the related-party tenant rule for qualifying taxable REIT subsidiaries; (3) we furnish more than a de minimis amount of noncustomary services to the tenants of the facility, other than through a qualifying independent contractor or a taxable REIT subsidiary; or (4) we manage or operate the facility, other than through an independent contractor. In any of these circumstances, we could lose our REIT status because we would be unable to satisfy either the 75% or 95% gross income test.

Tenants may be required to pay, besides base rent, reimbursements for certain amounts we are obligated to pay to third parties (such as a tenant's proportionate share of a facility's operational or capital expenses), penalties for nonpayment or late payment of rent or additions to rent. These and other similar payments should qualify as "rents from real property."

Interest. The term "interest" generally does not include any amount received or accrued, directly or indirectly, if the determination of the amount depends in whole or in part on the income or profits of any person. However, an amount received or accrued generally will not be excluded from the term "interest" solely because it is based on a fixed percentage or percentages of receipts or sales. Furthermore, to the extent that interest from a loan that is based upon the residual cash proceeds from the sale of the property securing the loan constitutes a "shared appreciation provision," income attributable to such participation feature will be treated as gain from the sale of the secured property.

Fee income. We may receive various fees in connection with our operations. The fees will be qualifying income for purposes of both the 75% and 95% gross income tests if they are received in consideration for entering into an agreement to make a loan secured by real property and the fees are not determined by income and profits. Other fees are not qualifying income for purposes of either gross income test. We anticipate that MPT TRS, one of our taxable REIT subsidiaries, will receive most of the management fees, inspection fees and construction fees in connection with our operations. Any fees earned by MPT TRS. will not be included as income for purposes of the gross income tests.

Prohibited transactions. A REIT will incur a 100% tax on the net income derived from any sale or other disposition of property, other than foreclosure property, that the REIT holds primarily for sale to customers in the ordinary course of a trade or business. We believe that none of our assets will be held primarily for sale to customers and that a sale of any of our assets will not be in the ordinary course of our business. Whether a REIT holds an asset "primarily for sale to

customers in the ordinary course of a trade or business" depends, however, on the facts and circumstances in effect from time to time, including those related to a particular asset. Nevertheless, we will attempt to comply with the terms of safe-harbor provisions in the federal income tax laws prescribing when an asset sale will not be characterized as a prohibited transaction. We cannot assure you, however, that we can comply with the safe-harbor provisions or that we will avoid owning property that may be characterized as property that we hold "primarily for sale to customers in the ordinary course of a trade or business." We may form or acquire a taxable REIT subsidiary to engage in transactions that may not fall within the safe-harbor provisions.

Foreclosure property. We will be subject to tax at the maximum corporate rate on any income from foreclosure property, other than income that otherwise would be qualifying income for purposes of the 75% gross income test, less expenses directly connected with the production of that income. However, gross income from foreclosure property will qualify under the 75% and 95% gross income tests. Foreclosure property is any real property, including interests in real property, and any personal property incidental to such real property acquired by a REIT as the result of the REIT's having bid on the property at foreclosure, or having otherwise reduced such property to ownership or possession by agreement or process of law, after actual or imminent default on a lease of the property or on indebtedness secured by the property, or a "Repossession Action." Property acquired by a Repossession Action will not be considered "foreclosure property" if (1) the REIT held or acquired the property subject to a lease or securing indebtedness for sale to customers in the ordinary course of business or (2) the lease or loan was acquired or entered into with intent to take Repossession Action or in circumstances where the REIT had reason to know a default would occur. The determination of such intent or reason to know must be based on all relevant facts and circumstances. In no case will property be considered "foreclosure property" unless the REIT makes a proper election to treat the property as foreclosure property.

Foreclosure property includes any qualified healthcare property acquired by a REIT as a result of a termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease). A "qualified healthcare property" means any real property, including interests in real property, and any personal property incident to such real property which is a healthcare facility or is necessary or incidental to the use of a healthcare facility. For this purpose, a healthcare facility means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility, or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease secured by such facility, was operated by a provider of such services which was eligible for participation in the Medicare program under Title XVIII of the Social Security Act with respect to such facility.

However, a REIT will not be considered to have foreclosed on a property where the REIT takes control of the property as a mortgagee-in-possession and cannot receive any profit or sustain any loss except as a creditor of the mortgagor. Property generally ceases to be foreclosure property at the end of the third taxable year following the taxable year in which the REIT acquired the property (or, in the case of a qualified healthcare property which becomes foreclosure property because it is acquired by a REIT as a result of the termination of a lease of such property, at the end of the second taxable year following the taxable year in which the REIT acquired such property) or longer if an extension is granted by the Secretary of the Treasury. This period (as

extended, if applicable) terminates, and foreclosure property ceases to be foreclosure property on the first day:

- on which a lease is entered into for the property that, by its terms, will give rise to income that does not qualify for purposes of the 75% gross income test, or any amount is received or accrued, directly or indirectly, pursuant to a lease entered into on or after such day that will give rise to income that does not qualify for purposes of the 75% gross income test;
- on which any construction takes place on the property, other than completion of a building or any other improvement, where more than 10% of the construction was completed before default became imminent; or
- which is more than 90 days after the day on which the REIT acquired the property and the property is used in a trade or business which is conducted by the REIT, other than through an independent contractor from whom the REIT itself does not derive or receive any income. For this purpose, in the case of a qualified healthcare property, income derived or received from an independent contractor will be disregarded to the extent such income is attributable to (1) a lease of property in effect on the date the REIT acquired the qualified healthcare property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date) or (2) any lease of property entered into after such date if, on such date, a lease of such property from the REIT was in effect and, under the terms of the new lease, the REIT receives a substantially similar or lesser benefit in comparison to the prior lease.

Hedging transactions. From time to time, we may enter into hedging transactions with respect to one or more of our assets or liabilities. Our hedging activities may include entering into interest rate swaps, caps, and floors, options to purchase such items, and futures and forward contracts. For taxable years beginning prior to January 1, 2005, any periodic income or gain from the disposition of any financial instrument for these or similar transactions to hedge indebtedness we incur to acquire or carry "real estate assets" should be qualifying income for purposes of the 95% gross income test (but not the 75% gross income test). For taxable years beginning on and after January 1, 2005, income and gain from "hedging transactions" will be excluded from gross income for purposes of the 95% gross income test and for transactions entered into after July 30, 2008, such income or gain will also be excluded from the 75% gross income test. For this purpose, a "hedging transaction" will mean any transaction entered into in the normal course of our trade or business primarily to manage the risk of interest rate or price changes with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, to acquire or carry real estate assets or to manage risks of currency fluctuations with respect to any item of income or gain that would be qualifying income under the 75% or 95% income tests (or any property which generates such income or gain). We will be required to clearly identify any such hedging transaction before the close of the day on which it was acquired, originated, or entered into. Since the financial markets continually introduce new and innovative instruments related to risk-sharing or trading, it is not entirely clear which such instruments will generate income which will be considered qualifying or excluded income for purposes of the gross income tests. We intend to structure any hedging or similar transactions so as not to jeopardize our status as a REIT.

Foreign currency gain. For gains and items of income recognized after July 30, 2008, passive foreign exchange gain is excluded from the 95% income test and real estate foreign exchange gain is excluded from the 75% income test. Real estate foreign exchange gain is foreign currency

gain (as defined in Code Section 988(b)(1)) which is attributable to (i) any qualifying item of income or gain for purposes of the 75% income test, (ii) the acquisition or ownership of obligations secured by mortgages on real property or interests in real property; or (iii) becoming or being the obligor under obligations secured by mortgages on real property or on interests in real property. Real estate foreign exchange gain also includes Code Section 987 gain attributable to a qualified business unit ("QBU") of the REIT if the QBU itself meets the 75% income test for the taxable year, and meets the 75% asset test at the close of each quarter of the REIT that has directly or indirectly held the QBU. The QBU is not required to meet the 95% income test in order for this 987 gain exclusion to apply. Real estate foreign exchange gain also includes any other foreign currency gain as determined by the Secretary of the Treasury.

Passive foreign exchange gain includes all real estate foreign exchange gain, and in addition includes foreign currency gain which is attributable to (i) any qualifying item of income or gain for purposes of the 95% income test, (ii) the acquisition or ownership of obligations, (iii) becoming or being the obligor under obligations, and (iv) any other foreign currency gain as determined by the Secretary of the Treasury.

The 2008 Act further provides that any gain derived from dealing, or engaging in substantial and regular trading, in securities denominated in, or determined by reference to, one or more nonfunctional currencies will be treated as non-qualifying income for both the 75% and 95% gross income tests. We do not currently, and do not expect to, engage in such trading.

Failure to satisfy gross income tests. If we fail to satisfy one or both of the gross income tests for any taxable year, we nevertheless may qualify as a REIT for that year if we qualify for relief under certain provisions of the federal income tax laws. Those relief provisions generally will be available if:

- our failure to meet those tests is due to reasonable cause and not to willful neglect, and
- following our identification of such failure for any taxable year, a schedule of the sources of our income is filed in accordance with regulations prescribed by the Secretary of the Treasury.

We cannot with certainty predict whether any failure to meet these tests will qualify for the relief provisions. As discussed above in "—Taxation of Our Company," even if the relief provisions apply, we would incur a 100% tax on the gross income attributable to the greater of the amounts by which we fail the 75% and 95% gross income tests, multiplied by a fraction intended to reflect our profitability.

Asset tests. To maintain our qualification as a REIT, we also must satisfy the following asset tests at the end of each quarter of each taxable year.

First, at least 75% of the value of our total assets must consist of:

- cash or cash items, including certain receivables;
- government securities;
- real estate assets, which includes interest in real property, leaseholds, options to acquire real property or leaseholds, interests in mortgages on real property and shares (or transferable certificates of beneficial interest) in other REITs; and
- investments in stock or debt instruments attributable to the temporary investment (i.e., for a period not exceeding 12 months) of new capital that we raise through any equity offering or public offering of debt with at least a five year term.

Effective for tax years beginning after July 30, 2008, if a REIT or its QBU uses any foreign currency as its functional currency (as defined in section 985(b) of the Code), the term “cash” includes such currency to the extent held for use in the normal course of the activities of the REIT or QBU which give rise to items of income or gain qualifying under the 95% and 75% income tests or are directly related to acquiring or holding assets qualifying under the 75% assets test, provided that the currency cannot be held in connection with dealing, or engaging in substantial and regular trading, in securities.

With respect to investments not included in the 75% asset class, we may not hold securities of any one issuer (other than a taxable REIT subsidiary) that exceed 5% of the value of our total assets; nor may we hold securities of any one issuer (other than a taxable REIT subsidiary) that represent more than 10% of the voting power of all outstanding voting securities of such issuer or more than 10% of the value of all outstanding securities of such issuer.

In addition, we may not hold securities of one or more taxable REIT subsidiaries that represent in the aggregate more than 25% of the value of our total assets (20% for tax years beginning prior to January 1, 2009), irrespective of whether such securities may also be included in the 75% asset class (e.g., a mortgage loan issued to a taxable REIT subsidiary). Furthermore, no more than 25% of our total assets may be represented by securities that are not included in the 75% asset class, including, among other things, certain securities of a taxable REIT subsidiary such as stock or non-mortgage debt.

For purposes of the 5% and 10% asset tests, the term “securities” does not include stock in another REIT, equity or debt securities of a qualified REIT subsidiary or taxable REIT subsidiary, mortgage loans that constitute real estate assets, or equity interests in a partnership that holds real estate assets. The term “securities,” however, generally includes debt securities issued by a partnership or another REIT, except that for purposes of the 10% value test, the term “securities” does not include:

- “Straight debt,” defined as a written unconditional promise to pay on demand or on a specified date a sum certain in money if (1) the debt is not convertible, directly or indirectly, into stock, and (2) the interest rate and interest payment dates are not contingent on profits, the borrower’s discretion, or similar factors. “Straight debt” securities do not include any securities issued by a partnership or a corporation in which we or any controlled TRS (i.e., a TRS in which we own directly or indirectly more than 50% of the voting power or value of the stock) holds non-”straight debt” securities that have an aggregate value of more than 1% of the issuer’s outstanding securities. However, “straight debt” securities include debt subject to the following contingencies:
    - a contingency relating to the time of payment of interest or principal, as long as either (1) there is no change to the effective yield to maturity of the debt obligation, other than a change to the annual yield to maturity that does not exceed the greater of 0.25% or 5% of the annual yield to maturity, or (2) neither the aggregate issue price nor the aggregate face amount of the issuer’s debt obligations held by us exceeds $1 million and no more than 12 months of unaccrued interest on the debt obligations can be required to be prepaid; and
    - a contingency relating to the time or amount of payment upon a default or exercise of a prepayment right by the issuer of the debt obligation, as long as the contingency is consistent with customary commercial practice;

- Any loan to an individual or an estate;
- Any "Section 467 rental agreement," other than an agreement with a related party tenant;
- Any obligation to pay "rents from real property";
- Any security issued by a state or any political subdivision thereof, the District of Columbia, a foreign government or any political subdivision thereof, or the Commonwealth of Puerto Rico, but only if the determination of any payment thereunder does not depend in whole or in part on the profits of any entity not described in this paragraph or payments on any obligation issued by an entity not described in this paragraph;
- Any security issued by a REIT;
- Any debt instrument of an entity treated as a partnership for federal income tax purposes to the extent of our interest as a partner in the partnership;
- Any debt instrument of an entity treated as a partnership for federal income tax purposes not described in the preceding bullet points if at least 75% of the partnership's gross income, excluding income from prohibited transaction, is qualifying income for purposes of the 75% gross income test described above in "—Requirements for Qualification—Gross Income Tests."

For purposes of the 10% value test, our proportionate share of the assets of a partnership is our proportionate interest in any securities issued by the partnership, excluding all securities described above except those securities described in the last two bullet points above.

MPT TRS and MPT Covington TRS, Inc., two of our taxable REIT subsidiaries, have made and will make loans to tenants to acquire operations and for other purposes. If the IRS were to successfully treat a particular loan to a tenant as an equity interest in the tenant, the tenant would be a "related party tenant" with respect to our company and the rent that we receive from the tenant would not be qualifying income for purposes of the REIT gross income tests. As a result, we could lose our REIT status. In addition, if the IRS were to successfully treat a particular loan as an interest held by our operating partnership rather than by one of our taxable REIT subsidiaries we could fail the 5% asset test, and if the IRS further successfully treated the loan as other than straight debt, we could fail the 10% asset test with respect to such interest. As a result of the failure of either test, we could lose our REIT status.

MPT Covington TRS, Inc. leases a healthcare facility from us and subleases it to a tenant in which it owns a greater than 10% interest. The facility is operated by an eligible independent contractor. We have obtained a private letter ruling from the IRS holding that ownership of the equity interest and the operation of the facility in accordance with the agreements among the parties do not adversely affect the taxable REIT subsidiary status of MPT Covington TRS, Inc. We have since structured other transactions in which MPT TRS owns an indirect equity interest in a tenant entity in a similar manner and will structure the leases to the operating subsidiaries of Ernest in a similar manner. If the IRS successfully challenged the taxable REIT subsidiary status of MPT Covington TRS, Inc. or MPT TRS, and we were unable to cure as described below, we could fail the 10% asset test with respect to our ownership of MPT Covington TRS, Inc. or MPT TRS and as a result lose our REIT status.

We will monitor the status of our assets for purposes of the various asset tests and will manage our portfolio in order to comply at all times with such tests. If we fail to satisfy the asset tests at the end of a calendar quarter, we will not lose our REIT status if:

- we satisfied the asset tests at the end of the preceding calendar quarter; and
- the discrepancy between the value of our assets and the asset test requirements arose from changes in the market values of our assets and was not wholly or partly caused by the acquisition of one or more non-qualifying assets.

If we did not satisfy the condition described in the second item above, we still could avoid disqualification by eliminating any discrepancy within 30 days after the close of the calendar quarter in which it arose.

In the event that, at the end of any calendar quarter, we violate the 5% or 10% test described above, we will not lose our REIT status if (1) the failure is de minimis (up to the lesser of 1% of our assets or $10 million) and (2) we dispose of assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identified the failure of the asset test. In the event of a more than de minimis failure of the 5% or 10% tests, or a failure of the other assets test, at the end of any calendar quarter, as long as the failure was due to reasonable cause and not to willful neglect, we will not lose our REIT status if we (1) file with the IRS a schedule describing the assets that caused the failure, (2) dispose of assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identified the failure of the asset test and (3) pay a tax equal to the greater of $50,000 and tax at the highest corporate rate on the net income from the nonqualifying assets during the period in which we failed to satisfy the asset tests.

Distribution requirements. Each taxable year, we must distribute dividends, other than capital gain dividends and deemed distributions of retained capital gain, to our stockholders in an aggregate amount not less than:

- the sum of:
    - 90% of our “REIT taxable income,” computed without regard to the dividends-paid deduction or our net capital gain or loss; and
    - 90% of our after-tax net income, if any, from foreclosure property;
- minus
    - the sum of certain items of non-cash income.

We must pay such distributions in the taxable year to which they relate, or in the following taxable year if we declare the distribution before we timely file our federal income tax return for the year and pay the distribution on or before the first regular dividend payment date after such declaration.

We will pay federal income tax on taxable income, including net capital gain, that we do not distribute to stockholders. In addition, we will incur a 4% nondeductible excise tax on the excess of a specified required distribution over amounts we actually distribute if we distribute an amount less than the required distribution during a calendar year, or by the end of January following the calendar year in the case of distributions with declaration and record dates falling

in the last three months of the calendar year. The required distribution must not be less than the sum of:

- 85% of our REIT ordinary income for the year;
- 95% of our REIT capital gain income for the year; and
- any undistributed taxable income from prior periods.

We may elect to retain and pay income tax on the net long-term capital gain we receive in a taxable year. See ”—Requirements for Qualification—Taxation of Taxable United States Stockholders.” If we so elect, we will be treated as having distributed any such retained amount for purposes of the 4% excise tax described above. We intend to make timely distributions sufficient to satisfy the annual distribution requirements and to avoid corporate income tax and the 4% excise tax.

It is possible that, from time to time, we may experience timing differences between the actual receipt of income and actual payment of deductible expenses and the inclusion of that income and deduction of such expenses in arriving at our REIT taxable income. For example, we may not deduct recognized capital losses from our “REIT taxable income.” Further, it is possible that, from time to time, we may be allocated a share of net capital gain attributable to the sale of depreciated property that exceeds our allocable share of cash attributable to that sale. As a result of the foregoing, we may have less cash than is necessary to distribute all of our taxable income and thereby avoid corporate income tax and the excise tax imposed on certain undistributed income. In such a situation, we may need to borrow funds or issue additional shares of common or preferred stock.

Under certain circumstances, we may be able to correct a failure to meet the distribution requirement for a year by paying “deficiency dividends” to our stockholders in a later year. We may include such deficiency dividends in our deduction for dividends paid for the earlier year. Although we may be able to avoid income tax on amounts distributed as deficiency dividends, we will be required to pay interest based upon the amount of any deduction we take for deficiency dividends.

The IRS has recently issued Revenue Procedure 2010-12, amplifying and superseding Revenue Procedure 2008-68, which provides temporary relief to publicly traded REITs seeking to preserve liquidity by making elective cash/stock dividends. Under Revenue Procedure 2010-12, a REIT may treat the entire dividend, including the stock portion, as a taxable dividend distribution thereby qualifying for the dividends-paid deduction provided certain requirements are satisfied. The cash portion of the dividend may be as low as 10%. Revenue Procedure 2010-12 is applicable to a dividend that is declared on or before December 31, 2012 with respect to a taxable year ending on or before December 31, 2011.

Recordkeeping requirements. We must maintain certain records in order to qualify as a REIT. In addition, to avoid paying a penalty, we must request on an annual basis information from our stockholders designed to disclose the actual ownership of our shares of outstanding capital stock. We intend to comply with these requirements.

Failure to qualify. If we failed to qualify as a REIT in any taxable year and no relief provision applied, we would have the following consequences. We would be subject to federal income tax and any applicable alternative minimum tax at rates applicable to regular C corporations on our

taxable income, determined without reduction for amounts distributed to stockholders. We would not be required to make any distributions to stockholders, and any distributions to stockholders would be taxable to them as dividend income to the extent of our current and accumulated earnings and profits. Corporate stockholders could be eligible for a dividends-received deduction if certain conditions are satisfied. Unless we qualified for relief under specific statutory provisions, we would not be permitted to elect taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT.

If we fail to satisfy one or more requirements for REIT qualification, other than the gross income tests and the asset tests, we could avoid disqualification if the failure is due to reasonable cause and not to willful neglect and we pay a penalty of $50,000 for each such failure. In addition, there are relief provisions for a failure of the gross income tests and asset tests, as described above in "—Gross Income Tests" and "—Asset Tests."

Taxation of taxable United States stockholders. As long as we qualify as a REIT, a taxable "United States stockholder" will be required to take into account as ordinary income distributions made out of our current or accumulated earnings and profits that we do not designate as capital gain dividends or retained long-term capital gain. A United States stockholder will not qualify for the dividends-received deduction generally available to corporations. The term "United States stockholder" means a holder of shares of common stock that, for United States federal income tax purposes, is:

- a citizen or resident of the United States;
- a corporation or partnership (including an entity treated as a corporation or partnership for United States federal income tax purposes) created or organized under the laws of the United States or of a political subdivision of the United States;
- an estate whose income is subject to United States federal income taxation regardless of its source; or
- any trust if (1) a United States court is able to exercise primary supervision over the administration of such trust and one or more United States persons have the authority to control all substantial decisions of the trust or (2) it has a valid election in place to be treated as a United States person.

Distributions paid to a United States stockholder generally will not qualify for the maximum 15% tax rate in effect for "qualified dividend income" for tax years through 2012. Without future congressional action, qualified dividend income will be taxed at ordinary income tax rates starting in 2013. Qualified dividend income generally includes dividends paid by domestic C corporations and certain qualified foreign corporations to most United States noncorporate stockholders. Because we are not generally subject to federal income tax on the portion of our REIT taxable income distributed to our stockholders, our dividends generally will not be eligible for the current 15% rate on qualified dividend income. As a result, our ordinary REIT dividends will continue to be taxed at the higher tax rate applicable to ordinary income. Currently, the highest marginal individual income tax rate on ordinary income is 35%. However, the 15% tax rate for qualified dividend income will apply to our ordinary REIT dividends, if any, that are (1) attributable to dividends received by us from non-REIT corporations, such as our taxable REIT subsidiaries, and (2) attributable to income upon which we have paid corporate income tax (e.g., to the extent that we distribute less than 100% of our taxable income). In general, to qualify for the reduced tax rate on qualified dividend income, a stockholder must hold our common stock

for more than 60 days during the 120-day period beginning on the date that is 60 days before the date on which our common stock becomes ex-dividend.

Distributions to a United States stockholder which we designate as capital gain dividends will generally be treated as long-term capital gain, without regard to the period for which the United States stockholder has held its common stock. We generally will designate our capital gain dividends as 15% or 25% rate distributions.

We may elect to retain and pay income tax on the net long-term capital gain that we receive in a taxable year. In that case, a United States stockholder would be taxed on its proportionate share of our undistributed long-term capital gain. The United States stockholder would receive a credit or refund for its proportionate share of the tax we paid. The United States stockholder would increase the basis in its shares of common stock by the amount of its proportionate share of our undistributed long-term capital gain, minus its share of the tax we paid.

A United States stockholder will not incur tax on a distribution in excess of our current and accumulated earnings and profits if the distribution does not exceed the adjusted basis of the United States stockholder's shares. Instead, the distribution will reduce the adjusted basis of the shares, and any amount in excess of both our current and accumulated earnings and profits and the adjusted basis will be treated as capital gain, long-term if the shares have been held for more than one year, provided the shares are a capital asset in the hands of the United States stockholder. In addition, any distribution we declare in October, November, or December of any year that is payable to a United States stockholder of record on a specified date in any of those months will be treated as paid by us and received by the United States stockholder on December 31 of the year, provided we actually pay the distribution during January of the following calendar year.

Stockholders may not include in their individual income tax returns any of our net operating losses or capital losses. Instead, these losses are generally carried over by us for potential offset against our future income. Taxable distributions from us and gain from the disposition of shares of common stock will not be treated as passive activity income; stockholders generally will not be able to apply any "passive activity losses," such as losses from certain types of limited partnerships in which the stockholder is a limited partner, against such income. In addition, taxable distributions from us and gain from the disposition of common stock generally will be treated as investment income for purposes of the investment interest limitations. We will notify stockholders after the close of our taxable year as to the portions of the distributions attributable to that year that constitute ordinary income, return of capital, and capital gain.

Taxation of United States stockholders on the disposition of shares of common stock. In general, a United States stockholder who is not a dealer in securities must treat any gain or loss realized upon a taxable disposition of our shares of common stock as long-term capital gain or loss if the United States stockholder has held the stock for more than one year, and otherwise as short-term capital gain or loss. However, a United States stockholder must treat any loss upon a sale or exchange of common stock held for six months or less as a long-term capital loss to the extent of capital gain dividends and any other actual or deemed distributions from us which the United States stockholder treats as long-term capital gain. All or a portion of any loss that a United States stockholder realizes upon a taxable disposition of common stock may be disallowed if the United States stockholder purchases other shares of our common stock within 30 days before or after the disposition.

Capital gains and losses. The tax-rate differential between capital gain and ordinary income for non-corporate taxpayers may be significant. A taxpayer generally must hold a capital asset for more than one year for gain or loss derived from its sale or exchange to be treated as long-term capital gain or loss. The highest marginal individual income tax rate is currently 35%. The maximum tax rate on long-term capital gain applicable to individuals is 15% for sales and exchanges of assets held for more than one year and occurring on or after May 6, 2003 through December 31, 2012. The maximum tax rate on long-term capital gain from the sale or exchange of "section 1250 property" (i.e., generally, depreciable real property) is 25% to the extent the gain would have been treated as ordinary income if the property were "section 1245 property" (i.e., generally, depreciable personal property). We generally may designate whether a distribution we designate as capital gain dividends (and any retained capital gain that we are deemed to distribute) is taxable to non-corporate stockholders at a 15% or 25% rate.

The characterization of income as capital gain or ordinary income may affect the deductibility of capital losses. A non-corporate taxpayer may deduct from its ordinary income capital losses not offset by capital gains only up to a maximum of $3,000 annually. A non-corporate taxpayer may carry forward unused capital losses indefinitely. A corporate taxpayer must pay tax on its net capital gain at corporate ordinary income rates. A corporate taxpayer may deduct *capital* losses only to the extent of capital gains and unused losses may be carried back three years and carried forward five years.

Information reporting requirements and backup withholding. We will report to our stockholders and to the IRS the amount of distributions we pay during each calendar year and the amount of tax we withhold, if any. A stockholder may be subject to backup withholding at a rate of up to 28% with respect to distributions unless the holder:

- is a corporation or comes within certain other exempt categories and, when required, demonstrates this fact; or
- provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding, and otherwise complies with the applicable requirements of the backup withholding rules

A stockholder who does not provide us with its correct taxpayer identification number also may be subject to penalties imposed by the IRS. Any amount paid as backup withholding will be creditable against the stockholder's income tax liability. In addition, we may be required to withhold a portion of capital gain distributions to any stockholder who fails to certify its non-foreign status to us. For a discussion of the backup withholding rules as applied to non-United States stockholders, see "Taxation of Non-United States Stockholders."

Taxation of tax-exempt stockholders. Tax-exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, referred to as pension trusts, generally are exempt from federal income taxation. However, they are subject to taxation on their "unrelated business taxable income." While many investments in real estate generate unrelated business taxable income, the IRS has issued a ruling that dividend distributions from a REIT to an exempt employee pension trust do not constitute unrelated business taxable income so long as the exempt employee pension trust does not otherwise use the shares of the REIT in an unrelated trade or business of the pension trust. Based on that ruling, amounts we distribute to tax-exempt stockholders generally should not constitute unrelated business taxable income. However, if a tax-exempt stockholder were to finance its acquisition of common stock with debt,

a portion of the income it received from us would constitute unrelated business taxable income pursuant to the "debt-financed property" rules. Furthermore, social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans that are exempt from taxation under special provisions of the federal income tax laws are subject to different unrelated business taxable income rules, which generally will require them to characterize distributions they receive from us as unrelated business taxable income. Finally, in certain circumstances, a qualified employee pension or profit-sharing trust that owns more than 10% of our outstanding stock must treat a percentage of the dividends it receives from us as unrelated business taxable income. The percentage is equal to the gross income we derive from an unrelated trade or business, determined as if we were a pension trust, divided by our total gross income for the year in which we pay the dividends. This rule applies to a pension trust holding more than 10% of our outstanding stock only if:

- the percentage of our dividends which the tax-exempt trust must treat as unrelated business taxable income is at least 5%;
- we qualify as a REIT by reason of the modification of the rule requiring that no more than 50% in value of our outstanding stock be owned by five or fewer individuals, which modification allows the beneficiaries of the pension trust to be treated as holding shares in proportion to their actual interests in the pension trust; and
- either of the following applies:
    - one pension trust owns more than 25% of the value of our outstanding stock; or
    - a group of pension trusts individually holding more than 10% of the value of our outstanding stock collectively owns more than 50% of the value of our outstanding stock.

Taxation of non-United States stockholders. The rules governing United States federal income taxation of nonresident alien individuals, foreign corporations, foreign partnerships and other foreign stockholders are complex. This section is only a summary of such rules. We urge non-United States stockholders to consult their own tax advisors to determine the impact of U.S. federal, state and local income and non-U.S. tax laws on ownership of shares of common stock, including any reporting requirements.

A non-United States stockholder that receives a distribution which (1) is not attributable to gain from our sale or exchange of "United States real property interests" (defined below) and (2) we do not designate as a capital gain dividend (or retained capital gain) will recognize ordinary income to the extent of our current or accumulated earnings and profits. A withholding tax equal to 30% of the gross amount of the distribution ordinarily will apply unless an applicable tax treaty reduces or eliminates the tax. Under some treaties, lower withholding rates on dividends do not apply, or do not apply as favorably to, dividends from REITs. However, a non-United States stockholder generally will be subject to federal income tax at graduated rates on any distribution treated as effectively connected with the non-United States stockholder's conduct of a United States trade or business, in the same manner as United States stockholders are taxed on distributions. A corporate non-United States stockholder may, in addition, be subject to the 30% branch profits tax. We plan to withhold United States income tax at the rate of 30% on the gross amount of any distribution paid to a non-United States stockholder unless:

- a lower treaty rate applies and the non-United States stockholder provides us with an IRS Form W-8BEN evidencing eligibility for that reduced rate; or

- the non-United States stockholder provides us with an IRS Form W-8ECI claiming that the distribution is effectively connected income.

A non-United States stockholder will not incur tax on a distribution in excess of our current and accumulated earnings and profits if the excess portion of the distribution does not exceed the adjusted basis of the stockholder's shares of common stock. Instead, the excess portion of the distribution will reduce the adjusted basis of the shares. A non-United States stockholder will be subject to tax on a distribution that exceeds both our current and accumulated earnings and profits and the adjusted basis of its shares, if the non-United States stockholder otherwise would be subject to tax on gain from the sale or disposition of shares of common stock, as described below. Because we generally cannot determine at the time we make a distribution whether or not the distribution will exceed our current and accumulated earnings and profits, we normally will withhold tax on the entire amount of any distribution at the same rate as we would withhold on a dividend. However, a non-United States stockholder may obtain a refund of amounts we withhold if we later determine that a distribution in fact exceeded our current and accumulated earnings and profits.

We may be required to withhold 10% of any distribution that exceeds our current and accumulated earnings and profits. We may, therefore, withhold at a rate of 10% on any portion of a distribution to the extent we determined it is not subject to withholding at the 30% rate described above.

Furthermore, recently enacted legislation will require, after December 31, 2013, withholding at a rate of 30 percent on dividends in respect of, and, after December 31, 2014, gross proceeds from the sale of, our common stock held by certain foreign financial institutions (including investment funds), unless such institution enters into an agreement with the Secretary of the Treasury to report, on an annual basis, information with respect to shares in the institution held by certain United States persons and by certain non-US entities that are wholly or partially owned by United States persons. Similarly, dividends in respect of, and gross proceeds from the sale of, our common stock held by an investor that is a non-financial non-US entity will be subject to withholding at a rate of 30 percent, unless such entity either (i) certifies to us that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," which we will in turn provide to the Secretary of the Treasury. Non-United States stockholders are encouraged to consult with their tax advisors regarding the possible implications of the legislation on their investment in our common stock.

For any year in which we qualify as a REIT, a non-United States stockholder will incur tax on distributions attributable to gain from our sale or exchange of "United States real property interests" under the "FIRPTA" provisions of the Code. The term "United States real property interests" includes interests in real property located in the United States or the Virgin Islands and stocks in corporations at least 50% by value of whose real property interests and assets used or held for use in a trade or business consist of United States real property interests. Under the FIRPTA rules, a non-United States stockholder is taxed on distributions attributable to gain from sales of United States real property interests as if the gain were effectively connected with the conduct of a United States business of the non-United States stockholder. A non-United States stockholder thus would be taxed on such a distribution at the normal capital gain rates applicable to United States stockholders, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of a nonresident alien individual. A non-United States

corporate stockholder not entitled to treaty relief or exemption also may be subject to the 30% branch profits tax on such a distribution. We must withhold 35% of any distribution that we could designate as a capital gain dividend. A non-United States stockholder may receive a credit against our tax liability for the amount we withhold.

For taxable years beginning on and after January 1, 2005, for non-United States stockholders of our publicly-traded shares, capital gain distributions that are attributable to our sale of real property will not be subject to FIRPTA and therefore will be treated as ordinary dividends rather than as gain from the sale of a United States real property interest, as long as the non-United States stockholder did not own more than 5% of the class of our stock on which the distributions are made for the one year period ending on the date of distribution. As a result, non-United States stockholders generally would be subject to withholding tax on such capital gain distributions in the same manner as they are subject to withholding tax on ordinary dividends.

A non-United States stockholder generally will not incur tax under FIRPTA with respect to gain on a sale of shares of common stock as long as, at all times, non-United States persons hold, directly or indirectly, less than 50% in value of our outstanding stock. We cannot assure you that this test will be met. Even if we meet this test, pursuant to new "wash sale" rules under FIRPTA, a non-United States stockholder may incur tax under FIRPTA to the extent such stockholder disposes of our common stock within a certain period prior to a capital gain distribution and directly or indirectly (including through certain affiliates) reacquires our common stock within certain prescribed periods. In addition, a non-United States stockholder that owned, actually or constructively, 5% or less of the outstanding common stock at all times during a specified testing period will not incur tax under FIRPTA on gain from a sale of common stock if the stock is "regularly traded" on an established securities market. Any gain subject to tax under FIRPTA will be treated in the same manner as it would be in the hands of United States stockholders subject to alternative minimum tax, but under a special alternative minimum tax in the case of nonresident alien individuals.

A non-United States stockholder generally will incur tax on gain from the sale of common stock not subject to FIRPTA if:

- the gain is effectively connected with the conduct of the non-United States stockholder's United States trade or business, in which case the non-United States stockholder will be subject to the same treatment as United States stockholders with respect to the gain; or
- the non-United States stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, in which case the non-United States stockholder will incur a 30% tax on capital gains.

Other tax consequences

Tax aspects of Medical Properties' Investments in the Operating Partnership. The following discussion summarizes certain federal income tax considerations applicable to our direct or indirect investment in our operating partnership and any subsidiary partnerships or limited liability companies we form or acquire, each individually referred to as a Partnership and, collectively, as Partnerships. The following discussion does not cover state or local tax laws or any federal tax laws other than income tax laws.

Classification as partnerships. We are entitled to include in our income our distributive share of each Partnership's income and to deduct our distributive share of each Partnership's losses only if

such Partnership is classified for federal income tax purposes as a partnership (or an entity that is disregarded for federal income tax purposes if the entity has only one owner or member), rather than as a corporation or an association taxable as a corporation. An organization with at least two owners or members will be classified as a partnership, rather than as a corporation, for federal income tax purposes if it:

- is treated as a partnership under the Treasury regulations relating to entity classification (the “check-the-box regulations”); and
- is not a “publicly traded” partnership.

Under the check-the-box regulations, an unincorporated entity with at least two owners or members may elect to be classified either as an association taxable as a corporation or as a partnership. If such an entity does not make an election, it generally will be treated as a partnership for federal income tax purposes. We intend that each Partnership will be classified as a partnership for federal income tax purposes (or else a disregarded entity where there are not at least two separate beneficial owners).

A publicly traded partnership is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market (or a substantial equivalent). A publicly traded partnership is generally treated as a corporation for federal income tax purposes, but will not be so treated for any taxable year for which at least 90% of the partnership’s gross income consists of specified passive income, including real property rents, gains from the sale or other disposition of real property, interest, and dividends (the “90% passive income exception”).

Treasury regulations, referred to as PTP regulations, provide limited safe harbors from treatment as a publicly traded partnership. Pursuant to one of those safe harbors, the private placement exclusion, interests in a partnership will not be treated as readily tradable on a secondary market or the substantial equivalent thereof if (1) all interests in the partnership were issued in a transaction or transactions that were not required to be registered under the Securities Act, and (2) the partnership does not have more than 100 partners at any time during the partnership’s taxable year. For the determination of the number of partners in a partnership, a person owning an interest in a partnership, grantor trust, or S corporation that owns an interest in the partnership is treated as a partner in the partnership only if (1) substantially all of the value of the owner’s interest in the entity is attributable to the entity’s direct or indirect interest in the partnership and (2) a principal purpose of the use of the entity is to permit the partnership to satisfy the 100-partner limitation. Each Partnership should qualify for the private placement exclusion.

An unincorporated entity with only one separate beneficial owner generally may elect to be classified either as an association taxable as a corporation or as a disregarded entity. If such an entity is domestic and does not make an election, it generally will be treated as a disregarded entity. A disregarded entity’s activities are treated as those of a branch or division of its beneficial owner.

The operating partnership has not elected to be treated as an association taxable as a corporation. Therefore, our operating partnership is treated as a partnership for federal income tax purposes. We intend that our operating partnership will continue to be treated as partnership for federal income tax purposes.

We have not requested, and do not intend to request, a ruling from the IRS that the Partnerships will be classified as either partnerships or disregarded entities for federal income tax purposes. If for any reason a Partnership were taxable as a corporation, rather than as a partnership or a disregarded entity, for federal income tax purposes, we likely would not be able to qualify as a REIT. See "—Requirements for Qualification—Gross Income Tests" and "—Requirements for Qualification—Asset Tests." In addition, any change in a Partnership's status for tax purposes might be treated as a taxable event, in which case we might incur tax liability without any related cash distribution. See "—Requirements for Qualification—Distribution Requirements." Further, items of income and deduction of such Partnership would not pass through to its partners, and its partners would be treated as stockholders for tax purposes. Consequently, such Partnership would be required to pay income tax at corporate rates on its net income, and distributions to its partners would constitute dividends that would not be deductible in computing such Partnership's taxable income.

Income taxation of the partnerships and their partners

Partners, not the Partnerships, subject to tax. A partnership is not a taxable entity for federal income tax purposes. If a Partnership is classified as a partnership, we will therefore take into account our allocable share of each Partnership's income, gains, losses, deductions, and credits for each taxable year of the Partnership ending with or within our taxable year, even if we receive no distribution from the Partnership for that year or a distribution less than our share of taxable income. Similarly, even if we receive a distribution, it may not be taxable if the distribution does not exceed our adjusted tax basis in our interest in the Partnership. If a Partnership is classified as a disregarded entity, the Partnership's activities will be treated as if carried on directly by us.

Partnership allocations. Although a partnership agreement generally will determine the allocation of income and losses among partners, allocations will be disregarded for tax purposes if they do not comply with the provisions of the federal income tax laws governing partnership allocations. If an allocation is not recognized for federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. Each Partnership's allocations of taxable income, gain, and loss are intended to comply with the requirements of the federal income tax laws governing partnership allocations.

Tax allocations with respect to contributed properties. Income, gain, loss, and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated in a manner such that the contributing partner is charged with, or benefits from, respectively, the unrealized gain or unrealized loss associated with the property at the time of the contribution. Similar rules apply with respect to property revalued on the books of a partnership. The amount of such unrealized gain or unrealized loss, referred to as built-in gain or built-in loss, is generally equal to the difference between the fair market value of the contributed or revalued property at the time of contribution or revaluation and the adjusted tax basis of such property at that time, referred to as a book-tax difference. Such allocations are solely for federal income tax purposes and do not affect the book capital accounts or other economic or legal arrangements among the partners. The United States Treasury Department has issued regulations requiring partnerships to use a "reasonable method" for allocating items with respect to which there is a book-tax difference

and outlining several reasonable allocation methods. Our operating partnership generally intends to use the traditional method for allocating items with respect to which there is a book-tax difference.

Basis in partnership interest. Our adjusted tax basis in any partnership interest we own generally will be:

- the amount of cash and the basis of any other property we contribute to the partnership;
- increased by our allocable share of the partnership's income (including tax-exempt income) and our allocable share of indebtedness of the partnership; and
- reduced, but not below zero, by our allocable share of the partnership's loss, the amount of cash and the basis of property distributed to us, and constructive distributions resulting from a reduction in our share of indebtedness of the partnership.

Loss allocated to us in excess of our basis in a partnership interest will not be taken into account until we again have basis sufficient to absorb the loss. A reduction of our share of partnership indebtedness will be treated as a constructive cash distribution to us, and will reduce our adjusted tax basis. Distributions, including constructive distributions, in excess of the basis of our partnership interest will constitute taxable income to us. Such distributions and constructive distributions normally will be characterized as long-term capital gain.

Depreciation Deductions Available to Partnerships. The initial tax basis of property is the amount of cash and the basis of property given as consideration for the property. A partnership in which we are a partner generally will depreciate property for federal income tax purposes under the modified accelerated cost recovery system of depreciation, referred to as MACRS. Under MACRS, the partnership generally will depreciate furnishings and equipment over a seven year recovery period using a 200% declining balance method and a half-year convention. If, however, the partnership places more than 40% of its furnishings and equipment in service during the last three months of a taxable year, a mid-quarter depreciation convention must be used for the furnishings and equipment placed in service during that year. Under MACRS, the partnership generally will depreciate buildings and improvements over a 39 year recovery period using a straight line method and a mid-month convention. The operating partnership's initial basis in properties acquired in exchange for units of the operating partnership should be the same as the transferor's basis in such properties on the date of acquisition by the partnership. Although the law is not entirely clear, the partnership generally will depreciate such property for federal income tax purposes over the same remaining useful lives and under the same methods used by the transferors. The partnership's tax depreciation deductions will be allocated among the partners in accordance with their respective interests in the partnership, except to the extent that the partnership is required under the federal income tax laws governing partnership allocations to use a method for allocating tax depreciation deductions attributable to contributed or revalued properties that results in our receiving a disproportionate share of such deductions.

Sale of a partnership's property. Generally, any gain realized by a Partnership on the sale of property held for more than one year will be long-term capital gain, except for any portion of the gain treated as depreciation or cost recovery recapture. Any gain or loss recognized by a Partnership on the disposition of contributed or revalued properties will be allocated first to the partners who contributed the properties or who were partners at the time of revaluation, to the extent of their built-in gain or loss on those properties for federal income tax purposes. The

partners' built-in gain or loss on contributed or revalued properties is the difference between the partners' proportionate share of the book value of those properties and the partners' tax basis allocable to those properties at the time of the contribution or revaluation. Any remaining gain or loss recognized by the Partnership on the disposition of contributed or revalued properties, and any gain or loss recognized by the Partnership on the disposition of other properties, will be allocated among the partners in accordance with their percentage interests in the Partnership.

Our share of any Partnership gain from the sale of inventory or other property held primarily for sale to customers in the ordinary course of the Partnership's trade or business will be treated as income from a prohibited transaction subject to a 100% tax. Income from a prohibited transaction may have an adverse effect on our ability to satisfy the gross income tests for REIT status. See "—Requirements for Qualification—Gross Income Tests." We do not presently intend to acquire or hold, or to allow any Partnership to acquire or hold, any property that is likely to be treated as inventory or property held primarily for sale to customers in the ordinary course of our, or the Partnership's, trade or business.

Taxable REIT subsidiaries. As described above, we have formed and have made a timely election to treat MPT TRS and MPT Covington TRS, Inc., as taxable REIT subsidiaries and may form or acquire additional taxable REIT subsidiaries in the future. A taxable REIT subsidiary may provide services to our tenants and engage in activities unrelated to our tenants, such as third-party management, development, and other independent business activities.

We and any corporate subsidiary in which we own stock, other than a qualified REIT subsidiary, must make an election for the subsidiary to be treated as a taxable REIT subsidiary. If a taxable REIT subsidiary directly or indirectly owns shares of a corporation with more than 35% of the value or voting power of all outstanding shares of the corporation, the corporation will automatically also be treated as a taxable REIT subsidiary. Overall, no more than 25% of the value of our assets (20% for tax years beginning prior to January 1, 2009) may consist of securities of one or more taxable REIT subsidiaries, irrespective of whether such securities may also qualify under the 75% assets test, and no more than 25% of the value of our assets may consist of the securities that are not qualifying assets under the 75% test, including, among other things, certain securities of a taxable REIT subsidiary, such as stock or non-mortgage debt.

Rent we receive from our taxable REIT subsidiaries will qualify as "rents from real property" as long as at least 90% of the leased space in the property is leased to persons other than taxable REIT subsidiaries and related party tenants, and the amount paid by the taxable REIT subsidiary to rent space at the property is substantially comparable to rents paid by other tenants of the property for comparable space. For tax years beginning after July 30, 2008, rents paid to a REIT by a taxable REIT subsidiary with respect to a "qualified health care property," operated on behalf of such taxable REIT subsidiary by a person who is an "eligible independent contractor," are qualifying rental income for purposes of the 75% and 95% gross income tests. The taxable REIT subsidiary rules limit the deductibility of interest paid or accrued by a taxable REIT subsidiary to us to assure that the taxable REIT subsidiary is subject to an appropriate level of corporate taxation. Further, the rules impose a 100% excise tax on certain types of transactions between a taxable REIT subsidiary and us or our tenants that are not conducted on an arm's-length basis.

A taxable REIT subsidiary may not directly or indirectly operate or manage a healthcare facility, though for tax years beginning after July 30, 2008 a healthcare facility leased to a taxable REIT subsidiary from a REIT may be operated on behalf of the taxable REIT subsidiary by an eligible independent contractor. For purposes of this definition a "healthcare facility" means a hospital,

nursing facility, assisted living facility, congregate care facility, qualified continuing care facility, or other licensed facility which extends medical or nursing or ancillary services to patients and which is operated by a service provider which is eligible for participation in the Medicare program under Title XVIII of the Social Security Act with respect to such facility. MPT Covington TRS, Inc. has been formed for the purpose of, and is currently, leasing a healthcare facility from us, subleasing that facility to an entity in which MPT Covington TRS, Inc. owns an equity interest, and having that facility operated by an eligible independent contractor. We have obtained a private letter ruling from the IRS holding that the ownership of the equity interest and the operation of the facility in accordance with the agreements of the parties do not adversely affect the taxable REIT subsidiary status of MPT Covington TRS, Inc. We have structured other transactions in which MPT TRS owns an indirect equity interest in a tenant entity in a similar manner and we will structure leases with the operating subsidiaries of Ernest in a similar manner and may structure other such transactions in the future.

State and local taxes. We and our stockholders may be subject to taxation by various states and localities, including those in which we or a stockholder transact business, own property or reside. The state and local tax treatment may differ from the federal income tax treatment described above. Consequently, stockholders should consult their own tax advisors regarding the effect of state and local tax laws upon an investment in our common stock.

Taxation of noteholders

The following is a summary of certain U.S. federal income tax considerations relating to the ownership and disposition of the notes for “U.S. Holders” or “Non-U.S. Holders” (each, as defined below and collectively, “Holders”). Except where noted, this summary deals only with notes held as capital assets (within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”), by a Holder who purchases the notes on original issuance at the “issue price” (the first price at which a substantial portion of the notes is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). This discussion does not address the tax consequences to subsequent purchasers of notes.

This discussion does not describe all of the U.S. federal income tax considerations that may be relevant to a Holder in light of its particular circumstances or to Holders subject to special rules, including, without limitation, Holders subject to the U.S. federal alternative minimum tax, dealers in securities or currencies, financial institutions, insurance companies, regulated investment companies, tax-exempt entities, former citizens or residents of the United States, pass-through entities (e.g., S corporations, partnerships or other entities taxable as partnerships for U.S. federal income tax purposes) or investors who hold the notes through pass-through entities, “controlled foreign corporations,” “passive foreign investment companies,” U.S. Holders (as defined below) whose functional currency is not the U.S. dollar and persons that hold the notes in connection with a straddle, hedging, conversion or other risk reduction transaction. Furthermore, this summary does not consider the effect of the U.S. federal estate or gift tax laws of any U.S. state and local or foreign tax laws.

The U.S. federal income tax considerations set forth below are based upon the Code, Treasury regulations promulgated thereunder, court decisions, and rulings and pronouncements of the Internal Revenue Service (the “IRS”) all as in effect on the date hereof, and all of which are subject to change, possibly on a retroactive basis, and to differing interpretations, so as to result

in U.S. federal income tax considerations different from those summarized below. We have not sought any ruling from the IRS with respect to statements made and conclusions reached in this summary, and there can be no assurance that the IRS will agree with such statements and conclusions.

As used herein, the term "U.S. Holder" means a beneficial owner of a note that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or if the trust has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

As used herein, the term "Non-U.S. Holder" means a beneficial owner of a note (other than an entity treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of a note, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. A partnership considering an investment in the notes and partners in such a partnership are urged to consult their tax advisors about the U.S. federal income tax consequences of the purchase, ownership and disposition of the notes.

Investors considering the purchase of the notes are urged to consult their own tax advisors with respect to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the U.S. federal estate or gift tax rules or under the laws of any state, local or foreign taxing jurisdiction or under any applicable tax treaty.

Effect of contingent interest

We may be required to pay additional interest on a note in certain circumstances described above, e.g., under the headings "Description of notes—Optional redemption" and "—Repurchase of notes upon a change of control." Because we believe the likelihood that we will be obligated to make any such additional payment on the notes is remote, we are taking the position (and this discussion assumes) that the notes will not be treated as contingent payment debt instruments. Our determination that the notes are not contingent payment debt instruments is binding on Holders unless they disclose their contrary positions to the IRS in the manner required by applicable Treasury regulations. However, our determination that the notes are not contingent payment debt instruments is not binding on the IRS. If the IRS were successfully to challenge our determination and the notes were treated as contingent payment debt instruments, Holders would be required, among other things, to accrue interest income at a

rate higher than the stated interest rate and any otherwise applicable original issue discount on the notes, treat as interest income, rather than capital gain, any gain recognized on a sale, exchange or redemption of a note, and treat the entire amount of any realized gain as ordinary interest income.

U.S. Holders

The following discussion is a summary of certain U.S. federal income tax considerations generally applicable to a U.S. Holder.

Stated interest and original issue discount

Qualified stated interest on a note (as defined below) generally will be included in the income of a U.S. Holder as ordinary income at the time such interest is received or accrued, in accordance with the U.S. Holder's regular method of tax accounting.

If the issue price of the notes is less than their stated redemption price at maturity, then the notes will be treated as being issued with original issue discount ("OID") for U.S. federal income tax purposes unless the difference between their issue price and their stated redemption price at maturity is less than a statutory de minimis amount. The "stated redemption price at maturity" of a debt security is the total of all payments to be made under the debt security other than "qualified stated interest" (generally, stated interest that is unconditionally payable in cash or property at least annually at a single fixed rate or at certain floating rates that properly take into account the length of the interval between stated interest payments); and, generally, is expected to equal the principal amount of the debt security. All stated interest on the notes is expected to be qualified stated interest. The amount of OID on the notes will be de minimis if it is less than 0.0025 multiplied by the product of their stated redemption price at maturity and the number of complete years to maturity (10).

If the difference between the issue price and the stated redemption price at maturity of the notes is more than the statutory de minimis amount, the notes will be treated as having been issued with O1D. The amount of OID on the notes, which is equal to the difference, must be included in income as ordinary interest as it accrues under a constant yield method in advance of receipt of the cash payments attributable to such income, regardless of such U.S. Holder's regular method of tax accounting.

U.S. Holders purchasing notes with OID should consult their tax advisors regarding computation of O1D accruals.

Sale, redemption, exchange or other taxable disposition of notes

Upon the sale, exchange, redemption, repurchase, retirement or other disposition of a note, a U.S. Holder generally will recognize capital gain or loss equal to the difference between (i) the amount of cash proceeds and the fair market value of any property received on the disposition (except to the extent such amount is attributable to accrued but unpaid stated interest, which is taxable as ordinary income if not previously included in such Holder's income) and (ii) such U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will equal the cost of the note to such Holder increased by the amount of OID (if any) previously included in income by such Holder and decreased by the amount of any prior payments other than qualified stated interest payments.

Capital gain or loss recognized upon the disposition of a note will be a long-term capital gain or loss if the note was held for more than one year. The maximum tax rate on long-term capital gains to non-corporate U.S. Holders is generally 15% (for taxable years through December 31, 2012; 20% thereafter). The deductibility of capital losses is subject to limitations.

Information reporting and backup withholding

We will report to our U.S. Holders and to the IRS the amount of interest payments, accruals of OID and payments of the proceeds from the sale, exchange, redemption, repurchase, retirement or other disposition of a note made to a U.S. Holder, and the amount we withhold, if any. Under the backup withholding rules, a U.S. Holder may be subject to backup withholding at a current rate of up to 28% (31% beginning in 2013) with respect to such amounts unless the Holder:

- comes within certain exempt categories and, when required, demonstrates that fact, or
- provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding, and otherwise complies with the applicable requirements of the backup withholding rules.

A U.S. Holder who does not provide us with its correct taxpayer identification number also may be subject to penalties imposed by the IRS. Any amount paid as backup withholding will be creditable against the U.S. Holder's income tax liability if the information is furnished to the IRS in a timely manner.

New legislation

Newly enacted legislation requires certain U.S. Holders who are individuals, estates or trusts to pay an additional 3.8% tax on, among other things, interest on and capital gains from the sale or other disposition of the notes for taxable years beginning after December 31, 2012. U.S. Holders should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of the notes.

Non-U.S. Holders

The rules governing the U.S. federal income taxation of a Non-U.S. Holder are complex and no attempt will be made herein to provide more than a summary of such rules. Non-U.S. Holders should consult their tax advisors to determine the effect of U.S. federal, state, local and foreign tax laws, as well as tax treaties, with regard to an investment in the notes.

Interest and original issue discount

A Non-U.S. Holder holding the notes on its own behalf generally will be exempt from U.S. federal income and withholding taxes on payments of interest (which for purposes of this discussion of Non-U.S. Holders includes any OID) on a note that is not effectively connected with the conduct of a trade or business in the United States by the Non-U.S. Holder unless such Non-U.S. Holder is (i) a direct or indirect 10% or greater partner (as defined in section 871(h)(3) of the Code) in the Operating Partnership, (ii) a controlled foreign corporation related to the Operating Partnership, or (iii) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business.

In order for a Non-U.S. Holder to qualify for this exemption from taxation on interest, the “withholding agent” (generally, the last U.S. payor or a non-U.S. payor who is a qualified intermediary or withholding foreign partnership) must have received a statement (generally made on IRS Form W-8BEN) from the Non-U.S. Holder that: (i) is signed under penalties of perjury by the beneficial owner of the note, (ii) certifies that such owner is a Non-U.S. Holder and (iii) provides the beneficial owner’s name and address. A Non-U.S. Holder that is not an individual or corporation (or an entity treated as a corporation for U.S. federal income tax purposes) holding the debt securities on its own behalf may have substantially increased reporting requirements and should consult its tax advisor.

To the extent that interest income with respect to a note is not exempt from U.S. federal withholding tax as described above, a Non-U.S. Holder will be subject to U.S. federal income tax at a 30% rate unless (1) such tax is eliminated or reduced under an applicable income tax treaty or (2) such interest income is effectively connected with the Non-U.S. Holder’s conduct of a trade or business in the United States.

Sale, redemption, exchange or other taxable disposition of notes

Any gain realized on the sale, redemption, exchange, retirement, repurchase or other taxable disposition of a note by a Non-U.S. Holder (except to the extent such amount is attributable to accrued interest, which would be taxable as described above) will be exempt from U.S. federal income and withholding taxes so long as: (i) the gain is not effectively connected with the conduct of a trade or business in the United States by the Non-U.S. Holder (and, if an applicable income tax treaty so provides, is not attributable to a U.S. permanent establishment) and (ii) in the case of a foreign individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year.

Effectively Connected Income

A Non-U.S. Holder whose gain or interest income with respect to a note is effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder (and, if an applicable income tax treaty so provides, is attributable to a U.S. permanent establishment) will generally be subject to U.S. federal income tax on the gain or interest income at regular U.S. federal income tax rates, as if the Holder were a U.S. person. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30 percent of its “dividend equivalent amount” within the meaning of the Code for the taxable year, subject to adjustment, unless it qualifies for a lower rate or an exemption under an applicable tax treaty. The withholding tax discussed above will not apply to effectively connected income, provided the Holder furnishes an IRS form W-8ECI or IRS Form W-8BEN, as applicable.

Information reporting and backup withholding

Information reporting requirements and backup withholding generally will not apply to interest payments on a note to a Non-U.S. Holder if the statement described in “Non-U.S. Holders” is duly provided by such Holder, provided that the withholding agent does not have actual knowledge that the Holder is a United States person. Information reporting requirements and backup withholding will not apply to any payment of the proceeds of the sale or other disposition (including a redemption) of a note effected outside the United States by a foreign office of a “broker” (as defined in applicable Treasury regulations), unless such broker (i) is a United States

person, (ii) derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States, (iii) is a controlled foreign corporation within the meaning of the Code, (iv) is a U.S. branch of a foreign bank or a foreign insurance company, or (v) is a partnership with a U.S. trade or business or a specified percentage of U.S. partners. Payment of the proceeds of any such disposition effected outside the United States by a foreign office of any broker that is described in (ii) through (v) of the preceding sentence will not be subject to backup withholding, but will be subject to the information reporting requirements unless such broker has documentary evidence in its records that the beneficial owner is a Non-U.S. Holder and certain other conditions are met, or the beneficial owner otherwise establishes an exemption. Payment of the proceeds of any such disposition or through the United States office of a broker is subject to information reporting and backup withholding requirements, unless the beneficial owner of the debt security provides the statement described in "—Non-U.S. Holders" or otherwise establishes an exemption. Any amount withheld from a payment to a Holder of a note under the backup withholding rules is allowable as a credit against such Holder's U.S. federal income tax liability (which might entitle such Holder to a refund), provided that such Holder timely furnishes the required information to the IRS.

Recently-enacted legislation relating to foreign accounts

Congress recently passed legislation that imposes withholding taxes on certain types of payments made to "foreign financial institutions" and certain other non-U.S. entities unless additional certification, information reporting and other specified requirements are satisfied. Failure to comply with the new reporting requirements could result in withholding tax being imposed on payments of interest and sales proceeds to foreign intermediaries and certain Non-U.S. Holders. In the case of debt securities, the legislation only applies to obligations issued after March 18, 2012. However, if the debt securities were modified in certain ways after March 18, 2012, they could become subject to these rules. Prospective investors should consult their own tax advisers regarding this new legislation.

THE U.S. FEDERAL INCOME TAX SUMMARY SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON YOUR PARTICULAR SITUATION. YOU ARE URGED TO CONSULT YOUR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO YOU OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER OTHER FEDERAL TAX LAWS AND STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN TAX LAWS.

Underwriting

Subject to the terms and conditions in the underwriting agreement among us, the guarantors and the underwriters, we have agreed to sell to each underwriter, and each underwriter severally has agreed to purchase from us, the principal amount of notes set forth opposite that underwriter's name:

Underwriters	Principal Amount of Notes
J.P. Morgan Securities LLC	$
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Deutsche Bank Securities Inc.	
RBC Capital Markets, LLC	
KeyBanc Capital Markets Inc.	
SunTrust Robinson Humphrey, Inc.	
Raymond James & Associates, Inc.	
Morgan Keegan & Company, Inc.	
	$200,000,000

The obligations of the underwriters under the underwriting agreement, including their agreement to purchase notes from us, are several and not joint. The underwriting agreement provides that the underwriters have agreed to purchase all of the notes if any of them are purchased.

The underwriters initially propose to offer the notes to the public at the public offering price that appears on the cover page of this prospectus. The underwriters may offer the notes to selected dealers at the public offering price minus a concession of up to % of the principal amount. In addition, the underwriters may allow, and those selected dealers may reallow, a concession of up to % of the principal amount to certain other dealers. After the initial offering, the underwriters may change the public offering price and any other selling terms. The underwriters may offer and sell notes through certain of their affiliates.

The following table shows the underwriting discounts and commissions to be paid by us to the underwriters in connection with this offering (expressed as a percentage of the principal amount of the notes).

	Paid by us
Per note	%

In the underwriting agreement, we have agreed that:

- We will not offer or sell any of our debt securities (other than the notes offered pursuant to this prospectus) for a period of 90 days after the date of this prospectus without the prior consent of J.P. Morgan Securities LLC.
- We will indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in respect of those liabilities.

The notes are a new issue of securities with no established trading market. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for the notes to be quoted on any quotation system. The underwriters have advised us that they intend to make a market in the notes, but they are not obligated to do so and they may discontinue any market making at any time in their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the prices that you receive when you sell will be favorable.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of our securities which are the subject of this prospectus to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of J.P. Morgan Securities LLC for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer of securities to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

We have not authorized and do not authorize the making of any offer of notes through any financial intermediary on our behalf, other than offers made by the underwriters with a view to the final placement of the notes as contemplated in this prospectus. Accordingly, no purchaser of the notes, other than the underwriters, is authorized to make any further offer of the notes on behalf of us or the underwriters.

Each underwriter has agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us or the guarantors; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

We expect that delivery of the notes will be made against payment therefor on or about , which will be the business day following the pricing of the notes (such settlement being herein referred to as "T+ "). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, you should be aware that the trading of the notes on the date of pricing or the next succeeding business days may be affected by the T+ settlement.

In connection with this offering of the notes, the underwriters may engage in overallotments, stabilizing transactions and syndicate covering transactions in accordance with Regulation M under the Securities Exchange Act of 1934, or the Exchange Act. Overallotment involves sales in excess of the aggregate principal amount of notes offered pursuant to this prospectus, which creates a short position for the underwriters. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Any of these activities may cause the market prices of the notes to be higher than they would otherwise be in the absence of those transactions. The underwriters are not required to engage in any of these activities, and may end any of them at any time.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. If any of the underwriters or their affiliates has a lending relationship with us, certain of those underwriters or their affiliates routinely hedge, and certain other of those underwriters or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Certain of the underwriters and their affiliates have performed commercial banking, investment banking and advisory services for us from time to time for which they have received customary fees and reimbursement of expenses. The underwriters may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. Certain affiliates of the underwriters act as lenders and/or agents under our revolving credit facility and our new term loan facility. In addition, certain of the underwriters acted as underwriters in connection with the offering of common stock by Medical Properties Trust, Inc. In connection with the Ernest Acquisition Transactions, we agreed to pay RBC Capital Markets, LLC a customary fee for financial advisory services.

Legal matters

Certain legal matters with respect to the validity of the notes offered hereby will be passed upon by Goodwin Procter LLP, Boston, Massachusetts. The general summary of material United States federal income tax considerations contained under the heading “Certain material U.S. federal income tax considerations” (other than “Taxation of noteholders”) has been passed upon for us by Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C. Certain legal matters will be passed upon for the underwriters by Cahill Gordon & Reindel LLP, New York, New York.

Experts

The financial statements as of December 31, 2010 and December 31, 2009 and for each of the three years in the period ended December 31, 2010 of Medical Properties Trust Inc. and MPT Operating Partnership, L.P. included in this Prospectus and management’s assessment of the effectiveness of internal control over financial reporting (which is included in Management’s Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to Medical Properties Trust, Inc.’s Annual Report on Form 10-K for the year ended December 31, 2010, have been so included in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of Prime Healthcare Services, Inc. for the years ended December 31, 2010 and 2009, as included in Medical Properties’ Annual Report on Form 10-K for the year ended December 31, 2010, as amended, and incorporated herein by reference, have been audited by Moss Adams LLP, independent auditors, as stated in their report incorporated by reference, and upon the authority of Moss Adams LLP as experts in accounting and auditing.

The consolidated financial statements of Ernest Health, Inc. and subsidiaries as of December 31, 2010 and 2009 and for each of the two years in the period ended December 31, 2010 incorporated in this prospectus by reference to Medical Properties’ Current Report on Form 8-K filed with the SEC on January 31, 2012, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon, incorporated by reference therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

Where you can find more information

The issuers and the guarantors (other than Medical Properties Trust, Inc.) are not currently subject to the periodic reporting and other informational requirements of the Exchange Act. Medical Properties Trust, Inc., a guarantor and the parent company of the issuers, is currently subject to the periodic reporting and other informational requirements of the Exchange Act, and files annual, quarterly and current reports and other information with the SEC. The registration statement of which this prospectus forms a part, such reports and other information will be available on the SEC's Web site at www.sec.gov. You also may read and copy any documents filed at the SEC's public reference rooms in Washington, D.C., New York, New York, and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information about their public reference rooms, including copy charges. The SEC filings of Medical Properties Trust, Inc. are also available free of charge at its Internet website (http://www.medicalpropertiestrust.com). The foregoing Internet website is an inactive textual reference only, meaning that the information contained on the website is not a part of this prospectus and is not incorporated in this prospectus by reference. Information may also be obtained from us at Medical Properties Trust, Inc., 1000 Urban Center Drive, Suite 501, Birmingham, Alabama 35242, Attention: Chief Financial Officer. Medical Properties Trust, Inc.'s telephone number is (205) 969-3755.

We have not authorized anyone to give you any information or to make any representations about us or the transactions we discuss in this prospectus other than those contained in this prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus, you must not rely on that information. This prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell securities under applicable law.

Incorporation by reference

We incorporate by reference into this prospectus the documents listed below and any future filings Medical Properties Trust, Inc. makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, including any filings after the date of this prospectus (other than information furnished pursuant to Item 2.01, Item 7.01 or certain exhibits furnished pursuant to Item 9.01 of Form 8-K), until we have sold all of the notes to which this prospectus relates or the offering is otherwise terminated. The information incorporated by reference herein is an important part of this prospectus. Any statement in a document incorporated by reference in this prospectus will be deemed to be modified or superseded to the extent a statement contained in (1) this prospectus, or (2) any other subsequently filed document that is incorporated by reference in this prospectus, modifies or supersedes such statement:

- Medical Properties Trust, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2010;
- Medical Properties Trust, Inc.'s Definitive Proxy Statement on Schedule 14A filed with the SEC on April 28, 2011 (solely to the extent specifically incorporated by reference into Medical Properties Trust, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2010);
- Medical Properties Trust, Inc.'s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011 and June 30, 2011;

- Combined Quarterly Report on Form 10-Q of Medical Properties Trust, Inc. and MPT Operating Partnership, L.P. for the quarter ended September 30, 2011; and
- Current Reports on Form 8-K filed with the SEC on March 16, 2011, April 12, 2011, April 19, 2011, May 2, 2011, May 24, 2011, June 15, 2011, August 31, 2011, January 31, 2012 and February 1, 2012.

We will provide without charge to each person to whom a prospectus is delivered, on written or oral request of that person, a copy of any or all of the documents we are incorporating by reference into this prospectus other than exhibits to those documents unless those exhibits are specifically incorporated by reference into those documents. A written request should be addressed to Investor Relations, Medical Properties Trust, Inc., 1000 Urban Center Drive, Suite 501, Birmingham, Alabama 35242.

Index of financial statements

Report of independent registered public accounting firm

To the Board of Directors and Stockholders
of Medical Properties Trust, Inc:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of equity, and of cash flows present fairly, in all material respects, the financial position of Medical Properties Trust, Inc. and its subsidiaries at December 31, 2010 and December 31, 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

Birmingham, Alabama

February 25, 2011, except for subsequent events discussed in Note 14 and the condensed consolidating financial information in Note 15, collectively as to which the date is October 5, 2011

Report of independent registered public accounting firm

To the Partners
of MPT Operating Partnership, L.P.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of capital, and of cash flows present fairly, in all material respects, the financial position of MPT Operating Partnership, L.P. and its subsidiaries at December 31, 2010 and December 31, 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

Birmingham, Alabama
October 5, 2011

Medical Properties Trust, Inc. and subsidiaries
Consolidated balance sheets

	December 31, 2010	December 31, 2009
	(Amounts in thousands, except for per share data)	
ASSETS		
Real estate assets		
Land	$ 96,894	$ 87,888
Buildings and improvements	893,741	774,022
Construction in progress and other	6,730	291
Intangible lease assets	35,004	24,097
Mortgage loans	165,000	200,164
Real estate held for sale	—	89,973
Gross investment in real estate assets	1,197,369	1,176,435
Accumulated depreciation	(68,662)	(47,965)
Accumulated amortization	(7,432)	(5,133)
Net investment in real estate assets	1,121,275	1,123,337
Cash and cash equivalents	98,408	15,307
Interest and rent receivables	26,176	19,845
Straight-line rent receivables	28,912	27,539
Other loans	50,985	110,842
Other assets	23,058	13,028
Total Assets	**$ 1,348,814**	**$ 1,309,898**
LIABILITIES AND EQUITY		
Liabilities		
Debt, net	$ 369,970	$ 576,678
Accounts payable and accrued expenses	35,974	29,247
Deferred revenue	23,137	15,350
Lease deposits and other obligations to tenants	20,157	17,048
Total liabilities	449,238	638,323
Commitments and Contingencies		
Equity		
Preferred stock, $0.001 par value. Authorized 10,000 shares; no shares outstanding	—	—
Common stock, $0.001 par value. Authorized 150,000 shares; issued and outstanding—110,225 shares at December 31, 2010 and 78,725 shares at December 31, 2009	110	79
Additional paid-in capital	1,051,785	759,721
Distributions in excess of net income	(148,530)	(88,093)
Accumulated other comprehensive loss	(3,641)	—
Treasury shares, at cost	(262)	(262)
Total Medical Properties Trust, Inc. stockholders' equity	899,462	671,445
Non-controlling interests	114	130
Total Equity	899,576	671,575
Total Liabilities and Equity	**$ 1,348,814**	**$ 1,309,898**

See accompanying notes to consolidated financial statements.

Medical Properties Trust, Inc. and subsidiaries
Consolidated statements of income

	For the years ended December 31,		
	2010	2009	2008
	(Amounts in thousands, except for per share data)		
Revenues			
Rent billed	$ 92,785	$ 81,865	$ 74,146
Straight-line rent	2,074	8,221	3,742
Interest and fee income	26,988	28,723	29,182
Total revenues	121,847	118,809	107,070
Expenses			
Real estate depreciation and amortization	24,486	22,628	22,385
Loan impairment charge	12,000	—	—
Property-related	4,407	3,802	4,242
General and administrative	28,535	21,096	19,515
Total operating expense	69,428	47,526	46,142
Operating income	52,419	71,283	60,928
Other income (expense)			
Interest and other income	1,518	43	86
Debt refinancing costs	(6,716)	—	—
Interest expense	(33,993)	(37,656)	(42,424)
Net other expenses	(39,191)	(37,613)	(42,338)
Income from continuing operations	13,228	33,670	18,590
Income from discontinued operations	9,784	2,697	14,143
Net income	23,012	36,367	32,733
Net income attributable to non-controlling interests	(99)	(37)	(33)
Net income attributable to MPT common stockholders.	**$ 22,913**	**$ 36,330**	**$ 32,700**
Earnings per share—basic			
Income from continuing operations attributable to MPT common stockholders	$ 0.12	$ 0.41	$ 0.27
Income from discontinued operations attributable to MPT common stockholders	0.10	0.04	0.23
Net income attributable to MPT common stockholders	**$ 0.22**	**$ 0.45**	**$ 0.50**
Weighted average shares outstanding—basic	**100,706**	**78,117**	**62,027**
Earnings per share—diluted			
Income from continuing operations attributable to MPT common stockholders	$ 0.12	$ 0.41	$ 0.27
Income from discontinued operations attributable to MPT common stockholders	0.10	0.04	0.23
Net income attributable to MPT common stockholders	**$ 0.22**	**$ 0.45**	**$ 0.50**
Weighted average shares outstanding—diluted	100,708	78,117	62,035

See accompanying notes to consolidated financial statements.

Medical Properties Trust, Inc. and subsidiaries
Consolidated statements of equity
For the years ended December 31, 2010, 2009 and 2008

(Amounts in thousands, except per share data)

	Preferred		Common		Additional paid-in capital	Distributions in excess of net income	Accumulated other comprehensive loss	Treasury stock	Non-controlling interests	Total equity
	Shares	Par value	Shares	Par value						
Balance at December 31, 2007	—	$ —	52,133	$ 52	$ 548,086	$ (28,626)	—	$ (262)	$ 77	$ 519,327
Comprehensive income:										
Net income	—	—	—	—	—	32,700	—	—	33	32,733
Comprehensive income	—	—	—	—	—	32,700	—	—	33	32,733
Deferred stock units issued to directors	—	—	—	—	48	(48)	—	—	—	—
Stock vesting and amortization of stock-based compensation	—	—	273	—	6,386	—	—	—	—	6,386
Purchase of Wichita Partnership	—	—	—	—	—	—	—	—	145	145
Distributions to non-controlling interests	—	—	—	—	—	—	—	—	(12)	(12)
Proceeds from offering (net of offering costs)	—	—	12,650	13	128,318	—	—	—	—	128,331
Dividends declared ($1.01 per common share)	—	—	—	—	—	(63,967)	—	—	—	(63,967)
Issuance of convertible debt	—	—	—	—	3,400	—	—	—	—	3,400
Balance at December 31, 2008	—	$ —	65,056	$ 65	$ 686,238	$ (59,941)	$ —	$ (262)	$ 243	$ 626,343
Comprehensive income:										
Net income	—	—	—	—	—	36,330	—	—	36	36,366
Comprehensive income	—	—	—	—	—	36,330		—	36	36,366
Deferred stock units issued to directors	—	—	52	1	5	(4)	—	—	—	2
Stock vesting and amortization of stock-based compensation	—	—	246	—	5,488	—	—	—	—	5,488
Proceeds from offering (net of offering costs)	—	—	13,371	13	67,990	—	—	—	—	68,003
Distributions to non-controlling interests	—	—	—	—	—	—	—	—	(149)	(149)
Dividends declared ($0.80 per common share)	—	—	—	—	—	(64,478)	—	—	—	(64,478)
Balance at December 31, 2009	—	$ —	78,725	$ 79	$ 759,721	$ (88,093)	$ —	$ (262)	$ 130	$ 671,575
Comprehensive income:										
Net income	—	—	—	—	—	22,913	—	—	99	23,012
Unrealized loss on interest rate swaps	—	—	—	—	—	—	(3,641)	—	—	(3,641)
Comprehensive income	—	—	—	—	—	22,913	(3,641)	—	99	19,371
Stock vesting and amortization of stock-based compensation	—	—	700	—	6,616	—	—	—	—	6,616
Proceeds from offering (net of offering costs)	—	—	30,800	31	288,035	—	—	—	—	288,066
Extinguishment of convertible debt	—	—	—	—	(2,587)	—	—	—	—	(2,587)
Distributions to non-controlling interests	—	—	—	—	—	—	—	—	(115)	(115)
Dividends declared ($0.80 per common share)	—	—	—	—	—	(83,350)	—	—	—	(83,350)
Balance at December 31, 2010	—	$ —	110,225	$ 110	$ 1,051,785	$ (148,530)	$ (3,641)	$ (262)	$ 114	$ 899,576

See accompanying notes to consolidated financial statements.

Medical Properties Trust, Inc. and subsidiaries
Consolidated statements of cash flows

	For the years ended December 31,		
	2010	2009	2008
	(Amounts in thousands)		
Operating activities			
Net income	$ 23,012	$ 36,367	$ 32,733
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	26,312	26,309	26,535
Amortization and write-off of deferred financing costs and debt discount	6,110	5,824	7,961
Premium paid on extinguishment of debt	3,833	—	—
Straight-line rent revenue	(4,932)	(9,536)	(9,402)
Share-based compensation expense	6,616	5,488	6,386
(Gain) loss from sale of real estate	(10,566)	(278)	(9,305)
Deferred revenue and fee income	(4,393)	(847)	(7,583)
Provision for uncollectible receivables and loans	14,400	—	5,700
Rent and interest income added to loans	—	(921)	(5,556)
Straight-line rent write-off	3,694	1,111	14,037
Payment of interest on early prepayment of debt	(7,324)	—	—
Other adjustments	(30)	(246)	(57)
Decrease (increase) in:			
Interest and rent receivable	(5,490)	(2,433)	(4,392)
Other assets	(566)	126	5,249
Accounts payable and accrued expenses	(3,177)	1,700	4,757
Deferred revenue	13,138	87	2,854
Net cash provided by operating activities	60,637	62,751	69,917
Investing activities			
Real estate acquired	(137,808)	(421)	(430,710)
Proceeds from sale of real estate	97,669	15,000	89,959
Principal received on loans receivable	90,486	4,305	71,941
Investment in loans receivable	(11,637)	(23,243)	(95,567)
Construction in progress	(6,638)	—	—
Other investments	(9,291)	(7,777)	(4,286)
Net cash provided by (used for) investing activities	22,781	(12,136)	(368,663)
Financing activities			
Proceeds from term debt, net of discount	148,500	—	119,001
Payments of term debt	(216,765)	(1,232)	(860)
Payment of deferred financing costs	(6,796)	232	(6,072)
Revolving credit facilities, net	(137,200)	(55,800)	38,014
Distributions paid	(77,087)	(61,649)	(65,098)
Lease deposits and other obligations to tenants	3,667	3,390	2,963
Proceeds from sale of common shares, net of offering costs	288,066	68,003	128,331
Other	(2,702)	—	—
Net cash provided by (used in) financing activities	(317)	(47,056)	216,279
Increase (decrease) in cash and cash equivalents for the year	83,101	3,559	(82,467)
Cash and cash equivalents at beginning of year	15,307	11,748	94,215
Cash and cash equivalents at end of year	**$ 98,408**	**$ 15,307**	**$ 11,748**
Interest paid, including capitalized interest of $63 in 2010, $— in 2009, and $— in 2008	$ 29,679	$ 33,272	$ 31,277
Supplemental schedule of non-cash financing activities: Other common stock transactions	—	$ 5	$ 48

See accompanying notes to consolidated financial statements.

MPT Operating Partnership, L.P. and subsidiaries
Consolidated balance sheets

	December 31, 2010	December 31, 2009
	(Amounts in thousands)	
ASSETS		
Real estate assets		
Land	$ 96,894	$ 87,888
Buildings and improvements	893,741	774,022
Construction in progress and other	6,730	291
Intangible lease assets	35,004	24,097
Mortgage loans	165,000	200,164
Real estate held for sale	—	89,973
Gross investment in real estate assets	1,197,369	1,176,435
Accumulated depreciation	(68,662)	(47,965)
Accumulated amortization	(7,432)	(5,133)
Net investment in real estate assets	1,121,275	1,123,337
Cash and cash equivalents	98,408	15,307
Interest and rent receivables	26,176	19,845
Straight-line rent receivables	28,912	27,539
Other loans	50,985	110,842
Other assets	23,058	13,028
Total Assets	**$ 1,348,814**	**$ 1,309,898**
LIABILITIES AND CAPITAL		
Liabilities		
Debt, net	$ 369,970	$ 576,678
Accounts payable and accrued expenses	13,658	13,208
Deferred revenue	23,137	15,350
Payable due to Medical Properties Trust, Inc.	21,943	15,742
Lease deposits and other obligations to tenants	20,157	17,048
Total liabilities	448,865	638,026
Commitments and Contingencies		
Capital		
General Partner—issued and outstanding—1,102 units at December 31, 2010 and 787 units at December 31, 2009	9,035	6,717
Limited Partners:		
Common units—issued and outstanding—109,123 units at December 31, 2010 and 77,938 units at December 31, 2009	894,441	664,952
LTIP units—issued and outstanding—94 units at December 31, 2010 and 63 units at December 31, 2009	—	73
Accumulated other comprehensive loss	(3,641)	—
Total MPT Operating Partnership capital	899,835	671,742
Non-controlling interests	114	130
Total Capital	899,949	671,872
Total Liabilities and Capital	**$ 1,348,814**	**$ 1,309,898**

See accompanying notes to consolidated financial statements.

MPT Operating Partnership, L.P. and subsidiaries
Consolidated statements of income

	For the years ended December 31,		
	2010	2009	2008
	(Amounts in thousands, except for per unit data)		
Revenues			
Rent billed	$ 92,785	$ 81,865	$ 74,146
Straight-line rent	2,074	8,221	3,742
Interest and fee income	26,988	28,723	29,182
Total revenues	121,847	118,809	107,070
Expenses			
Real estate depreciation and amortization	24,486	22,628	22,385
Loan impairment charge	12,000	—	—
Property-related	4,407	3,802	4,242
General and administrative	28,460	21,033	19,515
Total operating expense	69,353	47,463	46,142
Operating income	52,494	71,346	60,928
Other income (expense)			
Interest and other income	1,518	43	86
Debt refinancing costs	(6,716)	—	—
Interest expense	(33,993)	(37,656)	(42,424)
Net other expenses	(39,191)	(37,613)	(42,338)
Income from continuing operations	13,303	33,733	18,590
Income from discontinued operations	9,784	2,697	14,143
Net income	23,087	36,430	32,733
Net income attributable to non-controlling interests	(99)	(37)	(33)
Net income attributable to MPT Operating Partnership partners	**$ 22,988**	**$ 36,393**	**$ 32,700**
Earnings per unit—basic			
Income from continuing operations attributable to MPT Operating Partnership partners	$ 0.12	$ 0.41	$ 0.27
Income from discontinued operations attributable to MPT Operating Partnership partners	0.10	0.04	0.23
Net income attributable to MPT Operating Partnership partners	**$ 0.22**	**$ 0.45**	**$ 0.50**
Weighted average units outstanding—basic	**100,706**	**78,117**	**62,027**
Earnings per unit—diluted			
Income from continuing operations attributable to MPT Operating Partnership partners	$ 0.12	$ 0.41	$ 0.27
Income from discontinued operations attributable to MPT Operating Partnership partners	0.10	0.04	0.23
Net income attributable to MPT Operating Partnership partners	**$ 0.22**	**$ 0.45**	**$ 0.50**
Weighted average units outstanding—diluted	**100,708**	**78,117**	**62,035**

See accompanying notes to consolidated financial statements.

MPT Operating Partnership, LP and subsidiaries
Condensed consolidated statements of capital
For the years ended December 31, 2010, 2009 and 2008

(Amounts in thousands, except per unit data)

	General partner		Limited partners						
			Common		LTIPs				
	Units	Unit value	Units	Unit value	Units	Unit value	Accumulated other comprehensive loss	Non-controlling interests	Total capital
Balance at December 31, 2007	520	$5,195	51,612	$514,179	—	$ 111	—	$ 77	$519,562
Comprehensive income:									
Net income	—	327	—	31,988	—	385	—	33	32,733
Comprehensive income	—	327	—	31,988	—	385	—	33	32,733
Deferred units issued	—	—	—	—	—	—	—	—	—
Unit vesting and amortization of unit-based compensation	3	64	270	6,322	32	—	—	—	6,386
Purchase of Wichita Partnership	—	—	—	—	—	—	—	145	145
Distributions to non-controlling interests	—	—	—	—	—	—	—	(12)	(12)
Proceeds from offering (net of offering costs)	127	1,283	12,524	127,048	—	—	—	—	128,331
Distributions declared ($1.01 per unit)	—	(640)	—	(63,017)	—	(310)	—	—	(63,967)
Issuance of convertible debt	—	34	—	3,366	—	—	—	—	3,400
Balance at December 31, 2008	650	$6,263	64,406	$619,886	32	$ 186	$ —	$ 243	$626,578
Comprehensive income:									
Net income	—	364	—	35,856	—	174	—	36	36,430
Comprehensive income	—	364	—	35,856	—	174		36	36,430
Unit vesting and amortization of unit-based compensation	3	55	295	5,433	31	—	—	—	5,488
Proceeds from offering (net of offering costs)	134	680	13,237	67,323	—	—	—	—	68,003
Distributions to non-controlling interests	—	—	—	—	—	—	—	(149)	(149)
Distributions declared ($0.80 per unit)	—	(645)	—	(63,546)	—	(287)	—	—	(64,478)
Balance at December 31, 2009	787	$6,717	77,938	$664,952	63	$ 73	$ —	$ 130	$671,872
Comprehensive income:									
Net income	—	230	—	22,601	—	157	—	99	23,087
Unrealized loss on interest rate swaps	—	—	—	—	—	—	(3,641)	—	(3,641)
Comprehensive income	—	230	—	22,601	—	157	(3,641)	99	19,446
Unit vesting and amortization of unit-based compensation	7	66	693	6,550	31	—	—	—	6,616
Proceeds from offering (net of offering costs)	308	2,882	30,492	285,184	—	—	—	—	288,066
Extinguishment of convertible debt	—	(26)	—	(2,560)	—	—	—	—	(2,586)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(115)	(115)
Distributions declared ($0.80 per unit)	—	(834)	—	(82,286)	—	(230)	—	—	(83,350)
Balance at December 31, 2010	1,102	$9,035	109,123	$894,441	94	$ —	$ (3,641)	$ 114	$899,949

See accompanying notes to consolidated financial statements.

MPT Operating Partnership, LP
Condensed consolidated statements of cash flows

	For the years ended December 31,		
	2010	2009	2008
	(Amounts in thousands)		
Operating activities			
Net income	$ 23,087	$ 36,430	$ 32,733
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	26,312	26,309	26,535
Amortization and write-off of deferred financing costs and debt discount	6,110	5,824	7,961
Premium paid on extinguishment of debt	3,833	—	—
Straight-line rent revenue	(4,932)	(9,536)	(9,402)
Unit-based compensation expense	6,616	5,488	6,386
(Gain) loss from sale of real estate	(10,566)	(278)	(9,305)
Deferred revenue and fee income	(4,393)	(847)	(7,583)
Provision for uncollectible receivables and loans	14,400	—	5,700
Rent and interest income added to loans	—	(921)	(5,556)
Straight-line rent write-off	3,694	1,111	14,037
Payment of interest on early prepayment of debt	(7,324)	—	—
Other adjustments	(30)	(246)	(57)
Decrease (increase) in:			
Interest and rent receivable	(5,490)	(2,433)	(4,392)
Other assets	(566)	126	5,249
Accounts payable and accrued expenses	(3,252)	1,642	4,778
Deferred revenue	13,138	87	2,854
Net cash provided by operating activities	60,637	62,756	69,938
Investing activities			
Real estate acquired	(137,808)	(421)	(430,710)
Proceeds from sale of real estate	97,669	15,000	89,959
Principal received on loans receivable	90,486	4,305	71,941
Investment in loans receivable	(11,637)	(23,243)	(95,567)
Construction in progress	(6,638)	—	—
Other investments	(9,291)	(7,777)	(4,286)
Net cash provided by (used for) investing activities	22,781	(12,136)	(368,663)
Financing activities			
Proceeds from term debt, net of discount	148,500	—	119,001
Payments of term debt	(216,765)	(1,232)	(860)
Payment of deferred financing costs	(6,796)	232	(6,072)
Revolving credit facilities, net	(137,200)	(55,800)	38,014
Distributions paid	(77,087)	(61,649)	(65,098)
Lease deposits and other obligations to tenants	3,667	3,390	2,963
Proceeds from sale of units, net of offering costs	288,066	68,003	128,331
Other	(2,702)	—	—
Net cash provided by (used in) financing activities	(317)	(47,056)	216,279
Increase (decrease) in cash and cash equivalents for the year	83,101	3,564	(82,446)
Cash and cash equivalents at beginning of year	15,307	11,743	94,189
Cash and cash equivalents at end of year	**$ 98,408**	**$ 15,307**	**$ 11,743**
Interest paid, including capitalized interest of $63 in 2010, $— in 2009, and $— in 2008	$ 29,679	$ 33,272	$ 31,277
Supplemental schedule of non-cash financing activities:			
Other common unit transactions	—	$ 5	$ 48

See accompanying notes to consolidated financial statements.

Medical Properties Trust, Inc. and MPT Operating Partnership, L.P.
Notes to consolidated financial statements

1. Organization

Medical Properties Trust, Inc., a Maryland corporation, was formed on August 27, 2003 under the General Corporation Law of Maryland 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. MPT Finance Corporation is a wholly owned subsidiary of the Operating Partnership and was formed for the sole purpose of being a co-issuer of some of the Operating Partnership's indebtedness. MPT Finance Corporation has no substantive assets or operations.

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 interest in our tenants, from time to time, in order to enhance our overall return. We manage our business as a single business segment.

2. Summary of significant accounting policies

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of consolidation: Property holding entities and other subsidiaries of which we own 100% of the equity or have a controlling financial interest evidenced by ownership of a majority voting interest are consolidated. All inter-company balances and transactions are eliminated. For entities in which we own less than 100% of the equity interest, we consolidate the property if we have the direct or indirect ability to control the entities' activities based upon the terms of the respective entities' ownership agreements. For these entities, we record a non-controlling interest representing equity held by non-controlling interests.

We continually evaluate all of our transactions and investments to determine if they represent variable interests in a variable interest entity. If we determine that we have a variable interest in a variable interest entity, we then evaluate if we are the primary beneficiary of the variable interest entity. The evaluation is a qualitative assessment as to whether we have the ability to

direct the activities of a variable interest entity that most significantly impact the entity's economic performance. We consolidate each variable interest entity in which we, by virtue of or transactions with our investments in the entity, are considered to be the primary beneficiary. We have determined that Vibra, Monroe Hospital and two other smaller tenants are variable interest entities that we have investments in and/or outstanding loans and other receivables due to us of approximately 3%, 2% and 1% of our total assets, respectively. These investments in and/or outstanding loans and other receivables due from these entities represent our maximum exposure to loss. Through qualitative analysis, we have determined that we are not the primary beneficiary of these entities as we do not direct the activities that most significantly impact the economic performance of these entities (such as the day-to-day management of the tenant's hospital operations). Therefore, we have not consolidated these entities in our financial statements.

Cash and cash equivalents: Certificates of deposit, short-term investments with original maturities of three months or less and money-market mutual funds are considered cash equivalents. The majority of our cash and cash equivalents are held at major commercial banks which at times may exceed the Federal Deposit Insurance Corporation limit. We have not experienced any losses to date on our invested cash. Cash and cash equivalents which have been restricted as to its use are recorded in other assets.

Revenue recognition: We receive income from operating leases based on the fixed, minimum required rents (base rents) per the lease agreements. Rent revenue from base rents is recorded on the straight-line method over the terms of the related lease agreements for new leases and the remaining terms of existing leases for acquired properties. The straight-line method records the periodic average amount of base rent earned over the term of a lease, taking into account contractual rent increases over the lease term. The straight-line method typically has the effect of recording more rent revenue from a lease than a tenant is required to pay early in the term of the lease. During the later parts of a lease term, this effect reverses with less rent revenue recorded than a tenant is required to pay. Rent revenue as recorded on the straight-line method in the consolidated statements of income is presented as two amounts: billed rent revenue and straight-line revenue. Billed rent revenue is the amount of base rent actually billed to the customer each period as required by the lease. Straight-line rent revenue is the difference between rent revenue earned based on the straight-line method and the amount recorded as billed rent revenue. We record the difference between base rent revenues earned and amounts due per the respective lease agreements, as applicable, as an increase or decrease to straight-line rent receivable.

Certain leases provide for additional rents contingent upon a percentage of the tenant revenue in excess of specified base amounts/thresholds (percentage rents). Percentage rents are recognized in the period in which revenue thresholds are met. Rental payments received prior to their recognition as income are classified as deferred revenue. We may also receive additional rent (contingent rent) under some leases when the U.S. Department of Labor consumer price index exceeds the annual minimum percentage increase in the lease. Contingent rents are recorded as billed rent revenue in the period earned.

In instances where we have a profits interest in our tenant's operations, we record revenue equal to our percentage interest of the tenant's profits, as defined in the lease or tenant's operating agreements, once annual thresholds, if any, are met.

We begin recording base rent income from our development projects when the lessee takes physical possession of the facility, which may be different from the stated start date of the lease. Also, during construction of our development projects, we are generally entitled to accrue rent based on the cost paid during the construction period (construction period rent). We accrue construction period rent as a receivable and deferred revenue during the construction period. When the lessee takes physical possession of the facility, we begin recognizing the accrued construction period rent on the straight-line method over the remaining term of the lease.

We receive interest income from our tenants/borrowers on mortgage loans, working capital loans, and other long-term loans. Interest income from these loans is recognized as earned based upon the principal outstanding and terms of the loans.

Commitment fees received from development and leasing services for lessees are initially recorded as deferred revenue and recognized as income over the initial term of an operating lease to produce a constant effective yield on the lease (interest method). Commitment and origination fees from lending services are recorded as deferred revenue and recognized as income over the life of the loan using the interest method.

Acquired real estate purchase price allocation: We allocate the purchase price of acquired properties to net tangible and identified intangible assets acquired based on their fair values. In making estimates of fair values for purposes of allocating purchase prices of acquired real estate, we utilize a number of sources, from time to time, including independent appraisals that may be obtained in connection with the acquisition or financing of the respective property and other market data. We also consider information obtained about each property as a result of our pre-acquisition due diligence, marketing and leasing activities in estimating the fair value of the tangible and intangible assets acquired.

We record above-market and below-market in-place lease values, if any, for our facilities, which are based on the present value (using an interest rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) management's estimate of fair market lease rates for the corresponding in-place leases, measured over a period equal to the remaining non-cancelable term of the lease. We amortize any resulting capitalized above-market lease values as a reduction of rental income over the remaining non-cancelable terms of the respective leases. We amortize any resulting capitalized below-market lease values as an increase to rental income over the initial term and any fixed-rate renewal periods in the respective leases.

We measure the aggregate value of other lease intangible assets acquired based on the difference between (i) the property valued with new or in-place leases adjusted to market rental rates and (ii) the property valued as if vacant. Management's estimates of value are made using methods similar to those used by independent appraisers (e.g., discounted cash flow analysis). Factors considered by management in our analysis include an estimate of carrying costs during hypothetical expected lease-up periods considering current market conditions, and costs to execute similar leases. We also consider information obtained about each targeted facility as a result of our pre-acquisition due diligence, marketing, and leasing activities in estimating the fair value of the tangible and intangible assets acquired. In estimating carrying costs, management includes real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, which we expect to be about six months. depending on specific local market conditions. Management also estimates costs to execute similar leases including leasing commissions, legal costs, and other related expenses to the extent that such costs are not already incurred in connection with a new lease origination as part of the transaction.

Other intangible assets acquired, may include customer relationship intangible values which are based on management's evaluation of the specific characteristics of each prospective tenant's lease and our overall relationship with that tenant. Characteristics to be considered by management in allocating these values include the nature and extent of our existing business relationships with the tenant, growth prospects for developing new business with the tenant, the tenant's credit quality and expectations of lease renewals, including those existing under the terms of the lease agreement, among other factors.

We amortize the value of in-place leases, if any, to expense over the initial term of the respective leases. The value of customer relationship intangibles is amortized to expense over the initial term and any renewal periods in the respective leases, but in no event will the amortization period for intangible assets exceed the remaining depreciable life of the building. If a lease is terminated, the unamortized portion of the in-place lease value and customer relationship intangibles are charged to expense.

Real estate and depreciation: Real estate, consisting of land, buildings and improvements, are recorded at cost. Although typically paid by our tenants, any expenditures for ordinary maintenance and repairs that we pay are expensed to operations as incurred. Significant renovations and improvements which improve and/or extend the useful life of the asset are capitalized and depreciated over their estimated useful lives. We record impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets, including an estimated liquidation amount, during the expected holding periods are less than the carrying amounts of those assets. Impairment losses are measured as the difference between carrying value and fair value of assets. For assets held for sale, we cease recording depreciation expense and adjust the assets' value to the lower of its carrying value or fair value, less cost of disposal. Fair value is based on estimated cash flows discounted at a risk-adjusted rate of interest. We classify real estate assets as held for sale when we have commenced an active program to sell the assets, and in the opinion of management, it is probable the asset will be sold within the next 12 months. We record the results of operations from material property sales or planned sales (which include real property, loans and any receivables) as discontinued operations in the consolidated statements of income for all periods presented if we do not have any continuing involvement with the property subsequent to its sale. Results of discontinued operations include interest expense from debt which specifically collateralizes the property sold or held for sale.

Construction in progress includes the cost of land, the cost of construction of buildings, improvements and fixed equipment, and costs for design and engineering. Other costs, such as interest, legal, property taxes and corporate project supervision, which can be directly associated with the project during construction, are also included in construction in progress.

Depreciation is calculated on the straight-line method over the weighted average useful lives of the related real estate and other assets, as follows:

Buildings and improvements	37.8 years
Tenant lease intangibles	14.3 years
Tenant improvements	5.4 years
Furniture, equipment and other	9.5 years

Losses from rent receivables: We continuously monitor the performance of our existing tenants including, but not limited to,: admission levels and surgery/procedure volumes by type; current operating margins; ratio of our tenant's operating margins both to facility rent and to facility rent plus other fixed costs; trends in revenue and patient mix; and the effect of evolving healthcare regulations on tenant's profitability and liquidity. We utilize this information along with the tenant's payment and default history in evaluating (on a property-by-property basis) whether or not a provision for losses on outstanding rent receivables is needed. A provision for losses on rent receivables (including straight-line rent receivables) is ultimately recorded when it becomes probable that the receivable will not be collected in full. The provision is an amount which reduces the receivable to its estimated net realizable value based on a determination of the eventual amounts to be collected either from the debtor or from the collateral, if any.

Loans: Loans consist of mortgage loans, working capital loans and other long-term loans. Mortgage loans are collateralized by interests in real property. Working capital and other long-term loans are generally collateralized by interests in receivables and corporate and individual guarantees. We record loans at cost. We evaluate the collectability of both interest and principal on a loan-by-loan basis (using the same process as we do for assessing the collectability of rents) to determine whether they are impaired. A loan is considered impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due according to the existing contractual terms. When a loan is considered to be impaired, the amount of the allowance is calculated by comparing the recorded investment to either the value determined by discounting the expected future cash flows using the loan's effective interest rate or to the fair value of the collateral if the loan is collateral dependent. When a loan is deemed to be impaired, we generally place the loan on non-accrual status and record interest income only upon receipt of cash.

Earnings per share/unit: Basic earnings per common share/unit is computed by dividing net income applicable to common shares/units by the weighted number of shares of common stock/units outstanding during the period. Diluted earnings per common share/unit is calculated by including the effect of dilutive securities.

Certain of our unvested restricted and performance stock/unit awards contain non-forfeitable rights to dividends, and accordingly, these awards are deemed to be participating securities. These participating securities are included in the earnings allocation in computing both basic and diluted earnings per common share.

Income taxes: We conduct our business as a real estate investment trust ("REIT") under Sections 856 through 860 of the Internal Revenue Code. To qualify as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute to stockholders at least 90% of our ordinary taxable income. As a REIT, we generally are not subject to federal income tax on taxable income that we distribute to our stockholders. If we fail to qualify as a REIT in any taxable year, we will then be subject to federal income taxes on our taxable income at regular corporate rates and will not be permitted to qualify for treatment as a REIT for federal income tax purposes for four years following the year during which qualification is lost, unless the Internal Revenue Service grants us relief under certain statutory provisions. Such an event could materially adversely affect our net income and net cash available for distribution to stockholders. However, we intend to operate in such a manner so that we will remain qualified as a REIT for federal income tax purposes.

Our financial statements include the operations of two taxable REIT subsidiaries, MPT Development Services, Inc. ("MDS") and MPT Covington TRS, Inc. (CVT") that are not entitled to a dividends paid deduction and are subject to federal, state and local income taxes. MDS and CVT are authorized to provide property development, leasing and management services for third-party owned properties and make loans to lessees and operators.

Stock-based compensation: We currently sponsor the Second Amended and Restated Medical Properties Trust, Inc. 2004 Equity Incentive Plan (the "Equity Incentive Plan") that was established in 2004. Awards of restricted stock, stock options and other equity-based awards with service conditions are amortized to compensation expense over the vesting periods which generally range from three to seven years, using the straight-line method. Awards of deferred stock units vest when granted and are charged to expense at the date of grant. Awards that contain market conditions are amortized to compensation expense over the derived vesting periods, which correspond to the periods over which we estimate the awards will be earned, which generally range from three to seven years, using the straight-line method. Awards with performance conditions are amortized using the straight-line method over the service period in which the performance conditions are measured, adjusted for the probability of achieving the performance conditions. For each share of common stock issued by Medical Properties Trust, Inc. pursuant to its equity compensation plans, the Operating Partnership issues a corresponding number of operating partnership units.

Deferred costs: Costs incurred prior to the completion of offerings of stock or other capital instruments (along with their corresponding units in the Operating Partnership) that directly relate to the offering are deferred and netted against proceeds received from the offering. External costs incurred in connection with anticipated financings and refinancing of debt are generally capitalized as deferred financing costs in other assets and amortized over the lives of the related loans as an addition to interest expense. For debt with defined principal re-payment terms, the deferred costs are amortized to produce a constant effective yield on the loan (interest method). For debt without defined principal repayment terms, such as revolving credit agreements, the deferred costs are amortized on the straight-line method over the term of the debt. Leasing commissions and other leasing costs directly attributable to tenant leases are capitalized as deferred leasing costs and amortized on the straight-line method over the terms of the related lease agreements. Costs identifiable with loans made to borrowers are recognized as a reduction in interest income over the life of the loan.

Derivative financial investments and hedging activities. During our normal course of business, we may use certain types of derivative instruments for the purpose of managing interest rate risk. We record our derivative and hedging instruments at fair value on the balance sheet. Changes in the estimated fair value of derivative instruments that are not designated as hedges or that do not meet the criteria for hedge accounting are recognized in earnings. For derivatives designated as cash flow hedges, the change in the estimated fair value of the effective portion of the derivative is recognized in accumulated other comprehensive income (loss), whereas the change in the estimated fair value of the ineffective portion is recognized in earnings. For derivates designated as fair value hedges, the change in the estimated fair value of the effective portion of the derivates offsets the change in the estimated fair value of the hedged item, whereas the change in the estimated fair value of the ineffective portion is recognized in earnings.

To qualify for hedge accounting, we formally document all relationships between hedging instruments and hedged items, as well as our risk management objective and strategy for

undertaking the hedge prior to entering into a derivative transaction. This process includes specific identification of the hedging instrument and the hedge transaction, the nature of the risk being hedged and how the hedging instrument's effectiveness in hedging the exposure to the hedged transaction's variability in cash flows attributable to the hedged risk will be assessed. Both at the inception of the hedge and on an ongoing basis, we assess whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows or fair values of hedged items. In addition, for cash flow hedges, we assess whether the underlying forecasted transaction will occur. We discontinue hedge accounting if a derivative is not determined to be highly effective as a hedge or that is probable that the underlying forecasted transaction will not occur.

Fair Value Measurement

We measure and disclose the estimated fair value of financial assets and liabilities utilizing a hierarchy of valuation techniques based on whether the inputs to a fair value measurement are considered to be observable or unobservable in a marketplace. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. This hierarchy requires the use of observable market data when available. These inputs have created the following fair value hierarchy:

- *Level 1*—quoted prices for *identical* instruments in active markets;
- *Level 2*—quoted prices for *similar* instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- *Level 3*—fair value measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are *unobservable*.

We measure fair value using a set of standardized procedures that are outlined herein for all assets and liabilities which are required to be measured at their estimated fair value on either a recurring or non-recurring basis. When available, we utilize quoted market prices from an independent third party source to determine fair value and classifies such items in Level 1. In some instances where a market price is available, but the instrument is in an inactive or over-the-counter market, we consistently apply the dealer (market maker) pricing estimate and classify the asset or liability in Level 2.

If quoted market prices or inputs are not available, fair value measurements are based upon valuation models that utilize current market or independently sourced market inputs, such as interest rates, option volatilities, credit spreads, market capitalization rates, etc. Items valued using such internally-generated valuation techniques are classified according to the lowest level input that is significant to the fair value measurement. As a result, the asset or liability could be classified in either Level 2 or 3 even though there may be some significant inputs that are readily observable. Internal fair value models and techniques used by us include discounted cash flow and Black Scholes valuation models. We also consider our counterparty's and own credit risk on derivatives and other liabilities measured at their estimated fair value.

Reclassifications: Certain reclassifications have been made to the consolidated financial statements to conform to the 2010 consolidated financial statement presentation. Assets sold or held for sale have been reclassified on the consolidated balance sheets and related operating results have been reclassified from continuing operations to discontinued operations (see Note 11).

3. Real estate and loans receivable

Acquisitions

We acquired the following assets:

	2010	2009	2008
	(Amounts in thousands)		
Land	$ 8,227	$ 421	$ 45,293
Buildings	119,626	—	373,472
Intangible lease assets-subject to amortization (weighted-average useful life 19.4 years in 2010 and 10.7 years in 2008)	9,955	—	11,945
	$137,808	$ 421	$430,710

In the fourth quarter of 2010, we acquired two long-term acute care hospital facilities in Texas for an aggregate purchase price of $64 million. The properties acquired had existing leases in place which we assumed. The Triumph Hospital Clear Lake, a 110-bed facility that opened in 2005, is subject to a lease maturing in 2025 and can be renewed by the lessee for two five-year terms. Triumph Hospital Tomball, a 75-bed facility that opened in August 2006, is subject to a lease that matures in 2026 and can be renewed by the lessee for two five-year terms.

In the second quarter of 2010, we acquired three inpatient rehabilitation hospitals in Texas for an aggregate purchase price of $74 million. The properties acquired had existing leases in place which we assumed, that have initial terms expiring in 2033. Each lease may, subject to conditions, be renewed by the operator for two additional ten-year terms.

From the respective acquisition dates in 2010 through year-end, these 2010 acquisitions contributed $4.3 million of revenue and $3.4 million of income. In addition, we incurred approximately $2.0 million in acquisition related expenses in 2010, of which approximately $0.9 million related to acquisitions consummated as of December 31, 2010. These acquisition expenses are reflected in general and administrative expenses in the consolidated statements of income.

In the second and third quarters of 2008, we completed the acquisition of 20 properties from a single seller for $357.2 million. The properties acquired had existing leases in place, which we assumed, on six acute care hospitals, three long-term acute care hospitals, five rehabilitation hospitals, and six wellness centers.

In May 2008, we acquired a long-term acute care hospital at a cost of $10.8 million from an unrelated party and entered into an operating lease with Vibra Healthcare (“Vibra”).

In June 2008, we entered into a $60 million loan with affiliates of Prime related to three southern California hospital campuses operated by Prime. We acquired one of the facilities in July 2008 from a Prime affiliate for approximately $15 million and the other two facilities (including two medical office buildings) in the 2008 fourth quarter for $45 million. We entered into a 10-year lease with the Prime affiliate concurrent with our acquisitions of each of these facilities.

The results of operations for each of the properties acquired are included in our consolidated results from the effective date of each acquisition. The following table sets forth certain unaudited pro forma consolidated financial data for 2010, 2009 and 2008, as if each significant acquisition was consummated on the same terms at the beginning of each year.

	2010	2009
	(Amounts in thousands except per share/ unit amounts)	
Total revenues	$130,470	$129,454
Net income	18,026	37,884
Net income per share/unit diluted	$ 0.17	$ 0.47

Disposals

In the fourth quarter 2010, we sold the real estate of our Montclair Hospital, an acute care medical center to Prime for proceeds of $20.0 million. We realized a gain on the sale of $2.2 million. Due to this sale, operating results of our Montclair facility have been included in discontinued operations for the current period and all prior periods and, we have reclassified the asset of this property to Real Estate Held for Sale in our accompanying Consolidated Balance Sheet at December 31, 2009.

In October 2010, we sold the real estate of our Sharpstown facility in Houston, Texas to a third party for net proceeds of $2.7 million resulting in a gain of $0.7 million. At December 31, 2009, this facility was reclassified as held for sale and the related operating results have been included in discontinued operations for the current period and all prior periods.

In the second quarter 2010, we sold the real estate of our Inglewood Hospital, a 369-bed acute care medical center located in Inglewood, California, to Prime Healthcare, for $75 million resulting in a gain of approximately $6 million. Due to this sale, operating results of our Inglewood facility have been included in discontinued operations for the current period and all prior periods, and we have reclassified the asset of this property to Real Estate Held for Sale in our accompanying Consolidated Balance Sheet at December 31, 2009.

In the fourth quarter of 2009, we sold the real estate asset of one acute care facility to Prime for proceeds of $15.0 million. The sale was completed on December 28, 2009, and we realized a gain on the sale of $0.3 million.

In the second quarter of 2008, we sold the real estate assets of three inpatient rehabilitation facilities to Vibra for proceeds of approximately $105 million, including $7.0 million in early lease termination fees and $8.0 million of a loan pre-payment. The sale was completed on May 7, 2008, realizing a gain on the sale of $9.3 million. We also wrote off $9.5 million in related straight-line rent receivable upon completion of the sales.

Intangible Assets

At December 31, 2010 and 2009, our intangible lease assets were $35.0 million ($27.6 million, net of accumulated amortization) and $24.1 million ($19.0 million, net of accumulated amortization), respectively.

We recorded amortization expense related to intangible lease assets of $3.2 million, $4.5 million (including $0.5 million of accelerated amortization as described below) and $8.1 million (including $4.5 million of accelerated amortization as described below) in 2010, 2009, and 2008, respectively, and expect to recognize amortization expense from existing lease intangible assets as follows: (amounts in thousands)

For the year ended December 31:	
2011	$2,957
2012	2,592
2013	2,559
2014	2,494
2015	2,305

As of December 31, 2010, capitalized lease intangibles have a weighted average remaining life of 14.3 years.

Leasing Operations

Minimum rental payments due to us in future periods under operating leases which have non-cancelable terms extending beyond one year at December 31, 2010, are as follows: (amounts in thousands)

2011	$ 93,799
2012	90,443
2013	90,980
2014	89,291
2015	86,392
Thereafter	653,621
	$ 1,104,526

In September 2010, we exchanged properties with one of our tenants. In exchange for our acute care facility in Cleveland, Texas, we received a similar acute care facility in Hillsboro, Texas. The lease that was in place on our Cleveland facility was carried over to the new facility with no change in lease term or lease rate. This exchange was accounted for at fair value, resulting in a gain of $1.3 million (net of $0.2 million from the write-off of straight-line rent receivables).

In April 2009, we terminated leases on two of our facilities in Louisiana (Covington and Denham Springs) after the operator defaulted on the leases. As a result of the lease terminations, we recorded a $1.1 million charge in order to fully reserve and write off, respectively, the related straight-line rent receivables associated with the Covington and Denham Springs facilities. In addition, we accelerated the amortization of the related lease intangibles resulting in $0.5 million of expense in the 2009 second quarter. In June 2009, we re-leased the Denham Springs facility to a new operator under terms similar to the terminated lease. In March 2010, we re-leased our Covington facility. The lease has a fixed term of 15 years with an option, at the lessee's discretion, to extend the term for three additional periods of five years each. Rent during 2010 was based on an annual rate of $1.4 million and, commencing on January 1, 2011, increases annually by 2%. At the end of each term, the tenant has the right to purchase the facility at a price generally equivalent to the greater of our undepreciated cost and fair market value. Separately, we also obtained an interest in the operations of the tenant whereby we may receive additional consideration based on the profitability of such operations.

In January 2009, the then-operator of our Bucks County facility gave notice of its intentions to close the facility. The associated lease was terminated, which resulted in the write-off of $4.7 million in uncollectible rent and other receivables in December 2008. This write-off excluded $3.8 million of receivables that were guaranteed by the former tenant's parent company. In the 2010 fourth quarter, we agreed to settle our $3.8 million claim of unpaid rent for $1.4 million resulting in a $2.4 million charge to earnings.

In July 2009, we re-leased our Bucks County facility located in Bensalem, Pennsylvania. The lease has a fixed term of five years with an option, at the lessee's discretion, to extend 15 additional periods of one year each. Initial cash rent was $2.0 million per year with annual escalations of 2%. Separately, we also obtained a profits interest whereby we may receive up to an additional $1.0 million annually pursuant to an agreement that provides for our participation in certain cash flows, if any, as defined in the agreement. After the fixed term, the tenant has the right to purchase the facility at a price based on a formula set forth in the lease agreement.

In the third quarter of 2008, we terminated leases on two general acute care hospitals in Houston, Texas and one hospital in Redding, California due to certain tenant defaults. These facilities were previously leased to affiliates of HPA that filed for bankruptcy subsequent to the lease terminations. Pursuant to these lease terminations, we recorded $4.5 million in accelerated amortization in the 2008 third quarter related to lease intangibles. In addition, we recorded a $1.5 million charge for the write-off of straight-line rent.

On November 1, 2008, we entered into a new lease agreement for the Redding hospital. The new operator, an affiliate of Prime, agreed to increase the lease base from $60.0 million to $63.0 million and to pay up to $12.0 million in additional rent and a profits participation of up to $8.0 million based on the future profitability of the new lessee's operations. In the 2010 second quarter, Prime paid us $12 million in additional rent related to our Redding property, and we terminated our agreements with Prime concerning the additional rent and profits interest. Of this $12 million in additional rent, $2.6 million has been recognized in income from lease inception through December 31, 2010, (including $1.2 million in each of 2010 and 2009) and we expect to recognize the other $9.4 million into income over the remainder of the lease life.

As of December 31, 2010, we have advanced approximately $28 million to the operator/lessee of Monroe Hospital in Bloomington, Indiana pursuant to a working capital loan agreement, including additional advances of $1.3 million in 2010. In addition as of December 31, 2010, we have $11.5 million ($1.9 million accrued in 2010) of rent, interest and other charges outstanding, of which $5.4 million of interest receivables are significantly more than 90 days past due. Because the operator has not made all payments required by the working capital loan agreement and the related real estate lease agreement, we consider the loan to be impaired. During the first quarter of 2010, we evaluated alternative strategies for the recovery of our advances and accruals and at that time determined that the future cash flows of the current tenant or related collateral would, more likely than not, result in less than a full recovery of our loan advances. Accordingly, we recorded a $12 million charge in the 2010 first quarter to recognize the estimated impairment of the working capital loan. During the third quarter of 2010, we determined that it is reasonably likely that the existing tenant will be unable to make certain lease payments that become due in future years. Accordingly, we recorded a valuation allowance for unbilled straight-line rent in the amount of $2.5 million. At December 31, 2010, our net investment (exclusive of the related real estate) of $27.6 million is our maximum exposure to Monroe and the amount is deemed collectible/recoverable. In making this determination, we considered our

first priority secured interest in approximately (i) $4 million in hospital patient receivables, (ii) cash balances of approximately $4 million, and (iii) 100% of the membership interests of the operator/lessee and our assessment of the realizable value of our other collateral.

We continue to evaluate possible operating strategies for the hospital. We have entered into a forbearance agreement with the operator whereby we have generally agreed, under certain conditions, not to fully exercise our rights and remedies under the lease and loan agreements during limited periods. We have not committed to the adoption of a plan to transition ownership or management of the hospital to any new operator, and there is no assurance that any such plan will be completed. Moreover, there is no assurance that any plan that we ultimately pursue will not result in additional charges for further impairment of our working capital loan. We have not recognized any interest income on the Monroe loan since it was considered impaired in the 2010 first quarter.

Loans

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

	As of December 31, 2010		As of December 31, 2009	
	Balance	Weighted average interest rate	Balance	Weighted average interest rate
Mortgage loans	$ 165,000	10.0%	$ 200,164	9.9%
Other loans	50,985	10.8%	110,842	10.6%
	$ 215,985		$ 311,006	

In 2010, we funded $2.8 million for an expansion loan on the Centinela property. This expansion loan and original mortgage loan were repaid in the amount of $43 million in the 2010 fourth quarter.

In December 2009, we committed to fund a mortgage loan totaling $20.0 million to an affiliate of Prime, $15 million of which was advanced in 2009 with the remainder advanced in 2010. This loan is collateralized by the Desert Valley facility and the purpose of the loan was to help fund an overall $35.0 million expansion and renovation.

Including our working capital loans to Monroe (discussed previously), our other loans primarily consist of loans to our tenants for acquisitions and working capital purposes. In 2008 and as part of the leasing of our Redding Hospital, we agreed to provide Prime a working capital loan up to $20 million. In April 2010, Prime repaid this loan and other working capital loans plus accrued interest in the amount of $40 million. In conjunction with our purchase of six healthcare facilities in July and August 2004, we also made loans aggregating $41.4 million to Vibra. As of December 31, 2010, Vibra has reduced the balance of the loans to $19.6 million.

Concentration of credit risks

For the years ended December 31, 2010, 2009, and 2008, affiliates of Prime (including rent and interest from mortgage and working capital loans) accounted for 32.7%, 33.7%, and 26.9%, respectively, of our total revenues , and Vibra (including rent and interest from working capital loans) accounted for 14.5%, 15.1%, and 17.4%, respectively, of our total revenues.

4. Debt

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

	As of December 31, 2010		As of December 31, 2009	
	Balance	Interest rate	Balance	Interest rate
Revolving credit facilities	$ —	Variable	$ 137,200	Variable
Senior unsecured notes—fixed rate through July and October 2011 due July and October 2016	125,000	7.333%-7.871%	125,000	7.333%-7.871%
Exchangeable senior notes				
Principal amount	91,175	6.125%-9.250%	220,000	6.125%-9.250%
Unamortized discount	(2,585)		(8,265)	
	88,590		211,735	
Term loans Principal amount	157,683	Various	102,743	Various
Unamortized discount	(1,303)		—	
	156,380		102,743	
	$ 369,970		$ 576,678	

As of December 31, 2010, principal payments due on our debt (which exclude the effects of any discounts recorded) are as follows:

2011	$ 25,608
2012	1,500
2013	83,500
2014	1,500
2015	1,500
Thereafter	260,250
Total	$373,858

In May 2010, we closed on a new $450 million secured credit facility with a syndicate of banks and others, and the proceeds of such new credit facility along with cash proceeds from a secondary stock offering as more fully described in Note 9 were used to repay in full all outstanding obligations under the old $220 million credit facility, fund the purchase of 93% of our outstanding 6.125% exchangeable senior notes and payoff of a $30 million term loan. These refinancing activities resulted in a charge of approximately $6.7 million in 2010 related to the write-off of previously deferred financing costs and the premium we paid associated with the exchangeable notes buy back. The new credit facility includes a $150 million term loan facility (“2010 Term Loan”) and a $300 million revolving loan facility (“2010 Revolving Facility”), which was increased to $330 million in September 2010. We may further increase the 2010 Revolving Facility up to $375 million via an accordion feature through November 2011.

Revolving credit facilities

The 2010 Revolving Facility has a 3-year term that matures on May 17, 2013 and has an interest rate option of (1) the higher of the “prime rate” or federal funds rate plus 0.5%, plus a spread initially set at 2.00%, but that is adjustable from 2.00% to 2.75% based on current total leverage,

or (2) LIBOR plus a spread initially set at 3.00%, but that is adjustable from 3.00% to 3.75% based on current total leverage. In addition, we are required to pay a quarterly commitment fee on the undrawn portion of the 2010 Revolving Facility, ranging from 0.375% to 0.500% per year. The 2010 Revolving Facility is collateralized by (i) the equity interests of certain of our subsidiaries and (ii) mortgage loans payable to us. We may borrow up to the maximum of the facility so long as we do not permit the ratio of outstanding indebtedness under the facility to exceed 55% of the value of the borrowing base, as described in the revolving facility agreement. From inception of this new facility through December 31, 2010, we have not borrowed under this facility, and as of December 31, 2010, we had $322.4 million of availability.

In regards to the $220 million credit facility that we paid off in 2010, our outstanding borrowings under the revolving facility were $96 million at December 31, 2009. For 2009, our interest rate was primarily set of the 30-day LIBOR plus 1.75% (1.99% at December 31, 2009). In addition, the old credit facility provided for a quarterly commitment fee on the unused portion ranging from 0.20% to 0.35%. The weighted average interest rate on this facility was 2.21% for 2009.

In June 2007, we signed a collateralized revolving bank credit facility for up to $42 million. The terms are for five years with interest at the 30-day LIBOR plus 1.50% (1.77% at December 31, 2010 and 1.73% at December 31, 2009). The amount available under the facility decreases $0.8 million per year until maturity. The facility is collateralized by one real estate property with a net book value of $56.5 million and $57.9 million at December 31, 2010 and 2009, respectfully. This facility had an outstanding balance of $0 and $41.2 million at December 31, 2010 and December 31, 2009, respectively. At December 31, 2010, we had $40.4 million of availability under this revolving credit facility. The weighted-average interest rate on this revolving bank credit facility was 1.74% and 1.86% for 2010 and 2009, respectively.

Senior unsecured notes

During 2006, we issued $125.0 million of Senior Unsecured Notes (the “Senior Notes”). The Senior Notes were placed in private transactions exempt from registration under the Securities Act of 1933, as amended, (the “Securities Act”). One of the issuances of Senior Notes totaling $65.0 million pays interest quarterly at a fixed annual rate of 7.871% through July 30, 2011, thereafter, at a floating annual rate of three-month LIBOR plus 2.30% and may be called at par value by us at any time on or after July 30, 2011. This portion of the Senior Notes matures in July 2016. The remaining issuances of Senior Notes pay interest quarterly at fixed annual rates ranging from 7.333% to 7.715% through October 30, 2011, thereafter, at a floating annual rate of three-month LIBOR plus 2.30% and may be called at par value by us at any time on or after October 30, 2011. These remaining notes mature in October 2016.

During the second quarter 2010, we entered into an interest rate swap to fix $65 million of our $125 million Senior Notes, starting July 31, 2011 (date on which the interest rate is scheduled to turn 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 Senior Notes starting October 31, 2011 (date on which the related interest rate is scheduled to turn variable) through the maturity date (or October 2016) at a rate of 5.675%. At December 31, 2010, the fair value of the interest rate swaps is $3.6 million, which is reflected in accounts payable and accrued expenses on the condensed consolidated balance sheet.

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 until the underlying debt matures while the

ineffective portion is recorded through earnings. We did not have any hedge ineffectiveness from inception of our interest rate swaps through December 31, 2010 and therefore, there was no income statement effect recorded during the year ended December 31, 2010.

Exchangeable senior notes

In November 2006, our Operating Partnership issued and sold, in a private offering, $138.0 million of Exchangeable Senior Notes (the "2006 Exchangeable Notes"). The 2006 Exchangeable Notes pay interest semi-annually at a rate of 6.125% per annum and mature on November 15, 2011. The 2006 Exchangeable Notes have an initial exchange rate of 60.3346 of our common shares per $1,000 principal amount of the notes, representing an exchange price of $16.57 per common share. The initial exchange rate is subject to adjustment under certain circumstances. The 2006 Exchangeable Notes are exchangeable, prior to the close of business on the second business day immediately preceding the stated maturity date at any time beginning on August 15, 2011 and also upon the occurrence of specified events, for cash up to their principal amount and cash or our common shares for the remainder of the exchange value in excess of the principal amount. Net proceeds from the offering of the 2006 Exchangeable Notes were approximately $134 million, after deducting the initial purchasers' discount. The 2006 Exchangeable Notes are senior unsecured obligations of the Operating Partnership, guaranteed by us. During 2010, 93% of the outstanding 6.125% exchangeable senior notes due 2011 were repurchased at a price of 103% of the principal amount plus accrued and unpaid interest (or $136.3 million). The outstanding balance on the 2006 Exchangeable Notes is $9.2 million as of December 31, 2010.

Concurrent with the pricing of the 2006 exchangeable notes, the Operating Partnership entered into a "capped call" transaction with affiliates of the initial purchasers (the "option counterparties") in order to increase the effective exchange price of the Exchangeable Notes to $18.94 per common share. The capped call transaction is expected to reduce the potential dilution with respect to our common stock upon exchange of the 2006 Exchangeable Notes to the extent the then market value per share of our common stock does not exceed $18.94 during the observation period relating to an exchange. We have reserved 8.3 million shares, which may be issued in the future to settle the 2006 Exchangeable Notes. The premium of $6.3 million paid for the "capped call" transaction has been recorded as a permanent reduction to additional paid in capital in the consolidated statement of equity.

In March 2008, our Operating Partnership issued and sold, in a private offering, $75.0 million of Exchangeable Senior Notes (the "2008 Exchangeable Notes") and received proceeds of $72.8 million. In April 2008, the Operating Partnership sold an additional $7.0 million of the 2008 Exchangeable Notes (under the initial purchasers' overallotment option) and received proceeds of $6.8 million. The 2008 Exchangeable Notes pay interest semi-annually at a rate of 9.25% per annum and mature on April 1, 2013. The 2008 Exchangeable Notes have an initial exchange rate of 80.8898 shares of our common stock per $1,000 principal amount, representing an exchange price of $12.36 per common share. The initial exchange rate is subject to adjustment under certain circumstances. The 2008 Exchangeable Notes are exchangeable prior to the close of business on the second day immediately preceding the stated maturity date at any time beginning on January 1, 2013 and also upon the occurrence of specified events, for cash up to their principal amounts and cash or our common shares for the remainder of the exchange value in excess of the principal amount. The 2008 Exchangeable Notes are senior unsecured obligations of the Operating Partnership, guaranteed by us.

Term loans

The 2010 Term Loan has a 6-year term that matures May 17, 2016 and has an interest rate option of (1) LIBOR plus a spread of 3.5% or (2) the higher of the "prime rate" or federal funds rate plus 0.5%, plus a spread of 2.50%. This 2010 Term Loan is subject to a LIBOR floor of 1.5% (5.00% at December 31, 2010). We make quarterly principal payments of $375,000 on the term loan. The 2010 Term Loan had an outstanding balance of $149.3 million at December 31, 2010.

Included in the $220 million credit facility that was paid off in 2010 was a term loan that had an outstanding balance of $64.5 million at December 31, 2009. This term loan's interest rate was based on the 30-day LIBOR plus a spread of 200 basis points (2.26% at December 31, 2009).

In June 2008, our Operating Partnership signed a term loan agreement for $30.0 million that was paid off during 2010. This facility had an outstanding balance of $29.6 million at December 31, 2009. The loan had a variable interest rate of 400 basis points in excess of LIBOR (4.23% at December 31, 2009).

In November 2008, we signed a collateralized term loan facility for $9 million with interest fixed at 5.66%. The term loan has a stated maturity date of November 2013; however, this could mature earlier if the lease of the collateralized property (that comes due in December 2011) is not extended. We make monthly principal and interest payments on this loan. The facility is collateralized by one real estate property with a book value of $18.2 million at December 31, 2010. This facility had an outstanding balance of $8.4 million at December 31, 2010.

Our debt facilities impose certain restrictions on us, including restrictions on our ability to: incur debts; grant 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; and change our business. In addition, these agreements limit the amount of dividends we can pay to 90% of normalized adjusted funds from operations, as defined in the agreements, on a rolling four quarter basis starting for the fiscal quarter ending March 31, 2012 and thereafter. Prior to March 31, 2012, a similar dividend restriction exists but at a higher percentage for transitional purposes. These agreements also contain provisions for the mandatory prepayment of outstanding borrowings under these facilities from the proceeds received from the sale of properties that serve as collateral, except a portion may be reinvested subject to certain limitations, as defined in the credit facility agreement.

In addition to these restrictions, the new credit facility contains 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, facility leverage ratio, and borrowing base 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 December 31, 2010, we were in compliance with all such financial and operating covenants.

5. Income taxes

Medical properties Trust, Inc.

We have maintained and intend to maintain our election as a REIT under the Internal Revenue Code of 1986, as amended. To qualify as a REIT, we must meet a number of organizational and operational requirements, including a requirement to distribute at least 90% of our taxable income to our stockholders. As a REIT, we generally will not be subject to federal income tax if we distribute 100% of our taxable income to our stockholders and satisfy certain other requirements. Income tax is paid directly by our stockholders on the dividends distributed to them. If our taxable income exceeds our dividends in a tax year, REIT tax rules allow us to designate dividends from the subsequent tax year in order to avoid current taxation on undistributed income. If we fail to qualify as a REIT in any taxable year, we will be subject to federal income taxes at regular corporate rates, including any applicable alternative minimum tax. Taxable income from non-REIT activities managed through our taxable REIT subsidiaries is subject to applicable federal, state and local income taxes. For 2010 and 2009, we recorded tax expense of $1.6 million and $0.3 million, respectively, while we recorded a tax benefit of $1.1 million in 2008.

At December 31, 2010 and 2009, we had a net deferred tax asset (prior to valuation allowance) of $6.7 million and $1.8 million respectively. This increase is primarily related to the loss reserve recorded in 2010 on the Monroe loan and an increase in the federal and state net operating loss carry forwards (“NOLs”). NOLs are available to offset future earnings in one of our taxable REIT subsidiaries within the periods specified by law. At December 31, 2010, we had U.S. federal and state NOLs of $7.4 million and $7.9 million, respectively, that expire in 2020 through 2030.

With the early prepayment of working capital loans by Prime and the impairment of the Monroe loan as more fully described in Note 3, we did not believe that one of our taxable REIT subsidiaries would generate enough taxable income to use the federal and state net operating losses noted above within the carry forward period specified by law. Therefore, in the 2010 second quarter, we fully reserved for the net deferred tax asset. At December 31, 2010 and 2009 the valuation allowance was $6.8 million and $0.3 million, respectively. We will continue to monitor this valuation allowance and, if circumstances change (such as entering into new working capital loans or other transactions), we will adjust this valuation allowance accordingly.

Earnings and profits, which determine the taxability of distributions to stockholders, will differ from net income reported for financial reporting purposes due primarily to differences in cost bases, differences in the estimated useful lives used to compute depreciation, and differences between the allocation of our net income and loss for financial reporting purposes and for tax reporting purposes.

A schedule of per share distributions we paid and reported to our stockholders is set forth in the following:

	For the years ended December 31,		
	2010	**2009**	**2008**
Common share distribution	$ 0.800000	$ 0.800000	$ 1.080000
Ordinary income	0.388128	0.471792	0.677940
Capital gains(1)	0.027724	0.003708	0.145400
Unrecaptured Sec. 1250 gain	0.022784	0.003708	0.138168
Return of capital	0.384148	0.324500	0.256660
Allocable to next year	—	—	—

(1) Capital gains include unrecaptured Sec. 1250 gains.

MPT Operating Partnership, L.P.

As a partnership, the allocated share of income of the Operating Partnership is included in the income tax returns of the general and limited partners. Accordingly, no accounting for income taxes is generally required for such income of the Operating Partnership. However, the Operating Partnership has formed taxable REIT subsidiaries on behalf of Medical Properties Trust, Inc., which are subject to federal, state and local income taxes at regular corporate rates. See discussion above under Medical Properties Trust, Inc. for more details of income taxes associated with our taxable REIT subsidiaries.

6. Earnings per share/unit

Medical Properties Trust, Inc.

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

	For the years ended December 31,		
	2010	**2009**	**2008**
Numerator:			
Income from continuing operations	$ 13,228	$33,670	$18,590
Non-controlling interests' share in continuing operations	(99)	(36)	(29)
Participating securities' share in earnings	(1,254)	(1,506)	(1,745)
Income from continuing operations, less participating securities' share in earnings	11,875	32,128	16,816
Income from discontinued operations	9,784	2,697	14,143
Non-controlling interests' share in discontinued operations	—	(1)	(4)
Income from discontinued operations attributable to MPT common stockholders	9,784	2,696	14,139
Net income, less participating securities' share in earnings	$ 21,659	$34,824	$30,955
Denominator:			
Basic weighted-average common shares	100,706	78,117	62,027
Dilutive stock options	2	—	8
Diluted weighted-average common shares	100,708	78,117	62,035

MPT Operating Partnership, L.P.

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

	For the years ended December 31,		
	2010	**2009**	**2008**
Numerator:			
Income from continuing operations	$ 13,303	$33,733	$18,590
Non-controlling interests' share in continuing operations	(99)	(36)	(29)
Participating securities' share in earnings	(1,254)	(1,506)	(1,745)
Income from continuing operations, less participating securities' share in earnings	11,950	32,191	16,816
Income from discontinued operations	9,784	2,697	14,143
Non-controlling interests' share in discontinued operations	—	(1)	(4)
Income from discontinued operations attributable to MPT Operating Partnership partners	9,784	2,696	14,139
Net income, less participating securities' share in earnings	$ 21,734	$34,887	$30,955
Denominator:			
Basic weighted-average units	100,706	78,117	62,027
Dilutive options	2	—	8
Diluted weighted-average units	100,708	78,117	62,035

For each of the years ended December 31, 2010, 2009, and 2008, 0.1 million of options were excluded from the diluted earnings per share/unit calculation as they were not determined to be dilutive. Shares/units that may be issued in the future in accordance with our exchangeable senior notes were excluded from the diluted earnings per share/unit calculation as they were not determined to be dilutive.

7. Stock awards

We have adopted the Second Amended and Restated Medical Properties Trust, Inc. 2004 Equity Incentive Plan (the "Equity Incentive Plan"), 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 7,441,180 shares of common stock for awards under the Equity Incentive Plan for which 3,716,379 shares remain available for future stock awards as of December 31, 2010. The Equity Incentive Plan contains a limit of 1,000,000 shares as the maximum number of shares of common stock that may be awarded to an individual in any fiscal year. Awards under the Equity Incentive Plan are subject to forfeiture due to termination of employment prior to vesting. In the event of a change in control, outstanding and unvested options will immediately vest, unless otherwise provided in the participant's award or employment agreement, and restricted stock, restricted stock units, deferred stock units and other stock-based awards will vest if so provided in the participant's award agreement. The term of the awards is set by the Compensation Committee, though Incentive Stock Options may not have terms of more than ten years. Forfeited awards are returned to the Equity Incentive Plan and are then available to be re-issued as future awards. For

each share of common stock issued by Medical Properties Trust, Inc. pursuant to its equity compensation plans, the Operating Partnership issues a corresponding number of operating partnership units.

We awarded 50,000 common stock options in 2007, with an exercise price and estimated grant date fair values of $12.09 and $1.36 per option, respectively. The options awarded in 2007 vest annually in equal amounts over three years from the date of award and expire in 2012. We use the Black-Scholes pricing model to calculate the fair values of the options awarded. In 2007, the following assumptions were used to derive the fair values: an option term of four years; expected volatility of 28.34%; a weighted average risk-free rate of return of 4.62%; and a dividend yield of 8.93%. The intrinsic value of options exercisable and outstanding at December 31, 2010, is $-0-. No options were granted, exercised, or forfeited in 2010, 2009, or 2008. At December 31, 2010, we had 130,000 options outstanding and exercisable, with a weighted-average exercise price of $10.80 per option. The weighted average remaining contractual term of options exercisable and outstanding is 3.0 years.

Other stock-based awards are in the form of service-based awards and performance-based awards. The service-based awards vest as the employee provides the required service over periods that generally range from three to seven years. Service based awards are valued at the average price per share of common stock on the date of grant. In 2006, 2007, and 2010, the Compensation Committee made awards which vest based on us achieving certain performance levels, stock price levels, total shareholder return or comparison to peer total return indices. The 2010 awards are based on us achieving a simple 9.5% annual total shareholder return over a three year period; however, the award contains both carry forward and carry back provisions through December 31, 2014. The 2006 awards are based on us achieving levels of total shareholder return compared to an industry index.

The 2007 awards were granted under our 2007 Multi-year Incentive Plan (“MIP”) adopted by the Compensation Committee and consist of three components: service-based awards, core performance awards (“CPRE”), and superior performance awards (“SPRE”). The service-based awards vest annually and ratably over a seven-year period beginning December 31, 2007. The CPRE awards also vest annually and ratably over the same seven-year period contingent upon our achievement of a simple 9% annual total return to shareholders (pro-rated to 7.5% for the first vesting period ending December 31, 2007). In years in which the annual total return exceeds 9%, the excess return may be used to earn CPRE awards not earned in a prior or future year. SPRE awards were to be earned based on achievement of specified share price thresholds during the period beginning March 1, 2007 through December 31, 2010, and were to vest annually and ratably over the subsequent three-year period (2011-2013). At December 31, 2010, the share price thresholds were not met. However, in accordance with the SPRE award agreements, 33.334% of the SPRE awards were earned as we performed at or above the 50th percentile of all real estate investment trusts included in the Morgan Stanley REIT Index in terms of total return to shareholders over the same period. The other 66.666% of the SPRE awards were deemed forfeited. All unvested 2007 MIP awards provide for payment of dividends and other non-liquidating distributions, except that the SPRE awards, prior to the awards being earned, pay dividends at 20% of the per share dividend amount. The 2007 MIP awards were made in the form of restricted shares and a new class of partnership units in our Operating Partnership (“LTIP units”)—see Note 14 for further details . The LTIP units that are earned may eventually be converted, at our election, into either shares of common stock on a one-for-one basis or their equivalent in cash. We have valued our LTIP awards at the same per unit value as a

corresponding restricted stock award. We used an independent valuation consultant to assist us in determining the value of the 2007 MIP awards' CPRE and SPRE components using a Monte Carlo simulation. The following assumptions were used to derive the fair values for the SPRE and CPRE, respectively: term —3.4 years and 6.4 years; expected (implied) volatility 27.00% and 26.00%; risk-free rate of return 4.55% and 4.65%; and, dividends—$1.08 in 2007, $1.10 in 2008, $1.13 in 2009, and 3% annual increase thereafter through 2013. In addition to the SPRE awards noted earlier, 79,287 shares/LTIP units were earned in 2010 under the CPRE award. For 2009, 79,287 shares/LTIP units were earned under the CPRE award, but no SPRE awards were earned.

The following summarizes restricted equity awards activity in 2010 and 2009, respectively:

For the year ended December 31, 2010:

	Vesting based on service		Vesting based on market/performance conditions	
	Shares	Weighted average value at award date	Shares	Weighted average value at award date
Nonvested awards at beginning of the year	962,350	$ 10.22	1,301,088	$ 6.90
Awarded	277,680	$ 10.39	182,600	$ 9.25
Vested	(454,323)	$ 9.97	(175,279)	$ 10.64
Forfeited	(2,402)	$ 8.66	(480,000)	$ 3.31
Nonvested awards at end of year	783,305	$ 10.43	828,409	$ 8.70

For the year ended December 31, 2009:

	Vesting based on service		Vesting based on market/performance conditions	
	Shares	Weighted average value at award date	Shares	Weighted average value at award date
Nonvested awards at beginning of the year	828,106	$ 12.24	1,380,375	$ 7.15
Awarded	441,134	$ 6.30	—	—
Vested	(299,167)	$ 10.08	(79,287)	$ 11.29
Forfeited	(7,723)	$ 8.16	—	—
Nonvested awards at end of year	962,350	$ 10.22	1,301,088	$ 6.90

The value of stock-based awards is charged to compensation expense over the vesting periods. In the years ended December 31, 2010, 2009 and 2008, we recorded $6.6 million, $5.5 million, and $6.4 million respectively, of non-cash compensation expense. The remaining unrecognized cost from restricted equity awards at December 31, 2010, is $9.6 million and will be recognized over a weighted average period of 2.4 years. Restricted equity awards which vested in 2010 had a value of $6.1 million on the vesting dates.

8. Commitments and contingencies

Our operating leases primarily consist of ground leases on which certain of our facilities or other related property reside along with corporate office and equipment leases. These ground leases are long-term leases and some contain escalation provisions. Properties subject to these ground leases are subleased to our tenants. Lease and rental expense for 2010, 2009 and 2008, respectively, were $989,170, $859,570, and $919,735, which was offset by sublease rental income of $520,090, $520,090, and $498,733 for 2010, 2009, and 2008, respectively.

Fixed minimum payments due under operating leases with non-cancelable terms of more than one year at December 31, 2010 are as follows: (amounts in thousands)

2011	$ 2,128
2012	2,135
2013	2,021
2014	1,657
2015	1,657
Thereafter	38,971
	$48,569

The total amount to be received in the future from non-cancellable subleases at December 31, 2010, is $31.1 million.

In November 2009, we reached an agreement to settle all of the claims asserted by Stealth, L.P. in previously disclosed litigation concerning the termination of leases of the Houston Town and Country Hospital and medical office building in October 2006, with the exception of a single contract claim for which Memorial Hermann Healthcare System had agreed to provide indemnification. Claims separately asserted against us by six of Stealth L.P.'s limited partners were not affected by the settlement. In January 2010, Memorial Hermann settled all claims asserted by Stealth including the single contract claim against us at no additional cost to us. The settlement with Stealth did not affect certain contract and tort claims asserted by six of Stealth's limited partners. As part of the settlement in November, however, Stealth indemnified us for any judgment amount and certain defense-related costs that we incurred. During the first quarter of 2010, these claims were tried in Harris County District Court in Houston, Texas, and the jury found against the plaintiffs on all claims. In the second quarter 2010, we settled the indemnification claim with Stealth resulting in $875,000 of proceeds to cover these defense costs, which we recorded as a reduction of legal expenses in June 2010.

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.

9. Common stock

In April 2010, we completed a public offering of 26 million shares of common stock at $9.75 per share. Including the underwriters' purchase of 3.9 million additional shares to cover over allotments, net proceeds from the offering, after underwriting discount and commissions, were $279.1 million. We used the net proceeds from the offering to fund our refinancing activities as discussed in Note 4 with any remaining proceeds to be used for general corporate purposes including funding acquisitions during 2010.

During the first quarter of 2010, we sold 0.9 million shares of our common stock under our at-the-market equity offering program, at an average price of $10.77 per share, for total proceeds, net of a 2% sales commission, of $9.5 million.

In November 2009, we put an at-the-market program in place, and we have the ability to sell up to $50 million of stock under that plan. During the fourth quarter of 2009, we sold 30,000 shares at an average price per share of $10.25 resulting in a proceeds, net of a 2% sales agent commission, of $0.3 million.

On January 9, 2009, 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 100,000,000 to 150,000,000.

In January 2009, we completed a public offering of 12.0 million shares of our common stock at $5.40 per share. Including the underwriters' purchase of 1.3 million additional shares to cover over allotments, net proceeds from this offering, after underwriting discount and commissions, were $67.8 million. The net proceeds of this offering were generally used to repay borrowings outstanding under our revolving credit facilities.

In March 2008, we sold 12,650,000 shares of common stock at a price of $10.75 per share. After deducting underwriters commissions and offering expenses, we realized proceeds of $128.3 million.

10. Partner's capital

The Operating Partnership is made up of a general partner, Medical Properties Trust, LLC ("General Partner") and limited partners, including the Company (which owns 100% of the General Partner) and three other partners who are employees. By virtue of its ownership of the General Partner, the Company has a 99.9% ownership interest in Operating Partnership via its ownership of all the common units. The remaining ownership interest is held by the three employees via their ownership of LTIP units. These LTIP units were issued to the employees pursuant to the 2007 Multi-Year Incentive Plan, which is part of the Equity Incentive Plan discussed in Note 6 and once vested in accordance with their award agreement, may be converted to common units per the Second Amended and Restated Agreement of Limited Partnership of MPT Operating Partnership, L.P. ("Operating Partnership Agreement")

In regards to distributions, the Operating Partnership shall distribute cash at such times and in such amounts as are determined by the General Partner in its sole and absolute discretion, to common unit holders who are common unit holders on the record date. However, per the Operating Partnership Agreement, the General Partner shall use its reasonable efforts to cause the Operating Partnership to distribute amounts sufficient to enable the Company to pay stockholder dividends that will allow the Company to (i) meet its distribution requirement for qualification as a REIT and (ii) avoid any federal income or excise tax liability imposed by the Internal Revenue Code, other than to the extent the Company elects to retain and pay income tax on its net capital gain. In accordance with the Operating Partnership Agreement, LTIP units are treated as common units for distribution purposes.

The Operating Partnership's net income will generally be allocated first to the General Partner to the extent of any cumulative losses and then to the limited partners in accordance with their respective percentage interests in the common units issued by the Operating Partnership. Any

losses of the Operating Partnership will generally be allocated first to the limited partners until their capital account is zero and then to the General Partner. In accordance with the Operating Partnership Agreement, LTIP units are treated as common units for purposes of income and loss allocations.

Limited partners have the right to require the Operating Partnership to redeem part or all of their common units. It is at the Operating Partnership's discretion to redeem such common units for cash based on the fair market value of an equivalent number of shares of the Company's common stock at the time of redemption or, alternatively, redeem the common units for shares of the Company's common stock on a one-for-one basis, subject to adjustment in the event of stock splits, stock dividends, or similar events. In order for LTIP units to be redeemed, they must first be converted to common units and then must wait two years from the issuance of the LTIP units to be redeemed.

For each share of common stock issued by Medical Properties Trust, Inc., the Operating Partnership issues a corresponding number of operating partnership units.

11. 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 approximates their fair values. Included in 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 loans, interest, and other receivables by 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. We determine the fair value of our exchangeable notes based on quotes from securities dealers and market makers. We estimate the fair value of our senior notes, revolving credit facilities, and term loans based on the present value of future payments, discounted at a rate which we consider appropriate for such debt.

The following table summarizes fair value information for our financial instruments: (amounts in thousands)

	December 31, 2010		December 31, 2009	
Asset (liability)	**Book value**	**Fair value**	**Book value**	**Fair value**
Interest and rent receivables	$ 26,176	$ 20,265	$ 19,845	$ 16,712
Loans	215,985	209,126	311,006	299,123
Debt, net	(369,970)	(359,910)	(576,678)	(547,242)

12. Discontinued operations

In the fourth quarter 2010, we sold the real estate of our Montclair Hospital, an acute care medical center to Prime for proceeds of $20.0 million. We realized a gain on the sale of $2.2 million. In October of 2010, we sold the real estate of our Sharpstown hospital in Houston, Texas to a third party for proceeds of $3.0 million resulting in a gain of $0.7 million. In the second quarter of 2010, we sold the real estate of our Inglewood Hospital, a 369-bed acute care medical center located in Inglewood, California, to Prime for $75 million resulting in a gain of

approximately $6 million. Due to these sales, we have reclassified these assets to Real Estate Held for Sale in our accompanying Consolidated Balance Sheet at December 31, 2009 and reclassified the related operating results to discontinued operations for the current and prior periods.

In the fourth quarter of 2009, we sold the real estate of a general acute hospital to Prime for proceeds of approximately $15 million. The sale was completed on December 28, 2009, resulting in a gain on the sale of $0.3 million. Due to this sale, we have reclassified the assets of this property to Real Estate Held for Sale in the accompanying Consolidated Balance Sheet, which approximated $15.0 million at December 31, 2008.

In the second quarter of 2008, we sold the real estate assets of three inpatient rehabilitation facilities to Vibra for proceeds of approximately $105 million, including $7.0 million in early lease termination fees and $8.0 million of a loan pre-payment. The sale was completed on May 7, 2008, resulting in a gain on the sale of $9.3 million. We also wrote off $9.5 million in related straight-line rent receivables upon completion of the sales.

In 2006, we terminated leases for a hospital and medical office building (“MOB”) complex and repossessed the real estate. In January 2007, we sold the hospital and MOB complex and recorded a gain on the sale of real estate of $4.1 million. During the period between termination of the lease and sale of the real estate, we substantially funded through loans the working capital requirements of the hospital’s operator pending the operator’s collection of patient receivables from Medicare and other sources. At December 31, 2007, we had $4.2 million in working capital loans included in assets of discontinued operations on the consolidated balance sheet. In July 2008, we received from Medicare the substantial remainder of amounts that we expect to collect and based thereon wrote off in the second quarter of 2008 $2.1 million (net of $1.2 million in tax benefits) of remaining uncollectible receivables from the operator. We were defendants in litigation related to this discontinued operation and it resulted in a significant amount of legal expenses in 2009 and 2008 including a settlement of $2.7 million reached in the 2009 fourth quarter.

We have classified current and prior year activity related to these transactions, along with the related operating results of the facilities prior to these transactions taking place, as discontinued operations.

The following table presents the results of discontinued operations for the years ended December 31, 2010, 2009 and 2008 (in thousands except per share/units amounts):

	For the years ended December 31,		
	2010	**2009**	**2008**
Revenues	$ 3,838	$ 3,269	$ 12,970
Gain on sale	9,072	278	9,305
Income from discontinued operations	9,784	2,697	14,143
Income from discontinued operations—diluted per share/units	$ 0.10	$ 0.04	$ 0.23

13. Quarterly financial data (unaudited)

Medical Properties Trust, Inc.

The following is a summary of the unaudited quarterly financial information for the years ended December 31, 2010 and 2009: (amounts in thousands, except for per share data)

	For the three month periods in 2010 ended			
	March 31	June 30	September 30	December 31
Revenues	$ 30,858	$ 30,593	$ 28,644	$ 31,752
Income (loss) from continuing operations	(3,439)	(305)	8,663	8,309
Income from discontinued operations	625	6,537	301	2,321
Net income (loss)	(2,814)	6,232	8,964	10,630
Net income (loss) attributable to MPT common stockholders	(2,822)	6,223	8,919	10,593
Net income (loss) attributable to MPT common stockholders per share—basic	$ (0.04)	$ 0.06	$ 0.08	$ 0.09
Weighted average shares outstanding—basic	79,176	103,498	110,046	110,103
Net income (loss) attributable to MPT common stockholders per share—diluted	$ (0.04)	$ 0.06	$ 0.08	$ 0.09
Weighted average shares outstanding—diluted	79,176	103,498	110,046	110,108

	For the three month periods in 2009 ended			
	March 31	June 30	September 30	December 31
Revenues	$ 29,460	$ 28,640	$ 30,639	$ 30,069
Income from continuing operations	8,207	6,608	9,525	9,330
Income (loss) from discontinued operations	2,511	1,251	859	(1,924)
Net income	10,718	7,859	10,384	7,406
Net income attributable to MPT common stockholders	10,710	7,846	10,374	7,399
Net income attributable to MPT common stockholders per share—basic	$ 0.14	$ 0.09	$ 0.13	$ 0.09
Weighted average shares outstanding—basic	76,432	78,616	78,655	78,755
Net income attributable to MPT common stockholders per share—diluted	$ 0.14	$ 0.09	$ 0.13	$ 0.09
Weighted average shares outstanding—diluted	76,432	78,616	78,655	78,755

MPT Operating Partnership, L.P.

The following is a summary of the unaudited quarterly financial information for the years ended December 31, 2010 and 2009: (amounts in thousands, except for per share data)

	For the three month periods in 2010 ended			
	March 31	**June 30**	**September 30**	**December 31**
Revenues	$ 30,858	$ 30,593	$ 28,644	$ 31,752
Income (loss) from continuing operations	(3,424)	(236)	8,654	8,309
Income from discontinued operations	625	6,537	301	2,321
Net income (loss)	(2,799)	6,301	8,955	10,630
Net income (loss) attributable to MPT Operating Partnership partners	(2,807)	6,292	8,910	10,593
Net income (loss) attributable to MPT Operating Partnership partners per unit—basic	$ (0.04)	$ 0.06	$ 0.08	$ 0.09
Weighted average units outstanding—basic	79,176	103,498	110,046	110,103
Net income (loss) attributable to MPT Operating Partnership partners per unit—diluted	$ (0.04)	$ 0.06	$ 0.08	$ 0.09
Weighted average units outstanding—diluted	79,176	103,498	110,046	110,108

	For the three month periods in 2009 ended			
	March 31	**June 30**	**September 30**	**December 31**
Revenues	$ 29,460	$ 28,640	$ 30,639	$ 30,069
Income from continuing operations	8,270	6,608	9,525	9,330
Income (loss) from discontinued operations	2,511	1,251	859	(1,924)
Net income	10,781	7,859	10,384	7,406
Net income attributable to MPT Operating Partnership partners	10,773	7,846	10,374	7,399
Net income attributable to MPT Operating Partnership partners per unit—basic	$ 0.14	$ 0.09	$ 0.13	$ 0.09
Weighted average units outstanding—basic	76,432	78,616	78,655	78,755
Net income attributable to MPT Operating Partnership partners per unit—diluted	$ 0.14	$ 0.09	$ 0.13	$ 0.09
Weighted average units outstanding—diluted	76,432	78,616	78,655	78,755

14. Subsequent events

As of September 29, 2011, we invested approximately $210 million in health care real estate.

15. Condensed consolidating financial information

The following tables present the condensed consolidating financial information for (a) Medical Properties Trust, Inc. (“Parent” and a guarantor to our 2011 unsecured senior notes), (b) MPT Operating Partnership, L.P. and MPT Finance Corporation (“Subsidiary Issuer”), (c) on a combined basis, the guarantors of our 2011 unsecured senior notes (“Subsidiary Guarantors”), and (d) on a

combined basis, the non-guarantor subsidiaries (“Non-Guarantor Subsidiaries”). The condensed consolidating information is presented for the parent and presents investments in subsidiaries based upon their proportionate share of the subsidiary’s net assets. Separate financial statements of the Subsidiary Guarantors are not presented because the guarantee by each 100% owned Subsidiary Guarantor is full and unconditional, joint and several, and we believe separate financial statements and other disclosures regarding the Subsidiary Guarantors are not material to investors. Furthermore, there are no significant legal restrictions on the Parent’s ability to obtain funds from its subsidiaries by dividend or loan.

Condensed consolidated balance sheet
December 31, 2010
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Assets						
Real estate assets						
Land, buildings and improvements and intangible lease assets	$ —	$ 297	$ 903,630	$ 128,442	$ —	$ 1,032,369
Mortgage loans	—	—	165,000	—	—	165,000
Gross investment in real estate assets	—	297	1,068,630	128,442	—	1,197,369
Accumulated depreciation and amortization	—	—	(65,767)	(10,327)	—	(76,094)
Net investment in real estate assets	—	297	1,002,863	118,115	—	1,121,275
Cash & cash equivalents	—	96,822	—	1,586	—	98,408
Interest and rent receivable	—	157	20,727	5,292	—	26,176
Straight-line rent receivable	—	—	21,180	7,732	—	28,912
Other loans	—	178	—	50,807	—	50,985
Net intercompany receivable (payable)	21,944	774,771	(767,395)	(29,320)	—	—
Investment in subsidiaries	899,949	390,232	42,970	—	(1,333,151)	—
Other assets	—	10,289	1,215	11,554	—	23,058
Total Assets	$921,893	$ 1,272,746	$ 321,560	$ 165,766	$ (1,333,151)	$ 1,348,814
Liabilities and Equity						
Liabilities Debt, net	$ —	$ 361,537	$ —	$ 8,433	$ —	$ 369,970
Accounts payable and accrued expenses	22,317	10,824	2,430	403	—	35,974
Deferred revenue	—	436	17,826	4,875	—	23,137
Lease deposits and other obligations to tenants	—	—	18,539	1,618	—	20,157
Total liabilities	22,317	372,797	38,795	15,329	—	449,238
Total Medical Properties Trust Inc. stockholder's equity	899,462	899,835	282,765	150,437	(1,333,037)	899,462
Non-controlling interests	114	114	—	—	(114)	114
Total equity	899,576	899,949	282,765	150,437	(1,333,151)	899,576
Total Liabilities and Equity	$921,893	$ 1,272,746	$ 321,560	$ 165,766	$ (1,333,151)	$ 1,348,814

Condensed consolidated statements of income
For the year ended December 31, 2010
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Revenues						
Rent billed	$ —	$ —	$ 79,388	$ 14,427	$ (1,030)	$ 92,785
Straight-line rent	—	—	186	1,888	—	2,074
Interest and fee income	—	6,964	16,772	10,766	(7,514)	26,988
Total revenues	—	6,964	96,346	27,081	(8,544)	121,847
Expenses						
Real estate depreciation and amortization	—	—	21,339	3,147	—	24,486
Impairment charge	—	—	—	12,000	—	12,000
Property-related	—	(4)	4,376	1,065	(1,030)	4,407
General and administrative	75	27,867	—	593	—	28,535
Total operating expenses	75	27,863	25,715	16,805	(1,030)	69,428
Operating income	(75)	(20,899)	70,631	10,276	(7,514)	52,419
Other income (expense)						
Interest income and other	—	(13)	1,493	38	—	1,518
Debt refinancing costs	—	(6,716)	—	—	—	(6,716)
Interest expense	—	(33,623)	26	(7,910)	7,514	(33,993)
Net other expense	—	(40,352)	1,519	(7,872)	7,514	(39,191)
Income (loss) from continuing operations	(75)	(61,251)	72,150	2,404	—	13,228
Income (loss) from discontinued operations	—	—	122	9,662	—	9,784
Equity in earnings of consolidated subsidiaries net of income taxes	23,087	84,338	4,273	—	(111,698)	—
Net income	23,012	23,087	76,545	12,066	(111,698)	23,012
Net income attributable to non-controlling interests	(99)	(99)	—	—	99	(99)
Net income attributable to MPT common stockholders	$22,913	$ 22,988	$ 76,545	$ 12,066	$ (111,599)	$ 22,913

Condensed consolidated statements of cash flows
For the year ended December 31, 2010
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Operating Activities						
Net cash provided by (used in) operating activities	$ (29)	$ (54,909)	$ 95,203	$ 20,372	$ —	$ 60,637
Investing Activities						
Real estate acquired	—	—	(137,808)	—	—	(137,808)
Principal received on loans receivable	—	—	—	90,486	—	90,486
Proceeds from sales of real estate	—	—	2,669	95,000	—	97,669
Investments in and advances to subsidiaries	(211,181)	99,564	48,986	(148,579)	211,210	—
Investments in loans receivable and other investments	—	—	(5,000)	(6,637)	—	(11,637)
Construction in progress and other	—	(108)	(8,267)	(7,554)	—	(15,929)
Net cash provided by (used in) investing activities	(211,181)	99,456	(99,420)	22,716	211,210	22,781
Financing Activities						
Revolving credit facilities, net	—	(96,000)	—	(41,200)	—	(137,200)
Proceeds from term debt, net of discount	—	148,500	—	—	—	148,500
Payments of term debt	—	(216,520)	—	(245)	—	(216,765)
Distributions paid	(76,856)	(77,087)	—	—	76,856	(77,087)
Proceeds from sale of common shares/units, net of offering costs	288,066	288,066	—	—	(288,066)	288,066
Lease deposits and other obligations to tenants	—	—	4,217	(550)	—	3,667
Debt issuance costs paid and other financing activities	—	(9,498)	—	—	—	(9,498)
Net cash provided by (used in) financing activities	211,210	37,461	4,217	(41,995)	(211,210)	(317)
Increase in cash and cash equivalents for period	—	82,008	—	1,093	—	83,101
Cash and cash equivalents at beginning of period	—	14,814	—	493	—	15,307
Cash and cash equivalents at end of period	$ —	$ 96,822	$ —	$ 1,586	$ —	$ 98,408

Condensed consolidated balance sheet
December 31, 2009
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Assets						
Real estate assets						
Land, buildings and improvements and intangible lease assets	$ —	$ 2	$ 760,711	$ 215,558	$ —	$ 976,271
Mortgage loans	—	—	160,000	40,164	—	200,164
Gross investment in real estate assets	—	2	920,711	255,722	—	1,176,435
Accumulated depreciation and amortization	—	—	(45,918)	(7,180)	—	(53,098)
Net investment in real estate assets	—	2	874,793	248,542	—	1,123,337
Cash & cash equivalents	—	14,813	—	494	—	15,307
Interest and rent receivable	—	185	15,512	4,148	—	19,845
Straight-line rent receivable	—	—	20,859	6,680	—	27,539
Other loans	—	178	1,000	109,664	—	110,842
Net intercompany receivable (payable)	15,740	872,702	(718,409)	(170,033)	—	—
Investment in subsidiaries	671,872	313,877	44,908	—	(1,030,657)	—
Other assets	—	6,986	1,315	4,727	—	13,028
Total Assets	$687,612	$1,208,743	$ 239,978	$ 204,222	$ (1,030,657)	$ 1,309,898
Liabilities and Equity						
Liabilities						
Debt, net	$ —	$ 526,800	$ —	$ 49,878	$ —	$ 576,678
Accounts payable and accrued expenses	16,037	9,596	3,044	570	—	29,247
Deferred revenue	—	475	9,623	5,252	—	15,350
Lease deposits and other obligations to tenants	—	—	14,880	2,168	—	17,048
Total liabilities	16,037	536,871	27,547	57,868	—	638,323
Total Medical Properties Trust Inc. stockholder's equity	671,445	671,742	212,431	146,354	(1,030,527)	671,445
Non-controlling interests	130	130	—	—	(130)	130
Total equity	671,575	671,872	212,431	146,354	(1,030,657)	671,575
Total Liabilities and Equity	$687,612	$1,208,743	$ 239,978	$ 204,222	$ (1,030,657)	$ 1,309,898

Condensed consolidated statements of income
For the year ended December 31, 2009
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Revenues						
Rent billed	$ —	$ —	$ 69,327	$ 12,538	$ —	$ 81,865
Straight-line rent	—	—	6,244	1,977	—	8,221
Interest and fee income	—	10,010	14,400	14,732	(10,419)	28,723
Total revenues	—	10,010	89,971	29,247	(10,419)	118,809
Expenses						
Real estate depreciation and amortization	—	—	19,571	3,057	—	22,628
Impairment charge	—	—	—	—	—	—
Property-related	—	(20)	3,780	42	—	3,802
General and administrative	63	20,631	—	402	—	21,096
Total operating expenses	63	20,611	23,351	3,501	—	47,526
Operating income	(63)	(10,601)	66,620	25,746	(10,419)	71,283
Other income (expense)						
Interest income and other	—	51	—	(8)	—	43
Debt refinancing costs	—	—	—	—	—	—
Interest expense	—	(36,761)	(4)	(11,310)	10,419	(37,656)
Net other income (expense)	—	(36,710)	(4)	(11,318)	10,419	(37,613)
Income (loss) from continuing operations	(63)	(47,311)	66,616	14,428	—	33,670
Income (loss) from discontinued operations	—	—	(1,254)	3,951	—	2,697
Equity in earnings of consolidated subsidiaries net of income taxes	36,430	83,741	3,918	—	(124,089)	—
Net income	36,367	36,430	69,280	18,379	(124,089)	36,367
Net income attributable to non-controlling interests	(37)	(37)	—	—	37	(37)
Net income attributable to MPT common stockholders	$36,330	$ 36,393	$ 69,280	$ 18,379	$ (124,052)	$ 36,330

Condensed consolidated statements of cash flows
For the year ended December 31, 2009
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Operating Activities						
Net cash provided by (used in) operating activities	$ (268)	$ (35,554)	$ 76,583	$ 21,990	$ —	$ 62,751
Investing Activities						
Real estate acquired	—	—	(421)	—	—	(421)
Principal received on loans receivable	—	—	—	4,305	—	4,305
Proceeds from sales of real estate	—	—	—	15,000	—	15,000
Investments in and advances to subsidiaries	(6,699)	89,642	(60,656)	(28,871)	6,584	—
Investments in loans receivable and other investments	—	—	(15,000)	(8,243)	—	(23,243)
Construction in progress and other	—	—	(3,067)	(4,710)	—	(7,777)
Net cash provided by (used in) investing activities	(6,699)	89,642	(79,144)	(22,519)	6,584	(12,136)
Financing Activities						
Revolving credit facilities, net	—	(55,000)	—	(800)	—	(55,800)
Proceeds from term debt, net of discount	—	—	—	—	—	—
Payments of term debt	—	(960)	—	(272)		(1,232)
Distributions paid	(61,419)	(61,649)	—	—	61,419	(61,649)
Proceeds from sale of common shares/units, net of offering costs	68,003	68,003	—	—	(68,003)	68,003
Lease deposits and other obligations to tenants	—	—	2,561	829	—	3,390
Debt issuance costs paid and other financing activities	378	(149)	—	3	—	232
Net cash provided by (used in) financing activities	6,962	(49,755)	2,561	(240)	(6,584)	(47,056)
Increase in cash and cash equivalents for period	(5)	4,333	—	(769)	—	3,559
Cash and cash equivalents at beginning of period	5	10,481	—	1,262	—	11,748
Cash and cash equivalents at end of period	$ —	$ 14,814	$ —	$ 493	$ —	$ 15,307

Condensed consolidated statements of income
For the year ended December 31, 2008
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Revenues						
Rent billed	$ —	$ —	$ 63,399	$ 10,747	$ —	$ 74,146
Straight-line rent	—	(543)	2,323	1,962	—	3,742
Interest and fee income	—	8,627	15,879	12,387	(7,711)	29,182
Total revenues	—	8,084	81,601	25,096	(7,711)	107,070
Expenses						
Real estate depreciation and amortization	—	—	19,741	2,644	—	22,385
Impairment charge	—	—	—	—	—	—
Property-related	—	69	4,183	(10)	—	4,242
General and administrative	—	19,357	8	150	—	19,515
Total operating expenses	—	19,426	23,932	2,784	—	46,142
Operating income	—	(11,342)	57,669	22,312	(7,711)	60,928
Other income (expense)						
Interest income and other	—	85	2	(1)	—	86
Debt refinancing costs	—	—	—	—	—	—
Interest expense	—	(40,671)	(167)	(9,297)	7,711	(42,424)
Net other expense	—	(40,586)	(165)	(9,298)	7,711	(42,338)
Income (loss) from continuing operations	—	(51,928)	57,504	13,014	—	18,590
Income (loss) from discontinued operations	—	—	(437)	14,580	—	14,143
Equity in earnings of consolidated subsidiaries net of income taxes	32,733	84,661	2,861	—	(120,255)	—
Net income	32,733	32,733	59,928	27,594	(120,255)	32,733
Net income attributable to non-controlling interests	(33)	(33)	—	—	33	(33)
Net income attributable to MPT common stockholders	$32,700	$ 32,700	$ 59,928	$ 27,594	$ (120,222)	$ 32,700

Condensed consolidated statements of cash flows
For the year ended December 31, 2008
(in thousands)

	Parent	Subsidiary issuers	Subsidiary guarantors	Non-guarantor subsidiaries	Eliminations	Total consolidated
Operating Activities						
Net cash provided by (used in) operating activities	$ 363	$ (28,412)	$ 72,841	$ 25,125	$ —	$ 69,917
Investing Activities						
Real estate acquired	—	—	(354,392)	(76,318)	—	(430,710)
Principal received on loans receivable	—	—	45,000	26,941	—	71,941
Proceeds from sales of real estate	—	—	—	89,959	—	89,959
Investments in and advances to subsidiaries	(63,549)	(251,773)	282,544	(30,765)	63,543	—
Investments in loans receivable and other investments	—	—	(45,000)	(50,567)	—	(95,567)
Construction in progress and other	—	(605)	(3,179)	(502)	—	(4,286)
Net cash provided by (used in) investing activities	(63,549)	(252,378)	(75,027)	(41,252)	63,543	(368,663)
Financing Activities						
Revolving credit facilities, net	—	31,014	—	7,000	—	38,014
Proceeds from term debt, net of discount	—	110,093	—	8,908	—	119,001
Payments of term debt	—	(810)	—	(50)	—	(860)
Distributions paid	(64,788)	(65,098)	—	—	64,788	(65,098)
Proceeds from sale of common shares/units, net of offering costs	128,331	128,331	—	—	(128,331)	128,331
Lease deposits and other obligations to tenants	—	—	2,186	777	—	2,963
Debt issuance costs paid and other financing activities	(378)	(5,674)	—	(20)	—	(6,072)
Net cash provided by financing activities	63,165	197,856	2,186	16,615	(63,543)	216,279
Increase in cash and cash equivalents for period	(21)	(82,934)	—	488	—	(82,467)
Cash and cash equivalents at beginning of period	26	93,415	—	774	—	94,215
Cash and cash equivalents at end of period	$ 5	$ 10,481	$ —	$ 1,262	$ —	$ 11,748

Medical Properties Trust, Inc. and MPT Operating Partnership, L.P.
Schedule II: Valuation and qualifying accounts
December 31, 2010

Year ended December 31,	Balance at beginning of year(1)	Additions charged against operations(1)	Net recoveries(1)	Balance at end of year(1)
				(In thousands)
2010	$ 4,339	$ 22,245(3)	$ 2,658	$ 23,926
2009	$ 397	$ 5,107	$ 1,165	$ 4,339
2008	$ 4,202	$ 397	$ 4,202(2)	$ 397

(1) Includes allowance for doubtful accounts, straight-line rent reserves, allowance for loan losses, tax valuation allowances and other reserves.

(2) Includes $3.2 million of write offs associated with our West Houston property that was sold in 2007.

(3) Includes $12 million loan loss reserve related to our Monroe property and a $6.5 million increase in valuation allowances to fully reserve for the net deferred tax asset of one of our taxable REIT subsidiaries.

Medical Properties Trust, Inc. and MPT Operating Partnership, L.P.

Schedule III — Real estate investments and accumulated depreciation
December 31, 2010

Location	Type of property	Initial costs		Additions subsequent to acquisition		Cost at December 31, 2010			Accumulated depreciation	Date of construction	Date acquired	Life on which depreciation in latest income statements is computed (years)
		Land	Buildings	Improvements	Carrying costs	Land	Buildings	Total				
												(Dollar amounts in thousands)
Thornton, CO	Long term acute care hospital	$2,130	$ 6,013	$ 2,237	$ —	$2,130	$ 8,250	$10,380	$ 1,068	1962	August 17, 2004	40
New Bedford, MA	Long term acute care hospital	1,400	19,772	256	—	1,400	20,028	21,428	3,159	1942	August 17, 2004	40
Covington, LA	Long term acute care hospital	821	10,238	—	14	821	10,252	11,073	1,431	1984	June 9, 2005	40
Denham Springs, LA	Long term acute care hospital	429	5,340	—	49	429	5,389	5,818	686	1960	June 9, 2005	40
Redding, CA	Long term acute care hospital	—	19,952	—	4,361	1,629	22,684	24,313	2,919	1991	June 30, 2005	40
Sherman Oaks, CA	Acute care general hospital	5,290	13,587	—	31	5,290	13,618	18,908	1,706	1956	December 30, 2005	40
Bloomington, IN	Acute care general hospital	2,457	31,209	—	408	2,576	31,498	34,074	3,435	2006	August 8, 2006	40
Dallas, TX	Long term acute care hospital	1,000	13,589	—	368	1,421	13,536	14,957	1,466	2006	September 5, 2006	40
Huntington Beach, CA	Acute care general hospital	937	10,907	—	3	937	10,910	11,847	1,136	1965	November 8, 2006	40
La Palma, CA	Acute care general hospital	937	10,907	—	3	937	10,910	11,847	1,136	1971	November 8, 2006	40
Anaheim, CA	Acute care general hospital	1,875	21,814	—	10	1,875	21,824	23,699	2,273	1964	November 8, 2006	40
Luling, TX	Long term acute care hospital	811	9,345	—	—	811	9,345	10,156	954	2002	December 1, 2006	40
San Antonio, TX	Rehabilitation hospital	—	10,198	—	—	—	10,198	10,198	1,041	1987	December 1, 2006	40
Victoria, TX	Long term acute care hospital	625	7,197	—	—	625	7,197	7,822	735	1998	December 1, 2006	40
Houston, TX	Acute care general hospital	4,757	56,238	—	1,259	5,464	56,790	62,254	5,742	2006	December 1, 2006	40
Bensalem, PA	Acute care general hospital	6,911	38,185	—	(352)	6,912	37,832	44,744	3,670	2006	March 19, 2007	40
Portland, OR	Long term acute care hospital	3,085	17,859	—	2,559	3,071	20,432	23,503	1,815	1964	April 18, 2007	40
San Diego, CA	Acute care general hospital	6,550	15,653	—	77	6,550	15,730	22,280	1,439	1964	May 9, 2007	40
Redding, CA	Acute care general hospital	1,555	53,863	—	13	1,555	53,876	55,431	4,613	1974	August 10, 2007	40
Houston, TX	Acute care general hospital	3,501	34,530	—	(7,319)	3,274	27,438	30,712	2,312	1960	August 10, 2007	40
Bennettsville, SC	Acute care general hospital	794	15,772	—	—	794	15,772	16,566	1,085	1984	April 1, 2008	40
Bossier City, LA	Long term acute care hospital	900	17,818	—	—	900	17,818	18,718	1,222	1982	April 1, 2008	40
Bristol, CT	Wellness Center	485	2,267	—	—	485	2,267	2,752	429	1975	April 22, 2008	10
Cheraw, SC	Acute care general hospital	657	19,576	—	—	657	19,576	20,233	1,345	1982	April 1, 2008	40
Detroit, MI	Long term acute care hospital	1,220	8,687	—	(365)	1,220	8,322	9,542	624	1956	May 22, 2008	40
Enfield, CT	Wellness Center	384	2,257	—	—	384	2,257	2,641	427	1974	April 22, 2008	10
Fayetteville, AR	Rehabilitation hospital	909	18,332	—	—	909	18,332	19,241	1,146	1991	July 14, 2008	40
Fort Lauderdale, FL	Rehabilitation hospital	3,499	21,939	—	—	3,499	21,940	25,439	1,465	1985	April 22, 2008	40
Garden Grove, CA	Acute care general hospital	5,502	10,748	—	52	5,502	10,799	16,301	574	1982	November 25, 2008	40
Garden Grove, CA	Medical Office Building	862	7,888	—	28	862	7,916	8,778	413	1982	November 25, 2008	40
Idaho Falls, ID	Acute care general hospital	1,822	37,467	—	4,665	1,822	42,132	43,954	2,741	2002	April 1, 2008	40
Morgantown, WV	Rehabilitation hospital	—	21,552	—	—	—	21,552	21,552	2,010	1989	May 19, 2008	40
Newington, CT	Wellness Center	270	1,615	—	—	270	1,615	1,885	308	1979	April 22, 2008	10
Petersburg, VA	Rehabilitation hospital	1,302	9,121	—	—	1,302	9,121	10,423	570	2006	July 1, 2008	40
West Valley City, UT	Acute care general hospital	5,516	58,314	—	—	5,516	58,314	63,830	3,895	1980	April 22, 2008	40
Poplar Bluff, MO	Acute care general hospital	2,659	38,694	—	—	2,659	38,694	41,353	2,584	1980	April 22, 2008	40
East Providence, RI	Wellness Center	209	1,265	—	—	209	1,265	1,474	241	1979	April 22, 2008	10
San Dimas, CA	Acute care general hospital	6,160	6,839	—	34	6,160	6,873	13,033	358	1972	November 25, 2008	40

Location	Type of property	Initial costs		Additions subsequent to acquisition		Cost at December 31, 2010			Accumulated depreciation	Date of construction	Date acquired	Life on which depreciation in latest income statements is computed (years)
		Land	Buildings	Improvements	Carrying costs	Land	Buildings	Total				
												(Dollar amounts in thousands)
San Dimas, CA	Medical Office Building	1,915	5,085	—	18	1,915	5,103	7,018	266	1979	November 25, 2008	40
West Springfield, MA	Wellness Center	583	3,185	—	—	583	3,185	3,768	608	1976	April 22, 2008	10
Tucson, AZ	Long term acute care hospital	920	6,078	—	—	920	6,078	6,998	418	1987	April 1, 2008	40
Warwick, RI	Wellness Center	1,265	759	—	—	1,265	759	2,024	144	1979	April 22, 2008	10
Webster, TX	Long term acute care hospital	988	10,432	—	1	988	10,433	11,421	717	1986	April 1, 2008	40
Wichita, KS	Rehabilitation hospital	1,019	18,373	—	1	1,019	18,374	19,393	1,262	1992	April 4, 2008	40
Addison, TX	Rehabilitation hospital	2,013	22,531	—	—	2,013	22,531	24,544	282	2008	June 17, 2010	40
Shenandoah, TX	Rehabilitation hospital	2,033	21,943	—	—	2,033	21,943	23,976	274	2008	June 17, 2010	40
Richardson, TX	Rehabilitation hospital	2,219	17,419	—	—	2,219	17,419	19,638	218	2008	June 17, 2010	40
Hill County, TX	Acute care general hospital	1,120	17,882	—	—	1,120	17,882	19,002	300	1980	September 17, 2010	15
Webster, TX	Long term acute care hospital	664	33,751	—	—	664	33,751	34,414	—	2004	December 21, 2010	40
Tomball, TX	Long term acute care hospital	1,298	23,982	—	—	1,298	23,982	25,280	—	2005	December 21, 2010	40
		$94,258	$ 887,967	$ 2,493	$ 5,918	$96,894	$ 893,741	$990,635	$ 68,662			

The changes in total real estate assets including real estate held for sale but excluding construction in progress, intangible lease asset and mortgage loans, for the years ended:

	December 31, 2010	December 31, 2009	December 31, 2008
COST			
Balance at beginning of period	$ 934,601	$ 943,700	$ 614,088
Acquisitions	146,854	421	418,766
Transfers from construction in progress	—	—	2,475
Additions	1,709	5,550	308
Dispositions	(92,529)	(15,070)	(85,648)
Other	—	—	(6,289)
Balance at end of period	$ 990,635	$ 934,601(1)	$ 943,700(1)

The changes in accumulated depreciation including real estate assets held for sale for the years ended:

	December 31, 2010	December 31, 2009	December 31, 2008
ACCUMULATED DEPRECIATION			
Balance at beginning of period	$ 51,638	$ 30,581	$ 20,214
Depreciation	22,664	21,389	18,118
Depreciation on disposed property	(5,640)	(332)	(7,751)
Balance at end of period	$ 68,662	$ 51,638(2)	$ 30,581(2)

(1) Includes real estate cost included in real estate held for sale of $72,691 and $87,807 for 2009 and 2008, respectively. Excludes intangible lease assets that are included in real estate held for sale of $24,487 and $24,615 for 2009 and 2008, respectively.

(2) Includes accumulated depreciation in real estate held for sale of $3,673 and $2,396 for 2009 and 2008 respectively. Excludes accumulated amortization related to intangible lease assets that are included in real estate held for sale of $3,532 and $2,020 for 2009 and 2008, respectively.

Schedule IV — Mortgage loan on real estate
Medical Properties Trust, Inc. and MPT Operating Partnership, L.P.

Column A	Column B	Column C	Column D	Column E	Column F	Column G(3)	Column H
Description	Interest rate	Final maturity date	Periodic payment terms	Prior liens	Face amount of mortgages	Carrying amount of mortgages	Principal amount of loans subject to delinquent principal or interest
					(Dollar amounts in thousands)		
Long-term first mortgage loan:			Payable in monthly installments of interest plus principal payable in full at maturity				
Desert Valley Hospital	9.9%	2022		(1)	70,000	70,000	(2)
Desert Valley Hospital	10.7%	2022		(1)	20,000	20,000	(2)
Chino Valley Medical Center	9.9%	2022		(1)	50,000	50,000	(2)
Paradise Valley Hospital	9.6%	2022		(1)	25,000	25,000	(2)
					$ 165,000	$ 165,000	

(1) There were no prior liens on loans as of December 31, 2010.

(2) The mortgage loan was not delinquent with respect to principal or interest.

(3) The aggregate cost for Federal income tax purposes is $165,000.

Changes in mortgage loans for the years ended December 31, 2010, 2009, and 2008 are summarized as follows:

	Year ended December 31,		
	2010	2009	2008
	(Dollar amounts in thousands)		
Balance at beginning of year	$200,164	$185,000	$185,000
Additions during year:			
New mortgage loans and additional advances on existing loans	7,836	15,164	—
	208,000	200,164	185,000
Deductions during year:			
Collection of principal	(43,000)	—	—
	(43,000)	—	—
Balance at end of year	$165,000	$200,164	$185,000


MPT
Medical Properties Trust

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. *Other Expenses of Issuance and Distribution*

The following table sets forth all expenses, other than the underwriting discounts and commissions, payable by the Registrant in connection with the sale of the securities being registered. All the amounts are estimates except for the registration fee.

Securities and Exchange Commission Registration Fee	$ *
Legal Fees and Expenses	250,000
Accounting Fees and Expenses	75,000
Printing and Engraving Expenses	75,000
Trustee Fees	16,000
Escrow Agent Fees	2,500
Miscellaneous	584,000
Total	$ *

* To be deferred pursuant to Rule 456(b) under the Securities Act and calculated in connection with the offering of securities under this registration statement pursuant to Rule 457(r) under the Securities Act.

Item 15. *Indemnification of Directors and Officers*

Medical Properties Trust, Inc.

Medical Properties Trust, Inc. maintains a directors and officers liability insurance policy. The company's charter limits the personal liability of its directors and officers for monetary damages to the fullest extent permitted under current Maryland law, and the charter and bylaws provide that a director or officer shall be indemnified to the fullest extent required or permitted by Maryland law from and against any claim or liability to which such director or officer may become subject by reason of his or her status as a director or officer of the company. Maryland law allows directors and officers to be indemnified against judgments, penalties, fines, settlements, and expenses actually incurred in a proceeding unless the following can be established:

- the act or omission of the director or officer was material to the cause of action adjudicated in the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- with respect to any criminal proceeding, the director or officer had reasonable cause to believe his or her act or omission was unlawful.

The company's stockholders have no personal liability for indemnification payments or other obligations under any indemnification agreements or arrangements. However, indemnification could reduce the legal remedies available to the company and the company's stockholders against the indemnified individuals.

This provision for indemnification of the company's directors and officers does not limit a stockholder's ability to obtain injunctive relief or other equitable remedies for a violation of a director's or an officer's duties to the company or to the company's stockholders, although these equitable remedies may not be effective in some circumstances.

In addition to any indemnification to which the company's directors and officers are entitled pursuant to the charter and bylaws and the Maryland General Corporation Law, the charter and bylaws provide that the company may indemnify other employees and agents to the fullest extent permitted under Maryland law, whether they are serving the company or, at the company's request, any other entity.

The company has entered into indemnification agreements with each of its directors and executive officers, which the company refers to in this context as indemnitees. The indemnification agreements provide that the company will, to the fullest extent permitted by Maryland law, indemnify and defend each indemnitee against all losses and expenses incurred as a result of his current or past service as its director or officer, or incurred by reason of the fact that, while he was the company's director or officer, he was serving at the company's request as a director, officer, partner, trustee, employee or agent of a corporation, partnership, joint venture, trust, other enterprise or employee benefit plan. The company has agreed to pay expenses incurred by an indemnitee before the final disposition of a claim provided that he provides the company with a written affirmation that he has met the standard of conduct required for indemnification and a written undertaking to repay the amount the company pays or reimburses if it is ultimately determined that he has not met the standard of conduct required for indemnification. The company is to pay expenses within 20 days of receiving the indemnitee's written request for such an advance. Indemnitees are entitled to select counsel to defend against indemnifiable claims.

The general effect to investors of any arrangement under which any person who controls the company or any of the company's directors, officers or agents is insured or indemnified against liability is a potential reduction in distributions to the company's stockholders resulting from the company's payment of premiums associated with liability insurance.

Delaware Limited Partnerships

Section 17-108 of the Delaware Revised Uniform Limited Partnership Act empowers a Delaware limited partnership to indemnify and hold harmless any partner or other person from and against all claims and demands whatsoever, subject to such standards and restrictions, if any, as are set forth in its partnership agreement.

The limited partnership agreements of MPT of Bucks County, L.P., MPT of Dallas LTACH, L.P., MPT of Warm Springs, L.P., MPT of Victoria, L.P., MPT of Luling, L.P., MPT of Huntington Beach, L.P., MPT of West Anaheim, L.P., MPT of La Palma, L.P., MPT of Paradise Valley, L.P., MPT of Southern California, L.P., MPT of Twelve Oaks, L.P., MPT of Shasta, L.P., MPT of Webster, L.P., MPT of Garden Grove Hospital, L.P., MPT of Garden Grove MOB, L.P., MPT of San Dimas Hospital, L.P., MPT of San Dimas MOB, L.P., MPT of Richardson, L.P., MPT of Round Rock, L.P., MPT of Shenandoah, L.P., MPT of Hillsboro, L.P., MPT of Clear Lake, L.P., MPT of Tomball, L.P., MPT of Corinth, L.P., MPT of Alvarado, L.P. and MPT of DeSoto, L.P. provide that the partnership shall indemnify any partner or a director, officer, employee or equity holder of the partnership or the general partner, from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including, without limitation, reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the limited partnerships as set forth in the limited partnership agreement, in which such indemnitee may be involved, or is threatened to be involved, as a party or otherwise.

The limited partnership agreement of Wichita Health Associates Limited Partnership provides, that the partnership shall indemnify the general partner against any losses, judgments, claims, liabilities (including expenses actually incurred by it, attorneys' fees and amounts paid in settlement of any claim incurred or sustained by it) in connection with any action, suit or proceeding (other than an action, suit or proceeding by or in the right of a limited partner or the partnership) threatened, pending or completed to which it is a party or threatened to be made a party by reason of the performance of its duties, provided that, with respect to the matter for which indemnification is sought, the general partner acted in a manner that it believed in good faith was in the best interests of the partnership.

Delaware Limited Liability Companies

Section 18-108 of the Delaware Limited Liability Company Act provides that a limited liability company may, and shall have the power to, indemnify and hold harmless any member or manager or other person from and against any and all claims and demands whatsoever.

The operating agreements of MPT of Richardson, LLC, MPT of Round Rock, LLC, MPT of Shenandoah, LLC, MPT of Hillsboro, LLC, MPT of Florence, LLC, MPT of Clear Lake, LLC, MPT of Tomball, LLC, MPT of Gilbert, LLC, MPT of Corinth, LLC, MPT of Bayonne, LLC, MPT of Alvarado, LLC, MPT of DeSoto, LLC, MPT of

Hoboken Hospital, LLC, MPT of Hausman, LLC, MPT of Overlook Parkway, LLC, MPT of New Braunfels, LLC, and MPT of Westover Hills, LLC provide that the limited liability company shall indemnify any member, manager, officer or employee of the limited liability company, or a member, manager, officer or employee of an affiliate of the limited liability company, from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including, without limitation, reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the limited liability company as set forth in the operating agreement, in which such indemnitee may be involved, or is threatened to be involved, as a party or otherwise.

The operating agreement of MPT of Mountain View, LLC provides that the limited liability company shall indemnify (i) any person made a party to a proceeding by reason of its status as (A) a manager or member, (B) a member, partner or shareholder of any manager or member, or (C) a director, officer or employee of the limited liability company, any manager, any member or any direct or indirect member, partner or shareholder of any manager or member and (ii) such other persons as any manager may designate from time to time (whether before or after the event giving rise to potential liability), in its sole and absolute discretion, from and against any and all losses, claims, damages, liabilities (joint or several), expenses (including, without limitation, attorneys fees and other legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings (whether the same be civil, criminal, administrative or investigative) that relate to the operations of the limited liability company in which such person may be involved, or is threatened to be involved, as a party or otherwise, to the fullest extent permitted by the Delaware Limited Liability Company Act.

The operating agreements of MPT of Hoboken Real Estate, LLC provides that the limited liability company shall, to the fullest extent permitted by applicable law, indemnify and hold harmless each member, manager**,** former member and the partners, shareholders, controlling person, officers, directors and employees of each member, manager, former member and manager and their respective successors in interest, from and against any and all loss claims, damages, liabilities, expenses, judgments, fines, settlements, and other amounts including, without limitation, attorneys' fees and paralegal charges, reasonably and actually incurred by such person in connection with any and all claims, demands, actions, suits or proceedings (civil, criminal, administrative or investigative) in which such person is involved, as a party or otherwise, by reason of this or its management of, or involvement in the business and affairs of the limited liability company, or the rendering of advice or consultation with respect thereto, or otherwise by reason of the fact that such person is or was a member, manger or a partner, shareholder, controlling person, officer, director or employee of a member or manager. Expenses (including, without limitation, attorneys' fees) incurred by such person in defending an indemnity claim may be paid by the limited liability company in advance of the final disposition of such claim.

The operating agreements of MPT of Victorville, LLC, MPT of Bucks County, LLC, MPT of Bloomington, LLC, MPT of Covington, LLC, MPT of Denham Springs, LLC, MPT of Redding, LLC, MPT of Chino, LLC, MPT of Dallas LTACH, LLC, MPT of Portland, LLC, MPT of Warm Springs, LLC, MPT of Victoria, LLC, MPT of Luling, LLC, MPT of Huntington Beach, LLC, MPT of West Anaheim, LLC, MPT of La Palma, LLC, MPT of Paradise Valley, LLC, MPT of Southern California, LLC, MPT of Twelve Oaks, LLC, MPT of Shasta, LLC, MPT of Webster, LLC, MPT of Tucson, LLC, MPT of Bossier City, LLC, MPT of West Valley City, LLC, MPT of Idaho Falls, LLC, MPT of Poplar Bluff, LLC, MPT of Bennettsville, LLC, Medical Properties Trust, LLC, MPT of Detroit, LLC, MPT of Bristol, LLC, MPT of Newington, LLC, MPT of Enfield, LLC, MPT of Petersburg, LLC, MPT of Fayetteville, LLC, 4499 Acushnet Avenue, LLC, 8451 Pearl Street, LLC, MPT of Garden Grove Hospital, LLC, MPT of Garden Grove MOB, LLC, MPT of San Dimas Hospital, LLC, MPT of San Dimas MOB, LLC, MPT of Cheraw, LLC, MPT of Ft. Lauderdale, LLC, MPT of Providence, LLC, MPT of Springfield, LLC, MPT of Warwick, LLC, and MPT of Wichita, LLC do not contain any indemnification provisions.

MPT Finance Corporation

Section 145 of the Delaware General Corporation Law, or the DGCL, provides that a corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer,

employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of such corporation, and, with respect to any criminal actions and proceedings, had no reasonable cause to believe that his conduct was unlawful. A Delaware corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or contemplated action or suit by or in the right of such corporation, under the same conditions, except that such indemnification is limited to expenses (including attorneys' fees) actually and reasonably incurred by such person, and except that no indemnification is permitted without judicial approval if such person is adjudged to be liable to such corporation. Where an officer or director of a corporation is successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to above, or any claim, issue or matter therein, the corporation must indemnify that person against the expenses (including attorneys' fees) which such officer or director actually and reasonably incurred in connection therewith.

The certificate of incorporation of MPT Finance Corporation provides that MPT Finance Corporation shall indemnify to the full extent authorized or permitted by law (as now or hereafter in effect) any person made, or threatened to be made a party or witness to any action, suit or proceeding (whether civil or criminal or otherwise) by reason of the fact that he, his testator or intestate, is or was a director or an officer of MPT Finance Corporation or by reason of the fact that such person, at the request of MPT Finance Corporation, is or was serving any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, in any capacity.

Item 16. ***Exhibits***

The Exhibit Index filed herewith and appearing immediately before the exhibits hereto is incorporated by reference.

Item 17. ***Undertakings***

The undersigned Registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the Underwriting not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, *however*, that paragraphs (1)(i), (1)(ii) and (1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

4. That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

5. That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

6. The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant’s annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan’s annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

7. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant

has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

8. The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act (“Act”) in accordance with the rules and regulations prescribed by the Commission under section 305(b)2 of the Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OPERATING PARTNERSHIP, L.P.

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT FINANCE CORPORATION

By: /s/ R. Steven Hamner
R. Steven Hamner
President, Secretary, General Manager and Director

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Edward K. Aldag, Jr. and R. Steven Hamner, and each of them, with full power to act without the other, such person's true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign this registration statement and any and all amendments thereto (including post-effective amendments) and any related registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with all exhibits and schedules thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Edward K. Aldag, Jr. Edward K. Aldag, Jr.	Director	February 3, 2012
/s/ R. Steven Hamner R. Steven Hamner	President, Secretary, General Manager and Director (Principal Executive, Financial and Accounting Officer)	February 3, 2012
/s/ Emmett E. McLean Emmett E. McLean	Assistant Secretary and Director	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MEDICAL PROPERTIES TRUST, INC.

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Edward K. Aldag, Jr. and R. Steven Hamner, and each of them, with full power to act without the other, such person's true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, for him in his name, place and stead, in any and all capacities, to sign this registration statement and any and all amendments thereto (including post-effective amendments) and any related registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with all exhibits and schedules thereto, and other documents in connection therewith, with the Securities and Exchange Commission and hereby grants to such attorney-in-fact and agent, full power of authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Edward K. Aldag, Jr. Edward K. Aldag, Jr.	Chairman of the Board, President, Chief Executive Officer and Director (Principal Executive Officer)	February 3, 2012
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer)	February 3, 2012
/s/ Sherry A. Kellett Sherry A. Kellett	Director	February 3, 2012
/s/ G. Steven Dawson G. Steven Dawson	Director	February 3, 2012

/s/ Robert E. Holmes, Ph.D. Robert E. Holmes, Ph.D.	Director	February 3, 2012
/s/ William G. McKenzie William G. McKenzie	Director	February 3, 2012
/s/ L. Glenn Orr, Jr. L. Glenn Orr, Jr.	Director	February 3, 2012

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MEDICAL PROPERTIES TRUST, LLC

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF VICTORVILLE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF BUCKS COUNTY, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF BLOOMINGTON, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF COVINGTON, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF DENHAM SPRINGS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF REDDING, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF CHINO, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF DALLAS LTACH, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF PORTLAND, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF WARM SPRINGS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF VICTORIA, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF LULING, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF HUNTINGTON BEACH, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF WEST ANAHEIM, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF LA PALMA, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF PARADISE VALLEY, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF SOUTHERN CALIFORNIA, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF TWELVE OAKS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF SHASTA, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF WEBSTER, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

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MPT OF TUCSON, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF BOSSIER CITY, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

SIGNATURES

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MPT OF WEST VALLEY CITY, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF IDAHO FALLS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF POPULAR BLUFF, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF BENNETTSVILLE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF DETRIOT, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF BRISTOL, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF NEWINGTON, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF ENFIELD, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
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MPT OF PETERSBURG, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
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MPT OF FAYETTEVILLE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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4499 ACUSHNET AVENUE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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8451 PEARL STREET, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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MPT OF GARDEN GROVE HOSPITAL, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF GARDEN GROVE MOB, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SAN DIMAS HOSPITAL, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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MPT OF SAN DIMAS MOB, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
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MPT OF CHERAW, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF FT. LAUDERDALE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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Executive Vice President and Chief Financial Officer

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MPT OF PROVIDENCE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
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MPT OF SPRINGFIELD, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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MPT OF WARWICK, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF MOUNTAIN VIEW, LLC

BY: MPT OF IDAHO FALLS, LLC, ITS SOLE MEMBER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF RICHARDSON, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF ROUND ROCK, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SHENANDOAH, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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MPT OF HILLSBORO, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

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MPT OF FLORENCE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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MPT OF CLEAR LAKE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

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MPT OF TOMBALL, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF GILBERT, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

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MPT OF CORINTH, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF BAYONNE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF ALVARADO, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER
By:

/s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF BUCKS COUNTY, L.P.

BY: MPT OF BUCKS COUNTY, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER
By:

/s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer of Sole Member of General Partner of Sole Member of General Partner	February 3, 2012

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MPT OF DALLAS LTACH, L.P.

BY: MPT OF DALLAS LTACH, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF WARM SPRINGS, L.P.

BY: MPT OF WARM SPRINGS, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF VICTORIA, L.P.

BY: MPT OF VICTORIA, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF LULING, L.P.

BY: MPT OF LULING, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF HUNTINGTON BEACH, L.P.

BY: MPT OF HUNTINGTON BEACH, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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MPT OF WEST ANAHEIM, L.P.

BY: MPT OF WEST ANAHEIM, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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Executive Vice President and Chief Financial Officer

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MPT OF LA PALMA, L.P.

BY: MPT OF LA PALMA, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
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MPT OF PARADISE VALLEY, L.P.

BY: MPT OF PARADISE VALLEY, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SOUTHERN CALIFORNIA, L.P.

BY: MPT OF SOUTHERN CALIFORNIA, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF TWELVE OAKS, L.P.

BY: MPT OF TWELVE OAKS, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SHASTA, L.P.

BY: MPT OF SHASTA, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF WEBSTER, L.P.

BY: MPT OF WEBSTER, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF GARDEN GROVE HOSPITAL, L.P.

BY: MPT OF GARDEN GROVE HOSPITAL, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF GARDEN GROVE MOB, L.P.

BY: MPT OF GARDEN GROVE MOB, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SAN DIMAS HOSPITAL, L.P.

BY: MPT OF SAN DIMAS HOSPITAL, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SAN DIMAS MOB, L.P.

BY: MPT OF SAN DIMAS MOB, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF RICHARDSON, L.P.

BY: MPT OF RICHARDSON, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF ROUND ROCK, L.P.

BY: MPT OF ROUND ROCK, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF SHENANDOAH, L.P.

BY: MPT OF SHENANDOAH, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer of Sole Member of General Partner of Sole Member of General Partner	February 3, 2012

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MPT OF HILLSBORO, L.P.

BY: MPT OF HILLSBORO, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF CLEAR LAKE, L.P.

BY: MPT OF CLEAR LAKE, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF TOMBALL, L.P.

BY: MPT OF TOMBALL, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF CORINTH, L.P.

BY: MPT OF CORINTH, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer of Sole Member of General Partner of Sole Member of General Partner	February 3, 2012

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

MPT OF ALVARADO, L.P.

BY: MPT OF ALVARADO, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF DESOTO, L.P.

BY: MPT OF DESOTO, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF DESOTO, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF HOBOKEN HOSPITAL, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

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R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF HOBOKEN REAL ESTATE, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
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MPT OF HAUSMAN, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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MPT OF OVERLOOK PARKWAY, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF NEW BRAUNFELS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner
R. Steven Hamner
Executive Vice President and Chief Financial Officer

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/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF WESTOVER HILLS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By:

/s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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MPT OF WICHITA, LLC

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer) of Sole Member of General Partner of Sole Member	February 3, 2012

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Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Birmingham, Alabama on February 3, 2012.

WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP

BY: MPT OF WICHITA, LLC, ITS GENERAL PARTNER

BY: MPT OPERATING PARTNERSHIP, L.P., ITS SOLE MEMBER

BY: MEDICAL PROPERTIES, LLC, ITS GENERAL PARTNER

BY: MEDICAL PROPERTIES TRUST, INC., ITS SOLE MEMBER

By: /s/ R. Steven Hamner

R. Steven Hamner
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ R. Steven Hamner R. Steven Hamner	Executive Vice President, Chief Financial Officer and Director (Principal Financial and Accounting Officer of Sole Member of General Partner of Sole Member of General Partner	February 3, 2012

EXHIBIT INDEX

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3.4	MPT of Westover Hills, LLC's Certificate of Formation
3.5	MPT of Hoboken Hospital, LLC's Certificate of Formation
3.6	MPT of Hoboken Real Estate, LLC's Certificate of Formation
3.7	MPT of Wichita, LLC's Certificate of Formation
3.8	Wichita Health Associates Limited Partnership's Certificate of Limited Partnership, as amended
3.9	Medical Properties Trust, LLC's Certificate of Formation, as amended
3.10	MPT Finance Corporation's Bylaws
3.11	MPT of Hausman, LLC's Limited Liability Company Agreement
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3.17	MPT of Wichita, LLC's Limited Liability Company Agreement
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3.19	Medical Properties Trust, LLC's Limited Liability Company Agreement
4.4	Form of Indenture for Senior Notes due 2022
4.5	Form of Senior Note due 2022 (see Exhibit 4.4)
5.1	Opinion of Goodwin Procter LLP with respect to the legality of the securities being registered
8.1	Opinion of Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C. with respect to certain tax matters
12.1	Computation of Consolidated Ratio of Earnings to Fixed Charges
23.1	Consent of PricewaterhouseCoopers LLP for Medical Properties Trust, Inc.
23.2	Consent of PricewaterhouseCoopers LLP for MPT Operating Partnership L.P.
23.3	Consent of Moss Adams LLP
23.4	Consent of Ernst & Young LLP
23.5	Consent of Goodwin Procter LLP (included in the opinion filed as Exhibit 5.1)
25.1	Statement of Eligibility on Form T-1
101	XBRL

Exhibit 3.1

CERTIFICATE OF FORMATION
OF
MPT OF HAUSMAN, LLC

TO THE DELAWARE SECRETARY OF STATE:

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of Hausman, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 15th day of September, 2011.

/s/ Thomas O. Kolb
Thomas O. Kolb
Authorized Person

Exhibit 3.2

CERTIFICATE OF FORMATION
OF
MPT OF OVERLOOK PARKWAY, LLC

TO THE DELAWARE SECRETARY OF STATE:

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of Overlook Parkway, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 15th day of September, 2011.

/s/ Thomas O. Kolb
Thomas O. Kolb
Authorized Person

Exhibit 3.3

CERTIFICATE OF FORMATION
OF
MPT OF NEW BRAUNFELS, LLC

TO THE DELAWARE SECRETARY OF STATE:

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of New Braunfels, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 22nd day of September, 2011.

/s/ Thomas O. Kolb
Thomas O. Kolb
Authorized Person

Exhibit 3.4

CERTIFICATE OF FORMATION
OF
MPT OF WESTOVER HILLS, LLC

TO THE DELAWARE SECRETARY OF STATE:

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of Westover Hills, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 15th day of September, 2011.

/s/ Thomas O. Kolb
Thomas O. Kolb
Authorized Person

Exhibit 3.5

CERTIFICATE OF FORMATION
OF
MPT OF HOBOKEN HOSPITAL, LLC

TO THE DELAWARE SECRETARY OF STATE:

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of Hoboken Hospital, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 1st day of March, 2011.

/s/ Jonathan R. Geisen
Jonathan R. Geisen
Authorized Person

Exhibit 3.6

CERTIFICATE OF FORMATION
OF
MPT OF HOBOKEN REAL ESTATE, LLC

TO THE DELAWARE SECRETARY OF STATE;

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of Hoboken Real Estate, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 1st day of March, 2011.

/s/ Jonathan R. Geisen
Jonathan R. Geisen
Authorized Person

Exhibit 3.7

CERTIFICATE OF FORMATION
OF
MPT OF WICHITA, LLC

TO THE DELAWARE SECRETARY OF STATE:

This Certificate of Formation is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act as the same is set forth in the DELAWARE CODE ANNOTATED Section 18-101 et seq. (the "Act").

1. The name of the limited liability company (the "Company") is:

MPT of Wichita, LLC

2. The address of the registered office of the Company in Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The Company's registered agent at that address is National Registered Agents, Inc.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation, which shall become effective upon filing with the Office of the Delaware Secretary of State, to be duly executed as of the 18th day of March, 2008.

/s/ Amanda D. Groce
Amanda D. Groce
Authorized Person

Exhibit 3.8

CERTIFICATE OF LIMITED PARTNERSHIP OF

WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP

The undersigned, desiring to form a limited partnership pursuant to the Delaware Revised Uniform Limited partnership Act., 6 Delaware Code, Chapter 17, does hereby certify as follows:

I. The name of the limited partnership is WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP.

II. The address of the Partnership's registered office in the state of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle. The name of the Partnership's registered agent for service of process in the State of Delaware at such address is the Corporation Trust Company.

III. The name and mailing address of the general partners is as follows:

NAME	MAILING ADDRESS
AHP OF WICHITA, INC. (a Kansas corporation)	11150 Santa Monica Boulevard Suite 800 Los Angeles, California 90025

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Limited Partnership of WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP as of December 12, 1990.

AHP OF WICHITA, INC.,
General Partner

By: /s/ C. Gregory Schonert
C. Gregory Schonert
Vice President

CERTIFICATE OF AMENDMENT

TO

CERTIFICATE OF LIMITED PARTNERSHIP

OF

WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP

It is hereby certified that:

FIRST: The name of the limited partnership is

WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP

SECOND: Pursuant to the provisions of Section 17-202, Title 6, Delaware Code, the amendment to the Certificate of Limited Partnership effected by this Certificate of Amendment is to change the address of the registered office of the partnership in the State of Delaware to 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, and to change the name of the registered agent of the partnership in the State of Delaware at the said address to Corporation Service Company.

The undersigned, a general partner of the partnership, executes this Certificate of Amendment on November 17, 2004.

By: AHP OF WICHITA, INC.
General Partner

/s/ Brian J. Maas
Name: Brian J. Maas
Capacity: Vice President

CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF LIMITED PARTNERSHIP
OF
WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP

TO THE DELAWARE SECRETARY OF STATE:

Pursuant to the provisions of §17-202 of the Delaware General Corporation Law, the undersigned hereby files this Certificate of Amendment to the Certificate of Limited Partnership of Wichita Health Associates Limited Partnership:

FIRST: The name of the limited partnership (the "Partnership") is:

Wichita Health Associates Limited Partnership

SECOND: The amendment effected by this Certificate of Amendment is:

HCP, Inc., formerly known as Health Care Property Investors, Inc., as successor in interest to AHP of Wichita, Inc., has withdrawn as the general partner of the Partnership, and MPT of Wichita, LLC, a Delaware limited liability company, has been admitted as the new General Partner of the Partnership.

The undersigned has executed this Certificate of Amendment as of April 4 , 2008.

MPT OF WICHITA, LLC
General Partner

By: MPT Operating Partnership, L.P.
Its: Sole Member

By: /s/ Michael G. Stewart
Michael G. Stewart
Its: Executive Vice President, General Counsel and Secretary

Exhibit 3.9

CERTIFICATE OP FORMATION
OF
MEDICAL PROPERTIES TRUST, LLC

The undersigned, for the purpose of forming a limited liability company under Title 6, Section 18-101, et seq. of the Delaware Code, as amended, hereby make and file the following Certificate of Formation with the Office of the Secretary of State of Delaware.

ARTICLE I

Name

The name of the limited liability company (the "Limited Liability Company") is Medical Properties Trust, LLC.

ARTICLE II

Registered Office

The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

Duration

The Limited Liability Company shall have perpetual duration unless it shall be sooner dissolved and its affairs wound up in accordance with its Company Agreement.

ARTICLE IV

Liabilities of Members

Members of the Limited Liability Company are not liable under a judgment, decree or order of a court, or in any other manner, for any debt, obligation or liability of the Limited Liability Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of the limited liability company this 6th day of December, 2002,

/s/ W. John Daniel
W. John Daniel
Authorized Person

CERTIFICATE OF AMENDMENT TO CERTIFICATE OF FORMATION

OF

MEDICAL PROPERTIES TRUST, LLC

Medical Properties Trust, LLC (hereinafter called the "company")' & limited liability company organized and existing under and by virtue of the Limited Liability Company Act of the State of Delaware, hereby certifies:

1. The name of the Company is Medical Properties Trust, LLC.

2. The Certificate of Formation of the Company is hereby amended by striking out Article II thereof and by substituting in lieu of said Article the following new Article:

ARTICLE II

Registered Agent and Registered Office

The street address of the registered office and the name of the registered agent of the limited liability company required to be maintained by § 18-104 of the Delaware Limited Liability Company Act are National Registered Agents, Inc., 9 East Loockerman Street, Suite 1B, Dover, County of Kent, Delaware 19901.

3. Other than the above, the Certificate of Formation of the Company shall remain in full force and effect.

Executed on April 26, 2004.

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr., Authorized Person

Exhibit 3.10

BYLAWS
OF
MPT FINANCE CORPORATION

ARTICLE I - OFFICES

Section 1.1. Principal Office. The principal office of MPT Finance Corporation (the "Corporation") shall be located at 1000 Urban Center Drive, Suite 501, Birmingham, Jefferson County, Alabama 35242 or such other location as the Board of Directors may from time to time select. The Corporation may have such other offices as the Board of Directors may designate or as the business of the Corporation may require from time to time.

Section 1.2. Registered Office. The address of the registered office of the Corporation, in the State of Delaware and the name of the registered agent at such address shall be specified in the Certificate of Incorporation, or, if subsequently changed, as specified in the most recent Certificate of Change filed pursuant to law.

ARTICLE II - STOCKHOLDERS

Section 2.1. Annual Meeting. The annual meeting of the stockholders shall be held on such date and at such time as may be specified by resolution by the Board of Directors. At such annual meetings, directors shall be elected and any other proper business may be transacted.

Section 2.2. Special Meetings. Special meetings of stockholders, for any purpose or purposes, unless otherwise proscribed by statute, may be called

(a) by the President or by the Board of Directors;

(b) if the holders of at least ten percent (10%) of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting sign, date, and deliver to the President or Secretary one or more written demands for the meeting describing the purpose or purposes for which it is to be held, who shall, within twenty-one (21) days of the receipt of such demand, cause notice to be given of the meeting to be held within the minimum time following the notice prescribed by Section 2.4 herein; or

(c) on call of the holders of at least ten percent (10%) of the votes entitled to be cast at the proposed special meeting who signed a demand for a special meeting valid under this section, if:

(i) notice of the special meeting was not given within 21 days after the date the demand was delivered to the Corporation's President or Secretary; or

(ii) the special meeting was not held in accordance with the notice.

Section 2.3. Place of Meeting. The Board of Directors may designate any place, either within or without the State of Delaware, as the place of meeting for any annual or special meeting. In the absence of any designation, all meetings shall be held at the principal office of the Corporation in the State of Alabama.

Section 2.4. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, or of a meeting which is required by statute to be held for any special purpose, or of any annual meeting at which special action is to be taken, the purpose or purposes for which the meeting is called, or the special action which is proposed to be taken, shall be delivered not less than ten nor more than sixty days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the stockholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid. If given personally, such notice shall be deemed to have been delivered when handed to the stockholder or left at his place of business or his residence.

Section 2.5. Closing of Transfer Books and Fixing Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or stockholders entitled to receive payment of any dividend, or in order to make a determination of stockholders for any other proper purpose, the Board of Directors of the Corporation may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, sixty days. If the stock transfer books shall be closed for the purpose of determining stockholders entitled to notice of or to vote at a meeting of stockholders, such books shall be closed for at least ten days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders, such date in any case to be not more than sixty days and, in case of a meeting of stockholders, not less than ten days prior to the date on which the particular action, requiring such determination of stockholders, is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of stockholders entitled to notice of or to vote at a meeting of stockholders, or stockholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of stockholders. When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this Section 2.5, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the stock transfer books and the stated period of closing has expired.

Section 2.6. Voting Record. The officer or agent having charge of the stock transfer books for shares of the Corporation shall make, at least ten days before each meeting of stockholders, a complete list of the stockholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any stockholder making written request therefor at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any stockholder during the whole time of the meeting. The original stock transfer books shall be prima facie evidence as to who are the stockholders entitled to examine such list or transfer books or to vote at any meeting of stockholders.

Section 2.7. Quorum. Except as otherwise provided by law, a majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 2.8. Proxies. At all meetings of stockholders, a stockholder may vote either in person or by proxy executed in writing by the stockholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. At each stockholder meeting, a presiding Chairman shall be elected by the majority of the outstanding shares present at such meeting.

Section 2.9. Voting of Shares. Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders, except as may be otherwise provided in the Certificate of Incorporation.

Section 2.10. Voting of Shares by Certain Holders.

(a) Except as otherwise provided in this Section 2.10, shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxy as the bylaws of such other corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such other corporation may determine.

(b) Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation if a majority of the shares entitled to vote for the election of directors of such other corporation is held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time.

(c) Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name and no corporate trustee shall be entitled to vote for the election of directors shares held by it solely in a fiduciary capacity if such shares are shares issued by the corporate trustee itself.

(d) Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

(e) A stockholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(f) On and after the date on which written notice of redemption of redeemable shares of the Corporation has been mailed to the holders thereof and a sum sufficient to redeem such shares has been deposited with a bank or trust company with irrevocable instruction and authority to pay the redemption price to the holders thereof upon surrender of certificates therefor, such shares shall not be entitled to vote on any matter and shall not be deemed to be outstanding shares.

Section 2.11. Consent of Stockholders in Lieu of Meeting. Any action required to be taken at a meeting of the stockholders, or any action which may be taken at a meeting of the stockholders, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the stockholders entitled to vote with respect to the subject matter thereof. Such consent shall have the same effect as a unanimous vote of stockholders.

Section 2.12. Participation in Meetings by Conference Telephone. Stockholders may participate in a meeting of the stockholders by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting.

ARTICLE III - BOARD OF DIRECTORS

Section 3.1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors. In furtherance and not in limitation of the powers confirmed by statute, the Board of Directors shall have the power to ratify and approve any action by or on behalf of the Corporation by the Corporation's employees, agents, officers, directors or any other party, and, upon such ratification and approval, any such actions so taken shall be effective for and as the act of the Corporation as though such act had been adopted and approved by the Board of Directors at the time such action was taken.

Section 3.2. Number, Tenure and Qualifications. The number of directors of the Corporation shall be determined solely by the Board of Directors, by resolution. Each director shall hold office until the next annual meeting of the stockholders and until his successor shall have been elected and qualified. Directors need not be residents of the State of Delaware or stockholders of the Corporation.

Section 3.3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of stockholders, provided, however, any such regular meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings, or in a consent and waiver of notice thereof, signed by all directors. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Texas, for the holding of additional regular meetings without other notice than such resolution.

Section 3.4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President, or in his absence by the Vice President. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Texas, as the place for holding any special meeting of the Board of Directors called by them.

Section 3.5. Notice. The Secretary or Assistant Secretary shall give notice to each director of the time and place of holding each special meeting by mailing the notice at least thirty-six (36) hours before the meeting or by causing the same to be transmitted by Electronic Transmission or other means at least twenty-four (24) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any special meeting subject to the provisions of this Article Three. For purposes of this Section 3.5, an "Electronic Transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

Section 3.6. Quorum. A majority of the number of directors fixed by Section 3.2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

If a quorum is present when the meeting is convened, the directors present may continue to do business, taking action by a vote of a majority of a quorum as fixed above, until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum as fixed above, or the refusal of any director present to vote.

Section 3.7. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, the Certificate of Incorporation or these Bylaws. At each meeting of the Board of Directors, a presiding Chairman shall be elected by a majority of the directors present at such meeting.

Section 3.8. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors. Such consent shall have the same effect as a unanimous vote.

Section 3.9. Vacancies. Any vacancy occurring in the Board of Directors, other than a vacancy occurring by reason of a director's removal pursuant to Section 3.14, may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. In the event that there are no remaining directors, then the vacancy or vacancies occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the holders of record of the class of stock entitled to vote for the election of such director or directors, subject to the provisions of the Certificate of Incorporation. A director elected to fill a vacancy shall be elected to serve until the next annual meeting of stockholders. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of stockholders called for that purpose.

Section 3.10. Compensation. By resolution of the Board of Directors, each director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 3.11. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail or personal delivery to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 3.12. Committees. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members one or more committees, each committee to consist of one or more of the directors and each of which committees, to the extent provided in such resolution, shall have and may during intervals between the meetings of the Board, exercise all the authority of the Board of Directors, except that no such committee shall have the authority of the Board of Directors in reference to declaring a dividend or distribution from capital surplus, issuing capital stock, amending the Certificate of Incorporation, adopting a plan of merger or consolidation, recommending to the stockholders the sale, lease, mortgage, exchange or other disposition of all or substantially all the property and assets of the Corporation otherwise than in the usual and regular course of its business, recommending to the stockholders a voluntary dissolution of the Corporation or a revocation thereof, filling vacancies in the Board of Directors or amending the Bylaws of the Corporation. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him by law.

Section 3.13. Resignations. Any director of the Corporation may resign at any time either by oral tender of resignation at any meeting of the Board of Directors or by giving written notice thereof to the Secretary of the Corporation. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.14. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the affirmative vote of the holders of record of a majority of all of the shares of the class of stock entitled to vote for the election of such director and the vacancy in the Board of Directors caused by any such removal may be filled by such stockholders at such meeting or at any subsequent meeting.

Section 3.15. Participation in Meetings by Conference Telephone. Members of the Board of Directors or any committee designated thereby may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting.

ARTICLE IV - OFFICERS

Section 4.1. Officers. The principal officers of the Corporation shall be elected by the Board of Directors and shall include a President and a Secretary, who shall be the same individual, and may, at the discretion of the Board of Directors, also include a Vice President, an Assistant Secretary, a Treasurer, a General Manager or any other subordinate officer. Any number of offices may be held by the same person. None of the officers need be directors of the Corporation. Officers of the Corporation, including subordinate officers, if any, shall have such authority and perform such duties as provided for herein or the Board of Directors or the President may from time to time determine. The Board of Directors at any time may appoint and remove, or may delegate to any officer the power to appoint and to remove, any officer, agent or employee of the Corporation.

Section 4.2. Election of Officers; Term of Office. The principal officers of the Corporation, and any subordinate officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the stockholders. If the election of such officer shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each principal officer and any subordinate officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

If the Board of Directors shall fail to fill any principal office or any subordinate office (to the extent the Board of Directors has provided for same) at an annual meeting, or if any vacancy in any such office shall occur, or if any principal office or subordinate office shall be newly created, such principal office or subordinate office may be filled at any regular or special meeting of the Board of Directors.

Section 4.3. Delegation of Duties of Officers. The Board of Directors may delegate the duties and powers of any officer of the Corporation to any other officer or to any director for a specified period of time for any reason that the Board of Directors may deem sufficient.

Section 4.4. Removal of Officers or Agents. Any officer or agent of the Corporation may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of any officer or agent shall not of itself create contract rights.

Section 4.5. Resignations. Any officer may resign at any time by giving written notice of resignation to the Board of Directors, to the President and Secretary. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of a resignation shall not be necessary to make the resignation effective.

Section 4.6. Vacancies. A vacancy in any office, the holder of which is elected or appointed by the Board of Directors, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of such office. A vacancy in any other office for any reason shall be filled by the Board of Directors, or any committee, or officer to whom authority in the premises may have been delegated by these Bylaws or by resolution of the Board of Directors.

Section 4.7. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall have general supervision over the business and affairs of the Corporation. The President shall have all powers and duties usually incident to the office of the President except as specifically limited by resolution of the Board of Directors. The President shall have such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors.

Section 4.8. Secretary. The Secretary shall act as Secretary of all meetings of stockholders and of the Board of Directors at which he is present, shall record all the proceedings of all such meetings in a book to be kept for that purpose, shall have supervision over the giving and service of notices of the Corporation, and shall have supervision over the care and custody of the records and seal of the Corporation. The Secretary shall be empowered to affix the corporate seal to documents, the execution of which on behalf of the Corporation under its seal is duly authorized, and when so affixed may attest the same. The Secretary shall have all powers and duties usually incident to the office of Secretary, except as specifically limited by a resolution of the Board of Directors. The Secretary shall have such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or the President.

Section 4.9. Bond. The Board of Directors shall have power, to the extent permitted by law, to require any officer, agent or employee of the Corporation to give bond for the faithful discharge of his duties in such form and with such surety or sureties as the Board of Directors may determine.

ARTICLE V - CAPITAL STOCK

Section 5.1. Issuance of Certificates for Capital Stock. Each stockholder of the Corporation shall be entitled to a certificate or certificates in such form as shall be approved by the Board of Directors and required by law, certifying the number of shares of capital stock of the Corporation owned by such stockholder.

Section 5.2. Signatures on Stock Certificates. The shares of the Corporation shall be represented by certificates signed by the President and Secretary, and may be sealed with the seal of the Corporation or a facsimile thereof. In case any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer at the date of its issue.

Section 5.3. Stock Transfer Books. A record of all certificates for capital stock issued by the Corporation shall be kept by the Secretary or any other officer or employee of the Corporation designated by the Secretary or by any transfer clerk or transfer agent appointed pursuant to Section 5.4 hereof. Such record shall show the name and address of the person, firm or corporation in which certificates for capital stock are registered, the number and classes of shares of stock represented by each such certificate, the date of each such certificate, and in case of certificates which have been cancelled, the dates of cancellation thereof.

The Corporation shall be entitled to treat the holder of record of shares of capital stock as shown on the stock transfer books as the owner thereof and as the person entitled to receive dividends thereon, to vote such shares and to receive notice of meetings, and for all other purposes. The Corporation shall not be bound to recognize any equitable or other claim to or interest in any share of capital stock on the part of any other person, whether or not the Corporation shall have express or other notice thereof.

Section 5.4. Regulations Relating to Transfer. The Board of Directors may make such rules and regulations as it may deem expedient, not inconsistent with law, the Certificate of Incorporation or these Bylaws, concerning the issuance, transfer and registration of certificates for shares of capital stock of the Corporation. The Board of Directors may appoint, or authorize any principal officer to appoint, one or more transfer agents, registrars or other agents for the purpose of registering transfers of stock of the Corporation, issuing new certificates of stock of the Corporation and cancelling certificates surrendered to the Corporation.

Section 5.5. Transfers. Transfers of capital stock shall be made on the books of the Corporation only upon delivery to the Corporation or its transfer agent of (a) a written direction of the registered holder named in the certificate or such holder's attorney lawfully constituted in writing, (b) the certificate for the shares of capital stock being transferred, and (c) a written assignment of the shares of capital stock evidenced thereby.

Section 5.6. Cancellation. Except as otherwise provided in Section 5.7 below, each certificate for capital stock surrendered to the Corporation for exchange or transfer shall be cancelled and no new certificate or certificates shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled.

Section 5.7. Replacement of Mutilated, Lost, Destroyed and Stolen Certificates. Where a certificate for shares of stock of the Corporation has been mutilated, the Corporation may issue a new certificate in place of such mutilated certificate if the owner: (a) so requests; (b) returns such mutilated certificate to the Corporation for cancellation; and (c) satisfies any other reasonable requirements which may be imposed by the Board of Directors of the Corporation.

Where a certificate for shares of stock of the Corporation has been lost, apparently destroyed or wrongfully taken, the Corporation shall issue a new certificate in place of the original certificate if the owner: (a) so requests before the Corporation has notice that the shares represented by such certificate have been acquired by a bona fide purchaser; (b) files with the Corporation a sufficient indemnity bond; and (c) satisfies any other reasonable requirements imposed by the Board of Directors of the Corporation.

ARTICLE VI - INDEMNIFICATION

Section 6.1. Action Against Party Because of Corporate Position.

(a) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

(c) To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs (a) and (b) of this Article Six, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Any indemnification under subsections (a) and (b) of this section (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraphs (a) and (b) of this Article Six.

Such determination shall be made (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (3) by the stockholders.

(e) Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this section. Such expenses (including attorneys' fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

Section 6.2. Indemnification Not Exclusive. The indemnification and advancement of expenses provided by, or granted pursuant to, the other subsections of this section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

Section 6.3. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under this section.

Section 6.4. Certain Terms Used in this Article Six.

(a) For purposes of this Article Six, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this section with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(b) For purposes of this Article Six, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this section.

Section 6.5. Continuation of Indemnification. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article Six shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 6.6. Indemnity Fund. Upon resolution passed by the Board of Directors, the Corporation may establish a trust or other designated account, grant a security interest or use other means (including a letter of credit) to ensure payment of its obligations under this Article Six and agreements for indemnity that may be entered into between the Corporation and its officers and directors from time to time.

Section 6.7. Savings Provision. If this Article Six or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each director, officer, employee and agent to the full extent permitted by any applicable portion of this Article Six that shall not have been invalidated or by any other applicable law.

Section 6.8. Modification of Indemnification Obligations. Any amendment, modification or repeal of this Article Six shall be prospective only and shall not in any way affect the indemnification rights and obligations of the Corporation under this Article Six as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

ARTICLE VII - GENERAL PROVISIONS

Section 7.1. Corporate Seal. The seal of the Corporation shall be circular in form with the name of the Corporation inscribed. The seal may be used by causing it to be affixed or impressed, or a facsimile thereof may be reproduced or otherwise used in such manner as the Board of Directors may determine.

Section 7.2. Fiscal Year. The fiscal year shall end on the last day of December in each year, or such other date as the Board of Directors may designate.

Section 7.3. Waiver of Notice. Whenever any notice is required to be given under any provision of law, the Certificate of Incorporation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice unless otherwise required by the Bylaws.

Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 7.4. Execution of Instruments, Contracts, Etc.

(a) All checks, drafts, bills of exchange, notes or other obligations or orders for the payment of money issued by the Corporation shall be signed in the name of the Corporation by the President or such other officer or officers or person or persons, as the Board of Directors may from time to time designate.

(b) Except as otherwise provided by law, the Board of Directors, any committee given specific authority in the premises by the Board of Directors, or any committee given authority to exercise generally the powers of the Board of Directors during the intervals between meetings of the Board of Directors, may authorize any officer, employee or agent, in the name of and on behalf of the Corporation, to enter into or execute and deliver deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

(c) All applications, written instruments and papers required by or filed with any department of the United States Government or any state, county, municipal or other governmental official or authority, may, if permitted by applicable law, be executed in the name of the Corporation by any principal officer or subordinate officer of the Corporation, or, to the extent designated for such purpose from time to time by the Board of Directors, by an employee or agent of the Corporation. Such designation may contain the power to substitute, in the discretion of the person named, one or more other persons.

Section 7.5. Dividends. Subject to the laws of the State of Delaware, the Board of Directors may, from time to time, declare and the Corporation may pay, dividends on its outstanding shares in cash, property, or its own shares, except when the Corporation is insolvent or when the declaration or payment thereof would be contrary to any restrictions contained in the Certificate of Incorporation.

Section 7.6. Corporate Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 7.7. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 7.8. Employee Loans. The Corporation may lend money to and use its credit to assist any employee of the Corporation or of a subsidiary, including any such employee who is a director of the Corporation, if the Board of Directors decides that such loan or assistance may benefit the Corporation. The Corporation shall not lend money to or use its credit to assist any director who is not also an employee of the Corporation without authorization in the particular case by its stockholders.

Section 7.9. Reimbursement. Any payment made to an officer of the Corporation, such as a salary, commission, bonus, interest, or rent, or entertainment expense incurred by him, which shall be disallowed in whole or in part, as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer to the Corporation to the full extent of such disallowance. It shall be the

duty of the directors, as a Board, to enforce payment of each such amount disallowed. In lieu of payment by the officer, subject to the determination of the directors, proportionate amounts may be withheld from his or her future compensation payments until the amount owed to the Corporation has been recovered.

ARTICLE VIII - AMENDMENTS

Section 8.1. Power of Directors to Amend. The Board of Directors shall have power to alter, amend or repeal the Bylaws of the Corporation or adopt new Bylaws for the Corporation at any regular or special meeting of the Board, provided, however, that the Board of Directors may not alter, amend, or repeal any Bylaw establishing the number of directors, what constitutes a quorum at stockholders' meetings, or which was adopted by the stockholders and specifically provides that it cannot be altered, amended or repealed by the Board of Directors.

Section 8.2. Power of Stockholders to Amend. The stockholders may alter, amend, or repeal the Bylaws of the Corporation or adopt new Bylaws for the Corporation at any annual meeting or at a special meeting called for that purpose, and all Bylaws made by the directors may be altered or repealed by the stockholders.

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Exhibit 3.11

LIMITED LIABILITY COMPANY AGREEMENT

OF

MPT OF HAUSMAN, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), is made and entered into as of September 15, 2011, by and between MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership (hereinafter referred to as the "Sole Member"), and MPT OF HAUSMAN, LLC, a Delaware limited liability company (the "Company").

W I T N E S S E T H:

WHEREAS, the Company was organized by Certificate of Formation pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same may be amended from time to time on September 15, 2011; and

WHEREAS, the parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the percentage interests in the Company.

2. MANAGEMENT BY MEMBERS. Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. INDEMNIFICATION. The Company shall indemnify any person made a party to a proceeding by reason of its status as a current or former member, manager, officer or employee of the Company, or a current or former member, manager, officer or employee of an affiliate of the Company (each an "Indemnitee"), from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Company as set forth in this Agreement in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, unless it is established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the Indemnitee actually received an improper personal benefit in money, property or services; or (iii)

in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 3. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the Indemnitee acted in a manner contrary to that specified in this Section 3. Any indemnification pursuant to this Section 3 shall be made only out of the assets of the Company.

The indemnification provided by this Section 3 shall be in addition to any other rights to which an Indemnitee or any other person may be entitled under any agreement, pursuant to any vote of the Members, as a matter of law or otherwise, and shall continue as to an Indemnitee who is no longer a member, manager, officer, employee or otherwise affiliated with the Company.

Any amendment, modification or repeal of this Section 3 or any provision hereof shall be prospective only and shall not in any way affect the indemnification of an Indemnitee by the Company under this Section 3 as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

4. GOVERNING LAW. This Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

5. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral.

6. AMENDMENTS. No amendments of this Agreement shall be valid unless it is set forth in a writing signed by the members of the Company.

7. SINGLE PURPOSE ENTITY. The Company shall operate as a Single Purpose Entity (as hereinafter defined). For the purpose of this Agreement, the term “Single Purpose Entity” shall mean an entity which (i) exists solely for the purpose of acquiring, owning, developing, and leasing certain real estate and improvements located in or around San Antonio, Bexar County, Texas (the “Project”), (ii) conducts business only in its own name, (iii) does not engage in any business other than acquisition, ownership, development, and leasing of the Project, (iv) does not hold, directly or indirectly, any ownership interest (legal or equitable) in any entity or any real or personal property other than the interest which it owns in the Project, (v) does not have any assets other than those related to its interest in the Project and does not have any debt other than as related to or in connection with the Project and does not guarantee or otherwise obligate itself with respect to the debts of any other person or entity; provided, however, that, notwithstanding the foregoing, the Company may guarantee or otherwise obligate itself with respect to the debts of any affiliate, (vi) has its own separate books, records and accounts, (vii) holds itself out as being a company separate and apart from any other entity, and (viii) observes limited liability company formalities independent of any other entity.

IN WITNESS WHEREOF, the parties have executed and delivered this Limited Liability Company Agreement on the date first set forth above.

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

MPT OF HAUSMAN, LLC
BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

Exhibit 3.12

LIMITED LIABILITY COMPANY AGREEMENT

OF

MPT OF OVERLOOK PARKWAY, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), is made and entered into as of September 15, 2011, by and between MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership (hereinafter referred to as the "Sole Member"), and MPT OF OVERLOOK PARKWAY, LLC, a Delaware limited liability company (the "Company").

W I T N E S S E T H:

WHEREAS, the Company was organized by Certificate of Formation pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same may be amended from time to time on September 15, 2011; and

WHEREAS, the parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the percentage interests in the Company.

2. MANAGEMENT BY MEMBERS. Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. INDEMNIFICATION. The Company shall indemnify any person made a party to a proceeding by reason of its status as a current or former member, manager, officer or employee of the Company, or a current or former member, manager, officer or employee of an affiliate of the Company (each an "Indemnitee"), from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Company as set forth in this Agreement in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, unless it is established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the Indemnitee actually received an improper personal benefit in money, property or services; or (iii)

in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 3. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the Indemnitee acted in a manner contrary to that specified in this Section 3. Any indemnification pursuant to this Section 3 shall be made only out of the assets of the Company.

The indemnification provided by this Section 3 shall be in addition to any other rights to which an Indemnitee or any other person may be entitled under any agreement, pursuant to any vote of the Members, as a matter of law or otherwise, and shall continue as to an Indemnitee who is no longer a member, manager, officer, employee or otherwise affiliated with the Company.

Any amendment, modification or repeal of this Section 3 or any provision hereof shall be prospective only and shall not in any way affect the indemnification of an Indemnitee by the Company under this Section 3 as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

4. GOVERNING LAW. This Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

5. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral.

6. AMENDMENTS. No amendments of this Agreement shall be valid unless it is set forth in a writing signed by the members of the Company.

7. SINGLE PURPOSE ENTITY. The Company shall operate as a Single Purpose Entity (as hereinafter defined). For the purpose of this Agreement, the term “Single Purpose Entity” shall mean an entity which (i) exists solely for the purpose of acquiring, owning, developing, and leasing certain real estate and improvements located in or around San Antonio, Bexar County, Texas (the “Project”), (ii) conducts business only in its own name, (iii) does not engage in any business other than acquisition, ownership, development, and leasing of the Project, (iv) does not hold, directly or indirectly, any ownership interest (legal or equitable) in any entity or any real or personal property other than the interest which it owns in the Project, (v) does not have any assets other than those related to its interest in the Project and does not have any debt other than as related to or in connection with the Project and does not guarantee or otherwise obligate itself with respect to the debts of any other person or entity; provided, however, that, notwithstanding the foregoing, the Company may guarantee or otherwise obligate itself with respect to the debts of any affiliate, (vi) has its own separate books, records and accounts, (vii) holds itself out as being a company separate and apart from any other entity, and (viii) observes limited liability company formalities independent of any other entity.

IN WITNESS WHEREOF, the parties have executed and delivered this Limited Liability Company Agreement on the date first set forth above.

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

MPT OF OVERLOOK PARKWAY, LLC
BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

Exhibit 3.13

LIMITED LIABILITY COMPANY AGREEMENT

OF

MPT OF NEW BRAUNFELS, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), is made and entered into as of September 29, 2011, by and between MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership (hereinafter referred to as the "Sole Member"), and MPT OF NEW BRAUNFELS, LLC, a Delaware limited liability company (the "Company").

W I T N E S S E T H:

WHEREAS, the Company was organized on September 22, 2011 pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same may be amended from time to time; and

WHEREAS, the parties desire to enter into this Limited Liability Company Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the percentage interests in the Company.

2. MANAGEMENT BY MEMBERS. Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. INDEMNIFICATION. The Company shall indemnify any person made a party to a proceeding by reason of its status as a current or former member, manager, officer or employee of the Company, or a current or former member, manager, officer or employee of an affiliate of the Company (each an "Indemnitee"), from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Company as set forth in this Agreement in which any Indemnitee may be involved, or is

threatened to be involved, as a party or otherwise, unless it is established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the Indemnitee actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 3. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the Indemnitee acted in a manner contrary to that specified in this Section 3. Any indemnification pursuant to this Section 3, shall be made only out of the assets of the Company.

The indemnification provided by this Section 3 shall be in addition to any other rights to which an Indemnitee or any other person may be entitled under any agreement, pursuant to any vote of the Members, as a matter of law or otherwise, and shall continue as to an Indemnitee who is no longer a member, manager, officer, employee or otherwise affiliated with the Company.

4. GOVERNING LAW. This Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

5. ENTIRE AGREEMENT. This Limited Liability Company Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral.

6. AMENDMENTS. No amendments of this Agreement shall be valid unless it is set forth in a writing signed by the members of the Company.

7. SINGLE PURPOSE ENTITY. The Company shall operate as a Single Purpose Entity (as hereinafter defined). For the purpose of this Agreement, the term “Single Purpose Entity” shall mean an entity which (i) exists solely for the purpose of acquiring, owning, developing, and leasing certain real estate and improvements located in or around New Braunfels, Comal County, Texas (the “Project”), (ii) conducts business only in its own name, (iii) does not engage in any business other than acquisition, ownership, development, and leasing of the Project, (iv) does not hold, directly or indirectly, any ownership interest (legal or equitable) in any entity or any real or personal property other than the interest which it owns in the Project, (v) does not have any assets other than those related to its interest in the Project and does not have any debt other than as related to or in connection with the Project and does not guarantee or otherwise obligate itself with respect to the debts of any other person or entity; provided, however, that, notwithstanding the foregoing, the Company may guarantee or otherwise obligate itself with respect to the debts of any affiliate, (vi) has its own separate books, records and accounts, (vii) holds itself out as being a company separate and apart from any other entity, and (viii) observes limited liability company formalities independent of any other entity.

[Signatures are on the following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Limited Liability Company Agreement on the date first set forth above.

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

MPT OF NEW BRAUNFELS, LLC

BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

Exhibit 3.14

LIMITED LIABILITY COMPANY AGREEMENT

OF

MPT OF WESTOVER HILLS, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), is made and entered into as of September 15, 2011, by and between MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership (hereinafter referred to as the "Sole Member"), and MPT OF WESTOVER HILLS, LLC, a Delaware limited liability company (the "Company").

W I T N E S S E T H:

WHEREAS, the Company was organized by Certificate of Formation pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same may be amended from time to time on September 15, 2011; and

WHEREAS, the parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the percentage interests in the Company.

2. MANAGEMENT BY MEMBERS. Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. INDEMNIFICATION. The Company shall indemnify any person made a party to a proceeding by reason of its status as a current or former member, manager, officer or employee of the Company, or a current or former member, manager, officer or employee of an affiliate of the Company (each an "Indemnitee"), from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Company as set forth in this Agreement in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, unless it is established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the Indemnitee actually received an improper personal benefit in money, property or services; or (iii)

in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 3. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the Indemnitee acted in a manner contrary to that specified in this Section 3. Any indemnification pursuant to this Section 3 shall be made only out of the assets of the Company.

The indemnification provided by this Section 3 shall be in addition to any other rights to which an Indemnitee or any other person may be entitled under any agreement, pursuant to any vote of the Members, as a matter of law or otherwise, and shall continue as to an Indemnitee who is no longer a member, manager, officer, employee or otherwise affiliated with the Company.

Any amendment, modification or repeal of this Section 3 or any provision hereof shall be prospective only and shall not in any way affect the indemnification of an Indemnitee by the Company under this Section 3 as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

4. GOVERNING LAW. This Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

5. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral.

6. AMENDMENTS. No amendments of this Agreement shall be valid unless it is set forth in a writing signed by the members of the Company.

7. SINGLE PURPOSE ENTITY. The Company shall operate as a Single Purpose Entity (as hereinafter defined). For the purpose of this Agreement, the term “Single Purpose Entity” shall mean an entity which (i) exists solely for the purpose of acquiring, owning, developing, and leasing certain real estate and improvements located in or around San Antonio, Bexar County, Texas (the “Project”), (ii) conducts business only in its own name, (iii) does not engage in any business other than acquisition, ownership, development, and leasing of the Project, (iv) does not hold, directly or indirectly, any ownership interest (legal or equitable) in any entity or any real or personal property other than the interest which it owns in the Project, (v) does not have any assets other than those related to its interest in the Project and does not have any debt other than as related to or in connection with the Project and does not guarantee or otherwise obligate itself with respect to the debts of any other person or entity; provided, however, that, notwithstanding the foregoing, the Company may guarantee or otherwise obligate itself with respect to the debts of any affiliate, (vi) has its own separate books, records and accounts, (vii) holds itself out as being a company separate and apart from any other entity, and (viii) observes limited liability company formalities independent of any other entity.

IN WITNESS WHEREOF, the parties have executed and delivered this Limited Liability Company Agreement on the date first set forth above.

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

MPT OF WESTOVER HILLS, LLC
BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

By: /s/ Edward K. Aldag, Jr.
Name: Edward K. Aldag, Jr.
Its: Chairman, President & CEO

Exhibit 3.15

LIMITED LIABILITY COMPANY AGREEMENT

OF

MPT OF HOBOKEN HOSPITAL, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), is made and entered into as of March 1, 2011, by and between MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership (hereinafter referred to as the "Sole Member"), and MPT OF HOBOKEN HOSPITAL, LLC, a Delaware limited liability company (the "Company").

W I T N E S S E T H:

WHEREAS, the Company was organized pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same may be amended from time to time on March 1, 2011; and

WHEREAS, the parties desire to enter into this Limited Liability Company Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the percentage interests in the Company.

2. MANAGEMENT BY MEMBERS. Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. INDEMNIFICATION. The Company shall indemnify any person made a party to a proceeding by reason of its status as a current or former member, manager, officer or employee of the Company, or a current or former member, manager, officer or employee of an affiliate of the Company (each an "Indemnitee"), from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including reasonable legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Company as set forth in this Agreement in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, unless it is established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the Indemnitee actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or

omission was unlawful. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 3. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, creates a rebuttable presumption that the Indemnitee acted in a manner contrary to that specified in this Section 3. Any indemnification pursuant to this Section 3 shall be made only out of the assets of the Company.

The indemnification provided by this Section 3 shall be in addition to any other rights to which an Indemnitee or any other person may be entitled under any agreement, pursuant to any vote of the Members, as a matter of law or otherwise, and shall continue as to an Indemnitee who is no longer a member, manager, officer, employee or otherwise affiliated with the Company.

Any amendment, modification or repeal of this Section 3 or any provision hereof shall be prospective only and shall not in any way affect the indemnification of an Indemnitee by the Company under this Section 3 as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

4. GOVERNING LAW. This Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

5. ENTIRE AGREEMENT. This Limited Liability Company Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral.

6. AMENDMENTS. No amendments of this Agreement shall be valid unless it is set forth in a writing signed by the members of the Company.

7. SINGLE PURPOSE ENTITY. The Company shall operate as a Single Purpose Entity (as hereinafter defined). For the purpose of this Agreement, the term “Single Purpose Entity” shall mean an entity which (i) exists solely for the purpose (the “Purpose”) of acting as sole member of MPT of Hoboken Real Estate, LLC, a Delaware limited liability company (the “Real Estate Owner”) (ii) conducts business only in its own name, (iii) does not engage in any business other than the Purpose, (iv) other than the limited liability company interest in the Real Estate Owner, it does not hold, directly or indirectly, any ownership interest (legal or equitable) in any entity or any real or personal property, (v) does not have any assets other than those related to its interest in the Real Estate Owner and does not have any debt other than as related to or in connection with the Purpose and does not guarantee or otherwise obligate itself with respect to the debts of any other person or entity; provided, however, that, notwithstanding the foregoing, the Company may guarantee or otherwise obligate itself with respect to the debts of any affiliate, (vi) has its own separate books, records and accounts, (vii) holds itself out as being a company separate and apart from any other entity, and (viii) observes limited liability company formalities independent of any other entity.

[Signatures on the following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Limited Liability Company Agreement on the date first set forth above.

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ Emmett E. McLean
Name: Emmett E. McLean
Its: Executive Vice President and COO

MPT OF HOBOKEN HOSPITAL, LLC
BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

By: /s/ Emmett E. McLean
Name: Emmett E. McLean
Its: Executive Vice President and COO

Exhibit 3.16

LIMITED LIABILITY COMPANY AGREEMENT
OF
MPT OF HOBOKEN REAL ESTATE, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT of MPT OF HOBOKEN REAL ESTATE, LLC, a Delaware limited liability company (the "Company"), is made and entered into as of the 2nd day of March 2, 2011, by and between the Company and MPT OF HOBOKEN HOSPITAL, LLC, a Delaware limited liability company (the "MPT Member").

R E C I T A L S:

WHEREAS, the Company is in the process of negotiating a Purchase and Sale Agreement to be entered into by and among the Company and certain of its Affiliates, on the one hand, and HUMC and certain of its Affiliates, on the other hand (as modified, amended or restated from time to time, the "Purchase Agreement"), pursuant to which the Company shall have the right to acquire and lease certain real property and improvements located in the City of Hoboken, Hudson County, New Jersey (collectively, the "Real Property")

WHEREAS, the MPT Member has organized the Company as a Delaware limited liability company pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same maybe amended from time to time, and has filed a Certificate of Formation for the Company (the "Certificate") for the purposes of acquiring and leasing the Real Property pursuant to the terms and conditions of the Purchase Agreement;

WHEREAS, contemporaneously with the closing of the Company's purchase of the Real Property, the Company will lease the Real Property to its Affiliate, MPT of Hoboken TRS, LLC, a Delaware limited liability company (the "MPT Lessor"), and the MPT Lessor and HUMC Opco, LLC, a Delaware limited liability company (the "Lessee"), will enter into a sublease pursuant to which MPT Lessor will lease the Real Property to the Lessee (as modified, amended or restated from time to time, the "Lease");

WHEREAS, contemporaneously with the closing of the Company's purchase of the Real Property, the MPT Lessor will make a working capital loan (the "Working Capital Loan") to the Lessee in an amount up to Twenty Million and No/100 Dollars ($20,000,000.00), to be evidenced by a Promissory Note in form and substance mutually satisfactory to the Lessee and MPT Lessor (as modified, amended or restated from time to time, the "Working Capital Note"), and secured as provided therein;

WHEREAS, the parties contemplate that MPT Lessor will become an equity owner of the Lessee, but due to regulatory considerations, the MPT Lessor and the Lessee initially desire that, in exchange for certain advances from the MPT Lessor requested by the Lessee (the "Convertible Loan"), the Lessee shall issue to MPT Lessor contemporaneously with the closing of the Company's purchase of the Real Property a convertible debt instrument in form and substance mutually satisfactory to the Lessee and MPT Lessor (as modified, amended or restated from time to time, the "Convertible Note");

WHEREAS, contemporaneously with any conversion, in whole or in part, by the MPT Lessor of the Convertible Loan to any equity interest in the Lessee (the "Conversion"), the MPT Lessor, the Lessee and its other members shall enter into a Limited Liability Company Agreement substantially in the form attached to the Purchase Agreement (as modified, amended or restated from time to time, the "Operator LLC Agreement");

WHEREAS, as security for the Lessee's obligations under the Lease, the Working Capital Note, and the Convertible Note, HUMC Holdco, LLC, a New Jersey limited liability company ("HUMC Holdco"), shall enter into a guaranty agreement as described and in the form attached to the Purchase Agreement (as modified, amended or restated from time to time, the "HUMC Holdco Guaranty");

WHEREAS, on February 4, 2011, certain Affiliates of the parties closed a sale-leaseback financing involving that certain two hundred seventy-eight (278) licensed bed acute care hospital commonly known as "Bayonne Medical Center" located in the City of Bayonne, Hudson County, New Jersey, and, in connection therewith, such Affiliates incurred obligations under that certain Lease Agreement (as modified, amended or restated from time to time, the "Bayonne Lease") dated February 4, 2011, by and between MPT of Bayonne, LLC, a Delaware limited liability company, and IJKG Opco, LLC, a New Jersey limited liability company, and other related documents (collectively, the "Bayonne Obligations");

WHEREAS, in connection with the closing of the Company's purchase of the Real Property, the Lessee and HUMC Holdco shall also provide credit enhancements to the Bayonne Obligations in the form of (i) cross defaulting the Lease to the Bayonne Lease (but not vice versa), (ii) providing collateral to support the Bayonne Obligations pursuant to the Security Agreement and the Assignment of Rents and Leases (each as defined in the Purchase Agreement), and (iii) entering into a guaranty agreement in the form described in and attached to the Purchase Agreement (as modified, amended or restated from time to time, the "Operator Guaranty"), guaranteeing the Bayonne Obligations in the manner provided therein;

WHEREAS, the Purchase Agreement requires that the MPT Member and HUMC Propco, LLC, a New Jersey limited liability company ("HUMC"), enter into an Option Agreement (as modified, amended or restated from time to time, the "Option Agreement"), pursuant to which the MPT Member will grant to HUMC the right to purchase up to a thirty percent (30.0%) Percentage Interest as a Member in the Company; and

WHEREAS, the MPT Member has entered into this Limited Liability Company Agreement (the "Agreement") to regulate and establish the affairs of the Company, the conduct of its business, and the relations of its present and potential future Members.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreement set forth herein, the Members, intending to be legally bound, hereby agree as follows:

1. CERTAIN DEFINED TERMS. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings indicated in ***Exhibit A*** to this Agreement.

2. CAPITALIZATION OF THE COMPANY.

(a) Initial Capital Contributions. Contemporaneously with the execution of this Agreement, the MPT Member has made the capital contribution as indicated on ***Exhibit B*** attached hereto. In exchange for such capital contribution, Member has received a one hundred percent (100%) Percentage Interest in the Company.

(b) Additional Contributions. No Member shall be permitted or required to make any additional Capital Contributions except as expressly required or permitted pursuant to this Agreement and the Option Agreement.

(c) No Return of Capital. No Member shall have the right to withdraw or be repaid any of his or its Capital Contributions, except as expressly set forth in this Agreement. No interest shall accrue on the Capital Contributions of the Members, except as expressly set forth herein or as otherwise approved by the Manager,

(d) Nature of Obligations. No creditors of the Company or other third parties shall have any rights, as third party beneficiaries or otherwise, to compel any Capital Contributions. The Company may not assign the obligation of the Members to make additional Capital Contributions under this Section of this Agreement to any creditor or other third party.

(e) Company Property. Any property acquired as of or after the date hereof by the Company by lease, purchase or otherwise, shall be acquired and held in the name of the Company and conveyed only in accordance with this Agreement. A Member has no interest in specific assets of the Company except as may be expressly provided in any written agreement in effect from time to time.

3. MANAGEMENT OF THE COMPANY.

(a) Management by Manager. Pursuant to the Certificate, management of the Company is vested in the Manager. The Manager of the Company shall be the MPT Member. Except as limited or restricted by the Act or this Agreement, the Manager shall have the full, complete and exclusive right, power and authority to manage and control the business and affairs of the Company, to authorize any act or transaction on behalf of the Company and shall make all decisions affecting the business and assets of the Company. The Manager is an agent of the Company for the purpose of its business or affairs, and the act of the Manager, including, without limitation, the execution in the name of the Company of any instrument, for apparently carrying on in the usual way the business or affairs of the Company, shall bind the Company. Without limiting the generality of the preceding sentences, the Manager shall have the following powers and authority for and on behalf of the Company:

(i) to acquire, purchase, own, operate, lease and dispose of any real property and any other property or assets including, but not limited to, notes and mortgages that the Manager determines are necessary or appropriate in the business of the Company;

(ii) to construct buildings and make other improvements on the properties owned or leased by the Company;

(iii) to authorize, issue, sell, redeem or otherwise purchase any Membership Interests or any securities (including secured and unsecured debt obligations of the Company, debt obligations of the Company convertible into any class or series of Membership Interests, or options, rights, warrants or appreciation rights relating to any Membership Interests) of the Company;

(iv) to borrow or lend money for the Company, issue or receive evidences of indebtedness in connection therewith, refinance, increase the amount of, modify, amend or change the terms of, or extend the time for the payment of, any such indebtedness, and secure indebtedness by mortgage, deed of trust, pledge or other lien on the Company's assets;

(v) to pay, either directly or by reimbursement, for all operating costs and general administrative expenses of the Company to third parties or to the Manager or its Affiliates;

(vi) to guarantee or become a co-maker of indebtedness of any Subsidiary of the Manager, refinance, increase the amount of, modify, amend or change the terms of, or extend the time for the payment of, any such guarantee or indebtedness, and secure such guarantee or indebtedness by mortgage, deed of trust, pledge or other lien on the Company's assets;

(vii) to use assets of the Company (including, without limitation, cash on hand) for any purpose consistent with this Agreement;

(viii) to lease all or any portion of any of the Company's assets, whether or not the terms of such leases extend beyond the termination date of the Company and whether or not any portion of the Company's assets so leased are to be occupied by the lessee, or, in turn, subleased in whole or in part to others, for such consideration and on such terms as the Manager may determine;

(ix) to prosecute, defend, arbitrate or compromise any and all claims or liabilities in favor of or against the Company, on such terms and in such manner as the Manager may reasonably determine, and similarly to prosecute, settle or defend litigation with respect to the Members, the Company or the Company's assets;

(x) to file applications, communicate and otherwise deal with any and all governmental agencies having jurisdiction over, or in any way affecting, the Company's assets or any other aspect of the Company's business;

(xi) to maintain such insurance coverage for public liability, fire and casualty, and any and all other insurance for the protection of the Company, for the conservation of Company assets, or for any other purpose convenient or beneficial to the Company, in such amounts and such types, as it shall determine from time to time;

(xii) to determine whether or not to apply any insurance proceeds for any property to the restoration of such property or to distribute the same;

(xiii) to establish one or more divisions of the Company, to hire and dismiss employees of the Company or any division of the Company, to appoint and delegate authority to officers of the Company and to retain legal counsel, accountants, consultants, real estate brokers, property managers and such other persons as the Manager may deem necessary or appropriate in connection with the Company's business and to pay therefor such reasonable remuneration as the Manager may deem reasonable and proper;

(xiv) to retain other services of any kind or nature in connection with the Company business, and to pay therefor such remuneration as the Manager may deem reasonable and proper;

(xv) to negotiate and conclude agreements on behalf of the Company with respect to any of the rights, powers and authority conferred upon the Manager;

(xvi) to maintain accurate accounting records and to file promptly all federal, state and local income tax returns on behalf of the Company;

(xvii) to distribute Company cash or other Company assets in accordance with this Agreement;

(xviii) to form or acquire an interest in, and contribute property to, any further limited liability companies, joint ventures or other relationships that it deems desirable (including, without limitation, the acquisition of interests in, and the contributions of property to, its Subsidiaries and any other Person in which it has an equity interest from time to time);

(xix) to establish Company reserves for working capital, capital expenditures, contingent liabilities or any other valid Company purpose;

(xx) to change the name of the Company from time to time to any name permitted under the Act;

(xxi) to change the registered office or registered agent, or both, of the Company, and to file such reports as may be necessary or appropriate under the Act in connection with any such changes; and

(xxii) to do all things necessary or convenient to carry out the business and affairs of the Company, including, without limitation, the exercise of any powers of the Company set forth in the Act or in the Certificate which are not inconsistent with the provisions of this Agreement.

Except as otherwise provided herein, each of the Members agrees that the Manager is authorized to execute, deliver and perform the agreements and take the actions described and/or referenced in Section 3(a) on behalf of the Company without any further act, approval or vote of the Members, notwithstanding any other provision of this Agreement, the Act or any applicable law. The execution, delivery and performance by the Manager of the above mentioned agreements and transactions shall not constitute a breach of any duty under this Agreement or implied in law or equity.

Whenever in this Agreement the Manager is permitted or required to make a decision in its “sole discretion” or “discretion” or under a grant of similar authority or latitude, the Manager shall be entitled to consider such interest and factors as it desires, including without limitation, its own interests, and shall not be required to consider or take into account the interests of any other Member, including HUMC or its Affiliates after its admission pursuant to the Option Agreement, except to the extent that such interests of HUMC or its Affiliates relate exclusively to their direct or indirect ownership interest in the Real Property. Notwithstanding the foregoing, it is hereby understood and agreed that (i) the Manager shall not be obligated to consider the interest of

HUMC or its Affiliates in the Lessee or the relationship of the Lessee, HUMC Holdco and their respective Affiliates with the MPT Member, the MPT Lessor and their respective Affiliates under the MPT Documents, and (ii) in the event of any sale of substantially all of the Company's assets, any merger or consolidation involving the Company, any Disposition of the Membership Interests to any Third Party Purchaser, or any other similar transaction, the Manager shall be deemed to have appropriately considered the interests of HUMC and its Affiliates as required hereunder if HUMC shall (A) receive its proportional share of any consideration received by the Members in connection with such Disposition or other similar transaction and (B) be obligated only to incur liabilities, costs and expenses proportional to those incurred by the other Members. Additionally, the Members hereby acknowledge and consent to the existence of the MPT Documents, the liabilities, indebtedness and liens created thereunder and, notwithstanding any provision or limitation in this Agreement to the contrary, the rights of the MPT Member, the MPT Lessor and their respective Affiliates thereunder, respectively and collectively, to pursue their remedies and recover damages and expenses as provided in the MPT Documents.

(b) Administrative Certifications. The Manager shall be authorized to execute and deliver such certifications as he or it may determine to be necessary or appropriate concerning the status and identity of the Members, the continued existence of the Company, and the existence or nonexistence of any fact or facts which constitute conditions precedent to acts by the Company, the Manager or the Members that are related in any way to the business and affairs of the Company, including, without limitation, compliance with any provisions of this Agreement, the granting or refusal of any approvals or consents required hereunder, and the identity of the Persons who are authorized to execute and deliver any instrument or document on behalf of the Company. Any Person dealing with the Company or the Manager may rely upon any such certificate executed by the Manager, unless such Person has actual knowledge that the same is inaccurate or incomplete in a material respect, without the necessity of further inquiry.

(c) Resignation or Removal of the Manager. The Manager may resign as such as of the end of any calendar quarter upon thirty (30) days notice to the Members. The Manager may only be removed by the MPT Member, If there is a vacancy in the position of the Manager, the successor Manager shall be appointed by the MPT Member.

(d) Compensation of the Manager. The Manager shall receive no compensation, but shall be compensated for any administrative expenses it pays on behalf of the Company.

(e) Durable Power of Attorney. Each Member, by execution of this Agreement, designates and appoints the Manager (with the power to substitute his or its successor) as the true and lawful attorney-in-fact of such Member for the purpose of executing, acknowledging and delivering any and all instruments and documents which may be necessary or appropriate for the proper exercise of any of the rights and powers conferred upon the Manager under the Certificate and this Agreement, including, but not limited to, any and all instruments and documents which the Manager is authorized to execute under this Agreement which might appropriately be executed by one or more of the Members, as Members, pursuant to the Act. Such powers of attorney shall be exercisable only in furtherance of the provisions of this Agreement, and not in contravention thereof. Each such power of attorney is irrevocable, is coupled with an interest, shall not be affected by the disability, incompetency, incapacity, death, insolvency, bankruptcy or dissolution of any Member, shall be binding on all Members, their successors and assigns, and may be exercised by the Manager of the Company from time to time.

(f) Decisions Reserved to Members; Additional Members. Except as set forth in this Agreement, no other Member shall participate in the management or control of Company business, and in no event shall any Member other than the MPT Member transact any business for the Company or have the power to sign for or bind the Company, such powers being vested solely and exclusively in the Manager. Notwithstanding any other provision to the contrary in this Agreement, no Member other than the MPT Member shall have any Governance Rights or other rights to vote with respect to any decisions reserved to the Members except that the unanimous approval of all Members (including the MPT Member) shall be required for the Company's issuance of Membership Interests to additional Members, in which event the Company may receive in payment thereof, in whole or in part, cash, services actually performed, real or personal property (tangible or intangible), or a promissory note or other binding obligation to pay cash, convey property or render services. A party may become an additional Member only if such party agrees in writing to be bound by the terms of this Agreement.

(g) Deemed Consents. If the Manager gives notice to any Member concerning any matter required to be submitted for such Member's consent or approval under the Act, the Certificate or this Agreement, together with the Manager's recommendation as to such matter, each such Member whose consent or approval so required and who fails or refuses to register an objection thereto, through the delivery of notice to the Manager within thirty (30) days after receipt thereof, shall be conclusively presumed to have consented to and approved the recommendation of the Manager as to that matter as set forth in any such notice.

(h) Transactions with Members and Affiliates. The Manager shall have the right to contract, enter into a lease, and otherwise deal with the Members or Affiliates, including, without limitation, the lending of money to, or the guarantee of indebtedness or extension of credit for or on behalf of the Company, provided that any such loan, contract, arrangement or understanding shall be on terms and conditions and shall provide such compensation which are at least as favorable to the Company as are customarily found in arms-length transactions between unrelated parties engaged in similar transactions.

(i) Suspension of Governance Rights. All Governance Rights of a Defaulting Member shall be suspended until such time as such Defaulting Member is in full compliance with all terms and provisions of this Agreement. During the period of any such suspension, all approvals, consents and decisions which may be considered made or rejected by the Members with respect to a particular matter shall be considered made or rejected by the Members with respect to such matter, exclusive of the Defaulting Member. Notwithstanding the foregoing, nothing herein shall be construed to grant any Governance Rights to any Member other than those otherwise expressly set forth in this Agreement.

(j) Waiver by the Company and the Members. The Company and the Members hereby, individually and collectively, (i) waive any rights or claims which the Company and the Members may have at any time, now or in the future, against the Manager or the MPT Member arising from or related to any actual or perceived breach of the fiduciary duties of loyalty, care or any other fiduciary obligation or duty that the Manager or the MPT Member might have

otherwise owed at law, in equity or otherwise, in connection with any action permitted to be taken by the Manager or the MPT Member hereunder; and (ii) acknowledge and agree that the Manager and the MPT Member shall not be limited by such fiduciary duties or be required to take such duties into account in any manner in connection with any action permitted to be taken by the Manager or the MPT Member hereunder. Any amendment, modification or repeal of this Section 3(j) or any provision hereof shall be prospective only and shall not in any way affect the waivers or rights of the Manager and the MPT Member under this Section 3(j) as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

4. TAX, ACCOUNTING AND FINANCIAL MATTERS.

(a) Partnership Status. For so long as the Company has only one Member, the Company shall be treated as a disregarded entity for federal and state income tax purposes. At such time as the Company shall have more then one Member, the Members intend that the Company shall be taxed as a partnership for federal and state income tax purposes, and not as an association taxable as a corporation.

(b) Capital Accounts. A separate Capital Account shall be established for each Member. None of the Members shall be obligated to the Company, to the other Members, or to any other party, to restore any deficit balances which at any time may exist in their respective Capital Accounts.

(c) Reserves and Distributions of Funds. The Manager may establish, set aside, expend and replenish such reasonable reserves as it shall determine to be necessary or appropriate for working capital and other anticipated costs and expenses of the Company's business. Funds which the Manager, in its sole discretion, decides to distribute (other than liquidating distributions, which shall be distributed in accordance with Section 10(c) hereof) shall be distributed to the Members in accordance with their Percentage Interests at such times and in such manner as the Manager shall determine; provided, however, that the Company shall, prior to the due date of the Member's (or the Members' stockholders or other constituents) federal and state income tax payments for each calendar quarter, cause the Company to distribute, at a minimum, cash in an amount sufficient for each Member (or each Member's stockholders or other constituents) to pay federal and state income taxes attributable to such Member's share of the Company's net taxable earnings for such calendar quarter, which amount shall equal the product of:

(i) the portion of the Company's net taxable earnings for such calendar quarter which is attributable to such Member under this Agreement; and

(ii) the sum of the highest federal income tax rate and the highest applicable state income tax rate in effect for any Member at the time of such distribution.

The Manager shall calculate the amount of any such distribution in any reasonable manner, taking into account any other factors the Manager, in consultation with the Company's tax advisors, may identify, including, without limitation, prior losses, the deductibility of federal

taxes for state tax purposes, the deductibility of state taxes for federal income tax purposes, and the effect of reduced rates for capital gain transactions. No distribution for payment of taxes shall be made on account of any gain specially allocated to a Member under Section 704(c) of the Code (dealing with the contribution of appreciated property, or "built-in gain" property to the Company).

(d) Preparation of Tax Returns. The Company shall arrange, at its expense, for the timely filing of all necessary tax returns for the Company and for the preparation and distribution of such tax information as may be reasonably required by the Members for federal, state and local income tax reporting purposes.

(e) Allocation of Profits and Losses.

(i) Profits. Except as may be otherwise required by the Code or Regulations, Profits shall, for each taxable year of the Company, be allocated and apportioned among the Members in the following order and amounts:

(1) first, to and among the Members in amounts equal to the excess, if any, of (A) the cumulative Losses allocated to the Members pursuant to Section 4(e)(ii)(3) hereof for all prior taxable years of the Company, over (B) the cumulative Profits allocated to the Members pursuant to this Section 4(e)(i)(1) for all prior taxable years of the Company; and

(2) the balance and remainder, if any, to and among the Members in accordance with their Percentage Interests in the Company as of the first day of the taxable year of the Company.

(ii) Losses. Except as may be otherwise required by the Code or Regulations, Losses shall, for each taxable year of the Company, be allocated and apportioned among the Members as follows:

(1) to and among the Members in accordance with their Percentage Interests in the Company as of the first day of such taxable year;

(2) provided, however, that Losses shall not be allocated to any Member pursuant to Section 4(e)(ii)(1) for any taxable year of the Company to the extent that such allocation would cause any Member to have an Adjusted Capital Account Deficit in such Member's Capital Account at the end of such taxable year;

(3) in the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 4(e)(ii)(1) the limitation set forth in Section 4(e)(ii)(2) shall be applied on a Member-by-Member basis so as to allocate the maximum permissible Losses to each Member; and

(4) provided further, however, that the limitation set forth in Section 4(e)(ii)(2) shall cease to apply at the point at which all Members' Capital Accounts (adjusted in accordance with this subsection) have been reduced to zero, and any further Losses shall be allocated in accordance with Section 4(e)(ii)(1).

(iii) Changes in Percentage Interest. Notwithstanding any other provision of this subsection, if the Percentage Interest held by any Member changes during a taxable year of the Company, or if any new Member is admitted during any such taxable year, the Profits and Losses otherwise to be allocated and apportioned hereunder for each month of such taxable year shall be allocated among the Members in accordance with each Member's Percentage Interest in the Company as of the first day of each such month, and each Member's share of the Profits and Losses for such taxable year shall be equal to the sum of his share of the Profits and Losses for each month during the taxable year.

(iv) Special Allocation and Distribution. In the event that HUMC becomes a Member pursuant to the Option Agreement, HUMC will be specially allocated annually, prior to any allocations of Profit or Loss under paragraphs (ii), (ii) and (iii) of this Section 4(e), an amount of Company income equal to HUMC's Percentage Interest multiplied by the annual difference between the rent paid by HUMC Opco, LLC to MPT of Hoboken TRS, LLC pursuant to the Lease (including any Parking Rent or other amounts paid pursuant to the Parking Lease, as such terms are defined in the Lease) and the rent paid by MPT of Hoboken TRS, LLC to the Company for the same period pursuant to that certain Master Lease Agreement to be entered into between them (including any Parking Rent or other amounts paid pursuant to the Parking Lease). The amount of such allocation will be calculated on a calendar year basis and pro-rated for any calendar year in which HUMC is a Member for less than a full year. In addition to any other cash distributions, HUMC will be distributed cash equal to such allocation by March 15th of the following calendar year.

(f) Additional Tax Provisions. Notwithstanding Section 4(e), the following special allocations shall be made in the following order:

(i) Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Regulations, notwithstanding any other provision of this Section 4, if there is a net decrease in Minimum Gain (as defined in §1.704-2(b)(2) of the Regulations) during any fiscal year, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary subsequent years) in an amount equal to such Member's share of the net decrease in minimum gain, determined in accordance with Regulations § 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with §1.704-2(f)(6) and §1.704-2(j)(2) of the Regulations. This Section 4(f)(i) is intended to comply with the minimum gain chargeback requirement in §1.704-2(f) of the Regulations and shall be interpreted consistently therewith.

(ii) Member Minimum Gain Chargeback. Except as otherwise provided in §1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Section 4(f), if there is a net decrease in minimum gain attributable to a Member nonrecourse debt (as defined in §1.704-2(b)(4) of the Regulations) during any fiscal year, each Member who has a share of the Member nonrecourse debt minimum gain attributable to such Member nonrecourse debt, determined in accordance with §1.704-2(i)(5) of the Regulations, shall be specially allocated items of Company income and gain for such fiscal year, (and, if necessary, subsequent years) in an amount equal to such Member's share of the net decrease in Member nonrecourse debt minimum gain attributable

to such Member nonrecourse debt, determined in accordance with Regulations §1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with §1.704-2(i)(4) and §1.704-2(j)(2) of the Regulations. This Section 4(f)(ii) is intended to comply with the minimum gain chargeback requirement in §1.704-2(i)(4) of the Regulations and shall be interpreted consistently therewith.

(iii) Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in §1.704-1(b)(2)(ii)(d)(4), §1.704-1(b)(2)(ii)(d)(5) or §1.704-l(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, any deficit balance in such Member's Capital Account (adjusted as required by the Regulations) of such Member as quickly as possible, provided that an allocation pursuant to this Section 4(f)(iii) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Section 4 have been tentatively made as if this Section 4(f)(iii) were not in the Agreement.

(iv) Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any fiscal year which is in excess of the amount such Member is deemed to be obligated to restore pursuant to the second to last sentences of §1.704-2(g)(l) and §1.704-2(i)(5) of the Regulations, each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4(f)(iv) shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Section 4 have been made as if Section 4(f)(iii) and Section 4(f)(iv) were not in the Agreement.

(v) Member Nonrecourse Deductions. Any Member Nonrecourse Deductions (as defined in §1.704-2(i)(2) and §1.704-2(i)(2) of the Regulations) for any fiscal year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member nonrecourse debt to which such Member nonrecourse deductions are attributable in accordance with Regulations §1.704-2(i)(l).

(vi) Nonrecourse Deductions. Nonrecourse Deductions (as defined in §1.704-2(b)(l) and §1.704-2(c) of the Regulations) for any fiscal year shall be specially allocated among the Members in proportion to their Percentage Interests.

(vii) Capital Account Adjustment. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) of the Code or Section 743(b) of the Code is required pursuant to Section 1.704-l(b)(2)(iv)(m)(4) of the Regulations to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of its Membership Interest, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Member in accordance with their interests in the Company in the event Section 1.704-1(b)(2)(iv)(m)(2) of the Regulations applies, or to the Member to whom such distribution was made in the event Section 1.704-1(b)(2)(iv)(m)(4) of the Regulations applies.

(g) Curative Allocations. The allocations set forth in Section 4(f) (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 4(g). Therefore, notwithstanding any other provision of this Section 4 (other than the Regulatory Allocations), the Board shall make such offsetting special allocations of the Company income, gain, loss or deduction in whatever manner he determines appropriate so that, after such offsetting allocations were made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 4(e).

(h) Section 704(c) Allocations. In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with subsection (i) of the definition of "Gross Asset Value."

In the event the Gross Asset Value of any Company asset is adjusted pursuant to subsection (ii) of the definition of "Gross Asset Value", subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Manager in any manner permitted under the Code and Regulations. Allocations pursuant to this Section 4(h) are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

(i) Books of Account. The Company's books of account and all other records required by the Act shall be kept at the registered office maintained for the Company under the Act. Each transaction of the Company shall be fully and accurately entered on the Company's books in a manner conforming to the methods and practices used by the Company for federal income tax purposes. All the books and records of the Company shall be open to inspection by any Member, and by the designated agents of the Members, and shall be available for copying, at such Member's expense, at any time during normal business hours.

(j) Banking and Investments. Funds of the Company may be deposited in such checking accounts or savings accounts, or invested in certificates of deposit, money market funds, mutual funds, or other securities, with such institutions and on such terms as the Manager shall designate. Checks or withdrawals from any such accounts, or the liquidation of any such investments or securities, may be made for any proper Company purpose, upon such signatures and other instructions as the Manager may designate.

5. TRANSFER OF MEMBERSHIP INTERESTS.

(a) General Restrictions. No Member other than the MPT Member or its successor shall transfer, sell, assign, encumber or in any way alienate or dispose of all or any portion of his or its Membership Interest, Governance Rights or Financial Rights whether voluntarily, by operation of law (including, without limitation, any intervivos conveyance, testamentary disposition, transfer by intestate succession, or pursuant to a divorce decree or settlement) or otherwise (any such transfer, sale, assignment, encumbrance, alienation or other conveyance of a Membership Interest, Governance Rights or Financial Rights being hereinafter referred to as a "Disposition"), except where the same is expressly required or permitted under this Agreement or upon the prior written consent of the Manager which consent may be granted or withheld in the sole and absolute discretion of the Manager. The MPT Member is hereby authorized to make Dispositions of its Membership Interest, Governance Rights and/or Financial Rights at any time and from time to time, without the consent of the Manager or any other Member. Any purported Disposition in breach of this Section 5(a) shall be void and ineffectual and shall not operate to transfer any Membership Interest, Governance Rights or Financial Rights or other claims against or benefits respecting the Company to the purported assignee or recipient, and shall not relieve the Member attempting to make such Disposition from any liability under this Agreement. The Manager may require as a condition to any Disposition to which it consents, that the transferor assume all costs incurred by the Company in connection with such Disposition.

(b) Restrictions on Dispositions. Any Disposition of a Membership Interest to an assignee (the "Assignee") which is otherwise permitted hereunder shall be conditioned upon the following: (i) such Disposition must comply with all federal and applicable state securities and blue sky laws; (ii) any such Assignee must sign a counterpart hereto agreeing to be bound by all the terms and provisions of this Agreement; and (iii) with respect to any Assignee which is a trustee, such Disposition shall only be permitted under this Section if, in the opinion of Company's counsel, after review of all applicable trust documents, the trustee is authorized to hold the transferred Membership Interest and to comply with all provisions of this Agreement. Notwithstanding any contrary provision contained in this Section, the failure of the Company to require the execution of a counterpart to this Agreement by an Assignee shall not operate as a waiver or diminution of the restrictions or obligations imposed hereby on such Assignee or the Membership Interest transferred thereto. Upon a transfer of a Membership Interest to an Assignee and such Assignee's compliance with all provisions of this subsection, such Assignee shall become a party to this Agreement and shall be bound by all of the provisions hereof and shall have all of the rights of such Membership Interest (including Financial Rights and Governance Rights).

(c) Company Restrictions. Even though otherwise required or permitted under the terms of this Agreement, no Disposition shall be made or effective in violation of the terms and provisions of any mortgages, covenants or other instruments affecting the Company or the Members and approved by the Manager pursuant to this Agreement.

(d) Transfers Among Members. Notwithstanding the general restrictions contained in Section 5(a) hereof, the Members may make a Disposition of all or any portion of such Member's Membership Interest to another Member.

(e) Dissolution, Incompetency, Insolvency or Bankruptcy of a Member. Subject to the provisions of Section 8 of this Agreement, a person shall cease to be a Member only upon the occurrence of the events specified in Section 10 hereof. In the event of the dissolution, insolvency or bankruptcy of a Member, such Member's legal representative shall have no management rights, but shall have only the Financial Rights attributable to such Member's Membership Interest and may transfer such Membership Interest only pursuant to this Agreement.

(f) Effect of Agreement. The rights of any Person acquiring a Membership Interest shall be subject in all respects to the terms and provisions of the Certificate and this Agreement.

(g) Allocation of Assigned Interest. The rights of an Assignee against his or its transferor with respect to the proceeds of any sale of the transferor's Membership Interest, and with respect to any interest in the Company which the Assignor may acquire after the date of assignment by virtue of any provision of the Act, the Certificate or this Agreement, shall be as set forth in any written agreement with respect thereto between the transferor and the Assignee. The Company and the Members shall have no obligation to inquire into any such agreements between an Assignee and such Assignee's transferor, and may rely upon the books and records of the Company.

6. REQUIRED PARTICIPATION IN CERTAIN TRANSACTIONS.

(a) Offer to Purchase Membership Interests or the Company's Assets. If, during the term of this Agreement, the Company or any Member shall receive written evidence of a bona fide offer (whether in the form of a binding or non-binding letter of intent, term sheet, proposal or otherwise outlining the proposed terms of a bona fide offer) which bona fide offer the Company or Member wishes to pursue, from any Person which is not a party hereto or an Affiliate of a party hereto, pursuant to which such Person offers or proposes to:

(i) purchase all or substantially all of the Company's assets (whether in a single transaction or in series of related transactions);

(ii) purchase One Hundred Percent (100%) of the issued and outstanding Membership Interests; or

(iii) enter into a merger, consolidation, conversion, reorganization or similar transaction with the Company;

in a transaction whose terms and conditions are, except for differences which reflect the Members' respective Capital Account balances, identical as to each Member and each Membership Interest and as a result of which each Member, or the Company in a sale of all or substantially all of the Company's assets, would receive cash, cash equivalents or securities which either are or are convertible into securities of a class that is publicly held and publicly traded on an established national market or exchange and the transaction would not, if consummated, subject any Member to indemnification obligations which were not (A) several, (B) separate, (C) pro rata (based on the consideration received by each Member relative to the total consideration to be received by all of the Members), and (D) in excess of the total consideration received by such Member (provided that any Member may, at his or its option waive the application of anyone or more of the foregoing conditions as to himself or itself), and the Manager wishes to accept such offer and consummate the transaction(s) contemplated thereby, then, the provisions of this Section 6 shall apply.

(b) Acceptance of Offer. In the event that the Manager elects to accept any such bona fide offer or proposal described in Section 6(a) hereof (an "Accepted Offer"), the Manager shall deliver written notice of such election along with documentation which sets forth in reasonable detail the general terms and conditions of the bona fide offer or proposal as of the date of such notice (the "Acceptance Notice") to those members with rights to approve such offer or proposal, and only those Members, not less than fifteen (15) days prior to the closing date of the transaction contemplated by such offer or proposal. In connection with such transaction, each Member shall, at such time as it is appropriate and, as applicable, (i) provide a written consent with respect to his or its Membership Interest in favor of such sale of the assets and any subsequent liquidation of the Company; (ii) provide a written consent with respect to his or its Membership Interest (and any Membership Interest with respect to which such Member holds a proxy) approving such merger, consolidation, conversion, reorganization or similar transaction; or (iii) transfer and sell either all of his or its Membership Interest (and any Membership Interest with respect to which such Member holds a proxy) or, as applicable, a percentage of his or its Membership Interest (and any Membership Interest with respect to which such Member holds a proxy) that is equal to the Percentage Interest being transferred and sold in such transaction. Each Member shall execute such documents and take such further actions as may be reasonably required to consummate any of the foregoing transactions.

(c) Powers of Attorney. Each Member hereby irrevocably makes, constitutes and appoints the Manager as such Member's true and lawful proxy and attorney in fact, with full power of substitution, to vote the Membership Interest then owned by such Member (to the extent such vote may be required), or to act by written consent with respect thereto, or to execute such agreements, instruments and documents, and make representations, warranties and covenants and incur indemnity obligations on such Member's behalf and in such Member's name as may be required to consummate the transactions related to an Accepted Offer. This proxy and power of attorney, being coupled with an interest, shall be irrevocable.

7. OPTION TO PARTICIPATE.

(a) Option. If during the term of this Agreement, the MPT Member desires to sell any of its Membership Interests to one or more third parties who are not then Members or Affiliates of the MPT Member (collectively, the "Third Party Purchaser") pursuant to a bona fide offer from such Third Party Purchaser, all other Members (the "Minority Members") shall have the right and option to participate in such sale (the "Tag-Along Sale") for the same purchase price and other terms and conditions as agreed to by the MPT Member by selling to the Third Party Purchaser such portion of the Membership Interests of the Minority Members (the "Option Interests") as is equal to the product of (i) the aggregate Percentage Interests of the Minority Members, and (ii) the aggregate Membership Interests to be purchased in the Tag-Along Sale by the Third Party Purchaser (the "Purchased Interests"). The MPT Member shall send notice of the Tag-Along Sale to the Minority Members (the "Tag-Along Notice"), not later than thirty (30) days prior to the proposed closing date of the Tag-Along Sale (the "Tag-Along Sale Date"), which notice shall identify the Tag-Along Sale Date, the Purchased Interests, the aggregate

Membership Interests proposed to be sold by the MPT Member in such Tag-Along Sale, the amount and type of consideration to be paid for the Purchased Interests, and all other relevant terms and conditions of the Tag-Along Sale.

(b) Exercise of Option. If the Minority Members elect to exercise the option provided in Section 7(a), they shall provide notice of such election (the "Election Notice") to the MPT Member at least ten (10) days prior to the Tag-Along Sale Date. Any election of the Minority Members pursuant to this Section 7(b) shall not be effective unless made unanimously by the Minority Members and made with respect to all of the Option Interests. Upon delivery of the Election Notice to the MPT Member, (i) the MPT Member shall use commercially reasonable efforts to facilitate the sale of the Option Interests by the Minority Members to the Third Party Purchaser for the same purchase price and upon the same terms and conditions applicable to the sale of the Membership Interests of the MPT Member, and (ii) the MPT Member shall be entitled to sell to the Third Party Purchaser such portion of the Membership Interests owned by them as is equal to the sum of the Purchased Interests less the Option Interests. All terms and conditions of the Tag-Along Sale shall be as determined by the MPT Member and the Third Party Purchaser, and the Minority Members shall have no right to participate in or interfere with such determination. The Minority Members shall execute such documents in connection with the Tag-Along Sale as are executed by the MPT Member, shall bear their proportionate share of any costs and expenses of the Tag-Along Sale, shall grant and assume such indemnity obligations, if any, as incurred by the MPT Member in the Tag-Along Sale, and shall cooperate in the closing of the Tag-Along Sale.

8. PURCHASE OPTION.

(a) Option to Purchase Membership Interest. Upon the occurrence of a Call Event with respect to any Member other than the MPT Member (along with, as applicable, such Member's representative, executor, trustee or custodian, an "Affected Member"), the Company (or its designee, which may include the MPT Member) (the "Purchaser") shall have the right and option, but not the obligation, to purchase the Membership Interest of the Affected Member (the "Affected Interest") at any time from and after the occurrence of the applicable Call Event for the purchase price determined pursuant to Section 8(b) below and upon the terms and conditions set forth in this Section 8. The Manager shall, in its sole and absolute discretion, determine whether and when to exercise the foregoing option for and on behalf of the Purchaser and, if the Manager determines to exercise such option, it shall deliver notice to that effect (an "Exercise Notice") to the Affected Member no later than sixty (60) days after the MPT Member receives written notification of the occurrence of the Call Event. Upon the delivery and receipt of an Exercise Notice hereunder, the Purchaser shall be required to purchase and redeem from the Affected Member, and the Affected Member shall be obligated to sell to the Purchaser, the Affected Interest for the purchase price determined pursuant to Section 8(b) hereof and pursuant to the terms and conditions set forth in Section 8(d).

(b) Purchase Price. The purchase price payable by the Purchaser for the Affected Interest (the "Purchase Price") shall be the balance of the Affected Member's Capital Account as of the date of delivery of the applicable Exercise Notice, as adjusted through the Exercise Date in a manner reasonably determined by the Manager.

(c) Payment of Purchase Price. The Purchase Price payable for the Affected Interest shall be payable in full by immediately available funds at the closing of any purchase and sale of the Affected Interest pursuant to this Section 8.

(d) Closing of Purchase. The closing of any purchase and sale of the Affected Interest pursuant to this Section 8 shall take place at the offices of the Purchaser's attorney at 10:00 a.m., Birmingham, Alabama time within thirty (30) days after the Manager's delivery of an Exercise Notice to the applicable Affected Member.

9. CESSATION OF MEMBERSHIP. A Member has no power to cease being a Member of the Company by voluntary act. A Person shall cease to be a Member only upon the assignment of the entire Membership Interest of such Member in accordance with the terms of this Agreement and the admission of the assignee thereof as a Member.

10. DISSOLUTION OF THE COMPANY.

(a) Events Causing Dissolution. The Company shall be dissolved, and its affairs wound up, upon the occurrence of the first of the following events:

(i) the election by the Manager that the Company should be dissolved;

(ii) the cessation of membership of all Members of the Company, unless the holders of all Financial Rights agree in writing within ninety (90) days after the cessation of membership of the last Member, to continue the legal existence and business of the Company and to appoint one or more new Members;

(iii) when the Company is not the surviving entity in a merger or consolidation of the Company with one or more entities; or

(iv) upon the entry of a decree of judicial dissolution pursuant to the Act.

(b) Winding Up Of Business. The Manager shall have all power and authority which is necessary or appropriate in the winding up of the Company's business and affairs. The Manager may preserve the Company business or property as a going concern for a reasonable time, prosecute and defend actions and proceedings, settle and close the Company's business, dispose of and transfer property, discharge the Company's liabilities, distribute the assets of the Company pursuant to the Act and provisions of this Agreement, file articles of dissolution pursuant to the Act, dispose of known claims against the Company under the procedure described in the Act, publish notice of dissolution pursuant to the procedures in the Act concerning unknown claims, and perform other necessary and appropriate acts.

(c) Liquidating Distributions. Notwithstanding anything to the contrary contained herein, the proceeds from the liquidation of the Company after payment of, or reserving for, all the Company's liabilities and obligations shall be distributed to the Members in accordance with their positive Capital Accounts as of the date of distribution, after giving effect to all profits, losses, contributions, distributions and allocations for all periods. In the discretion of the Manager, assets of the Company may be distributed in-kind in connection with the dissolution and termination of the Company, in lieu of the sale thereof and distribution of the net proceeds, with each Member accepting proportionately in accordance with his, her or its Percentage Interest an undivided interest in the Company assets, subject to its liabilities, in satisfaction of his, her or its interest in the Company.

11. LIABILITY AND INDEMNIFICATION PROVISIONS.

(a) Company Debts and Obligations. Except as any Member may otherwise specifically agree in writing, no Member shall be liable under any judgment, decree or order of a court or in any other manner for any debt, obligation or liability of the Company, whether arising in contract, tort or otherwise, or for the acts or omissions of any other Member, or of any agent or employee of the Company.

(b) Limitation of Liability. A Defaulting Member shall be liable to each other Member and to the Company for any loss, damage or expense arising, directly or indirectly, as a result of the Defaulting Member's act or omission which constitutes an Excluded Act. Except as provided in this subsection and to the extent that may otherwise be required by applicable law, no Member or former Member shall be liable, responsible or accountable in damages or otherwise to the Company, to any Members or former Members, for any act or omission made in good faith on behalf of the Company.

(c) Mandatory Indemnification. Except for any loss, claims, damages, liabilities, expenses, judgments, fines, settlements and other amounts paid, incurred or suffered as a result of any act or omission which constitutes an Excluded Act, the Company shall, to the fullest extent permitted by applicable law, indemnify and hold harmless each Member, Manager, former Member, former Manager and the partners, shareholders, controlling persons, officers, directors and employees of each Member, Manager, former Member and former Manager, and their respective successors in interest (each an "Indemnitee") from and against any and all loss, claims, damages, liabilities, expenses, judgments, fines, settlements, and other amounts, including, without limitation, attorneys' fees and paralegal charges, reasonably and actually incurred by an Indemnitee (an "Indemnity Expense") in connection with any and all claims, demands, actions, suits or proceedings (civil, criminal, administrative or investigative) in which any Indemnitee is involved, as a party or otherwise, by reason of his or its management of, or involvement in the business and affairs of the Company, or the rendering of advice or consultation with respect thereto, or otherwise by reason of the fact that such Indemnitee is or was a Member, Manager or a partner, shareholder, controlling person, officer, director or employee of a Member or Manager (an "Indemnity Claim").

(d) Entitlement to Indemnification. An Indemnitee shall be entitled to indemnification under Section 11(c) hereof if (i) it is determined in any action, suit or proceeding relating to the Indemnity Claim that the act or omission of the Indemnitee does not constitute an Excluded Act or (ii) the Manager determines that such indemnification is proper in the circumstances. To the extent that an Indemnitee has been successful on the merits or otherwise in defense of an Indemnity Claim, such Indemnitee shall be indemnified against all Indemnity Expenses in connection therewith, notwithstanding that such Indemnitee has not been successful on any other claim, issue or matter related to such Indemnity Claim.

(e) Permissive Indemnification. Pursuant to the Act, the Company is authorized to make any indemnification, other than and apart from that required under Section 11 (c) hereof, which is approved by the Manager.

(f) Interim Advances. Expenses (including, without limitation, attorneys' fees) incurred by any Indemnitee in defending an Indemnity Claim, (regardless of whether any allegations against such Indemnitee include the commission of any Excluded Acts), may be paid by the Company in advance of the final disposition of such Indemnity Claim upon the Company's receipt of an undertaking by such Indemnitee to repay such amount if and to the extent that it shall be ultimately determined that such Indemnitee is not entitled to be indemnified by the Company.

(g) Maintenance of Insurance. The Manager shall have the power to purchase and maintain, at the expense of the Company, insurance on behalf of any Person who is or was a Member, Manager or employee of the Company against any liability asserted against him or it and incurred by such party in any such capacity or arising out of such party's status as such, whether or not the Company would have the power to indemnify such party against such liability under applicable law. When, and if, the Company obtains any such insurance, the Company shall not be required to maintain the same in effect, but the Company shall make reasonable efforts to notify the covered person in writing within five (5) business days after making any decision not to renew or replace such coverage. The maintenance of any such insurance shall not diminish the Company's liability for indemnification under the provisions hereof. Any claim for reimbursement or indemnification hereunder shall not be denied by the Company on the basis that the same may or will be covered by any insurance maintained by the Company.

(h) Notification and Defense of Claims. Promptly after receipt of any notice concerning the commencement of an Indemnity Claim, if a claim in respect thereof is to be made against the Company, the Indemnitee shall give prompt notice thereof to the Manager, provided that failure to give such prompt notice shall not relieve the Company from any liability it may have to the Indemnitee hereunder, except to the extent that the Company is prejudiced in its defense of such Indemnity Claim as a result of such failure. The Company may assume the defense of any Indemnity Claim with counsel reasonably satisfactory to the Indemnitee and shall not be obligated to furnish separate counsel to the Indemnitee in any action in which the Company and the Indemnitee are joined unless the Indemnitee reasonably concludes that there may be a conflict of interest between the Indemnitee and the Company. After notice from the Company to the Indemnitee of its election to assume the defense of an Indemnity Claim, the Company shall not be liable for any Indemnity Expenses subsequently incurred, except in cases where separate representation is required. No settlement of any Indemnity Claim shall be made without the mutual approval of the Company and the Indemnitee, but neither of them shall unreasonably condition, delay or withhold their consent to any settlement which the other has proposed.

(i) Non-Exclusivity of Section. The indemnification authorized in and provided by this Section shall not be deemed exclusive of and shall be in addition to any other right to which any Person may be entitled under any statute, rule of law, provision of the Certificate, this Agreement, other agreement, vote or action of the Members, or otherwise.

(j) Release and Waiver of Subrogation. Each Member hereby releases and discharges the Company, each Manager and each other Member from any and all liability with respect to any and all loss, claims, damages, liabilities, expenses, judgments, fines, settlements and other amounts, including, without limitation, attorneys' fees and paralegal charges to the extent that the same is compensated for by the net proceeds of any insurance maintained by the Company or by any of the Members. Each Member agrees to use its good-faith reasonable efforts to cause any policies of insurance maintained by it with respect to the Company to include a waiver of subrogation provision.

(k) Amendment to Indemnification Obligations. Any amendment, modification or repeal of this Section 11 or any provision hereof shall be prospective only and shall not in any way affect the indemnification of an Indemnitee by the Company under this Section 11 as in effect immediately prior to such amendment, modification or repeal with respect to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when claims relating to such matters may arise or be asserted.

12. MISCELLANEOUS PROVISIONS.

(a) Activities Outside the Company. A Member shall devote such time and effort to the Company business as may be reasonably necessary to discharge his or her duties under this Agreement. Nothing contained in this Agreement shall be construed (i) to constitute any Member as the general agent of any other Member, or (ii) to limit, in any manner, the Members and their respective Affiliates from carrying on or investing in any business or activity, including, without limitation, any enterprise which is competitive with or otherwise within the line of business of the Company and which the Company may be interested in pursuing and financially able to undertake (a "Business Opportunity"). Each Member specifically acknowledges and consents to the right of each other Member and his Affiliates to pursue any investment or participation in any Business Opportunity, without first being required to offer the same to the Company for its own benefit. Each Member hereby waives, releases and relinquishes any claim it may have against any other Member and against such Member's Affiliates, under any "partnership opportunity" doctrine or other legal or equitable principle of law arising with respect to or is connection with the pursuit of any Business Opportunity by any other Member or his Affiliates.

(b) Enforcement of Agreement. The Members acknowledge and agree that interests in the Company cannot be readily purchased or sold and are of a unique and extraordinary nature. For that reason, among others, the Members and the Company will be irreparably damaged in the event that certain provisions of this Agreement are not specifically enforced. Should any dispute arise concerning the sale or disposition of any interest in the Company, or the determination of the value of any Company property, the provisions of this Agreement relating thereto shall be enforceable in a court of equity by a decree of specific performance, by a temporary or permanent injunction, or by any other legal or equitable remedy, without the necessity of showing actual damages or furnishing a bond or other security.

(c) Recovery of Expenses. In the event that any proceeding or action is brought to enforce any provision of this Agreement, or to resolve any dispute concerning the Company, the prevailing party shall be entitled, in addition to such other relief as he or it may obtain, to the payment of all costs and expenses incurred in connection therewith, including reasonable attorneys' fees.

(d) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS EXECUTED AND PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO CONFLICTS OF LAW PRINCIPLES.

(e) Jurisdiction and Venue. THE PARTIES HERETO CONSENT TO PERSONAL JURISDICTION IN THE STATE OF DELAWARE. THE PARTIES HERETO AGREE THAT ANY ACTION OR PROCEEDING ARISING FROM OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT AND TRIED EXCLUSIVELY IN THE STATE OR FEDERAL COURTS OF THE STATE OF DELAWARE. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT. ANY NEWLY ADMITTED MEMBER EXPRESSLY ACKNOWLEDGES THAT THE STATE OF DELAWARE IS A FAIR, JUST AND REASONABLE FORUM AND SUCH MEMBER AGREES NOT TO SEEK REMOVAL OR TRANSFER OF ANY ACTION FILED BY THE MPT MEMBER OR THE COMPANY IN SAID COURTS. FURTHER, THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY CLAIM THAT SUCH SUIT, ACTION OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY CERTIFIED MAIL ADDRESSED TO A PARTY AT THE ADDRESS DESIGNATED PURSUANT TO SECTION 12(j) HEREOF SHALL BE EFFECTIVE SERVICE OF PROCESS AGAINST SUCH PARTY FOR ANY ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT. A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT MAY BE ENFORCED IN ANY OTHER COURT TO WHOSE JURISDICTION ANY OF THE PARTIES IS OR MAY BE SUBJECT.

(f) Amendments. The Manager may amend this Agreement in any respect; provided, however, that any amendment that would adversely affect the Governance Rights of a Member under Section 3(f) hereof or the any of Financial Rights of a Member under this Agreement, or impose on any Member any obligation to make additional Capital Contributions to the Company, shall require the prior written consent of all Members.

(g) Headings. The headings of the Sections of this Agreement are inserted for convenience of reference only, shall not be construed as part of this Agreement, and shall in no way be construed as defining, limiting or affecting the scope or intent of the provisions of this Agreement.

(h) Due Authorization. Each person executing this Agreement on behalf of a Member represents and warrants that he or it is authorized to do so, that the execution and performance of this Agreement do not violate any agreement or restriction to which such Member is subject, and that this Agreement constitutes a legally binding obligation of such Member.

(i) Survival of Rights. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legatees, executors, administrators, successors and permitted assigns, and no other person shall acquire or have any right under or by virtue of this Agreement.

(j) Notice. Company statements, reports and income tax returns may be mailed to the Members by regular first-class mail. All other notices and communications under this Agreement shall be in writing, duly signed by the party giving the same, and shall be deemed to have been delivered:

(i) to a Member, when deposited in any United States postal facility, with sufficient postage affixed, for delivery by registered or certified mail, return receipt requested, and addressed as follows (or to such other address as a Member may specify by notice hereunder):

MPT MEMBER:	c/o Medical Properties Trust, Inc. 1000 Urban Center Drive, Suite 501 Birmingham, AL 35242 Attention: Legal Department Facsimile: (205) 969-3756

to the Company or a Manager, when so deposited and addressed to the Company's registered office; or

(ii) to any party, when actually received by hand delivery, by nationwide air courier, or by facsimile transmission.

(k) Severability of Provisions. The provisions of this Agreement shall be severable, and if any provision shall be invalid, void or unenforceable in whole or in part for any reason, the remaining provisions shall remain in full force and effect.

(l) Further Assurances. Each party hereto agrees to do all acts and things and to make, execute and deliver such written instruments as shall from time to time be reasonably required to carry out the terms and provisions of this Agreement.

(m) Waiver. No consent or waiver, expressed or implied, by a Member with respect to any breach or default by any other Member in the performance by such other Member of his or its obligations hereunder shall be deemed or construed to be a consent or waiver with respect to any other breach or default in the performance by such other Member of the same or any other obligations of such other Member hereunder. Failure on the part of a Member to complain of any act or failure to act of any other Member or to declare any other Member in default, irrespective of how long such failure continues, shall not constitute a waiver by such Member of his or its rights hereunder. The giving of consent by a Member in any one instance shall not limit or waive the necessity of obtaining such Member's consent in any future instance. Any consent required to be given hereunder shall be in writing unless otherwise provided herein.

(n) Counterpart and Facsimile Execution. This Agreement may be executed and delivered by facsimile and in counterparts, each of which when executed and delivered (including delivery by facsimile) shall be deemed an original, but all of which together shall be deemed one and the same agreement.

(o) Parties in Interest; No Third-Party Beneficiaries. Except as otherwise provided in this Agreement and the Option Agreement, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective heirs, representatives, successors and permitted assigns of the parties to this Agreement. Except for the rights of HUMC set forth in the Option Agreement, neither this Agreement nor any other agreement contemplated in this Agreement shall be deemed to confer upon any person not a party to this Agreement any rights or remedies contained in this Agreement.

(p) Entire Agreement. This Agreement constitutes the entire understanding and agreement among the Members with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter hereof, and there are no agreements, understandings, warranties or representations between the parties hereto other than those set forth herein.

(q) Construction. The parties hereto and their respective counsel have participated in the drafting and redrafting of this Agreement and the general rules of construction which would construe any provisions of this Agreement in favor of or to the advantage of one party as opposed to the other as a result of one party drafting this Agreement as opposed to the other or in resolving any conflict or ambiguity in favor of one party as opposed to the other on the basis of which party drafted this Agreement are hereby expressly waived by all parties to this Agreement.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the Company and the Members have caused this Agreement to be executed and delivered as of the date first shown above.

COMPANY:

MPT OF HOBOKEN REAL ESTATE, LLC

BY: MPT OF HOBOKEN HOSPITAL, LLC
ITS: MANAGER

BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

BY: /s/ Emmett E. McLean
NAME: Emmett E. McLean
ITS: Executive Vice President and COO

MEMBERS:

MPT OF HOBOKEN HOSPITAL, LLC

BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

BY: /s/ Emmett E. McLean
NAME: Emmett E. McLean
ITS: Executive Vice President and COO

Exhibit 3.17

LIMITED LIABILITY COMPANY AGREEMENT

OF

MPT OF WICHITA, LLC

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), is made and entered into as of March 18, 2008, by and between MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership, (hereinafter referred to as the "Sole Member"), and MPT OF WICHITA, LLC, a Delaware limited liability company, (the "Company").

W I T N E S S E T H:

WHEREAS, the Company was organized pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code. § 18-101 et seq., as the same may be amended from time to time, on March 18, 2008;

WHEREAS, the parties desire to enter into this Limited Liability Company Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the membership interests in the Company.

2. MANAGEMENT BY MEMBERS. Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. GOVERNING LAW. This Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

4. ENTIRE AGREEMENT. This Limited Liability Company Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, whether written or oral.

5. AMENDMENTS. No amendments of this Agreement shall be valid unless it is set forth in a writing signed by the members of the Company.

6. SINGLE PURPOSE ENTITY. The Company shall operate as a Single Purpose Entity (as hereinafter defined). For the purpose of this Agreement, the term "Single Purpose Entity" shall mean an entity which (i) exists solely for the purpose of acquiring and owning the general and limited partnership interests in Wichita Health Associates Limited Partnership, a Delaware limited partnership (the "Partnership Interests"), (ii) conducts business only in its own name, (iii) does not engage in any business other than acquisition and ownership of the Partnership Interests, (iv) does not hold, directly or indirectly, any ownership interest (legal or equitable) in any entity or any real or personal property other than the interest which it owns in the Partnership Interests, (v) does not have any assets other than those related to its interest in the Partnership Interests and does not have any debt other than as related to or in connection with the Partnership Interests and does not guarantee or otherwise obligate itself with respect to the debts of any other person or entity; provided, however, that, notwithstanding the foregoing, the Company may guarantee or otherwise obligate itself with respect to the debts of any affiliate, (vi) has its own separate books, records and accounts, (vii) holds itself out as being a company separate and apart from any other entity, and (viii) observes limited liability company formalities independent of any other entity.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Limited Liability Company Agreement on the date first set forth above.

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ Michael G. Stewart
Name: Michael G. Stewart
Its: EVP & General Counsel

MPT OF WICHITA, LLC
BY: MPT OPERATING PARTNERSHIP, L.P.
ITS: SOLE MEMBER

By: /s/ Michael G. Stewart
Name: Michael G. Stewart
Its: EVP & General Counsel

Exhibit 3.18

AGREEMENT OF LIMITED PARTNERSHIP
OF
WICHITA HEALTH ASSOCIATES LIMITED PARTNERSHIP

THIS AGREEMENT OF LIMITED PARTNERSHIP ("Agreement") is made and entered into as of December 18, 1990 by and between AHP of WICHITA, INC., a Kansas corporation, ("AHP"), and CMS WICHITA REHABILITATION, INC., a Delaware corporation ("CMSWR").

For good and valuable consideration, the receipt, and sufficiency of which are hereby acknowledged, and in consideration of the mutual covenants and representations and warranties set forth herein and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

"Accountant's Notice" shall have the meaning attributed to it in Section 14.5

"Additional Rent" shall have the meaning attributed to it in the Lease, or under any Subsequent Lease, any rent which is calculated as a percentage of operating revenues other than revenues attributable to Medicare and Medicaid patients.

"Additional Rent Sale Proceeds" shall have the meaning attributed to it in Section 6.2(d).

"Affiliate" shall mean, when used with reference to a specified Person, (a) any Person that directly or indirectly controls, is controlled by, or is under common control with the specified Person, (b) any Person that, directly or indirectly, is the beneficial owner of 25% or more of any class of equity securities of the specified Person, or of which the specified Person, directly or indirectly, is the beneficial owner of 25% or more of any class of equity securities or (c) a director or executive officer of such Person.

"Agreement" shall mean this Agreement of Limited Partnership of Wichita Health Associates Limited Partnership, as amended or restated from time to time.

"Bankrupt" or "Bankruptcy" shall mean, in respect of a Partner, the occurrence of any of the following with respect to such Partner:

(a) such Partner shall (i) voluntarily consent to an order for relief by filing a petition for relief under the laws of the United States codified as Title 11 of the United States Code, (ii) seek, consent to, or not contest the appointment of a receiver, custodian, or trustee for itself or for all or any part of its property, (iii) file a petition seeking relief under the bankruptcy, arrangement, reorganization, or other debtor relief laws of any state or other competent jurisdiction, (iv) make a general assignment for the benefit of its creditors, or (v) admit in writing that it is generally not paying its debts as such debts become due;

(b) (i) a petition is filed against such Partner seeking an order for relief under the laws of the United States codified as Title 11 of the United States Code, or seeking relief under the bankruptcy, arrangement, reorganization, or other debtor relief laws of the United States or any state or other competent jurisdiction, or (ii) a court of competent jurisdiction enters any order, judgment, or decree appointing, without the consent of such Partner, a receiver, custodian, or trustee for it, or for all or any part of its property, and such petition, order, judgment, or decree shall not be and remain discharged or stayed within 90 days after its entry; or

(c) the interest in the Partnership of any Partner is seized or subjected to a charging order by a creditor of such Partner and the same is not released from seizure or charging order or bonded out within ninety (90) days from the date of notice of such seizure or charging order.

"Base Rent" shall have the meaning attributed to it in the Lease or in any subsequent lease all rents payable under such subsequent Lease excluding Additional and Percentage Rent.

"Buy/Sell Event" shall have the meaning attributed to it in Section 14.1.

"Capital Account" shall have the meaning attributed to it in Section 5.4.

"Capital contribution" shall mean an amount contributed to the Partnership pursuant to the requirements of Section 5.1.

"Capital Transaction" shall mean the sale, exchange, condemnation (or similar eminent domain taking or disposition in lieu thereof), destruction by casualty, financing (other than construction financing), refinancing, or disposition of the Facility or any portion thereof.

"Cash Flow" shall mean Operating Cash Flow plus Extraordinary Cash Flow.

"Cash Flow Coverage Ratio" shall mean an amount equal to (i) Operating Cash Flow for the preceding Fiscal Year (adjusted by adding back (x) any payments of principal, interest and other amounts due or accrued under third party loans deducted as Operating Expenditures in computing such Operating Cash Flow, and (y) the amount by which such Operating Cash Flow was reduced to reflect cash diverted to the Working Capital Fund), divided by (ii) anticipated Debt Service for the following Fiscal Year on all Partnership Indebtedness.

"Class A Limited Partner" shall initially mean AHR and shall thereafter mean any Person that, at the time of determination, (i) is a limited partner in the Partnership and (ii) owns all or any portion (except for such portion of Class A Limited Partnership Interests as may be converted to Class B Limited Partnership Interests pursuant to Section 5.1(b)) of the Interest in the Partnership that was owned by AHP as Class A Limited Partner on the date this Agreement was executed.

"Class A Limited Partnership Interest" shall mean the Interest in the Partnership owned by any Class A Limited Partner as a Class A Limited Partner.

"Class B Limited Partner" shall initially mean CMSWR and shall thereafter mean any Person that, at the time of determination, (i) is a limited partner in the Partnership and (ii) owns all or any portion of the Interest in the Partnership that was owned by CMSWR on the date this Agreement was executed or any Class B Limited Partnership Interests acquired by CMSWR pursuant to Section 5.1(b).

"Class B Limited Partnership Interest" shall mean the Interest in the Partnership owned by any Class B Limited Partner as a Class B Limited Partner.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

"Co-General Partner" shall mean a 1% general partner admitted to the Partnership in accordance with Section 10.8(c) solely for the purposes of facilitating a transfer of the General Partnership Interest.

"Consent of the Limited Partners" shall mean the affirmative approval of the item in question by (i) Class A Limited Partners owning, in the aggregate, a majority of the Percentage Interests owned by Class A Limited Partners at the time of determination and (ii) Class B Limited Partners owning, in the aggregate, a majority of the Percentage Interests owned by the Class B Limited Partners at the time of determination.

"Debt Service" shall mean for any period of time, all payments of principal (excluding from the computation balloon or bullet payments of principal) and interest payable on all Indebtedness for such period.

"Defaulting Partner" shall mean any Partner that is in default of its obligations hereunder after having received five (5) days' notice (or such other notice as may be provided for herein) of such default.

"Distributable Cash" shall have the meaning attributed to it in Section 14.5.

"Election Notice" shall have the meaning attributed to it in Section 14.2.

"Electing Partner" shall have the meaning attributed to it in Section 14.2.

"Extraordinary Cash Flow" shall mean the cash proceeds (including any applicable insurance proceeds) realized by the Partnership as a result of a Capital Transaction plus any cash interest payments received with respect to such proceeds, decreased by the sum of the following: (a) the amount of such proceeds used, set aside or committed by the Partnership for restoration and repair of the Facility; (b) a reserve for future Operating Expenditures in a reasonable amount established by the General Partner; (c) a reserve or reserves for contingent, unmatured or unforeseen liabilities or obligations of the Partnership in a reasonable amount established by the General Partner; and (d) any expenses, costs or liabilities incurred in connection with any such Capital Transaction (including, without limitation, attorneys' and accountants' fees, court costs, brokerage fees, commissions, recording fees, transfer taxes, and the like), all of which expenses, costs and liabilities shall be paid from the gross amount of such cash proceeds to the extent thereof.

"Facility" shall mean the Hospital and the Tract.

"Fair Market Value" shall have the meaning attributed to it in Section 14.3.

"Fiscal Year" shall have the meaning attributed to it in Section 7.1.

"General Partner" shall initially mean AHP and shall thereafter mean any Person that is the general partner of the Partnership at the time of determination but shall not include any Co-General Partner.

“General Partnership Interest” shall mean the Interest in the Partnership owned by the General Partner as General Partner.

“Hospital” shall mean a 60 bed rehabilitation hospital facility and related improvements to be or being constructed on the Tract.

“Hypothetical Capital Accounts” shall have the meaning attributed to it in Section 6.4(e)(l).

“Indebtedness” with respect to any Person shall mean all indebtedness which would, in accordance with Generally Accepted Accounting principles, as in effect on the date of this Agreement, be classified upon a balance sheet of such Person as liabilities of such Person.

“Independent Accountants” shall have the meaning attributed to it in section 7.4

“Initial Rent” shall have the meaning attributed to it in the Lease.

“Interest”, with respect to any Partner, shall mean the aggregate of all rights and obligations of such Partner under this Agreement in its capacity as a Partner.

“Lease” shall mean that certain Operating Lease dated as of December 18, 1990 in respect of the Facility to be entered into between the Partnership, as lessor, and Great Plains Rehabilitation Associates L.P., a Delaware limited partnership, as lessee, as such Lease may be amended or extended from time to time.

“Lessee” shall mean the lessee under the Lease or any Subsequent Lease.

“Limited Partners” shall mean the Class A Limited Partners and the Class B Limited Partners.

“Limited Partnership Act” shall mean the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. T17-101 et seq., as amended from time to time, and any successor to said Act.

“Liquidating Trustee” shall have the meaning attributed to it in Section 11.4.

“Minimum Gain Chargeback” shall have the meaning attributed to it in Section 6.4(e)(3).

"Net Percentage Rent", for a Fiscal Year, shall mean an amount equal to (i) gross Percentage Rent for such Fiscal Year, reduced by (ii) Operating Expenditures for such Fiscal year multiplied by a fraction the numerator of which is gross Percentage Rent for such Fiscal Year and the denominator of which is gross Operating Revenues for such Fiscal Year (reduced by Additional Rents and the proceeds of construction financing or refinancing for such Fiscal Year).

"Net Losses" shall have the meaning attributed to it in Section 6.2(a).

"Net Profits" shall have the meaning attributed to it in Section 6.2(a).

"Non-Defaulting Partners" shall have the meaning attributed to it in Section 5.9.

"Operating Cash Flow" shall mean as to any Fiscal Year or portion thereof, Operating Revenues less the sum of the following (a) Operating Expenditures paid during such period; (b) a reserve for future Operating Expenditures in a reasonable amount established by the General Partner (the "Working Capital Fund); and (c) a reserve for replacement of Partnership assets subject to depreciation ("Reserve for Replacement") in a reasonable amount as the General Partner shall elect to establish. Any amounts previously set aside as reserves shall be additions to Operating Cash Flow when and to the extent the General Partner no longer regards such reserves as reasonably necessary to the efficient conduct of the affairs of the Partnership.

"Operating Expenditures" shall mean as to any Fiscal Year or portion thereof the total expenditures, expenses and charges paid or incurred by the Partnership relating to the ownership, operation, development, maintenance and upkeep of the Facility, or any portion thereof, or to the operations of the Partnership, including, without limitation, the following: (a) all taxes, assessments, ground rents and other similar governmental and quasi-governmental charges levied or imposed on the Facility or any portion thereof; (b) insurance premiums; (c) maintenance and security expenses; (d) marketing, advertising and other promotional expenses; (e) utility costs; (f) legal, accounting and other professional fees and expenses; (g) development and management fees; (h) payments of principal, interest and other amounts due or accrued under third party loans; (i) cost of capital expenditures and repairs; (j) architects, engineers and surveyors' fees; and (k) other costs associated with the zoning, subdivision and improvement of the Facility.

"Operating Revenues" shall mean as to any Fiscal Year or portion thereof, the total cash receipts of the Partnership (including the proceeds of construction financing or refinancing) other than the following: Extraordinary Cash Flow, Capital Contributions, any properly unapplied advance rentals of the Partnership in connection with leasing of the Facility (which shall be Operating Revenues when applied), and any unforfeited security deposits of Facility tenants.

“Paid Net Percentage Rents” shall have the meaning attributed to it in Section 6.2(c).

“Paid Additional Rents” shall have the meaning attributed to it in Section 6.2(b).

“Purchase Price” shall have the meaning attributed to it in Section 14.6.

“Paid Additional Rent Sale Proceeds” shall have the meaning attributed to it in Section 6.2(d).

“Partners” shall mean the General Partner and the Limited Partners.

“Partnership” shall have the meaning attributed to it in Section 2.1.

“Percentage Interest” shall mean a percentage interest in the general profits and losses of the Partnership. The initial Percentage Interests of the Partners shall be as set forth in Section 6.1.

“Percentage Rent” shall have the meaning attributed to it in the Lease, or, in the case of any Subsequent Lease, any rent calculated as a percentage of gross revenues in excess of a certain threshold amount of such revenues or any other rent which increases as revenues or the cost of living increases, but excluding Additional and Base Rent.

“Permitted Transferee” shall mean any institutional investor or any corporation or other business entity not directly (or indirectly through a corporation or other business entity in which such transferee owns a 50% voting interest) engaged in the operation of comprehensive rehabilitation hospitals, except for continental Medical Systems, Inc. or any Affiliate thereof.

“Person” shall mean an individual, partnership, corporation, trust, unincorporated association, or other entity or association.

“Securities Act” shall mean the Securities Act of 1933, as amended.

“Subsequent Lease” shall mean any lease of the Facility entered into by the Partnership as lessor subsequent to the expiration or termination of the Lease.

"Tangible Assets" shall mean the Tract and all real and tangible personal property and fixtures owned by the Partnership at the time of determination.

"Tax Matters Partner" shall have the meaning attributed to it in Section 7.8.

"Tract" shall mean that certain tract of real property acquired by the Partnership, located in the City of Wichita, Sedgwick County, Kansas and described as Lots 1 and 2, Block 1, Northwest Village, Fifth Addition to Wichita, Sedgwick County, Kansas.

"Transfer" shall have the meaning attributed to it in Section 10.1.

"Unpaid Net Percentage Rents" shall have the meaning attributed to it in Section 6.2(c).

"Unpaid Additional Rents" shall have the meaning attributed to it in Section 6.2(b).

"Unpaid Additional Rent Sale Proceeds" shall have the meaning attributed to it in Section 6.2(d).

ARTICLE II

FORMATION OF LIMITED PARTNERSHIP; ORGANIZATIONAL CERTIFICATES

2.1 Formation of Limited Partnership. The Partners hereby agree to form, organize, and enter into a limited partnership pursuant to the provisions of the Limited Partnership Act (the "Partnership") for the limited purposes and upon the terms and conditions set forth herein.

2.2 Organizational and other Certificates. Upon or before the execution hereof, the General Partner shall execute and file with the Secretary of State of the State of Delaware the Partnership's Certificate of Limited Partnership and shall execute and file with the Secretary of State of the State of Kansas an application for registration as a foreign limited partnership. The General Partner shall execute and file in the appropriate records any other documents, certificates and instruments required, necessary or appropriate in connection with the organization of the Partnership and the conduct of its business.

2.3 Statutory Compliance.

(a) The Partnership shall exist under and be governed by, and this Agreement shall be construed in accordance with, the applicable laws of the State of Delaware. The Partners shall make all filings and disclosures required by, and shall otherwise comply with, all such laws. Except as otherwise provided in this Agreement or required by law, the rights, duties, status, and liabilities of the Partners, and the formation, administration, dissolution, and continuation or termination of the Partnership shall be as provided in the Limited Partnership Act.

(b) Upon the request of the General Partner, the Limited Partners shall execute, acknowledge, swear to, and deliver all certificates and other instruments and perform such additional acts consistent with the terms of this Agreement as may be necessary to enable the General Partner to form, qualify, continue, conduct the business of and terminate the Partnership as a limited partnership under the laws of the State of Delaware and to qualify, register, continue and terminate the Partnership as a limited partnership in the State of Kansas.

ARTICLE III

PARTNERSHIP NAME, OFFICES AND TERM; PARTNERS

3.1 Limited Partnership Name. The name of the Partnership shall be "Wichita Health Associates Limited Partnership" and the business of the Partnership shall be conducted under that name.

3.2 Principal Place of Business.

(a) The address of the registered office of the Partnership in the State of Delaware shall be:

c/o The Corporation Trust Company
1209 Orange Street
Corporation Trust Center
Wilmington, New Castle County, Delaware 19801

The name and address of the registered agent for service of process on the Partnership in the State of Delaware shall be:

The Corporation Trust Company
1209 Orange Street
Corporation Trust Center
Wilmington, New Castle County, Delaware 19801

(b) The name and address of the registered agent for service of process on the Partnership in the State of Kansas shall be:

The Corporation Trust Company
515 South Kansas Avenue
Topeka, Kansas 66603

(c) The principal place of business of the Partnership shall be:

c/o American Health Properties, Inc.
11150 Santa Monica Boulevard, Suite 800
Los Angeles, CA 90025

(d) The General Partner's principal place of business is:

c/o American Health Properties, Inc.
11150 Santa Monica Boulevard, Suite 800
Los Angeles, CA 90025

3.3 Term. The Partnership shall be constituted and commence existence upon the filing of a Certificate of Limited Partnership with the Secretary of State of the State of Delaware and shall dissolve at 12:00 P.M. on December 31, 2050, unless sooner dissolved or terminated pursuant to law or any provision of this Agreement.

3.4 Partnership Interests. The Partnership shall have three classes of Partnership Interest: General Partnership Interests, Class A Limited Partnership Interests, and Class B Limited Partnership Interests.

3.5 Identification. AHP shall be the General Partner and the initial owner of all of the Class A Limited Partnership Interests and CMSWR shall be the initial owner of all of the Class B Limited Partnership Interests. No other person may become a Partner except as permitted under and effected in compliance with this Agreement.

3.6 The General Partner. Except in the event of AHP's bankruptcy, dissolution or liquidation, AHP shall be the General Partner of the Partnership at all times until the Partnership is dissolved and shall at all times maintain a 7% Percentage Interest in the Partnership (except in the event of the appointment of a Co-General Partner pursuant to Section 10.8(c) or a successor General Partners pursuant to Article X). In the event of the bankruptcy of AHP, the Partnership shall be dissolved and its affairs wound up as provided in Article XI hereof, unless the Limited Partners elect to continue the business of the Partnership as provided in Section 11.2. A

person may be both a General Partner and a Limited Partner at the sane time and, in such event, he shall for purposes of this Agreement be separately entitled to the rights afforded a Partner in each of such categories under this Agreement. To the extent that the General Partner contributes to the capital of this Partnership as a Limited Partner or purchases any Limited Partner's interest, it shall be treated in all respects as a Limited Partner as to such interest.

3.7 Conflicts of Interest. Subject to the provisions of this Agreement, any Partner may engage in or posses an interest in any other business venture of any nature or description, including, without limitation businesses engaged in owning, financing, leasing, developing or otherwise dealing with real property and rehabilitation hospitals. The Partners have no duty to offer any business or investment opportunity to the Partnership or other Partners.

3.8 Affiliate Transactions. Subject to the provisions of Section 8.3, the Partnership may enter into any contract, agreement or arrangement or otherwise engage in any transaction with a Partner or an Affiliate of a Partner so long as the terms of such contract, agreement or arrangement or transaction are comparable to those which could be obtained from bona fide third parties.

ARTICLE IV

PURPOSE AND POWERS

4.1 Purpose. The sole purpose of the Partnership is to acquire the Tract, construct the Hospital thereon, and, during the term of the Lease, to lease the Facility for use as a comprehensive free-standing rehabilitation hospital, and after the expiration or earlier termination of the Lease to deal with the Facility in the best economic interests of the Partnership.

4.2 Purpose Limited. The Partnership shall operate and exist only for the purpose specified in Section 4.1. Except as otherwise provided in this Agreement, the Partnership shall not engage in any other activity or business and the General Partner shall have no authority to hold itself out as a general agent of the Partnership or another Partner in any other business or activity.

4.3 Powers. To accomplish the purpose set forth in Section 4.1, but subject to the limitations imposed by this Agreement, the Partnership shall have the power:

(a) to acquire by purchase, lease or otherwise and hold, own, use, improve, employ, sell, lease or otherwise transfer, dispose of or deal with, any real or personal property necessary or appropriate to accomplish the purpose of the Partnership;

(b) to incur liabilities, borrow money and issue evidences of indebtedness in furtherance of the purpose of the Partnership, and to secure the sane by mortgage, pledge or other lien or encumbrance on the Facility and/or any other assets of the Partnership;

(c) to enter into, perform and carry out contracts, obligations, and undertakings and engagements, of any kind, including contracts with a Partner or an Affiliate of a Partner, necessary or appropriate to the accomplishment of the purposes of the Partnership, so long as said activities and contracts may be lawfully carried on or performed by a limited partnership under applicable laws and are permitted by this Agreement;

(d) to sue or be sued in all courts and participate, as a party or otherwise, in any judicial, administrative, arbitrative or other proceeding in the Partnership's name.

(e) to wind up and dissolve itself;

(f) to prepay in whole or in part, refinance, recast, increase, modify, or extend any mortgage affecting the Facility or other indebtedness of the Partnership and, in connection therewith, to execute any extensions, renewals or modifications of such mortgages and indebtedness; and

(g) to take or cause to be taken all actions and to perform or cause to be performed all functions necessary, appropriate or advisable to promote the business of the Partnership and to realize and carry out its purpose.

4.4 Title to Property. All real and personal property owned by the Partnership shall be owned by the Partnership as an entity and, insofar as permitted by applicable law, no Partner shall have any ownership interest in such property in its individual name or right. Each Partner's interest in the Partnership shall be personal property for all purposes.

4.5 No Payments of Individual Obligations. The Partners shall use the Partnership's credit and assets solely for the benefit of the Partnership. No asset of the Partnership shall be transferred or encumbered for or in payment of any individual obligation of a Partner.

4.6 Creditor Status. No creditor of the Partnership shall become a Partner as a result of making such loan unless such creditor becomes a Partner in accordance with Article X hereof.

ARTICLE V

CAPITAL; CAPITAL CONTRIBUTIONS

5.1 Capital Contributions.

(a) CMSWR shall contribute $438,526 in cash to the Partnership as such Partner's Capital Contribution in respect of all of the Glass B. Limited Partnership Interests in the Partnership, of which $30 shall be paid contemporaneously with the execution of this Agreement. AHP shall contribute $1,023,227 in cash to the Partnership in respect of all of the General Partnership Interest in the Partnership, of which $60 shall be paid contemporaneously with the execution of this Agreement, and $13,155,778 in cash in respect of all of the Glass A Limited Partnership Interests, of which $825 shall be paid contemporaneously with the execution of this Agreement. The balance of all Capital Contributions shall be paid to the Partnership in cash on or before the Commencement Date as such date is defined in the Lease.

(b) CMSWR shall have, at its sole option, the right to increase its Capital Contribution to the Partnership by any amount up to $438,526 any time prior to the Commencement Date by giving ten (10) days' notice to AHP. If CMSWR elects to make such an increased Capital Contribution, the Capital Contribution of AHP shall be reduced, dollar for dollar, by the amount of the additional Capital Contribution made by CMSWR. Any reduction in the Capital Contribution of AHP shall be made from Class A Limited Partnership Interests, any Class A Limited Partnership interests obtained by CMSWR by reason of any increased Capital Contribution made by it shall be converted to Class B Limited Partnership interests simultaneously with CMSWR obtaining such interests, and the respective Percentage Interests of the Limited Partners shall be adjusted to reflect CMSWR's increased Capital Contribution and such conversion, based upon the proportion of total capital contribution to the Partnership represented by each Partners contribution as provided in Section 6.1(b).

5.2 Repurchase Right. If (i) by the date one (1) year after the Commencement Date under the Lease, CMSWR has not raised at least $330,000 from limited partners who are unaffiliated with CMSWR and who are residents in the Wichita, Kansas area, or (ii) the conditions for the commencement of the lease term have not been met by April 1, 1993 the General Partner shall have the right to purchase the Class B Limited Partner's Interest in the Partnership for an amount equal to the Class B Limited Partner's then Capital Account balance. The General Partner shall have ten (10) days after (i) the one (l) year period after the Commencement Date or (ii) the termination of the Lease due to the failure of the Lease term to commence by April 1, 1993, to exercise its

right under this section by delivering to the Class B Limited Partner written notice of its election to purchase such interest. If the General Partner so elects to purchase the Class B Limited Partner's interest, such purchase shall be accomplished within ten (10) days of the General Partner's delivery of its purchase election.

5.3 No Further Required Capital Contributions. The Partners shall not be required to contribute any capital to the Partnership in excess of the Capital Contributions set forth in Section 5.1 hereof, and no Partner shall be permitted to make any additional capital contribution to the Partnership without the Consent of the Limited Partners.

5.4 Establishment and Maintenance of Capital Accounts. A capital account ("Capital Account") shall be established for each Partner in the amount of such Partner's Capital Contributions. Such Capital Accounts shall be determined and maintained in accordance with Treasury Regulation ("Treas. Reg.") § 1.704-1(b)(2)(iv), which provides in part that a Partner's capital account shall be increased by:

(a) the amount of money contributed, by the Partner to the Partnerships,

(b) the fair market value of property contributed by the Partner to the Partnership (net of liabilities secured by such contributed property), and

(c) allocations to the Partner of Partnership income and gain (or items thereof), including income and gain exempt from tax, but excluding gain attributable to the difference between the adjusted tax basis of contributed property and its fair market value at the time of contribution,

and shall be decreased by:

(a) the amount of money distributed to the Partner by the Partnership,

(b) the fair market value of any property distributed to the Partner by the Partnership (net of liabilities secured by such distributed property),

(c) allocations to the Partner of expenditures of the Partnership not deductible in computing its taxable income and not properly chargeable to capital account, and

(d) allocations to the Partners of Partnership loss and deductions (or items thereof), but excluding losses or deductions attributable to the differences between the adjusted basis of contributed property and its fair market value at the time of contribution.

Such Regulation further provides that, upon the transfer of all or a part of an Interest in the Partnership, the Capital Account of the transferor that is attributable to the transferred Interest shall carry over to the transferee Partner, unless such transfer causes a termination of the Partnership for federal income tax purposes, in which case the Capital Account that carries over to the transferee Partner shall be adjusted in accordance with Treas. Reg. § 1.704-1(b)(2)(iv)(e). All of the rules of Treas. Reg. § 1.704-1(b)(2)(iv), to the extent relevant, shall apply in determining and maintaining Capital Accounts, whether or not specifically set forth herein.

5.5 Distribution Upon Liquidation in Accordance with Capital Accounts. Upon liquidation of the Partnership (or any Partner's Interest in the Partnership), liquidating distributions shall in all cases be made in accordance with the positive Capital Account balances of the Partners, as determined after taking into account all Capital Account adjustments for the Partnership taxable year during which such liquidation occurs (other than those made pursuant to this Section 5.5), by the end of such taxable year or, if later, within 90 days after the date of such liquidation, except as permitted by Treas. Reg. § 1.704-1(b)(2)(ii)(b). By way of explanation, if the liquidation of the Partnership results solely from its termination under section 708(b)(ii)(B) of the Code, no actual liquidating distributions shall be required under this Section 5.4 and the amount of any constructive liquidating distribution of the Partnership properties deemed to occur under Treas. Reg. § 1.708-1(b)(1)(iv) shall be determined in accordance with the preceding sentence.

5.6 Liquidation Defined. A liquidation of a Partner's Interest in the Partnership shall be considered to occur upon the earlier of (l) the date upon which there is a liquidation of the Partnership, or (2) the date upon which there is a termination of the Partner's entire Interest in the Partnership by means of a distribution by the Partnership to the Partner or, if the Interest is terminated by a series of distributions, the date upon which the final such distribution is made. A liquidation of the Partnership occurs upon the earlier of (1) the date upon which the Partnership is terminated under section 708(b)(1) of the Code, or (2) the date upon which the Partnership ceases to be a going concern (even though it may continue in existence for the purpose of winding up its affairs, paying its debts and distributing any remaining balance to the Partners). Notwithstanding the foregoing provisions of this section 5.6, each Partner's share of any "allocable cash basis item," as defined in Code section 706(d), shall be determined in the manner prescribed in Code section 706(d).

5.7 Restoration of Deficit Capital Account Balances. No Partner shall have any obligation to restore any deficit in its Capital Account or to make any other contribution to the Partnership, except as provided in Section 5.1.

5.8 Failure to Make Timely Contributions. If any Partner fails to make timely payment of any portion of its Capital Contribution required to be made by it under Section 5.1, the Partnership shall, after five days notice to such Defaulting Partner, pursue one or more of the following rights or remedies:

(a) Taking all such action (including without limitation, the filing of a lawsuit) as may be necessary or appropriate to obtain payment by the Defaulting Partner of that portion of its agreed contribution that is in default, together with interest thereon at the maximum non usurious rate permitted by applicable law from the date that such contribution was due, at the cost and expense of the Defaulting Partner;

(b) Cancelling the obligation of the Defaulting Partner to make payment of the remaining balance of all of its agreed contributions, whereupon (i) the Partnership shall be deemed to have purchased in consideration thereof all of the interest of such Defaulting Partner in the Partnership, (ii) the Defaulting Partner shall have no further interest in the Partnership or its assets, and (iii) at the Partnership's option (x) the interest of such Defaulting Partner in the Partnership may be offered and sold by the Partnership at any price agreeable to the Partnership to any person meeting the requirements of this Agreement or (y) the interest of such Defaulting Partner in the Partnership shall thereafter be deemed to be owned by the remaining Partners in the proportion of their respective Percentage Interests; or,

(c) Exercising any other rights and remedies available at law or in equity.

5.9 Decisions. The choice of remedies permitted under section 5.8 shall be made by the General Partner, if the Defaulting Partner in question is the Class B Limited Partner. If the Defaulting Partner in question is AHP, whether as the General Partner or the Class A Limited Partner, the remedies to be pursued under Section 5.8 shall be chosen by the class B Limited Partner.

ARTICLE VI

DISTRIBUTIONS; ALLOCATIONS

6.1 Percentage Interests.

(a) Unless CMSWR contributes additional capital to the Partnership as provided in Section 5.1(b) (or unless a Co-General partner is appointed pursuant to Section 10.8(c)), the respective Percentage Interests of the Partners shall be:

General Partner	7%
Class A Limited Partner(s)	90%
Class B Limited Partner(s)	3%

(b) If CMSWR elects to make an additional Capital Contribution to the Partnership pursuant to Section 5.1(b), the respective Percentage Interests of the Partners shall be the percentage that each Partner's Capital Contribution to the Partnership bears to the aggregate Capital Contributions to the Partnership.

The provision of this Section shall not give any Partner an interest in any amount credited to the Capital Account of any other Partner. Each Partner's Percentage Interest shall constitute its interest in partnership profits for purposes of determining such Partner's share of nonrecourse liabilities of the Partnership under Temporary Treasury Regulation ("Temp. Treas. Reg.") § 1.752-1T(e) (3) (ii) (C).

6.2 Net Profits and Losses, Additional Rents, and Percentage Rents.

(a) "Net Profits" or "Net Losses" for any Fiscal Year or other period shall be an amount equal to (i) the sua of (x) the Partnership's taxable income or loss for such year or period as computed for federal income tax purposes (excluding from the computation of such taxable income or loss all gain from Capital Transactions, an amount of gross income equal to Paid Additional Rents, and an amount of gross income equal to Paid Net Percentage Rents), and (y) any income of the Partnership for such year or period exempt from federal income taxation, reduced by (ii) any expenditures of the Partnership for such year or period not deductible in computing its taxable income and not properly chargeable to capital account. Except as specifically excluded in the preceding sentence, all items of income, gain, loss or deduction required to be stated separately pursuant to Code section 703(a)(1) shall be included in computing Net Profits and Net Losses. Each item of taxable income, gain, loss or deduction that is included in the computation of Net Profits or Net Losses for a Fiscal Year shall be allocated among the Partners in the same proportion as such Net Profits or Net Losses as the case may be, are allocated for such Fiscal Year.

(b) “Paid Additional Rents”, for any Fiscal Year, shall mean an amount equal to the amount distributed or to be distributed with respect to such Fiscal Year pursuant to Section 6.3(a)(1). “Unpaid Additional Rents”, at any time, shall mean an amount equal to the total of all Additional Rents theretofore received by the Partnership but not distributed to the Class B Limited Partners pursuant to Section 6.3(a)(1).

(c) “Paid Net Percentage Rents”, for any Fiscal Year, shall mean an amount equal to the amount distributed or to be distributed with respect to such Fiscal Year pursuant to Section 6.3(a)(3). “Unpaid Net Percentage Rents”, at any time, shall mean an amount equal to the total of all Net Percentage Rents theretofore accrued by the Partnership but not distributed to the Class A Limited Partners pursuant to Section 6.3(a)(3).

(d) Subsequent to any sale of the Facility “Additional Rent Sale Proceeds” shall mean an amount equal to the product of (X) the number which is obtained by dividing the proceeds from such sale (net of expenses attributable to such sale) by the amount of gross income received by the Partnership (excluding proceeds from the sale of the Facility) for the Fiscal Year immediately preceding such sale (Y) multiplied by an amount equal to the sum of (i) Base Rent received by the Partnership during the Fiscal Year multiplied by the Percentage Interest of the Class B Limited Partner, plus (ii) the amount of Additional Rent received by the Partnership during the Fiscal Year immediately preceding such sale. If the Facility was not leased for the entire Fiscal Year preceding the sale, the revenues for the portion of such Fiscal Year that the Facility was leased shall be annualized for the purpose of making the calculations required to be made by this Section 6.2(d). “Paid Additional Rent Sale Proceeds”, for any Fiscal Year, shall mean an amount equal to the amount distributed or to be distributed with respect to such Fiscal Year pursuant to Section 6.3(a)(2). “Unpaid Additional Rent Sale Proceeds”, at any time, shall mean an amount equal to the total of all Additional Rent Sale Proceeds theretofore accrued by the Partnership but not distributed to the Class B Limited Partners pursuant to Section 6.3(a)(2).

6.3 Distributions.

(a) Cash Flow shall be determined for each quarter of each Fiscal Year and shall be distributed to the Partners in the following order of priority:

(1) First, but on a one time basis only, to the General Partner in an amount equal to the amount of Initial Rent received by the Partnership from the Lessee under the Lease; and thereafter,

(2) First, to the Class B Limited Partners in an amount equal to Unpaid Additional Rents; and

(3) Second, to the Class B Limited Partners in an amount equal to Unpaid Additional Rent Sale Proceeds; and

(4) Third, to the Class A Limited Partners in amount equal to Unpaid Net Percentage Rents; and

(5) Fourth, the remainder, if any, to the Partners in accordance with their respective Percentage Interests.

(b) Distributions of available Cash Flow, if any, shall be made not less than 45 days after the last day of each quarter.

(c) Notwithstanding the foregoing provisions of this Section to the contrary, the Partnership is hereby authorized and the General Partner shall withhold from any Partner any and all amounts which the Partnership is required to withhold as a matter of law and the Partnership shall not be responsible to the Partners for any amounts which are properly withheld.

6.4 Allocations. All items of income, gain, loss and deduction, whether or not includible or deductible for federal (income tax purposes, shall be allocated among-the-Partners and credited to or debited against their respective Capital Accounts as set forth in this Section 6.4. The purpose of this Section is to specify the manner in which such items are credited or debited among the Capital Accounts of the Partners, which in turn will affect (i) distributions upon liquidation pursuant to Section 5.5 and (ii) the Partners' distributive shares of such items for federal income tax purposes. The Partners' respective entitlement to non-liquidating cash distributions are governed by Section 6.3, and not by this Section. In computing Capital Account balances for purposes of subsections (b), (c) and (d) of this Section, such balances shall be reduced by all distributions of Cash Flow with respect to such Fiscal Year under Section 6.3, even if such distributions are made after the close of the Fiscal Year, and increased by in amount equal to the portion of each Partner's share of the net decrease in partnership minimum gain or minimum gain attributable to partner nonrecourse debt '(as defined in Section 6.4(e) (1)) allocable to the disposition of Partnership property subject to one or more nonrecourse liabilities of the Partnership or partner nonrecourse debt, as the case may be, that would occur if all such properties were disposed of for an amount equal to the principal amount of such liability or debt as of the close of the Fiscal Year in accordance with Temp. Treas. Reg. §§ 1.704-1T(b)(4)(iv)(e) and (h).

(a) Matching Allocations.

(1) An amount of gross income equal to the amount of initial Rent distributed pursuant to Section 6.3(a)(4) shall be allocated to the General Partner.

(2) An amount of gain from Capital Transactions, if any, equal to Paid Additional Rent Sale Proceeds shall be allocated to the Class B Limited Partners.

(3) An amount of gross income equal to Paid Additional Rents shall be allocated to the Class B Limited Partners.

(4) An amount of gross income equal to Paid Net Percentage Rents shall be allocated to the Class A Limited Partners.

Allocations made pursuant to Section 6.4(a)(2) or Section 6.4(a)(3) shall first be made out of gross income other than gain from Capital Transactions, to the extent possible, and thereafter out of gain from Capital Transactions.

(b) Net Profits. Net Profits remaining after the allocation of gain and gross income in Section 6.4(a) of the Partnership for any Fiscal Year or other period shall be allocated to the Partners as follows:

(1) First, if any Partners have Capital Account deficits, to such Partners in proportion to such deficits until such deficits are eliminated;

(2) Second, if the Capital Contributions of any Partners exceed their respective Capital Account balances, to such Partners in proportion to such excesses until the Capital Account balances of such Partners equal their respective Capital Contributions; and

(3) Third, the remainder, if any, to the Partners in accordance with their Percentage Interests.

For purposes of allocating Net Profits for any Fiscal Year or other period pursuant to this Section 6.4(b), each Partner's, Capital Account balance shall be adjusted to reflect all allocations made with respect to such year or period pursuant to Section 6.4(a) and all distributions made or to be made with respect to such year or period pursuant to Section 6.3(a).

(c) Net Losses. Net Losses of the Partnership for any Fiscal Year or other period shall be allocated to the Partners as follows:

(1) First, if the Capital Account balances of any Partners exceed their respective Capital Contributions, to such Partners in proportion to such excesses until the Capital Account balances of such Partners equal their respective Capital Contributions;

(2) Second, if any Partners have positive Capital Account balances, to such Partners in proportion to such balances until the Capital Account balances of such Partners equal zero; and

(3) Third, the remainder, if any, to the Partners in accordance with their respective Percentage Interests.

For purposes of allocating Net Losses for any Fiscal Year or other period pursuant to this Section 6.4(c), each Partner's Capital Account balance shall be adjusted to reflect all allocations made with respect to such year or period pursuant to Section 6.4(a) and all distributions made or to be made with respect to such year or period pursuant to Section 6.3 (a).

(d) Gain from Capital Transactions. Gain from Capital Transactions, other than any such gain allocated pursuant to Section 6.4(a), shall be allocated as follows:

(1) First, if any Partners have Capital Account deficits, to such Partners in proportion to such deficits until such deficits are eliminated;

(2) Second, if the Capital Contributions of any Partners exceed their respective Capital Account balances, to such Partners in proportion to such excesses until the Capital Account balances of such Partners equal their respective Capital Contributions;

(3) Third, if (i) the sum of the Capital Contributions of any Class A Limited Partner and the Unpaid Net Percentage Rent allocable to such Partner exceeds such Partner's Capital Account balance or (ii) the sum of the Capital Contributions of any Class B Limited Partner and the Unpaid Additional Rents and Unpaid Additional Rent Sale Proceeds allocable to such Partner exceeds such Partner's Capital Account balance, to such Partners in proportion to such excesses until such excesses are eliminated; and

(4) Fourth, the remainder, if any, to the Partners in accordance with their Percentage Interests.

For purposes of allocating gain from Capital Transactions for any Fiscal Year or other period pursuant to this Section 6.4 (d), each Partner's Capital Account balance shall be adjusted to reflect all allocations made with respect to such year or period pursuant to Sections 6.4(a), 6.4(b) and 6.4(c) and all distributions made or to be made with respect to such year or period pursuant to Section 6.3(a).

(e) Special Rules. Notwithstanding any other provision of this Section 6.4:

(1) Minimum Gain and Hypothetical Capital Accounts. For purposes of complying with Treasury Regulations relating to tax allocations, the Partnership's "minimum gain" and "minimum gain attributable to partner nonrecourse debt" and Partners' hypothetically adjusted Capital Accounts ("Hypothetical Capital Accounts") must be determined in accordance with Temp. Treas. Reg. § 1.704-lT(b)(4)(iv)(c) or l.704-l(b)(4)(iv)(h)(6), as the case may be, by computing, with respect to each nonrecourse liability or partner nonrecourse debt, as the case may be, of the Partnership, the amount of gain (of whatever character), if any, that would be realized by the Partnership if it disposed of (in a taxable transaction) the Partnership property subject to such liability in full satisfaction thereof, and by then aggregating the amounts so computed. A Partner's Hypothetical Capital Account shall equal its true Capital Account, increased by any amount that such Partner is treated as being obligated to restore under Treas. Reg. § 1.704-l(b)(2)(ii)(c) (including the Partner's share of minimum gain, computed as provided in Temp. Treas. Reg. § 1.704-1T(b)(4)(iv)(f), and of minimum gain attributable to partner nonrecourse debt, computed as provided in Temp. Treas. Reg. § 1.704-1T(b)(4)(iv)(h)(5)) and decreased by the items described in Treas. Reg. § 1.704-l(b)(2)(ii)(d), clauses (4), (5) and (6).

(2) Qualified Income Offset. A Partner who unexpectedly receives an adjustment, allocation or distribution described in Treas. Reg. § l.704-l(b)2)(ii)(d), clauses (4), (5) and (6), which creates a deficit in its Hypothetical Capital Account shall be allocated items of income and gain (consisting of a pro rata portion of each item of Partnership income, including gross income, and gain for such year) in an amount and manner sufficient to eliminate such deficit as quickly as possible.

(3) Minimum Gain Chargeback. If there is a net decrease in the Partnership's minimum gain or minimum gain attributable to partner nonrecourse debt during a Partnership taxable year, any Partner with a share of such minimum gain at the beginning of such year shall be allocated, before any other allocation is made of Partnership items for such taxable year,

items of income and gain for such year (and, if necessary, subsequent years) in proportion to, and to the extent of, an amount equal to the greater of (A) the portion of such Partner's share of the net decrease in such minimum gain that is allocable to the disposition of Partnership property or (B) the deficit balance in such Partner's Hypothetical Capital Account as of the end of such year (but before any allocations of Net Profits or Net Losses for such year) in accordance with Temp. Treas. Reg. §§ 1.704-lT(b)(4)(iv)(e) and 1.704-lT(b)(4)(iv)(h)(4) (the " Minimum Gain chargeback"). The Minimum Gain Chargeback allocated in any taxable year shall consist first of gains recognized from the disposition of items of Partnership property subject to one or more nonrecourse liabilities or partner nonrecourse debt of the Partnership to the extent of the decrease in minimum gain attributable to the disposition of such items of property, with the remainder of the Minimum Gain Chargeback, if any, made up of a pro rata portion of the Partnership's other items of income and gain for that year.

(4) Additional Minimum Gain Chargeback. If there is a net decrease in the Partnership's minimum gain or minimum gain attributable to partner nonrecourse debt during a Partnership taxable year, any Partner with a share of such minimum gain at the beginning of such year shall be allocated, after any allocations pursuant to subsections (2) and (3) of this Section 6.4(e), but before any other allocation is made of Partnership items for such taxable year (and, if necessary subsequent years), in proportion to, and to the extent of, an amount equal to the excess, if any, of (x) the amount by which such Partner's share of such minimum gain has been reduced over (y) the aggregate amount, if any, allocated to such Partner with respect to such net decrease pursuant to such subsection (3).

(5) Limitation on Allocation of Losses. No loss or deduction shall be allocated to any Partner to the extent such allocation would create a deficit in its Hypothetical Capital Account and such loss or deduction shall instead be allocated to the other Partners in proportion to the positive balances of their respective Hypothetical Capital Accounts.

(6) Restoration. If any items of income, gain, loss or deduction are specially allocated pursuant to subsection (2) or (5) of this Section 6.4(e), then as quickly as possible thereafter (but only as may be consistent with such subsections and subsection (3)) items of income, gain, loss or deduction shall be specially allocated to the Partners so as to return all Capital Accounts to such balances as they would have had if no such special allocations had been made pursuant to subsection (2) or (5) of this Section 6.4(e). It is the intention of the parties that distributions of cash flow (including distributions upon liquidation) shall be made in accordance with Section 6.3(a), and to the extent that the allocations set forth

in this Section 6.4(e) result in Capital Account balances which would require distributions upon liquidation to be made other than in accordance with Section 6.3(a), then the General Partner shall have the authority upon the recommendation of tax counsel to specially allocate items of income, gain, loss or deduction among the Partners so as to cause to the extent possible distributions upon liquidation to be made in accordance with Section 6.3(a).

(f) Rule of Construction. This Section 6.4 is intended to satisfy the alternate test for economic effect set forth in Treas. Reg. § 1.704-l(b)(2)(ii)(d) and the rules for allocations attributable to nonrecourse liabilities set forth in Temp. Treas. Reg. § 1.704-lT(b)(4)(iv) and should be so construed. To the extent necessary to effectuate this intention, the requirements of Treas. Reg. § 1.704-1 are incorporated by reference and made a part hereof.

6.5 Timing. All allocations of Partnership items pursuant to Section 6.4 shall be made with respect to each Fiscal Year as of, and within ninety (90) days after, the end of such Fiscal Year.

6.6 Credits. All investment, targeted job and other tax credits available to the Partnership shall, subject to applicable provisions of the Code, be allocated to the Partners in accordance with their respective Percentage Interests.

ARTICLE VII

ACCOUNTING AND RECORDS

7.1 Fiscal Year. The fiscal year ("Fiscal Year") of the Partnership shall be the calendar year or, at the beginning and end of the Partnership term, any partial calendar year.

7.2 Books, Records and Reports.

(a) The General Partner shall keep at the Partnership's principal office separate books of account for the Partnership, which shall show a true and accurate record of all costs and expenses incurred and all charges made in the conduct of the Partnership's business and all credits made and received in connection with the business of the partnership and all income derived from the operation of the Partnership in accordance with the accrual method of accounting used for federal income tax purposes and a ture and complete record of all matters submitted to the Limited Partners for their consent.

(b) On or before March 15 of each year, the General Partner shall deliver to each Partner a report indicating each

Partner's share for federal income tax purposes of the Partnership's income, credits and deductions for the immediately preceding calendar year together with all other information which may be required by the Code from time to time.

(c) At the request, and sole expense, of any Limited Partner or group of Limited Partners, the General Partner shall cause a general accounting of the Partnership's business to be made. At the request of such Limited Partners, such accounting shall cover all of the assets, properties, and liabilities of the Partnership and include audited financial statements prepared in accordance with the accrual method of accounting used for federal income tax purposes, a balance sheet, statements of profit and loss, changes in capital accounts for the period covered by such financial statements, or any other information which such Limited Partners may reasonably request.

7.3 Review of Books, Records, Reports and Accounts. Each Partner shall, at its sole expense, have the right, at any time, upon two days' notice, to the General Partner, to examine, copy and audit the Partnership's books and records during normal business hours.

7.4 Accountants. The accountants to the Partnership ("Independent Accountants") shall be Arthur Andersen or such other national accounting firm as may be approved by the Consent of the Limited Partners upon the recommendation of the General Partner.

7.5 Tax Returns. The General Partner shall prepare all income and other tax returns of the Partnership and cause the same to be filed in a timely manner. The General Partner shall furnish to each Partner a copy of each such return at the time that it is due to be filed, together with any schedules or other information which each Partner may require in connection with such Partner's own tax affairs. Each of the Partners shall, in its respective income tax return and other statements filed with the Internal Revenue service or other taxing authority, report taxable income in accordance with the provisions of this Agreement.

7.6 Tax Matters Partner. The General Partner is hereby designated as the "Tax Matters Partner" pursuant to the Code and, to the extent authorized or permitted under applicable law, the General Partner shall represent the Partnership in connection with all examinations of Partnership affairs by tax authorities, including, without limitation, resulting administrative and judicial proceedings and the General Partner may expend Partnership funds for professional services and costs in connection therewith.

7.7 Depreciation. To the extent permitted by the Code, the Partnership shall utilize the Modified Accelerated Cost Recovery System (as defined in the Code) on a straight-line basis. Any investment tax credits, targeted job tax credits and similar credits available to the Partnership under the Code or other provisions of law shall be maximized.

7.8 Special Basis Adjustment. In connection with any assignment or transfer of an Interest permitted by the terms of this Agreement, or any assignment or transfer of a partnership interest in a Partner that is itself a partnership, the General Partner shall cause the Partnership, at the written request of the transferor, the transferee or the successor to such Interest, or such Partner, on behalf of the Partnership and at the time and in the manner provided in Treas. Reg. § 1.754-l(b) (or any like statute or regulation then in effect), to make an election to adjust the basis of the Partnership's property in the manner provided in Code section 743(b) (or any like statute or regulation then in effect), and such transferee or such Partner, as the case may be, shall pay all costs incurred by the Partnership in connection therewith, including, without limitation, reasonable attorneys' and accountants' fees.

7.9 Bank Accounts. The General Partner shall have fiduciary responsibility for the safekeeping and use of all funds and assets of the Partnership. The funds of the Partnership shall not be commingled with the funds of any other person and the General Partner shall not employ, or permit any other person to employ, such funds in any manner except for the benefit of the Partnership. The bank accounts of the Partnership shall be maintained in such commercial banking institutions as are selected by the General Partner and withdrawals shall be made only in the regular course of Partnership business and as otherwise authorized in this Agreement on such signature or signatures as the General Partner may determine.

7.10 Meetings of Limited Partners. The General Partner shall call meetings of the Limited Partners in accordance with Section 9.5 to consider any matter requiring the Consent of the Limited Partners.

ARTICLE VIII

MANAGEMENT; THE GENERAL PARTNER

8.1 Management of the Partnership. Except as otherwise provided for or limited herein, the General Partner shall exercise all of the powers of the Partnership and shall have full, exclusive and complete control and discretion in the management of the Partnership for the purpose set forth in Section 4.1.

8.2 Authorization and Duties. To accomplish the purpose of Partnership, and without limiting the generality of the grant of power made in Section 8.1, the General Partner is expressly authorized on behalf of the Partnership to and shall undertake:

(a) to acquire the Tract and construct, or cause the construction of, the Hospital, operate (or lease for operation) the Facility, maintain and repair the Facility and coordinate all management and operational functions relating to the development, construction, maintenance, management and operation of the Hospital;

(b) to perform, or cause to be performed, any and all acts, and enter into, execute and deliver all documents, agreements, certificates or other arrangements, necessary or appropriate to the development construction, maintenance, management and operation of the Hospital;

(c) to procure and maintain with responsible companies such insurance as may be available in such amounts and covering such risks as may be required by commercial lenders to the Partnership or by applicable law and good business practice;

(d) to arrange for and enter into loans to finance the business of the Partnership from bona fide third party lenders on commercially reasonable terms as determined in the General Partner's reasonable discretion;

(e) to execute and deliver on behalf of and in the name of the Partnership deeds, deeds of trust, deeds to secure debt, notes, leases, subleases, contracts, mortgages, bills of sale, financing statements, security agreements, easements and any and all other instruments necessary or appropriate to the conduct of the Partnership's business and the financing thereof as determined in the General Partner's reasonable discretion;

(f) to contract for and coordinate all accounting and clerical functions of the Partnership and employ such accountants, lawyers, leasing agents and other management or service personnel as may from time to time be required to carry on the business of the Partnership as determined in the General Partner's reasonable discretion;

(g) to pay all taxes, charges, and assessments against the Partnership and its property;

(h) to establish and maintain bank accounts and draw checks and other orders for the payment of monies;

(i) to settle claims, prosecute, defend, and settle lawsuits and handle all matters with governmental agencies;

(j) to collect all suns due the Partnership;

(k) to prepare and file all Partnership tax returns and to make all elections for the Partnership thereunder; and

(1) to pay as they become due all debts and obligations of the Partnership.

8.3 Limitations. Anything in Section 8.2 to the contrary notwithstanding, the General Partner shall not be empowered, without the consent of the Limited Partners:

(a) to do or cause, permit or suffer to be done any act in contravention or derogation of this Agreement;

(b) to do any act which would make it impossible to carry on the ordinary business of the Partnership;

(c) if the Lease has not expired or been duly terminated, to sell, assign, exchange, transfer or otherwise dispose of all, or any substantial portion, of the Partnership's assets;

(d) to increase, or agree to increase, the capital of the Partnership, issue, or agree to issue, any additional partnership interests or class of interests or rights or options convertible into such interests;

(e) to require or permit any Partner to make any additional contribution to the capital of the Partnership not provided for herein;

(f) except as permitted by Article X, to admit a Person as a Partner;

(g) to possess Partnership property or assign any rights in specific Partnership property for other than a Partnership purpose;

(h) except as may be required under the Limited Partnership Act to effect a transfer of Partnership Interests contemplated by Article X, to amend this Agreement;

(i) to change or reorganize the Partnership into any other legal form, cause or permit the Partnership to merge or consolidate with any other entity, or, except as permitted by Article XI, terminate or dissolve the Partnership;

(j) to arrange for or enter into on behalf of the Partnership, loans or other financing arrangements on a basis which would permit recourse against any Limited Partner;

(k) to borrow money, purchase or lease real or personal property, incur any liability or enter into any contract, agreement or other arrangement if immediately after making such borrowing, purchase or lease or entering into such contract, agreement or arrangement, (A) the aggregate Indebtedness of the Partnership would exceed 80% of the Partnership's Tangible Assets as at the end of the immediately preceding Fiscal Quarter or (B) the Cash Flow Coverage Ratio would be less than 1.25 to 1.0;

(l) at any time, to enter into any financing arrangements that require or permit debt service or any portion thereof to be paid out of Partnership cash that is attributable to Additional Rent;

(m) to cause the Partnership, or on behalf of or in the name of the Partnership, to acquire any equity interest in, invest in, guarantee or otherwise become obligated or liable for the obligations of any person other than the Partnership; or

(n) to incur on behalf of or in the name of, or otherwise obligate the Partnership with respect to, any material obligation to, or on behalf of, any Affiliate of the General Partner or purchase or lease any property or borrow any money from, or enter into any material transaction, contract or other arrangement with, any Affiliate of the General Partner, provided, however, that, without the Consent of the Limited Partners, the General Partner or any Affiliate of the General Partner may make non-recourse loans to the Partnership for Partnership purposes on terms comparable to those which could be obtained from bona fide third party commercial lenders.

8.4 Standard of Conduct; Liability; Indemnification.

(a) The General Partner shall devote such time as is necessary to the conduct of the Partnership's business, manage the affairs of the Partnership to the best of its ability and conduct the operations of the Partnership in a careful and prudent manner in accordance with good business practice. With respect to any action of the General Partner requiring the advice of counsel hereunder, this standard shall be met if the General Partner acts in accordance with the written advice of counsel.

(b) Except for breaches of this Agreement by the General Partner, the General Partner shall have no liability to the Partnership or to any Partner for any loss suffered by the Partnership which arises out of any action or inaction of the General Partner taken or not taken in conformity with the standard of care set forth in Section 8.4(a).

(c) The General Partner shall be subject to the liabilities of a Partner in a Partnership without limited partners to persons other than the Partnership and the other Partners.

(d) The General Partner shall be indemnified by the Partnership (but not by any Limited Partner) against any losses, judgments, claims, liabilities (including expenses actually incurred by it, attorneys' fees and amounts paid in settlement of any claim incurred or sustained by it) in connection with any action, suit or proceeding (other than an action, suit or proceeding by or in the right of a Limited Partner or the Partnership) threatened, pending or completed to which it is a party or threatened to be made a party by reason of the performance of its duties under and in accordance with this Agreement, provided that with respect to the matter for which indemnification is sought, the General Partner acted (or refrained from acting) in a manner that it believed in good faith was in the best interests of the Partnership.

8.5 Reimbursement and Fees. The General Partner shall be entitled to current reimbursement out of Partnership funds for all costs and expenses reasonably incurred by it to third parties while acting on behalf of the Partnership in accordance with this Agreement.

ARTICLE IX

THE LIMITED PARTNERS

9.1 Status. Except in the event of failure of the General Partner to perform its obligations hereunder, in which event the Limited Partners shall have available to them all rights and remedies available to them at law or in equity, each Limited Partner shall have only the rights given it under this Agreement.

9.2 No Right of Limited Partners in Management. Except to the limited extent set forth in Section 8.3, the Limited Partners shall take no part in the management or control of the Partnership business, transact any business for the business or have the power to sign for or bind the Partnership.

9.3 No Liability to Third Parties. The Limited Partners' obligations are limited to those expressly set forth herein. The Limited Partners shall not be personally liable for any debts or other obligations of the Partnership to third parties.

9.4 Addition of Limited Partners. Except as permitted by Article X hereof, no additional or substituted or Limited Partners shall be admitted to the Partnership except with the Consent of the Limited Partners.

9.5 Meetings of Partners. Any matter requiring the consent or approval of the Limited Partners under this Agreement may be considered at a meeting of the Partners called by the General Partner held not less than seven (7) nor more than thirty (30) days after a notice of such meeting, stating the date, time and place where such meeting is to be held and the purposes for which it is called is delivered to the Partners in accordance with Section 15.1. The presence of such a meeting of the General Partner and a majority-in-interest of each class of Limited Partner shall constitute a quorum for the transaction of business. Any action required or permitted to be taken at a meeting of the Partners may be taken either without a meeting by the means of unanimous consent of each Partner or by means of a telephone conference in which all Partners participating in the meeting and constituting a quorum can hear and speak to each other.

ARTICLE X

TRANSFERS OF INTEREST

10.1 General Restrictions on Transfer. Except as expressly provided for in this Agreement, no Partner may sell, convey, assign, transfer, pledge, hypothecate or otherwise encumber or dispose of ("Transfer") all or any portion of, or right in or to, its Partnership Interest or withdraw or retire from the Partnership. Any attempted Transfer or attempt by a Partner to withdraw or retire in a manner not permitted hereunder shall be null and void. No Transfers may be made by any Partner until such Partner has made its Capital Contribution required by Section 5.1 and no Transfer of any Partnership Interest may be made if such Transfers would cause the Partnership not to be treated as a Partnership for federal income tax purposes or which would effect a dissolution of the partnership under the Limited Partnership Act or require the Partners to elect to continue the business of the Partnership under the Limited Partnership Act (unless, in the latter event, the Partners have elected to continue the business of the Partnership in accordance with the Limited Partnership Act).

10.2 Transfers of General Partnership Interest.

(a) The General Partnership Interest may not be pledged, hypothecated or otherwise in any way encumbered. Subject to the limitations of this Section 10.2 and Sections 10.4, 10.6, 10.7 and 10.8, however, AHP or any successor General Partner permitted hereunder may transfer all, but not less than all, of its General Partnership Interest:

(x) (i) to any institutional investor, corporation or other business entity, which did not derive more than 10% of its gross revenues during the calendar year immediately preceding the transfer directly or indirectly, from the operation of comprehensive rehabilitation or acute care hospitals; and

(ii) which has a minimum net worth of $15,000,000; OR,

(y) any Affiliate of AHP in which American Health Properties, Inc., a Delaware corporation, holds at least an 80% voting and equity interest, whether directly or indirectly through one or more subsidiaries in which American Health Properties, Inc. holds at least an 80% voting and equity interest.

10.3 Transfers of Limited Partnership Interests. With the consent of the General Partner, which consent may, in the sole discretion of the General Partner, be granted or withheld, Class A and Class B Limited Partnership Interests may: (a) be pledged to, or encumbered in favor of, Permitted Transferees to secure borrowings by a Partner; or (b) sold, assigned, conveyed or otherwise transferred in accordance with the provisions of Sections 10.4, 10.6, and 10.7 to any Permitted Transferee, in the case of Class A Limited Partnership Interests, in units equal to or larger than the Percentage Interest purchased by a Capital Contribution of $250,000 at the time of the formation of the Partnership, and, in the case of Class B Limited Partnership Interests, in units of any denomination. Notwithstanding the foregoing, the consent of the General Partner shall not be required for the pledge or collateral assignment by the Class B Limited Partner to Citibank, N.A. of the Class B Limited Partner's interest in the Partnership.

10.4 Legality. No transfer of any Partnership Interest shall be permitted or effective unless the Partnership shall have received (a) the favorable opinion of independent legal counsel to the Partnership to the effect that such transfer is exempt from registration under the Securities Act and applicable state securities laws and (b) the opinion of independent tax counsel to the Partnership that such transfer will not (when added to the total of all other transfers within the preceding 12 months) result in the Partnership's being considered to have terminated within the meaning of section 708 of the Code or otherwise jeopardize the Partnership's classification as a partnership for federal income tax purposes.

Notwithstanding the foregoing Section 10.4(b), a transfer which could result in the Partnership's termination as a Partnership under section 708 of the Code may be made with the consent of the General Partner, provided that such transfer will not result in any material adverse tax consequences to the Class B

Limited Partner (it being understood that any deemed distribution to the Class B Limited Partner in excess of such Partner's basis in its Class B Limited Partnership Interests is a material adverse tax consequence). If a transfer is made in violation of the preceding restriction on transferability and a section 708 termination results, the General Partner shall save and hold harmless the Class B Limited Partner (and all Partners thereof) against any material adverse tax consequences of such transfer and all costs and expenses (including reasonable attorneys' fees) incurred by the Class B Limited partner in enforcing this indemnity. This indemnity shall be the sole remedy of the Class B Limited Partner with respect to a deemed distribution in excess of such Partner's basis if a transfer in violation of this Agreement results in a section 708 termination of the Partnership.

10.5 Obligations of Transferors. No Transfer of its interest by a Partner shall relieve such Partner from any of its obligations hereunder except to the extent that such obligations are assumed by the transferee of such interest in a legally valid and binding Agreement and such transferee has been admitted as a Partner hereof.

10.6 Transfer Documents. All transfers shall be by instrument in form and in substance satisfactory to counsel for the Partnership and shall include (a) a written, legally binding agreement of the transferee accepting all of the terms and conditions of this Agreement, (b), if the transferee is a Limited Partner, a grant by such transferee to the General Partner or any successor thereto of the Power of Attorney set forth in Article XIII, and (c) a representation by the transferee that such transfer was made in accordance with all applicable laws and regulations and covering such other matters as counsel to the Partnership may reasonably require. Each transfer shall be effective as of the first day of the calendar month immediately succeeding the month in which the Partnership actually receives the aforesaid documents.

10.7 Admission and Rights of Transferees. The Partnership shall not recognize for any purpose any transfer of all or any portion of the Partner's interest in the Partnership unless and until all provisions of this Article X have been satisfied and there shall have been delivered to the Partnership a dated notification of such transfer executed, acknowledged and sworn to both by the Partner affecting such transfer and the transferee. A Person that receives an interest or right in or in respect of the Partnership, if it is not admitted to the Partnership as a substituted Partner, shall not be entitled to vote, and the interest of such person shall not be counted for voting or quorum purposes. In addition, such Person shall not be permitted to transfer its interest or any portion thereof without fulfilling all of the conditions of Sections 10.4, 10.6, and 10.7. Promptly

upon the receipt of the documents required by Sections 10.6 and 10.7, the General Partner shall take all such actions as may be necessary, including the filing of all such certificates or amendments to this Agreement as may be necessary to effectuate fully the admission of the transferee as a Partner hereof.

10.8 Substitution of General Partners.

(a) No transfer of the General Partnership Interest shall be effective until:

(i) The transferee of such interests shall have executed and delivered to the Partnership a legally binding addendum to this Agreement whereby such substituted General Partner agrees to be bound by all of the terms and conditions hereof, to serve as General Partner hereof, elects to continue the business of the Partnership, and accepts all of the duties and obligations of General Partner; and

(ii) There shall have been duly executed and filed with the Office of Secretary of State to the State of Delaware an amended Certificate of Limited Partnership of the Partnership effecting the substitution of such General Partner as the General Partner of the Partnership.

(b) The substitution of a successor General Partner shall be effected simultaneously with the withdrawal of the then existing General Partner in such a manner as to not cause a dissolution of the Partnership under the Limited Partnership Act or require the Limited Partners to elect to continue the business of the Partnership, or, if such an election by the Limited Partners is required, after such election to continue the business of the Partnership, has been made.

(c) Solely to facilitate a contemplated transfer of the General Partnership Interest, the then General Partner may admit a Co-General Partner without the Consent of the Limited Partners, provided that such Co-General Partner shall have no rights in connection with the administration or conduct of the business of the Partnership, except such rights as may be necessary to effect such transfer. The maximum Percentage Interest which any such Co-General Partner may have in the Partnership prior to the transfer of the remaining General Partnership Interest to it is 1% and unless and until such Co-General Partner has become the General Partner, the then existing General Partner shall serve as the Managing General Partner of the Partnership.

10.9 Certain Exempted Transfers. CMSWR may contribute its Class B Limited Partnership Interests to a limited partnership to be formed with CMSWR as its general partner (the "Investment Partnership") or in the alternative substitute the Investment Partnership for itself as Class B Limited Partner, with all rights and obligations thereof. It is hereby agreed by the Partners that such contribution by CMSWR of its Class B Limited Partnership Interests to the Investment Partnership or substitution of the Investment Partnership for CMSWR hereunder shall not be subject to the restrictions of Sections 10.3, 10.4, 10.6 and 10.7 hereof. Upon the occurrence of such contribution or substitution, the General Partner shall take, and shall cause the Partnership to take, all such actions and execute and deliver all such writings, certificates and other documents as may be necessary to effect the admission of the Investment Partnership as the Class B Limited Partner hereof. At the time of such admission or substitution, the General Partner shall represent and warrant, to the extent that such representation and warranties are accurate at the time made, to the Investment Partnership that all terms and conditions of this Partnership Agreement are in full force and effect and that there have been no violations hereof by the General Partner and the Investment Partnership shall make to the General Partner the representations and warranties contained in Section 12.2 hereof to the extent applicable, accept in writing all of the terms and conditions of this Agreement and grant in writing the Power of Attorney the General Partner. No partner of the Investment Partnership shall be deemed to be or treated as a Partner of this Partnership for any purposes whatsoever.

10.10 Transfer Costs. All costs incurred by the Partnership in connection with the transfer of an interest in the Partnership (including, without limitation, the fees of counsel incurred in connection with the obtaining of the opinions required by Section 10.4) shall be borne and paid for by the Partner effecting the transfer within ten (10) days after the completion of such transfer.

10.11 Tax Allocation and Cash Distributions. If an Interest is transferred, all items of income, gain, loss, deduction or credit allocable, and cash distributable, to the holder of such Interest for the then Fiscal Year shall be allocated proportionately between the transferor and the transferee based upon the number of days during such Fiscal Year for which each party was the owner of the transferred interest to the extent permitted by the Code. However, if such parties agree that such items and cash are to be allocated and distributed based upon an interim closing of the Partnership books or if the Code so requires, then all such items and cash shall be allocated and distributed between the transferor and transferee based upon an interim closing of the Partnership's books and records and such parties shall pay all expenses incurred by the Partnership in connection therewith. In no event, however, shall

Extraordinary Cash Flow or gain or loss arising from a Capital Transaction be distributed and allocated to any Partner other than the Partners owning Interests as of the date of the Capital Transaction in question. Notwithstanding the foregoing provisions of this Section 10.11, each Partner's share of any "allocable cash basis item," as defined in Code section 706(d), shall be determined in the manner prescribed in Code section 706(d).

10.12 Waiver of Partition. No Partner shall, either directly or indirectly, take any action to require partition or appraisement of the Partnership or of any of its assets or properties or cause the sale of any Partnership property other than in accordance with Article XI hereof, and notwithstanding any provisions of applicable law to the contrary, each Partner (and its legal representative, successor or assign) hereby irrevocably waives any and all right to maintain any action for partition or to compel any sale with respect to his Interest, or with respect to any assets or properties of the Partnership, except as expressly provided in this Agreement.

10.13 Capital Stock of General Partner. The General Partner shall not permit any shares of its voting stock to be sold, transferred, conveyed, pledged, assigned or encumbered or otherwise disposed of or any additional shares of its capital stock to be issued. Notwithstanding the foregoing, the General Partner may sell all, but not less than all of its issued and outstanding capital stock, provided that such sale may be made only to an entity to which the General Partnership Interest could be transferred under Section 10.2 and only if such sale would not result in a dissolution of the Partnership under the Limited Partnership Act or require the election of the Partners to continue the business of the Partnership under the Limited Partnership Act (or in the latter event, only after the Partners have elected to continue the business of the Partnership in accordance with the Limited Partnership Act), or cause the Partnership to be treated as other than a partnership for federal income tax purposes. No such sale may be made if it would result in any material adverse tax consequences to the Class B Limited Partner as a result of the Partnership's being considered to have terminated under Section 708 of the Code as a result of such sale, and the General Partner shall indemnify and hold harmless the Class B Limited Partner (and each partner thereof) against any material adverse tax consequences resulting from a violation of the foregoing covenant and against any costs and expenses (including reasonable attorneys' fees) incurred by the Class B Limited Partner in enforcing that indemnity, which indemnity shall be the sole remedy of the Class B Limited Partner with respect to a deemed distribution in excess of such Partner's basis if a transfer in violation of this Agreement results in a Section 708 termination of the Partnership. In no event may such a sale be made before the Partners have made their Capital Contributions required by Section 5.2 and no such sale shall be

effective until the transferee of the capital stock of the General Partner shall have agreed in a legally binding writing with the Partnership to cause the General Partner to abide by all of its obligations under this Agreement. The capital stock of the General Partner may not under any circumstances be pledged, hypothecated or otherwise encumbered and no additional shares of the capital stock of the General Partner may be issued.

ARTICLE XI

TERMINATION OF THE PARTNERSHIP

11.1 Events of Dissolution. The Partnership shall dissolve upon the first to occur of the following events:

(a) the expiration of the term of the Partnership as provided in Section 3.3;

(b) the sale or other disposition (including, without limitation, taking by eminent domain) of all or substantially all of the assets of the Partnership unless such sale or other disposition involves any deferred payment of the consideration for such sale or disposition, in which case the Partnership shall not dissolve until the last day of the calendar year during which the Partnership shall receive the balance of such deferred payment;

(c) the occurrence of an event of Bankruptcy of the General Partner;

(d) the issuance of a decree of dissolution by a court of competent jurisdiction;

(e) the acquisition by a single person or entity of all of the general and limited partnership interests in the Partnership; or

(f) any other event which would require dissolution under the Limited Partnership Act.

11.2 Continuation of the Business of the Partnership. Upon the liquidation, dissolution or Bankruptcy of the General Partner, the Limited Partners may, by unanimous agreement of the Limited Partners, elect within ninety (90) days thereafter to continue the business of the Partnership, in which event, a committee of the Limited Partners shall be appointed to select a substitute General Partner and with the Consent of the Limited Partners, the Partnership shall be reconstituted with such Person as General Partner, on terms identical to those set forth in this Agreement.

11.3 Effect of Dissolution. Upon dissolution of the Partnership pursuant to Section 11.1, the Partnership shall not terminate but shall continue solely for the purposes of liquidating all of the assets owned by the Partnership (until all such assets have been sold or liquidated) and collecting the proceeds from such sales and all receivables of the Partnership until the same have been written off as uncollectible. Upon dissolution, the Partnership shall engage in no further business thereafter other than that necessary to cause the Facility to be operated on an interim basis for the Partnership to collect its receivables, liquidate its assets and pay or discharge its liabilities.

11.4 Sale of Assets by Liquidating Trustee. Except in the event of a dissolution of the Partnership under Section 11. 1 (c), in which case an independent party shall be appointed "Liquidating Trustee," upon dissolution of the Partnership, the General Partner shall serve as Liquidating Trustee. The Liquidating Trustee shall proceed diligently to wind up the affairs of the Partnership and distribute its assets. Another Person may be selected by the Consent of the Limited Partners to succeed the original Liquidating Trustee, or to succeed any subsequently selected successor, whenever the person originally selected or any such subsequently selected successor, as the case may be, fails for any reason to carry out such purpose. The Liquidating Trustee may be an individual, corporation or general or limited partnership. The Liquidating Trustee shall promptly after dissolution obtain an appraisal of the assets of the partnership by a member of the American Institute of Real Estate Appraisers selected by the Liquidating Trustee. All of the assets of the Partnership, if any, other than cash, shall be offered (either as an entirety or on an asset-by-asset basis) promptly for sale, upon such terms as the Liquidating Trustee shall determine using the above appraisal as a guide. The Partners and their Affiliates shall have the right to negotiate or bid on an arm's length basis for any or all of the assets being offered for sale from and after such date as is ninety (90) days after the Partnership dissolves, but not before such date. The decision to accept or reject an offer to purchase assets of the Partnership shall be made solely by the Liquidating Trustee acting as fiduciary for all of the Partners. In winding up the affairs of the Partnership, the Liquidating Trustee shall pay the liabilities of the Partnership in such order of priority as provided by law. If at the time of dissolution the completion of any portion of the Project then under construction has not occurred, the Liquidating Trustee, in winding up the affairs of the Partnership, shall have the authority, but not the obligation, to complete the construction of such portion already commenced. 11.5 Time Limitations on Liquidating Distributions. Nothing in this Article XI shall be construed to extend the time period prescribed under Section 3.3 hereof and Treas. Reg. § 1.704-l(b)(2)(ii)(b)(2) for making liquidating distributions of

the Partnership's assets. In the event the Liquidating Trustee deems it impractical to cause the Partnership to make distributions of the liquidating proceeds to the Partners within the time period described under Treas. Reg. § 1.704-1(b)(2)(ii)(b)(2), the Liquidating Trustee may make any arrangement that is considered for federal income tax purposes to effectuate liquidating distributions of all of the Partnership's assets to the Partners within the time period prescribed in such regulation and that will permit the sale of the non-cash assets considered so distributed in manner that gives effect, to the extent possible, to the intent of the proceeding provisions of this Article XI.

ARTICLE XII

REPRESENTATIONS AND WARRANTIES

12.1 AHP. As of the date hereof each of the statements in this Section 12.1 shall be a true, accurate and full disclosure of all facts relevant to the matters contained herein, and such warranties and representations shall survive the execution of this Agreement. AHP hereby represents and warrants that:

(a) AHP is a duly organized and validly existing Kansas corporation, which has the requisite power and authority to enter into and carry out the terms and conditions of this Agreement;

(b) All issued and outstanding shares of capital stock of AHP are owned by American Health Properties, Inc., a Delaware corporation, free and clear of any security interests, liens or encumbrances whatsoever;

(c) All action required to be taken by AHP to consummate the transactions contemplated by this Agreement has been taken; and no further approval of any board, court, or other body is necessary in order to permit AHP to consummate the transactions contemplated by this Agreement;

(d) There are no disputes, claims, actions, suits, or proceedings, arbitrations or investigations, either administrative or judicial, pending or, to the knowledge of AHP threatened or contemplated, against or affecting AHP or its business, operations, financial condition or assets or its ability to consummate the transactions contemplated herein, at law or in equity or otherwise, before or by any court or governmental agency or body, domestic or foreign, or before an arbitrator of any kind. AHP is not in default in respect of any judgment, order, writ, injunction, or decree of any court or governmental agency or body, domestic or foreign, or of any arbitrator of any kind, and the execution and delivery of this Agreement by AHP, and AHP's performance of its obligations hereunder, will not constitute an event of default under any agreement by which AHP or its properties is bound or result in any encumbrance upon the properties or assets of AHP; and

(e) AHP is acquiring its interest in the Partnership for investment and without a view to the distribution thereof.

12.2 CMSWR. As of the date hereof each of the statements in this Section 12.2 shall be a true, accurate and full disclosure of all facts relevant to the matters contained herein, and such warranties and representations and covenants shall survive the execution of this Agreement. CMSWR hereby represents and warrants that:

(a) It is acquiring its interest in the Partnership for investment and without a view to the distribution thereof;

(b) It is a duly organized and validly existing Kansas corporation and has the requisite power and authority to enter into and carry out the terms and conditions of this Agreement;

(c) All action required to be taken by it to consummate the transactions contemplated by this Agreement has been taken by it; and no further approval of any board, court, or other body is necessary in order to permit it to consummate the transactions contemplated by the Agreement; all of its issued and outstanding capital stock is owned by Continental Medical Systems, Inc., a Delaware corporation; and

(d) There are no disputes, claims, actions, suits, or proceedings, arbitrations or investigations, either administrative or judicial, pending or, to the knowledge of CMSWR, threatened or contemplated, against or affecting CMSWR or its business, operations financial condition or assets or its ability to consummate the transactions contemplated herein, at law or in equity or otherwise, before or by any court or governmental agency or body, domestic or foreign, or before an arbitrator of any kind. CMSWR is not in default in respect of any judgment, order, writ, injunction, or decree of any court or governmental agency or body, domestic or foreign, or of an arbitrator of any kind and the execution and delivery of this Agreement by CMSWR, and CMSWR's performance of its obligations hereunder, will not constitute an event of default under any agreement by which CMSWR or its properties is bound or result in any encumbrance upon the properties or assets of CMSWR.

ARTICLE XIII

POWER OF ATTORNEY

13.1 Power of Attorney. The Limited Partners, including any additional or substituted Limited Partners, by the execution of this Agreement or any counterpart thereof or joining agreement with respect thereto, do hereby irrevocably constitute and appoint the General Partner and any person or entity which duly becomes a substitute or additional General Partner of the Partnership in accordance with this Agreement, and each of them acting singly, in each case with full power of substitution, his true and lawful agent and attorney-in-fact, with full power and authority in his name, place and stead, to make, execute, acknowledge, swear to, deliver, file and record such documents and instruments as may be necessary or appropriate to carry out the provisions of this Agreement in accordance with its terms, including, but not limited to, (a) such amendments to this Agreement and the Partnership's Certificate of Limited Partnership, as amended from time to time, as are necessary to admit substituted Partners to the Partnership, (b) such documents and instruments as are necessary to cancel the Partnership's Certificate of Limited Partnership, or to effect any amendments thereto required or permitted by law and the provisions of this Agreement, (c) all certificates and other instruments deemed advisable by the General Partner to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in the States of Delaware and Kansas, (d) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Partnership and (e) all other instruments which may be required or permitted by law to be filed on behalf of the Partnership. The foregoing power of attorney, being coupled with an interest, to the maximum extent permitted by applicable law it is hereby declared to be irrevocable, and shall survive the death, Bankruptcy, dissolution or incapacity of any Limited Partner.

ARTICLE XIV

ELECTION OF REMEDIES: BUY/SELL; SPECIFIC PERFORMANCE

14.1 Buy/Bell Events. In addition to any other remedies which it may have at law or equity or hereunder, if, within thirty (30) days after notice from a Partner specifying a material default of another Partner in its covenants, agreements or obligations herein, the notified Partner has not commenced diligently to correct the default or defaults so specified (each such uncorrected default, a "Buy/Sell Event"), the notifying Partner and each other Partner shall have the right to purchase such Defaulting Partner's interest in the Partnership in accordance with the terms and conditions of this Article XIV, provided that if the Defaulting Partner is the General Partner, no Partner shall have any rights under this Article XIV without the Consent of the Limited Partners.

14.2 Notice of Exercise. If a default occurs with respect to a Partner, each other Partner (the "Electing Partner or Partners", as the case may be) shall have the right, but not the obligation, as long as such default has not been cured, to implement the Buy/Sell procedures set forth in this Article XIV, by giving written notice ("Election Notice") within thirty (30) days of the default to the Defaulting Partner.

14.3 Determination of Fair Market Value. The Fair Market Value of the assets of the Partnership shall be determined by one or more real estate appraisers appointed by the Electing Partner (or Partners, if there be more than one) within 15 days after the Election Notice is given, who shall be members of the American Institute of Real Estate Appraisers. The appraiser or appraisers shall value the assets of the Partnership within sixty (60) days of their selection. If one appraiser acts, the Fair Market Value shall be the amount determined by such appraiser. If two or more appraisers act, the Fair Market Value shall be the average of the amounts so determined. This provision for determination by appraisal shall be specifically enforceable to the extent such remedy is available under applicable law, and the determination of Fair Market Value hereunder shall be final and binding upon the parties.

14.4 Appraisal and Other Fees, Costs and Expenses. The Defaulting Partner or Partners shall pay the fees, costs and expenses of the appraiser or appraisers used under this Article XIV and all other costs and expenses incurred by the Electing Partner or Partners in connection with a purchase and sale hereunder.

14.5 Determination of Purchase Price. Within fifteen (15) days after the determination of the Fair Market Value of the assets of the Partnership, the Independent Accountants shall determine the amount of cash which would be distributed to each Partner pursuant to the provisions of Section 6.3 ("Distributable Cash") if the assets of the Partnership were sold for the Fair Market Value and shall give each Partner written notice ("Accountant's Notice") thereof. The determination by the Independent Accountant of such amounts shall be conclusive.

14.6 Electing Partners' Option. For a period of thirty (30) days after the Electing Partner or Partners, as the case may be, receive the Accountant's Notice, the Electing Partner or Partners shall have the option to purchase, for cash, the interest of the Defaulting Partner for the Distributable Cash which would be distributed to the Defaulting Partner less fees, costs and expenses incurred by the Electing Partner or Partners under Section 14.4 (the "Purchase Price"), by notice to the

Defaulting Partner. If this option is not so exercised, then it shall terminate and be of no further force or effect. If there is more than one Electing Partner, such purchases shall be made pro rata in accordance with their proportionate interests in the Partnership immediately prior to their election to purchase hereunder, or in such other proportions as they may agree upon.

14.7 Closing of Purchase and Sale. The closing of a purchase pursuant to this Article XIV shall be held at the principal office of the Partnership ninety (90) days after the Electing Partner or Partners exercises its or their option under Section 14.6. The Defaulting Partner (the seller) shall transfer to the Electing Partner or Partners (the buyer) the entire interest of the Defaulting Partner in the Partnership free and clear of all liens, security interest and competing claims, and shall deliver to the Electing Partner or Partners such instruments of transfer, releases and such evidence of due authorization, execution and delivery and of the absence of any liens, security interests or competing claims as the Electing Partner or Partners shall reasonably request.

14.8 Payment. At the closing, the Electing Partner or Partners shall pay the Purchase Price by delivery at the closing of a certified or bank cashier's check payable to the order of the Defaulting Partner in the amount of the Purchase Price.

14.9 Specific Performance. The General Partner acknowledges and agrees that the services to be performed by it under this Agreement are unique and that in the event of the General Partner's breach of, or other failure to perform, any of its obligations under this Agreement, any Limited Partner may, in addition to obtaining any other remedy or relief available to it (including, without limitation, damages at law), enforce all of the provisions of this Agreement by injunction and other equitable remedies.

14.10 Election of Remedies. Nothing contained in this Article XIV shall relieve any Partner from its duties and obligations hereunder or shall relieve any Partner for any liability resulting from its failure to perform such duties, it being agreed that this Article XIV provides remedies for a default at the election of the Partners which do not limit the availability or application of any other remedies (including, without limitation, the remedies provided under Article V) that such Partners may have.

ARTICLE XV

MISCELLANEOUS

15.1 Notices. All notices required or permitted by this Agreement shall be in writing and may be delivered in person to either party or may be sent by registered or certified mail, or by nationally recognized express courier with postage prepaid, return receipt requested, or may be transmitted by telegraph, and addressed, in the case of AHP of Wichita, Inc. to:

AHP of Wichita, Inc.
c/o American Health Properties, Inc.
11150 Santa Monica Boulevard
Los Angeles, CA 90025
Attn: President

with copies of all notices to:

Steven A. Roseman, Esquire
Ervin. Cohen & Jessup
9401 Wilshire Boulevard
9th Floor
Beverly Hills, CA 90212

and a copy to:

American Health Properties, Inc.
11150 Santa Monica Boulevard, Suite 800
Los Angeles, CA 90025
Attn: General Counsel

in case of CMSWR to:

CMS Wichita Rehabilitation, Inc.
c/o Continental Medical Systems, Inc.
600 Wilson Lane, P.O. Box 715
Mechanicsburg, PA 17055
Attn: Vice President, Legal Affairs

and a copy to:

Drinker, Biddle & Reath
1100 PNB Building
Broad & Chestnut streets
Philadelphia, PA 19107
ATTN: Ralph Rodak, Esq.

or to such other address as shall, from time to time, be supplied in writing by any Partner to the General Partner. Any notice or other document sent or delivered shall be effective only if and when received, but receipt shall be conclusively deemed accomplished when such notice is received by whatever acceptable method or methods of transmission at the address of any Partner as recorded on the books and records of the Partnership, without regard to the position or authorization of any person present who may accept or acknowledge receipt of such notice.

15.2 Successors and Assigns. Subject to the restrictions on transfer set forth herein, this Agreement shall bind and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

15.3 No Oral Modifications; Amendments. No oral amendment of this Agreement shall be binding on the Partners. Any modification or amendment of this Agreement must be in writing signed by all of the Partners.

15.4 Captions. Any article, Section or paragraph titles or captions contained in this Agreement and the table of contents are for convenience of reference only and shall not be deemed a part of this Agreement.

15.5 Terms. Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the Person may in the context require. Any reference to the Code, Act or other statutes or laws shall include all amendments, modifications or replacements of the specific sections and provisions concerned.

15.6 Invalidity. If any provision of this Agreement shall be held invalid, it shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

15.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument, binding on the Partners, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

15.8 Further Assurances. The parties hereto agree that they will cooperate with each other and will execute and deliver, or cause to be delivered, all such other instruments, and will take all such other actions, as either party hereto may reasonably request from time to time in order to effectuate the provisions and purposes hereof.

15.9 Complete Agreement. This Agreement constitutes the complete and exclusive statement of the agreement between the Partners with respect to the matters to which it relates. It supersedes all prior written and oral statements and no representation, statement, condition or warranty not contained in this Agreement shall be binding on the Partners or have any force or effect whatsoever.

15.10 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Delaware.

15.11 No Third Party Beneficiary. Any agreement to pay any amount and any assumption of liability herein contained, express or implied, shall be only for the benefit of the Partners and their respective heirs, successors and assigns, and such agreements and assumption shall not inure to the benefit of the obligees of any indebtedness or any other party whomsoever, it being the intention of the Partners that no one shall be deemed to be a third party beneficiary of this Agreement.

15.12 Exhibits. Each Exhibit attached hereto is hereby incorporated herein and made a part hereof for all purposes, and references herein thereto shall be deemed to include this reference and incorporation.

15.13 Estoppels. Each Partner shall, upon not less than fifteen (15) days' written notice from any other Partner, execute and deliver to such other Partner a statement certifying that this Agreement is unmodified and in full force and effect (or, if modified, the nature of the modification) and whether or not there are, to such Partners' knowledge, any uncured defaults on the part of any other Partner, specifying such defaults if any are claimed. Any such statement may be relied upon by third parties.

15.14 References to this Agreement. Numbered or lettered articles, sections and subsections herein contained refer to articles, sections and subsections of this Agreement unless otherwise expressly stated. The words "herein," "hereof," "hereunder," "this Agreement" and other similar references shall be construed to mean and include this Partnership Agreement and all amendments and supplements thereto unless the context shall clearly indicate or require otherwise.

15.15 Consents and Approvals. Whenever the consent or approval of a Partner is required by this Agreement, such Partner shall have the right to give or withhold such consent or approval in its sole discretion, unless otherwise specified.

15.16 Cooperation. The Investment Partnership expects to make a private placement of partnership interests in itself. The General Partner and the Partnership shall cooperate with all reasonable requests of The Investment Partnership for the purposes of enabling it to make such a private placement. Without limiting the generality of the foregoing, the General Partner shall make available to The Investment Partnership, for such purposes, audited financial statements and such other information pertaining to the business and prospects of the Partnership or the General Partner as The Investment Partnership may reasonably be required to include in any offering memoranda distributed to prospective purchasers of such interests, and shall, upon reasonable notice and at reasonable times, permit The Investment Partnership, its authorized representatives, counsel

and independent accountants to have such access to the properties and relevant books and records of the Partnership or the General Partner as it shall reasonably request. All costs and expenses incurred in connection with the obligations of the Partnership and the General Partner under this Section 15.16 shall be borne by CMSWR or The Investment Partnership.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

GENERAL PARTNER:

AHP OF WICHITA, INC.

By: /s/ C. Gregory Schonert

CLASS A LIMITED PARTNER:

AHP OF WICHITA, INC.

By: /s/ C. Gregory Schonert

CLASS B LIMITED PARTNER:

CMS WICHITA REHABILITATION, INC.

By: /s/ Brian L. Barth
Brian L. Barth
Vice President

Exhibit 3.19

THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF MEDICAL PROPERTIES TRUST, LLC

THIS THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT, is made and entered into on March 30, 2004, by and among MEDICAL PROPERTIES TRUST, LLC, a Delaware limited liability company (the "Company) and Medical Properties Trust, Inc., a Maryland corporation (hereinafter referred to as the "Sole Member").

W I T N E S S E T H:

WHEREAS, the Company was organized pursuant to the Delaware Limited Liability Company Act (the "Act"), as set forth in the Delaware Code, § 18-101 et seq., as the same may be amended from time to time on December 6, 2002;

WHEREAS, the Company and its Members entered into a Limited Liability Company Agreement on December 6, 2002, a First Amended and Restated Limited Liability Company Agreement on May 1, 2003 and a Second Amended and Restated Limited Liability Company Agreement on June 19, 2003; and

WHEREAS, the parties desire to enter into this Third Amended and Restated Limited Liability Company Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth below, the parties hereby agree as follows:

1. MEMBERSHIP INTERESTS. The Sole Member currently owns one hundred percent (100%) of the percentage interests in the Company.

2. MANAGEMENT BY MEMBER(S). The Management of the Company shall be vested in its members. The members shall have the exclusive right, power and authority to manage and operate the business and affairs of the Company and to authorize any act or transaction on behalf of the Company. The members may from time to time appoint and delegate authority to act on behalf of the Company to such officers as the members deem appropriate. Any deed, agreement or other instrument, whether or not for apparently carrying on in the usual way the business or affairs of the Company, shall be binding on the Company and may be relied upon by any person or entity which is supplied with such executed deed, agreement or other instrument, if the same is executed on behalf of the Company by a member.

3. GOVERNING LAW. This Third Amended and Restated Limited Liability Company Agreement shall be interpreted, construed and enforced in accordance with the Act and the laws of the State of Delaware, without giving effect to its choice of law provisions.

4. ENTIRE AGREEMENT. This Third Amended and Restated Limited Liability Company Agreement constitutes the entire agreement of the parties and supersedes all prior agreements.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Third Amended and Restated Limited Liability Company Agreement on the date first set forth above.

MEDICAL PROPERTIES TRUST, LLC
BY: MEDICAL PROPERTIES TRUST, INC.
ITS: SOLE MEMBER

By: /s/ Edward K. Aldag, Jr.
Its Chairman, President and CEO

MEDICAL PROPERTIES TRUST, INC.

By: /s/ Edward K. Aldag, Jr.
Its Chairman, President and CEO

MPT OPERATING PARTNERSHIP, L.P.
and
MPT FINANCE CORPORATION,
as Issuers,

MEDICAL PROPERTIES TRUST, INC.,
as Parent and a Guarantor,

the other GUARANTORS named herein,
as Guarantors,

and

WILMINGTON TRUST, NATIONAL ASSOCIATION
as Trustee

INDENTURE

Dated as of [ ]

[ ]% Senior Notes due [ ]

CROSS-REFERENCE TABLE

Trust Indenture Act Section		Indenture Section
310	(a)(1)	7.10
(a)(2)		7.10
(a)(3)		N.A.
(a)(4)		N.A.
(a)(5)		7.08; 7.10
(b)		7.08; 7.10; 11.02
(c)		N.A.
311	(a)	7.11
(b)		7.11
(c)		N.A.
312	(a)	2.05
(b)		11.03
(c)		11.03
313	(a)	7.06
(b)(1)		7.06
(b)(2)		7.06
(c)		7.06; 11.02
(d)		7.06
314	(a)	4.05; 4.15; 11.02
(b)		N.A.
(c)(1)		7.02, 11.04, 11.05
(c)(2)		7.02; 11.04, 11.05
(c)(3)		N.A.
(d)		N.A.
(e)		11.05
(f)		N.A.
315	(a)	7.01(b); 7.02(a)
(b)		7.05; 11.02
(c)		7.01
(d)		6.05; 7.01(c)
(e)		6.11
316	(a)(last sentence)	2.09
(a)(1)(A)		6.05
(a)(1)(B)		6.04
(a)(2)		9.02
(b)		6.07
(c)		9.04
317	(a)(1)	6.08
(a)(2)		6.09
(b)		2.04
318	(a)	11.01
(c)		11.01

N.A. means Not Applicable

Note: This Cross-Reference Table shall not, for any purpose, be deemed to be a part of this Indenture.

TABLE OF CONTENTS

Note: This Table of Contents shall not, for any purpose, be deemed to be part of this Indenture.

INDENTURE dated as of [ ], among MPT Operating Partnership, L.P., a Delaware limited partnership ("Opco"), MPT Finance Corporation, a Delaware corporation ("Finco" and, together with Opco, the "Issuers", each, an "Issuer"), Medical Properties Trust, Inc., a Maryland corporation (the "Parent"), as Guarantor, each of the other Guarantors named herein, as Guarantors, and Wilmington Trust, National Association, existing under the laws of the United States of America, as Trustee (the "Trustee").

The Issuers have duly authorized the creation of an issue of [ ]% Senior Notes due [ ] and, to provide therefor, the Issuers, the Parent and the other Guarantors have duly authorized the execution and delivery of this Indenture. All things necessary to make the Notes, when duly issued and executed by the Issuers and authenticated and delivered hereunder, the valid and binding obligations of the Issuers and to make this Indenture a valid and binding agreement of the Issuers and the Guarantors have been done.

THIS INDENTURE WITNESSETH

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, the parties hereto covenant and agree, for the equal and proportionate benefit of all Holders, as follows:

ARTICLE ONE

Definitions and Incorporation by Reference

SECTION 1.01. Definitions. Set forth below are certain defined terms used in this Indenture.

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or that is assumed in connection with an Asset Acquisition from such Person by a Restricted Subsidiary; *provided*, *however*, that Indebtedness of such Person that is redeemed, defeased, retired or otherwise repaid at the time of or immediately upon consummation of the transactions by which such Person becomes a Restricted Subsidiary or such Asset Acquisition shall not be Acquired Indebtedness.

"Acquisition" means the acquisition by certain wholly-owned subsidiaries as contemplated under the Transaction Agreement.

"Adjusted Total Assets" means, for any Person, the sum of:

(1) Total Assets for such Person as of the end of the fiscal quarter preceding the Transaction Date; and

(2) any increase in Total Assets following the end of such quarter determined on a *pro forma* basis, including any *pro forma* increase in Total Assets resulting from the application of the proceeds of any additional Indebtedness.

"Affiliate" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agent" means any Registrar or Paying Agent.

"Applicable Premium" means with respect to a Note at any redemption date, the greater of (1) 1.00% of the principal amount of such Note and (2) the excess of (a) the present value at such redemption date of (i) the redemption price of the Note at [ ] (such redemption price being set forth in the table appearing in Section 5 of the Notes) plus (ii) all required interest payments due on the Note through [ ] (excluding interest paid prior to the redemption date and accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points, over (b) the principal amount of the Note on such redemption date.

The Trustee shall not be responsible for the calculation of, or otherwise required to verify, the Applicable Premium.

"April Issue Date" means April 26, 2011, the date of issuance of the Issuers' 6.875% Senior Notes due 2021.

"Asset Acquisition" means:

(1) an investment by an Issuer or any of its Restricted Subsidiaries in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be merged, amalgamated or consolidated with and into an Issuer or any of its Restricted Subsidiaries; *provided*, *however*, that such Person's primary business is related, ancillary, incidental or complementary to the businesses of the Issuers or any of their Restricted Subsidiaries on the date of such investment; or

(2) an acquisition by an Issuer or any of its Restricted Subsidiaries from any other Person of assets or one or more properties of such Person; *provided*, *however*, that the assets and properties acquired are related, ancillary, incidental or complementary to the businesses of the Issuers or any of their Restricted Subsidiaries on the date of such acquisition.

"Asset Disposition" means the sale or other disposition by an Issuer or any of the Restricted Subsidiaries, other than to an Issuer or another Restricted Subsidiary, of:

(1) all or substantially all of the Capital Stock of any Restricted Subsidiary, whether in a single transaction or a series of transactions; or

(2) all or substantially all of the assets that constitute a division or line of business, or one or more properties, of an Issuer or any of the Restricted Subsidiaries, whether in a single transaction or a series of transactions.

"Asset Sale" means any sale, transfer or other disposition, including by way of merger, consolidation or Sale and Leaseback Transaction, in one transaction or a series of related transactions by an Issuer or any of the Restricted Subsidiaries to any Person other than an Issuer or any of the Restricted Subsidiaries of:

(1) all or any of the Capital Stock of any Restricted Subsidiary;

(2) all or substantially all of the assets that constitute a division or line of business of an Issuer or any of its Restricted Subsidiaries; or

(3) any property and assets of an Issuer or any of its Restricted Subsidiaries outside the ordinary course of business of such Issuer or such Restricted Subsidiary and, in each case, that is not governed by the provisions of Section 5.01;

provided, *however*, that "Asset Sale" shall not include:

(1) the lease or sublease of any Real Estate Asset;

(2) sales, leases, assignments, licenses, sublicenses, subleases or other dispositions of inventory, receivables and other current assets;

(3) the sale, conveyance, transfer, lease, disposition or other transfer of all or substantially all of the assets of the Issuers as permitted under Section 5.01;

(4) the license or sublicense of intellectual property or other general intangibles;

(5) the issuance of Capital Stock by a Restricted Subsidiary in which the percentage interest (direct and indirect) in the Capital Stock of such Restricted Subsidiary owned by the Issuers after giving effect to such issuance, is at least equal to the percentage interest prior to such issuance;

(6) the surrender or waiver of contract rights or settlement, release or surrender of a contract, tort or other litigation claim in the ordinary course of business;

(7) any Restricted Payment permitted by Section 4.09 or that constitutes a Permitted Investment;

(8) sales, transfers or other dispositions of assets or the issuance of Capital Stock of a Restricted Subsidiary with a fair market value not in excess of $10,000,000 in any transaction or series of related transactions;

(9) sales or other dispositions of assets for consideration at least equal to the fair market value of the assets sold or disposed of, to the extent that the consideration received would satisfy Section 4.11(c)(2);

(10) sales or other dispositions of cash or Temporary Cash Investments;

(11) the creation, granting, perfection or realization of any Lien permitted under this Indenture;

(12) the lease, assignment or sublease of property in the ordinary course of business so long as the same does not materially interfere with the business of the Issuers and their Restricted Subsidiaries, taken as a whole;

(13) sales, exchanges, transfers or other dispositions of damaged, worn-out or obsolete or otherwise unsuitable or unnecessary equipment or assets that, in the Parent's reasonable judgment, are no longer used or useful in the business of the Issuers or their Restricted Subsidiaries and any sale or disposition of property in connection with scheduled turnarounds, maintenance and equipment and facility updates;

(14) to the extent allowable under Section 1031 of the Code, any exchange of like property (excluding any boot thereon) for use in a Permitted Business between an Issuer or any Restricted Subsidiary and another Person;

(15) the voluntary unwinding of any hedging agreements or other derivative instruments (including any Interest Rate Agreements and Currency Agreements) other than those entered into for speculative purposes; and

(16) solely for purposes of clauses (1) and (2) of Section 4.12(b), any foreclosures, expropriations, condemnations or similar actions with respect to assets.

"Attributable Debt" in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value of the total obligations of the lessee for net rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction. For purposes hereof such present value shall be calculated using a discount rate equal to the rate of interest implicit in such Sale and Leaseback Transaction, determined by lessee in good faith on a basis consistent with comparable determinations of Capitalized Lease Obligations under GAAP; *provided*, *however*, that if such sale and leaseback transaction results in a Capitalized Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capitalized Lease Obligations."

"Average Life" means at any date of determination with respect to any debt security, the quotient obtained by dividing:

(1) the sum of the products of:

(x) the number of years from such date of determination to the dates of each successive scheduled principal payment of such debt security, and

(y) the amount of such principal payment; by

(2) the sum of all such principal payments.

"Bankruptcy Law" means Title 11 of the United States Code, as amended, or any insolvency or other similar Federal or state law for the relief of debtors.

"Board of Directors" means, as to any Person, the board of directors (or similar governing body) of such Person or any duly authorized committee thereof.

"Board Resolution" means, with respect to any Person, a copy of a resolution certified by the Secretary or an Assistant Secretary of such Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day" means a day other than a Saturday, Sunday or any other day on which banking institutions in New York City or the location of the Corporate Trust Office of the Trustee are authorized or required by law, regulation or executive order to close.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting), including partnership or limited liability company interests, whether general or limited, in the equity of such Person, whether outstanding on the Issue Date or issued thereafter, including all Common Stock and Preferred Stock.

"Capitalized Lease" means, as applied to any Person, any lease of any property, whether real, personal or mixed, of which the discounted present value of the rental obligations of such Person as lessee, in conformity with GAAP, is required to be capitalized on the balance sheet of such Person.

"Capitalized Lease Obligations" means, at the time any determination is to be made, the amount of the liability in respect of a Capitalized Lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP.

"Change of Control" means the occurrence of one or more of the following events:

(1) any sale, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of Opco and its Subsidiaries taken as a whole to any "person" or "group" (as such terms are defined in Sections 13(d) and l4(d)(2) of the Exchange Act), together with any Affiliates thereof (whether or not otherwise in compliance with the provisions of this Indenture); *provided*, *however*, that for the avoidance of doubt, the lease of all or substantially all of the assets of Opco and its Subsidiaries taken as a whole shall not constitute a Change of Control;

(2) a "person" or "group" (as such terms are defined in Sections 13(d) and l4(d)(2) of the Exchange Act), becomes the ultimate "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of more than 50% of the total voting power of the Voting Stock of Opco or any of its direct or indirect parent companies on a fully diluted basis;

(3) the approval by the holders of Capital Stock of an Issuer of any plan or proposal for the liquidation or dissolution of an Issuer (whether or not otherwise in compliance with the provisions of this Indenture); or

(4) individuals who on the Issue Date constitute the Board of Directors of the Parent (together with any new or replacement directors whose election by the Board of Directors of the Parent or whose nomination by the Board of Directors of the Parent for election by the Parent's shareholders was approved by a vote of at least a majority of the members of the Board of Directors of the Parent then still in office who either were members of the Board of Directors of the Parent on the Issue Date or whose election or nomination for election was so approved) cease for any reason to constitute a majority of the members of the Board of Directors of the Parent then in office.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) that have no preference on liquidation or with respect to distributions over any other class of Capital Stock, including partnership interests, whether general or limited, of such Person's equity, whether outstanding on the Issue Date or issued thereafter, including all series and classes of common stock.

"Common Units" means the common units of Opco, as defined in Opco's limited partnership agreement.

"Consolidated EBITDA" means, for any period, the aggregate net income (or loss) (before giving effect to cash dividends on preferred units of Opco (or distributions to Parent to pay dividends on preferred stock of Parent) or charges resulting from the redemption of preferred units of Opco (or preferred stock of Parent) attributable to Opco and its Restricted Subsidiaries for such period determined on a consolidated basis in conformity with GAAP

I. excluding (without duplication):

(1) the net income of any Person, other than an Issuer or a Restricted Subsidiary, except to the extent of the amount of dividends or other distributions actually paid in cash (or to the extent converted into cash) or Temporary Cash Investments to an Issuer or any of its Restricted Subsidiaries by such Person during such period and the net losses for any such Person shall only be included to the extent funded with cash from an Issuer or a Restricted Subsidiary;

(2) the cumulative effect of a change in accounting principles;

(3) all extraordinary gains and extraordinary losses together with any related provision for taxes on such gains and losses;

(4) any fees and expenses (including any transaction or retention bonus) incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, asset disposition, issuance or repayment of debt, issuance of equity securities, refinancing transaction or amendment or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Issue Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction;

(5) any income (loss) for such period attributable to the early extinguishment of Indebtedness, hedging agreements or other derivative instruments;

(6) any after-tax gains or losses attributable to asset dispositions (including any Asset Sales) or abandonments (including any disposal of abandoned or discontinued operations) or the sale or other disposition of any Capital Stock of any Person other than in the ordinary course of business as determined in good faith by the Issuers; and

(7) all non-cash items increasing net income;

II. increased by, to the extent such amount was deducted in calculating such net income (without duplication):

(a) Consolidated Interest Expense;

(b) provision for taxes based on income or profits or capital gains, including federal, state, provincial, franchise, excise and similar taxes and foreign withholding taxes;

(c) depreciation and amortization (including without limitation amortization of deferred financing fees or costs, amortization or impairment write-offs of goodwill and other intangibles, long lived assets and Investments in debt and equity securities, but excluding amortization of prepaid cash expenses that were paid in a prior period);

(d) non-recurring charges (including any unusual or non-recurring operating expenses directly attributable to the implementation of cost savings initiatives), severance, relocation costs, integration and facilities' opening costs, signing costs, retention or completion bonuses, transition costs, rent expense on operating leases to the extent that a liability for such rent has been established in purchase accounting or through a restructuring provision (and accretion of the discount on any such liability), costs related to closure/consolidation of facilities and curtailments or modifications to pension and post-retirement employee benefit plans (including any settlement of pension liabilities) excluding, in all cases under this clause (d), cash restructuring charges, accruals and reserves; and

(e) all Non-Cash Charges, and

III. increased (by losses) or decreased (by gains) by (without duplication) any net noncash gain or loss resulting in such period from hedging or other derivative instruments (including any Interest Rate Agreements or Currency Agreements) and the application of Accounting Standards Codification 815.

Notwithstanding the preceding, the income taxes of, and the depreciation and amortization and other non-cash items of, a Subsidiary shall be added (or subtracted) to net income to compute Consolidated EBITDA only to the extent (and in the same proportion) that net income of such Subsidiary was included after giving effect to the impact of clause (1) above.

"Consolidated Interest Expense" means, for any period, the aggregate amount of interest expense, less the aggregate amount of interest income for such period, in respect of Indebtedness of the Issuers and the Restricted Subsidiaries during such period, all as determined on a consolidated basis in conformity with GAAP including (without duplication):

(1) the interest portion of any deferred payment obligations;

(2) all commissions, discounts and other fees and expenses owed with respect to letters of credit and bankers' acceptance financing;

(3) the net cash costs associated with Interest Rate Agreements and Indebtedness that is Guaranteed or secured by assets of an Issuer or any Restricted Subsidiary; and

(4) all but the principal component of rentals in respect of Capitalized Lease Obligations paid, accrued or scheduled to be paid or to be accrued by an Issuer and the Restricted Subsidiaries;

excluding, to the extent included in interest expense above, (i) accretion of accrual of discounted liabilities not constituting Indebtedness, (ii) any expense resulting from the discounting of any Indebtedness in connection with the application of purchase accounting in connection with any acquisition, (iii) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses, (iv) any expensing of bridge, commitment or other financing fees and (v) non-cash costs associated with Interest Rate Agreements and Currency Agreements or attributable to mark-to-market valuation of derivative instruments pursuant to GAAP.

"Corporate Trust Office" for administration of this Indenture means the corporate trust office of the Trustee located at Rodney Square North, 1100 N. Market Street, Wilmington, DE 19890-0001, Attention: Corporate Trust Administration, or such other office, designated by the Trustee by written notice to the Issuers, at which at any particular time its corporate trust business shall be administered.

"Credit Agreement" means the Amended and Restated Revolving Credit Agreement, dated as of April 26, 2011, by and among Opco and the Restricted Subsidiaries now or hereafter party thereto as borrowers or guarantors, the Parent as guarantor, the lenders party thereto in their capacities as lenders thereunder and JPMorgan Chase Bank, N.A., as administrative agent, together with the related documents thereto (including any guarantee agreements and security documents).

"Credit Facility" means one or more credit or debt facilities (including any credit or debt facilities provided under the Credit Agreement), financings, commercial paper facilities, note purchase agreements or other debt instruments, indentures or agreements, providing for revolving credit loans, term loans,

swing line loans, notes, securities, letters of credit or other debt obligations, in each case, as amended, restated, modified, renewed, refunded, restructured, supplemented, replaced or refinanced in whole or in part from time to time, including any amendment increasing the amount of Indebtedness incurred or available to be borrowed thereunder, extending the maturity of any Indebtedness incurred thereunder or contemplated thereby or deleting, adding or substituting one or more parties thereto (whether or not such added or substituted parties are banks or other lenders or investors).

"Currency Agreement" means any foreign exchange contract, currency swap agreement or other similar agreement or arrangement.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Depository" means The Depository Trust Company, New York, New York, or a successor thereto registered under the Exchange Act or other applicable statute or regulation.

"Designated Non-Cash Consideration" means the fair market value of non-cash consideration received by an Issuer or any of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, executed by the principal financial officer of the Issuers, less the amount of cash or Temporary Cash Investments received in connection with a subsequent sale of or collection on such Designated Non-Cash Consideration.

"Disqualified Stock" means any class or series of Capital Stock of any Person that by its terms or otherwise is:

(1) required to be redeemed on or prior to the date that is 91 days after the Stated Maturity of the Notes;

(2) redeemable at the option of the holder of such class or series of Capital Stock, at any time on or prior to the date that is 91 days after the Stated Maturity of the Notes (other than into shares of Capital Stock that is not Disqualified Stock); or

(3) convertible into or exchangeable for Capital Stock referred to in clause (1) or (2) above or Indebtedness having a scheduled maturity on or prior to the date that is 91 days after the Stated Maturity of the Notes;

provided, *however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the Stated Maturity of the Notes shall not constitute Disqualified Stock if the "asset sale" or "change of control" provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in Sections 4.07 and 4.11 and such Capital Stock specifically provides that such Person shall not repurchase or redeem any such stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.09. Disqualified Stock shall not include (i) Capital Stock which is issued to any plan for the benefit of employees of the Parent or its Subsidiaries or by any such plan to such employees solely because it may be required to be repurchased by the Parent or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations and (ii) Capital Stock issued to any future, present or former employee, director, officer or consultant of the Parent, an Issuer (or any of their respective direct or indirect parents or Subsidiaries) which is redeemable or subject to repurchase pursuant to any management equity subscription agreement, stock option agreement, stock ownership plan, put agreement, stockholder agreement or similar agreement that may be in effect from time to time. Disqualified Stock shall not include Common Units.

"Equity Offering" means a public or private offering of Capital Stock (other than Disqualified Stock) of Opco or the Parent to the extent the net proceeds thereof are contributed to Opco as Capital Stock (other than Disqualified Stock).

"Escrow Agent" means Wilmington Trust, National Association, as escrow agent under the Escrow Agreement or any successor escrow agent as set forth in the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement to be dated as of the Issue Date, among the Issuers, the Trustee and the Escrow Agent, as amended, supplemented, modified, extended, renewed, restated or replaced in whole or in part from time to time.

"Escrow End Date" means May , 2012.

"Escrow Proceeds" means an amount sufficient to redeem, for cash, the Notes at a redemption price equal to the offering price to the public of the Notes offered on the Issue Date, together with accrued and unpaid interest on the Notes, in each case, from the Issue Date up to but not including the date of the Special Mandatory Redemption.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

"fair market value" means the price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy. For purposes of determining compliance with Article Four of this Indenture, any determination that the fair market value of assets other than cash or Temporary Cash Investments is equal to or greater than $20,000,000 shall be as determined in good faith by the Board of Directors of the Parent, whose determination shall be conclusive if evidenced by a Board Resolution, and otherwise by the principal financial officer of the Parent acting in good faith, each of whose determination shall be conclusive.

"Four Quarter Period" means, for purposes of calculating the Interest Coverage Ratio with respect to any Transaction Date, the then most recent four fiscal quarters prior to such Transaction Date for which reports have been filed with the SEC or provided to the Trustee pursuant to Section 4.15.

"Funds From Operations" for any period means the consolidated net income attributable to the Issuers and the Restricted Subsidiaries for such period determined in conformity with GAAP after adjustments for unconsolidated partnerships and joint ventures, plus depreciation and amortization of real property (including furniture and equipment) and other real estate assets and excluding (to the extent such amount was deducted in calculating such consolidated net income):

(1) gains or losses from (a) the restructuring or refinancing of Indebtedness or (b) sales of properties;

(2) non-cash asset impairment charges (including write-offs of former tenant receivables);

(3) non-cash, non-recurring charges (provided, in each case, that if any non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Funds From Operations to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period);

(4) write-offs or reserves of straight-line rent;

(5) fees and expenses incurred in connection with any acquisition or debt refinancing;

(6) executive severance in an amount not to exceed $10,000,000 in the aggregate;

(7) amortization of debt costs; and

(8) any non-cash expenses and costs of the Issuers and their Restricted Subsidiaries that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements.

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the Issue Date (without giving effect to SFAS No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities"), including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession. Except as otherwise specifically provided in this Indenture, all ratios and computations contained or referred to in this Indenture shall be computed in conformity with GAAP applied on a consistent basis.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner, including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness or other obligations.

"Guarantor" means the Parent and each Subsidiary Guarantor.

"Holder" means any registered holder on the books of the Registrar, from time to time, of the Notes.

"Incur" means, with respect to any Indebtedness, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness, including an "Incurrence" of Acquired Indebtedness; *provided*, *however*, that neither the accrual of interest, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, nor the accretion of original issue discount shall be considered an Incurrence of Indebtedness.

"Indebtedness" means, with respect to any Person at any date of determination (without duplication):

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) the face amount of letters of credit or other similar instruments (excluding obligations with respect to letters of credit (including trade letters of credit) securing obligations (other than obligations described in (1) or (2) above or (5), (6) or (7) below) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement);

(4) all unconditional obligations of such Person to pay the deferred and unpaid purchase price of property or services, which purchase price is due more than six months after the date of placing such property in service or taking delivery and title thereto or the completion of such services, except Trade Payables;

(5) all Capitalized Lease Obligations and Attributable Debt;

(6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided*, *however*, that the amount of such Indebtedness shall be the lesser of (A) the fair market value of such asset at that date of determination and (B) the amount of such Indebtedness;

(7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person; and

(8) to the extent not otherwise included in this definition or the definition of Consolidated Interest Expense, obligations under Currency Agreements and Interest Rate Agreements,

in each case if and to the extent that any of the foregoing (other than letters of credit) in clauses (1) through (7) would appear as a liability on a balance sheet (excluding the footnotes) of such Person in accordance with GAAP.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations of the type described above and, with respect to obligations under any Guarantee, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided*, *however*, that:

(1) the amount outstanding at any time of any Indebtedness issued with original issue discount shall be deemed to be the face amount with respect to such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at the date of determination in conformity with GAAP;

(2) Indebtedness shall not include any liability for foreign, Federal, state, local or other taxes;

(3) Indebtedness shall not include any obligations in respect of indemnification, adjustment of purchase price or similar obligations, or from Guarantees or letters of credit, surety bonds or performance bonds, in each case securing any such obligations of the Issuers or any of the Restricted Subsidiaries, in any case Incurred in connection with the disposition of any business, assets or Restricted Subsidiary (other than Guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition) in a principal amount not in excess of the gross proceeds including non-cash proceeds (the fair market value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value) actually received by the Issuer and the Restricted Subsidiaries on a consolidated basis in connection with such disposition; and

(4) Indebtedness shall not include contingent obligations under performance bonds, performance guarantees, surety bonds, appeal bonds or similar obligations incurred in the ordinary course of business and consistent with past practices.

"Indenture" means this Indenture, as amended or supplemented from time to time in accordance with the terms hereof.

"interest" means, unless the context otherwise requires, with respect to the Notes, interest on the Notes.

"Interest Coverage Ratio" means, on any Transaction Date, the ratio of:

(x) the aggregate amount of Consolidated EBITDA for the then applicable Four Quarter Period to

(y) the aggregate Consolidated Interest Expense during such Four Quarter Period.

In making the foregoing calculation (and without duplication),

(1) *pro forma* effect shall be given to any Indebtedness Incurred or repaid during the period ("Reference Period") commencing on the first day of the Four Quarter Period and ending on the Transaction Date (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement), in each case as if such Indebtedness had been Incurred or repaid on the first day of such Reference Period;

(2) Consolidated Interest Expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a *pro forma* basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period;

(3) *pro forma* effect shall be given to Asset Dispositions, Asset Acquisitions and Permitted Mortgage Investments (including giving *pro forma* effect to the application of proceeds of any Asset Disposition and any Indebtedness Incurred or repaid in connection with any such Asset Acquisitions or Asset Dispositions) that occur during such Reference Period or subsequent to the end of the related Four Quarter Period as if they had occurred and such proceeds had been applied on the first day of such Reference Period and after giving effect to Pro Forma Cost Savings;

(4) *pro forma* effect shall be given to asset dispositions and asset acquisitions (including giving *pro forma* effect to (i) the application of proceeds of any asset disposition and any Indebtedness Incurred or repaid in connection with any such asset acquisitions or asset dispositions, (ii) expense and cost reductions calculated on a basis consistent with Regulation S-X under the Exchange Act and (iii) Pro Forma Cost Savings) that have been made by any Person that is or has become a Restricted Subsidiary or has been merged with or into an Issuer or any of its Restricted Subsidiaries during such Reference Period or subsequent to the end of the related Four Quarter Period and that would have constituted asset dispositions or asset acquisitions during

such Reference Period or subsequent to the end of the related Four Quarter Period had such transactions occurred when such Person was a Restricted Subsidiary as if such asset dispositions or asset acquisitions were Asset Dispositions or Asset Acquisitions and had occurred on the first day of such Reference Period;

(5) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense shall not be obligations of the specified Person or any of its Restricted Subsidiaries following the Transaction Date; and

(6) consolidated interest expense attributable to interest on any Indebtedness (whether existing or being incurred) computed on a *pro forma* basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any interest rate option, swap, cap or similar agreement applicable to such Indebtedness if such agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period. Interest on Indebtedness that may optionally be determined at an interest rate based on a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if not, then based upon such operational rate chosen as the Issuers may designate. Interest on any Indebtedness under a revolving credit facility computed on a *pro forma* basis shall be computed based on the average daily balance of such Indebtedness during the applicable period except as set forth in clause (1) of this definition. Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuers to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP;

provided, *however*, that to the extent that clause (3) or (4) of this paragraph requires that *pro forma* effect be given to an Asset Acquisition, Asset Disposition, Permitted Mortgage Investment, asset acquisition or asset disposition, as the case may be, such *pro forma* calculation shall be based upon the four full fiscal quarters immediately preceding the Transaction Date of the Person, or division or line of business, or one or more properties, of the Person that is acquired or disposed of to the extent that such financial information is available or otherwise a reasonable estimate thereof is available.

"Interest Payment Date" means the Stated Maturity of an installment of interest on the Notes.

"Interest Rate Agreement" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement with respect to interest rates.

"Investment" in any Person means any direct or indirect advance, loan or other extension of credit (including by way of Guarantee or similar arrangement, but excluding advances to customers and distributors and trade credit made in the ordinary course of business that are, in conformity with GAAP, recorded as accounts receivable on the consolidated balance sheet of an Issuer and its Restricted Subsidiaries and commission, travel and similar advances to employees, directors, officers, managers and consultants in each case made in the ordinary course of business) or capital contribution to (by means of any transfer of cash or other property (tangible or intangible) to others or any payment for property or services solely for the account or use of others, or otherwise), or any purchase or acquisition of Capital Stock, bonds, notes, debentures or other similar instruments issued by, such Person and shall include:

(1) the designation of a Restricted Subsidiary as an Unrestricted Subsidiary; and

(2) the fair market value of the Capital Stock (or any other Investment), held by an Issuer or any of its Restricted Subsidiaries of (or in) any Person that has ceased to be a Restricted Subsidiary;

provided, *however*, that the fair market value of the Investment remaining in any Person shall be deemed not to exceed the aggregate amount of Investments previously made in such Person valued at the time such Investments were made, less the net reduction of such Investments. For purposes of the definition of "Unrestricted Subsidiary" and Section 4.09:

(i) "Investment" shall include the fair market value of the assets (net of liabilities (other than liabilities to an Issuer or any of its Restricted Subsidiaries)) of any Restricted Subsidiary at the time such Restricted Subsidiary is designated an Unrestricted Subsidiary;

(ii) the fair market value of the assets (net of liabilities (other than liabilities to an Issuer or any of its Restricted Subsidiaries)) of any Unrestricted Subsidiary at the time that such Unrestricted Subsidiary is designated a Restricted Subsidiary shall be considered a reduction in outstanding Investments; and

(iii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer.

"Investment Grade Status" means, with respect to the Issuers, when the Notes have (1) a rating of "Baa3" or higher from Moody's and (2) a rating of "BBB-" or higher from S&P, in each case published by the applicable agency.

"Issue Date" means [ ].

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to give any security interest).

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Net Cash Proceeds" means, with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or Temporary Cash Investments, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Temporary Cash Investments (except to the extent such obligations are financed or sold with recourse to an Issuer or any of its Restricted Subsidiaries) and proceeds from the conversion or sale of other property received when converted to or sold for cash or cash equivalents, net of brokerage and sales commissions and other fees and expenses (including fees and expenses of counsel, accountants and investment bankers) related to such Asset Sale.

"Non-Cash Charges" means (a) all losses from Investments recorded using the equity method, (b) any non-cash expenses and costs of the Issuers and their Restricted Subsidiaries that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements, (c) the non-cash impact of acquisition method accounting, and (d) other non-cash charges (provided, in each case, that if any non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Funds From Operations to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period).

"Notes" means, collectively, the Issuers' [ ]% Senior Notes due [ ] issued in accordance with Section 2.02 (whether issued on the Issue Date, issued as Additional Notes, or otherwise issued after the Issue Date) treated as a single class of securities under this Indenture.

"Officer" means any of the following with respect to any Person: the Chairman of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, Chief Accounting Officer, Chief Operating Officer, the President, any Vice President (whether or not designated by a number or numbers or word or words added before or after the title "Vice President"), the Treasurer, any Assistant Treasurer, the Controller, the General Counsel or the Secretary or any Assistant Secretary of such Person.

"Officer's Certificate" means a certificate signed by an Officer of the Parent, each of the Issuers or a Subsidiary Guarantor, as applicable.

"Opinion of Counsel" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The counsel may be an employee of, or counsel to the Issuers, a Guarantor or the Trustee.

"Pari Passu Indebtedness" means any Indebtedness of an Issuer or any Subsidiary Guarantor that ranks *pari passu* in right of payment with the Notes or the Subsidiary Guarantee thereof by such Subsidiary Guarantor, as applicable.

"Permitted Business" means any business activity (including Permitted Mortgage Investments) in which the Parent, the Issuers and Restricted Subsidiaries are engaged or propose to be engaged in (as described in the Prospectus) on the Issue Date, any business activity related to properties customarily constituting assets of a healthcare REIT, or any business reasonably related, ancillary, incidental or complementary thereto, or reasonable expansions or extensions thereof.

"Permitted Investment" means:

(1) (a) an Investment in an Issuer or any of the Restricted Subsidiaries or (b) a Person that will, upon the making of such Investment, become a Restricted Subsidiary or be merged or consolidated with or into or transfer or convey all or substantially all its assets to, an Issuer or any of its Restricted Subsidiaries and, in each case, any Investment held by such Person; *provided* that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation or transfer;

(2) investments in cash and Temporary Cash Investments;

(3) Investments made by an Issuer or the Restricted Subsidiaries as a result of consideration received in connection with an Asset Sale made in compliance with Section 4.11 or from any other disposition or transfer of assets not constituting an Asset Sale;

(4) Investments represented by Guarantees that are otherwise permitted under this Indenture;

(5) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses in accordance with GAAP;

(6) Investments received in satisfaction of judgments or in settlements of debt or compromises of obligations incurred in the ordinary course of business;

(7) any Investment acquired solely in exchange for Capital Stock (other than Disqualified Stock) of the Parent or Opco, which the Parent or Opco did not receive in exchange for a cash payment, Indebtedness or Disqualified Stock, but excluding any new cash Investments made thereafter;

(8) Investments in tenants in an aggregate amount not to exceed the greater of (x) $210,000,000 and (y) 10% of Adjusted Total Assets at any one time outstanding;

(9) obligations under Currency Agreements and Interest Rate Agreements otherwise permitted under this Indenture;

(10) Permitted Mortgage Investments;

(11) any transaction which constitutes an Investment to the extent permitted and made in accordance with Section 4.12(b) (except transactions pursuant to Sections 4.12(b)(1), (5), (8) and (9));

(12) any Investment consisting of prepaid expenses, negotiable instruments held for collection and lease, endorsements for deposit or collection in the ordinary course of business, utility or workers' compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business;

(13) pledges or deposits by a Person under workers' compensation laws, unemployment insurance laws or similar legislation, or deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;

(14) any Investment acquired by an Issuer or any of its Restricted Subsidiaries (a) in exchange for any other Investment or accounts receivable or rents receivable held by the Parent or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable or rents receivable or (b) as a result of a foreclosure by the Parent or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(15) any Investment consisting of a loan or advance to officers, directors or employees of the Parent, an Issuer or any of its Restricted Subsidiaries (a) in connection with the purchase by such Persons of Capital Stock of the Parent or (b) for additional purposes made in the ordinary course of business, in the aggregate under this clause (15) not to exceed $2,500,000 at any one time outstanding;

(16) any Investment made in connection with the funding of contributions under any nonqualified employee retirement plan or similar employee compensation plan in an amount not to exceed the amount of compensation expenses recognized by the Parent, an Issuer and any of its Restricted Subsidiaries in connection with such plans;

(17) any Investment existing on the Issue Date or made pursuant to a (x) binding commitment or (y) the Transaction Agreement, in each case, in effect on the Issue Date or an Investment consisting of any extension, modification, replacement or renewal of any such Investment or binding commitment existing on the Issue Date;

(18) additional Investments not to exceed the greater of (x) $110,000,000 and (y) 5.0% of Adjusted Total Assets at any time outstanding; and

(19) Investments in Unrestricted Subsidiaries and joint ventures in an aggregate amount, taken together with all other Investments made in reliance on this clause not to exceed the greater of (x) $110,000,000 and (y) 5.0% of Adjusted Total Assets (net of, with respect to the Investment in any particular Person, the cash return thereon received after the Issue Date as a result of any sale for cash, repayment, redemption, liquidating distribution or other cash realization (not included in Consolidated EBITDA), not to exceed the amount of Investments in such Person made after the Issue Date in reliance on this clause).

"Permitted Mortgage Investment" means any Investment in secured notes, mortgage, deeds of trust, collateralized mortgage obligations, commercial mortgage-backed securities, other secured debt securities, secured debt derivative or other secured debt instruments, so long as such investment relates directly or indirectly to real property that constitutes or is used as a skilled nursing home center, hospital, assisted living facility, medical office or other property customarily constituting an asset of a real estate investment trust specializing in healthcare or senior housing property.

"Permitted Payments to Parent" means, without duplication as to amounts:

(A) payments to Parent to pay reasonable accounting, legal and administrative expenses of Parent when due, in an aggregate amount not to exceed $500,000 per annum; and

(B) payments to Parent in respect of its state, franchise and local tax liabilities.

"Permitted Refinancing Indebtedness" means:

(A) any Indebtedness of an Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease, discharge or refund other Indebtedness of an Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so extended, refinanced, renewed, replaced, defeased, discharged or refunded (plus all accrued interest thereon and the amount of any fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has:

(a) a final maturity date later than (x) the final maturity date of the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded or (y) the date that is 91 days after the maturity of the Notes, and

(b) an Average Life equal to or greater than the Average Life of the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded or 91 days more than the Average Life of the Notes;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded is contractually subordinated in right of payment to the

Notes or the Guarantee, such Permitted Refinancing Indebtedness is contractually subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded;

(4) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded is *pari passu* in right of payment with the Notes or any Guarantee thereof, such Permitted Refinancing Indebtedness is *pari passu* in right of payment with, or subordinated in right of payment to, the Notes or such Guarantee; and

(5) such Indebtedness is incurred either (a) by an Issuer or any Subsidiary Guarantor or (b) by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased, discharged or refunded.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) that have a preference on liquidation or with respect to distributions over any other class of Capital Stock, including preferred partnership interests, whether general or limited, or such Person's preferred or preference stock, whether outstanding on the Issue Date or issued thereafter, including all series and classes of such preferred or preference stock.

"principal" means, with respect to the Notes, the principal of and premium, if any, on the Notes.

"Pro Forma Cost Savings" means, with respect to any period, the reductions in costs (including such reductions resulting from employee terminations, facilities consolidations and closings, standardization of employee benefits and compensation policies, consolidation of property, casualty and other insurance coverage and policies, standardization of sales and distribution methods, reductions in taxes other than income taxes) that occurred during such period that are (1) directly attributable to an asset acquisition or (2) implemented and that are factually supportable and reasonably quantifiable by the underlying records of such business, as if, in the case of each of clauses (1) and (2), all such reductions in costs had been effected as of the beginning of such period, decreased by any incremental expenses incurred or to be incurred during such period in order to achieve such reduction in costs, all such costs to be determined in good faith by the chief financial officer of the Parent or the Issuers.

"Prospectus" means the prospectus, dated [ ], 2012, relating to the original issuance of the Notes.

"Real Estate Assets" of a Person means, as of any date, the real estate assets of such Person and its Restricted Subsidiaries on such date, on a consolidated basis determined in accordance with GAAP.

"Record Date" means the applicable Record Date specified in the Notes.

"Redemption Date" when used with respect to any Note to be redeemed, means the date fixed for such redemption pursuant to this Indenture and the Notes.

"Redemption Price" when used with respect to any Note to be redeemed, means the price fixed for such redemption, payable in immediately available funds, pursuant to this Indenture and the Notes.

"Replacement Assets" means (1) tangible non-current assets that will be used or useful in a Permitted Business or (2) substantially all the assets of a Permitted Business or a majority of the Voting Stock of any Person engaged in a Permitted Business that will become on the date of acquisition thereof a Restricted Subsidiary.

"Responsible Officer" means, when used with respect to the Trustee, any officer in the Corporate Trust Office of the Trustee to whom any corporate trust matter is referred because of such officer's knowledge of and familiarity with the particular subject and shall also mean any officer who shall have direct responsibility for the administration of this Indenture.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means, with respect to a Person, any Subsidiary of such Person other than an Unrestricted Subsidiary. Unless the context otherwise requires, Restricted Subsidiaries refer to Restricted Subsidiaries of the Issuers.

"S&P" means Standard & Poor's Ratings Services and its successors.

"Sale and Leaseback Transaction" means any direct or indirect arrangement with any Person or to which any such Person is a party, providing for the leasing to the Parent or any Restricted Subsidiary of any property, whether owned by the Parent or any such Restricted Subsidiary at the Issue Date or later acquired, which has been or is to be sold or transferred by the Parent or any such Restricted Subsidiary to such Person or any other Person from whom funds have been or are to be advanced by such Person on the security of such property.

"SEC" means the U.S. Securities and Exchange Commission.

"Secured Indebtedness" means any Indebtedness secured by a Lien upon the property of the Issuers or any Restricted Subsidiaries.

"Securities Act" means the U.S. Securities Act of 1933, as amended, or any successor statute or statutes thereto.

"Significant Subsidiary" with respect to any Person, means any restricted subsidiary of such Person that satisfies the criteria for a "significant subsidiary" set forth in Rule 1-02(w) of Regulation S-X under the Exchange Act, as such regulation is in effect on the Issue Date.

"Stated Maturity" means:

(1) with respect to any debt security, the date specified in such debt security as the fixed date on which the final installment of principal of such debt security is due and payable; and

(2) with respect to any scheduled installment of principal of or interest on any debt security, the date specified in such debt security as the fixed date on which such installment is due and payable,

provided, that Stated Maturity shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subordinated Indebtedness" means Indebtedness which by the terms of such Indebtedness is subordinated in right of payment to the principal of and interest and premium, if any, on the Notes or any Guarantee thereof.

"Subsidiary" means, with respect to any Person, any corporation, association or other business entity of which more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and the accounts of which would be consolidated with those of such Person in its consolidated financial statements in accordance with GAAP, if such statements were prepared as of such date.

"Subsidiary Guarantors" means (i) each Restricted Subsidiary of the Issuers on the Issue Date that Guarantees the Credit Agreement and (ii) each other Person that is required to become a Guarantor by the terms of this Indenture after the Issue Date, in each case, until such Person is released from its Guarantee of the Notes.

"Temporary Cash Investment" means any of the following:

(1) United States dollars;

(2) direct obligations of the United States of America or any agency thereof or obligations fully and unconditionally guaranteed by the United States of America or any agency thereof;

(3) time deposit accounts, term deposit accounts, time deposits, bankers' acceptances, certificates of deposit, Eurodollar time deposits and money market deposits maturing within twelve months or less of the date of acquisition thereof issued by (A) a bank or trust company which is organized under the laws of the United States of America, any state thereof, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of $250,000,000 and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or (B) any money-market fund sponsored by a registered broker dealer or mutual fund distributor;

(4) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (2) and (3) above entered into with a bank meeting the qualifications described in clause (3) above;

(5) commercial paper, maturing not more than six months after the date of acquisition, issued by a corporation (other than an Affiliate of the Parent) organized and in existence under the laws of the United States of America, any state of the United States of America with a rating at the time as of which any investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P;

(6) securities with maturities of twelve months or less from the date of acquisition issued or fully and unconditionally guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or Moody's;

(7) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (3)(A) of this definition;

(8) any fund investing substantially all of its assets in investments that constitute Temporary Cash Investments of the kinds described in clauses (1) through (7) of this definition; and

(9) money market funds that (A) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (B) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least $5,000,000,000.

"Total Assets" means, for any Person as of any date, the sum of (a) Undepreciated Real Estate Assets *plus* (b) the book value of all assets (excluding Real Estate Assets and intangibles) of such Person and its Restricted Subsidiaries as of such date of determination on a consolidated basis determined in accordance with GAAP.

"Total Unencumbered Assets" means, for any Person as of any date, the Total Assets of such Person and its Restricted Subsidiaries as of such date, that do not secure any portion of Secured Indebtedness, on a consolidated basis determined in accordance with GAAP.

"Trade Payables" means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services.

"Transaction Agreement" means the Real Property Asset Purchase Agreement, by and among Ernest Health, Inc., certain wholly owned subsidiaries of Opco and the other parties signatory thereto dated as of January 31, 2012 as in effect on the date of the Prospectus.

"Transaction Date" means, with respect to the Incurrence of any Indebtedness by an Issuer or any of its Restricted Subsidiaries, the date such Indebtedness is to be Incurred and, with respect to any Restricted Payment, the date such Restricted Payment is to be made.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) ("Statistical Release") that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to [ ]; *provided, however*, that if the period from the redemption date to [ ], is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Trust Indenture Act" means the Trust Indenture Act of 1939, as amended.

"Trustee" means the party named as such in this Indenture until a successor replaces it in accordance with the provisions of this Indenture and thereafter means such successor.

"Undepreciated Real Estate Assets" means, as of any date, the cost (being the original cost to an Issuer or the Restricted Subsidiaries plus capital improvements) of real estate assets of the Issuers and the Subsidiaries on such date, before depreciation and amortization of such real estate assets, determined on a consolidated basis in conformity with GAAP.

"Unrestricted Subsidiary" means

(1) any Subsidiary of the Issuers that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors of the Parent in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary.

Except during a Suspension Period, the Board of Directors of the Parent may designate any Restricted Subsidiary (including any newly acquired or newly formed Subsidiary of the Issuers) to be an Unrestricted Subsidiary unless such Subsidiary owns any Capital Stock of, or owns or holds any Lien on any property of, the Parent or any of its Restricted Subsidiaries; *provided*, *however*, that:

(i) any Guarantee by the Parent or any of its Restricted Subsidiaries of any Indebtedness of the Subsidiary being so designated shall be deemed an "Incurrence" of such Indebtedness and an "Investment" by the Parent or such Restricted Subsidiary (or all, if applicable) at the time of such designation;

(ii) either (i) the Subsidiary to be so designated has total assets of $1,000 or less or (ii) if such Subsidiary has assets greater than $1,000, such designation would be permitted under Section 4.09; and

(iii) if applicable, the Incurrence of Indebtedness and the Investment referred to in clause (i) above would be permitted under Section 4.09.

The Board of Directors of the Parent may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided*, *however*, that:

(x) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such designation; and

(y) all Indebtedness of such Unrestricted Subsidiary outstanding immediately after such designation would, if Incurred at such time, have been permitted to be Incurred (and shall be deemed to have been Incurred) for all purposes of this Indenture.

Any such designation by the Board of Directors of the Parent shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the Board Resolution giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing provisions.

"Unsecured Indebtedness" means any Indebtedness of the Parent or any of its Restricted Subsidiaries that is not Secured Indebtedness.

"U.S. Government Obligations" means direct obligations of, obligations guaranteed by, or participations in pools consisting solely of obligations of or obligations guaranteed by, the United States of America for the payment of which obligations or guarantee the full faith and credit of the United States of America is pledged and that are not callable or redeemable at the option of the issuer thereof.

"U.S. Legal Tender" means such coin or currency of the United States of America that at the time of payment shall be legal tender for the payment of public and private debts.

"U.S.A. Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, as amended and signed into law October 26, 2001.

"Voting Stock" means with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

"Wholly Owned" means, with respect to any Subsidiary of any Person, the ownership of all of the outstanding Capital Stock of such Subsidiary (other than any director's qualifying shares or Investments by individuals mandated by applicable law) by such Person or one or more Wholly Owned Subsidiaries of such Person.

SECTION 1.02. Other Definitions.

Term	Defined in Section
"Acceptable Commitments"	4.11(c)
"Additional Notes"	2.02
"Asset Sale Offer"	4.11(d)
"Authentication Order"	2.02
"Change of Control Offer"	4.07(a)
"Change of Control Payment"	4.07(b)
"Change of Control Payment Date"	4.07(b)
"Covenant Defeasance"	8.02(c)
"Event of Default"	6.01
"Excess Proceeds"	4.11(c)
"Finco"	Preamble
"Global Note"	2.01
"Initial Global Notes"	2.01
"Initial Notes"	2.02
"Issuer" or "Issuers"	Preamble
"Legal Defeasance"	8.02(b)
"Opco"	Preamble
"Parent"	Preamble
"Participants"	2.15(a)
"Paying Agent"	2.03
"Physical Notes"	2.01
"purchase"	4.09(a)(3)
"Refunding Capital Stock"	4.09(b)(4)
"Registrar"	2.03
"Release Date"	3.08
"Restricted Payments"	4.09(a)(4)
"Reversion Date"	4.16
"Special Mandatory Redemption"	3.08
"Suspended Covenant"	4.16
"Suspension Period"	4.16
"Trigger Date"	3.08

SECTION 1.03. Incorporation by Reference of Trust Indenture Act. Whenever this Indenture refers to a provision of the Trust Indenture Act, such provision is incorporated by reference in, and made a part of, this Indenture. The following Trust Indenture Act terms used in this Indenture have the following meanings:

"indenture securities" means the Notes.

"obligor" on the indenture securities means the Issuers, any Guarantor or any other obligor on the Notes.

All other Trust Indenture Act terms used in this Indenture that are defined by the Trust Indenture Act, defined by Trust Indenture Act reference to another statute or defined by SEC rule and not otherwise defined herein have the meanings assigned to them therein.

SECTION 1.04. Rules of Construction. Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and words in the plural include the singular;

(5) "herein," "hereof" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision;

(6) the words "including," "includes" and similar words shall be deemed to be followed by "without limitation";

(7) unsecured Indebtedness shall not be deemed to be subordinate or junior to secured Indebtedness merely by virtue of its nature as unsecured Indebtedness;

(8) secured Indebtedness shall not be deemed to be subordinate or junior to any other secured Indebtedness merely because it has a junior priority with respect to the same collateral;

(9) the principal amount of any noninterest bearing or other discount security at any date shall be the principal amount thereof that would be shown on a balance sheet of the issuer dated such date prepared in accordance with GAAP;

(10) the amount of any preferred stock that does not have a fixed redemption, repayment or repurchase price shall be the maximum liquidation value of such Preferred Stock;

(11) all references to the date the Notes were originally issued shall refer to the Issue Date, except as otherwise specified; and

(12) references to the Issuers mean either the Issuers or the applicable Issuer, as the context requires, and references to an Issuer mean either such Issuer or the Issuers, as the context requires.

ARTICLE TWO

The Notes

SECTION 2.01. Form and Dating. The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. The Issuers shall approve the form of the Notes and any notation, legend or endorsement on them. Each Note shall show the date of its authentication. Each Note shall have an executed Guarantee from each of the Guarantors existing on the Issue Date endorsed thereon substantially in the form of Exhibit C.

The terms and provisions contained in the Notes and the Guarantees shall constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Issuers, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

The Notes shall be issued initially in the form of a single permanent global Note in registered form, substantially in the form set forth in Exhibit A (the "Initial Global Notes"), deposited with the Trustee, as custodian for the Depository, duly executed by the Issuers (and having an executed Guarantee from each of the Guarantors endorsed thereon) and authenticated by the Trustee as hereinafter provided and shall bear the legend set forth in Exhibit B.

The Notes issued after the Issue Date shall be issued initially in the form of one or more global Notes in registered form, substantially in the form set forth in Exhibit A, deposited with the Trustee, as custodian for the Depository, duly executed by the Issuers (and having an executed Guarantee from each of the Guarantors endorsed thereon) and authenticated by the Trustee as hereinafter provided and shall bear any legends required by applicable law (together with the Initial Global Notes, the "Global Notes") or as Physical Notes.

The aggregate principal amount of the Global Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depository, as hereinafter provided. Notes issued in exchange for interests in a Global Note pursuant to Section 2.15 may be issued in the form of permanent certificated Notes in registered form in substantially the form set forth in Exhibit A and bearing the applicable legends, if any (the "Physical Notes").

Additional Notes ranking *pari passu* with the Initial Notes (as defined in Section 2.02) may be created and issued from time to time by the Issuers without notice to or consent of the Holders and shall be consolidated with and form a single class with the Initial Notes and shall have the same terms as to status, redemption or otherwise (other than with respect to the purchase price thereof and the date from which the interest accrues) as the Initial Notes; *provided* that the Issuers' ability to issue Additional Notes shall be subject to the Issuers' compliance with Section 4.08. Except as described under Article Nine, the Initial Notes and any Additional Notes subsequently issued under this Indenture will be treated as a single class for all purposes under this Indenture, including waivers, amendments, redemptions and offers to purchase, and shall vote together as one class on all matters with respect to the Notes; *provided further* that if the Additional Notes are not fungible with the Notes for U.S. Federal income tax purposes the Additional Notes will have a separate CUSIP number, if applicable. Unless the context requires otherwise, references to "Notes" for all purposes of this Indenture include any Additional Notes that are actually issued.

SECTION 2.02. Execution, Authentication and Denomination; Additional Notes. One Officer of each of the Issuers (who shall have been duly authorized by all requisite corporate actions) shall sign

the Notes for each Issuer by manual, facsimile, .pdf attachment or other electronically transmitted signature. One Officer of each Guarantor (who shall have been duly authorized by all requisite corporate actions) shall sign the Guarantee for such Guarantor by manual, facsimile, .pdf attachment or other electronically transmitted signature.

If an Officer whose signature is on a Note or Guarantee, as the case may be, was an Officer at the time of such execution but no longer holds that office at the time the Trustee authenticates the Note, the Note shall nevertheless be valid.

A Note (and the Guarantees in respect thereof) shall not be valid until an authorized signatory of the Trustee manually signs the certificate of authentication on the Note. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee shall authenticate (i) on the Issue Date, Notes for original issue in the aggregate principal amount not to exceed $[ ] (the "Initial Notes") and (ii) additional Notes (the "Additional Notes") in an unlimited amount (so long as not otherwise prohibited by the terms of this Indenture, including Section 4.08) (x) in exchange for a like principal amount of Initial Notes or (y) in exchange for a like principal amount of Additional Notes in each case upon a written order of the Issuers in the form of a certificate of an Officer of each Issuer (an "Authentication Order"). Each such Authentication Order shall specify the amount of Notes to be authenticated and the date on which the Notes are to be authenticated, whether the Notes are to be Initial Notes or Additional Notes and whether the Notes are to be issued as certificated Notes or Global Notes or such other information as the Trustee may reasonably request. In addition, with respect to authentication pursuant to clause (ii) or (iii) of the first sentence of this paragraph, the first such Authentication Order from the Issuers shall be accompanied by an Opinion of Counsel of the Issuers in a form reasonably satisfactory to the Trustee.

All Notes issued under this Indenture shall be treated as a single class for all purposes under this Indenture. The Additional Notes shall bear any legend required by applicable law.

The Trustee may appoint an authenticating agent reasonably acceptable to the Issuers to authenticate Notes. Unless otherwise provided in the appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Issuers and Affiliates of the Issuers.

The Notes shall be issuable only in registered form without coupons in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

SECTION 2.03. Registrar and Paying Agent. The Issuers shall maintain or cause to be maintained an office or agency in the United States of America where (a) Notes may be presented or surrendered for registration of transfer or for exchange ("Registrar"), (b) Notes may, subject to Section 2 of the Notes, be presented or surrendered for payment ("Paying Agent"). The Issuers may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, *however*, that no such designation or rescission shall in any manner relieve the Issuers of their obligation to maintain or cause to be maintained an office or agency in the United States of America, for such purposes. The Issuers may act as Registrar or Paying Agent, except that for the purposes of Articles Three and Eight and Sections 4.07 and 4.11, neither the Issuers nor any Affiliate of the Issuers shall act as Paying Agent. The Registrar, as an agent of the Issuers, shall keep a register, including ownership, of the Notes and of their transfer and exchange. The Issuers, upon notice to the Trustee, may have one or more co-registrars and one or more additional paying agents reasonably acceptable to the Trustee. The term "Registrar" includes

any co-registrar and the term "Paying Agent" includes any additional paying agent. The Issuers initially appoint the Trustee as Registrar and Paying Agent until such time as the Trustee has resigned or a successor has been appointed.

The Issuers shall enter into an appropriate agency agreement with any Agent not a party to this Indenture, which agreement shall implement the provisions of this Indenture that relate to such Agent. The Issuers shall notify the Trustee, in advance, of the name and address of any such Agent. If the Issuers fail to maintain a Registrar or Paying Agent, the Trustee shall act as such.

SECTION 2.04. Paying Agent To Hold Assets in Trust. The Issuers shall require each Paying Agent other than the Trustee or the Issuers or any Subsidiary of the Issuers to agree in writing that each Paying Agent shall hold in trust for the benefit of Holders or the Trustee all assets held by the Paying Agent for the payment of principal of, or interest on, the Notes (whether such assets have been distributed to it by the Issuers or any other obligor on the Notes), and shall notify the Trustee of any Default by the Issuers (or any other obligor on the Notes) in making any such payment. The Issuers at any time may require a Paying Agent to distribute all assets held by it to the Trustee and account for any assets disbursed and the Trustee may at any time during the continuance of any payment Default, upon written request to a Paying Agent, require such Paying Agent to distribute all assets held by it to the Trustee and to account for any assets distributed. Upon distribution to the Trustee of all assets that shall have been delivered by the Issuers to the Paying Agent, the Paying Agent shall have no further liability for such assets.

SECTION 2.05. Holder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders. If the Trustee is not the Registrar, the Issuers shall furnish to the Trustee at least two Business Days prior to each Interest Payment Date and at such other times as the Trustee may request in writing a list, in such form and as of such date as the Trustee may reasonably require, of the names and addresses of Holders, which list may be conclusively relied upon by the Trustee.

SECTION 2.06. Transfer and Exchange. Subject to Section 2.15, when Notes are presented to the Registrar with a request to register the transfer of such Notes or to exchange such Notes for an equal principal amount of Notes of other authorized denominations, the Registrar shall register the transfer or make the exchange as requested if its requirements for such transaction are met; *provided*, *however*, that the Notes surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Issuers and the Registrar, duly executed by the Holder thereof or his or her attorney duly authorized in writing. To permit registrations of transfers and exchanges, the Issuers shall execute and the Trustee shall authenticate Notes at the Registrar's request. No service charge shall be made for any registration of transfer or exchange, but the Issuers may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

Without the prior written consent of the Issuers, the Registrar shall not be required to register the transfer of or exchange of any Note (i) during a period beginning at the opening of business 15 days before the mailing of a notice of redemption of Notes and ending at the close of business on the day of such mailing, (ii) selected for redemption in whole or in part pursuant to Article Three, except the unredeemed portion of any Note being redeemed in part and (iii) beginning at the opening of business on any Record Date and ending on the close of business on the related Interest Payment Date.

Any Holder of a beneficial interest in a Global Note shall, by acceptance of such beneficial interest, agree that transfers of beneficial interests in such Global Notes may be effected only through a book-entry system maintained by the Holder of such Global Note (or its agent) in accordance with the applicable legends thereon, and that ownership of a beneficial interest in the Note shall be required to be reflected in a book-entry system.

SECTION 2.07. Replacement Notes. If a mutilated Note is surrendered to the Trustee or if the Holder of a Note claims that the Note has been lost, destroyed or wrongfully taken, the Issuers shall issue and the Trustee shall authenticate, upon receipt of an Authentication Order, a replacement Note if the Trustee's and Issuers' requirements are met. Such Holder shall provide an indemnity bond or other indemnity, sufficient in the judgment of both the Issuers and the Trustee, to protect the Issuers, the Trustee or any Agent from any loss that any of them may suffer if a Note is replaced. The Issuers may charge such Holder for its out-of-pocket expenses in replacing a Note pursuant to this Section 2.07, including fees and expenses of counsel and of the Trustee.

Every replacement Note is an additional obligation of the Issuers and every replacement Guarantee shall constitute an additional obligation of the Guarantor thereof.

The provisions of this Section 2.07 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of lost, destroyed or wrongfully taken Notes.

SECTION 2.08. Outstanding Notes. Notes outstanding at any time are all the Notes that have been authenticated by the Trustee except those cancelled by it, those delivered to it for cancellation and those described in this Section 2.08 as not outstanding. A Note does not cease to be outstanding because the Issuers, the Guarantors or any of their respective Affiliates hold the Note (subject to the provisions of Section 2.09).

If a Note is replaced pursuant to Section 2.07 (other than a mutilated Note surrendered for replacement), it ceases to be outstanding unless a Responsible Officer of the Trustee receives proof satisfactory to it that the replaced Note is held by a bona fide purchaser. A mutilated Note ceases to be outstanding upon surrender of such Note and replacement thereof pursuant to Section 2.07.

If the principal amount of any Note is considered paid under Section 4.01, it ceases to be outstanding and interest ceases to accrue. If on a Redemption Date or the Stated Maturity the Trustee or Paying Agent (other than the Issuers or an Affiliate thereof) holds U.S. Legal Tender or U.S. Government Obligations sufficient to pay all of the principal and interest due on the Notes payable on that date, then on and after that date such Notes cease to be outstanding and interest on them ceases to accrue.

SECTION 2.09. Treasury Notes. In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuers or any of their Affiliates shall be disregarded as required by the Trust Indenture Act, except that, for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes that a Responsible Officer of the Trustee, actually knows are so owned shall be disregarded. Notes so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes to the satisfaction of the Trustee the pledgee's right to deliver any such direction, waiver or consent with respect to the Notes and that the pledgee is not the Issuers or any obligor upon the Notes or any Affiliate of the Issuers or of such other obligor.

SECTION 2.10. Temporary Notes. Until definitive Notes are ready for delivery, the Issuers may prepare and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have variations that the Issuers consider appropriate for temporary Notes. Without unreasonable delay, the Issuers shall prepare and the Trustee shall authenticate definitive Notes in exchange for temporary Notes. Until such exchange, temporary Notes shall be entitled to the same rights, benefits and privileges as definitive Notes. Notwithstanding the foregoing, so long as the Notes are represented by a Global Note, such Global Note may be in typewritten form.

SECTION 2.11. Cancellation. The Issuers at any time may deliver Notes to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Notes surrendered to them for transfer, exchange or payment. The Trustee, or at the direction of the Trustee, the Registrar or the Paying Agent (other than the Issuers or a Subsidiary of the Issuers), and no one else, shall cancel and, at the written direction of the Issuers, shall dispose of all Notes surrendered for transfer, exchange, payment or cancellation in accordance with its customary procedures. Subject to Section 2.07, the Issuers may not issue new Notes to replace Notes that they have paid or delivered to the Trustee for cancellation. If the Issuers or any Guarantor shall acquire any of the Notes, such acquisition shall not operate as a redemption or satisfaction of the Indebtedness represented by such Notes unless and until the same are surrendered to the Trustee for cancellation pursuant to this Section 2.11.

SECTION 2.12. Defaulted Interest. If the Issuers default in a payment of interest on the Notes, they shall pay the defaulted interest, plus (to the extent lawful) any interest payable on the defaulted interest, in any lawful manner. The Issuers may pay the defaulted interest to the persons who are Holders on a subsequent special record date, which date shall be the 15th day next preceding the date fixed by the Issuers for the payment of defaulted interest or the next succeeding Business Day if such date is not a Business Day. At least 15 days before any such subsequent special record date, the Issuers shall mail to each Holder, with a copy to the Trustee, a notice that states the subsequent special record date, the payment date and the amount of defaulted interest, and interest payable on such defaulted interest, if any, to be paid.

SECTION 2.13. CUSIP and ISIN Numbers. The Issuers in issuing the Notes may use "CUSIP" or "ISIN" numbers, and if so, the Trustee shall use the "CUSIP" or "ISIN" numbers in notices of redemption or exchange as a convenience to Holders; *provided*, *however*, that any such notice may state that no representation is made as to the correctness or accuracy of the "CUSIP" or "ISIN" numbers printed in the notice or on the Notes, and that reliance may be placed only on the other identification numbers printed on the Notes. The Issuers shall promptly notify the Trustee of any change in the "CUSIP" or "ISIN" numbers.

SECTION 2.14. [Reserved].

SECTION 2.15. Book-Entry Provisions for Global Notes.

(a) The Global Notes initially shall (i) be registered in the name of the Depository or the nominee of such Depository, (ii) be delivered to the Trustee as custodian for such Depository and (iii) if applicable, bear the legend set forth in Exhibit B.

Members of, or participants in, the Depository ("Participants") shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Depository, or the Trustee as its custodian, or under the Global Note, and the Depository may be treated by the Issuers, the Trustee and any agent of the Issuers or the Trustee as the absolute owner of the Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuers, the Trustee or any agent of the Issuers or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depository or impair, as between the Depository and Participants, the operation of customary practices governing the exercise of the rights of a Holder of any Note.

(b) Transfers of Global Notes shall be limited to transfers in whole, but not in part, to the Depository, its successors or their respective nominees. Interests of beneficial owners in the Global Notes may be transferred or exchanged for Physical Notes in accordance with the rules and procedures of the Depository and the provisions of this Section 2.15. In addition, Physical Notes shall be transferred to all beneficial owners in exchange for their beneficial interests in Global Notes if (i) the Depository notifies

the Issuers that it is unwilling or unable to act as Depository for any Global Note, the Issuers so notify the Trustee in writing and a successor Depository is not appointed by the Issuers within 90 days of such notice or (ii) a Default or Event of Default has occurred and is continuing and the Registrar has received a written request from any owner of a beneficial interest in a Global Note to issue Physical Notes. Upon any issuance of a Physical Note in accordance with this Section 2.15(b) the Trustee is required to register such Physical Note in the name of, and cause the same to be delivered to, such person or persons (or the nominee of any thereof). All such Physical Notes shall bear the applicable legends, if any.

(c) In connection with any transfer or exchange of a portion of the beneficial interest in a Global Note to beneficial owners pursuant to paragraph (b) of this Section 2.15, the Registrar shall (if one or more Physical Notes are to be issued) reflect on its books and records the date and a decrease in the principal amount of such Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Issuers shall execute, and the Trustee shall authenticate and deliver, one or more Physical Notes of authorized denominations in an aggregate principal amount equal to the principal amount of the beneficial interest in the Global Note so transferred.

(d) In connection with the transfer of a Global Note as an entirety to beneficial owners pursuant to paragraph (b) of this Section 2.15, such Global Note shall be deemed to be surrendered to the Trustee for cancellation, and (i) the Issuers shall execute, (ii) the Guarantors shall execute notations of Guarantees on and (iii) the Trustee shall upon written instructions from the Issuers authenticate and deliver, to each beneficial owner identified by the Depository in exchange for its beneficial interest in such Global Note, an equal aggregate principal amount of Physical Notes of authorized denominations.

(e) The Holder of any Global Note may grant proxies and otherwise authorize any Person, including Participants and Persons that may hold interests through Participants, to take any action which a Holder is entitled to take under this Indenture or the Notes.

(f) General. The Registrar shall retain copies of all letters, notices and other written communications received pursuant to this Section 2.15. The Issuers shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Registrar.

The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Participants or beneficial owners of interests in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

The Trustee shall have no responsibility for the actions or omissions of the Depository, or the accuracy of the books and records of the Depository.

(g) Cancellation and/or Adjustment of Global Note. At such time as all beneficial interests in a particular Global Note have been exchanged for Physical Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Physical Notes, the principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or the Depository at the direction of the

Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depository at the direction of the Trustee to reflect such increase.

ARTICLE THREE

Redemption

SECTION 3.01. Notices to Trustee. The Notes may be redeemed, in whole, or from time to time in part, subject to the conditions and at the redemption prices set forth in Section 5 and Section 6 of the form of Notes set forth in Exhibit A hereto, which is hereby incorporated by reference and made a part of this Indenture, together with accrued and unpaid interest to the Redemption Date. If the Issuers elect to redeem Notes pursuant to Section 5 or Section 6 of the Notes, they shall notify the Trustee in writing of the Redemption Date, the Redemption Price and the principal amount of Notes to be redeemed. The Issuers shall give notice of redemption to the Trustee at least 45 days before the Redemption Date (unless a shorter notice shall be agreed to by the Trustee in writing), together with such documentation and records as shall enable the Trustee to select the Notes to be redeemed.

SECTION 3.02. Selection of Notes To Be Redeemed. If less than all of the Notes are to be redeemed at any time pursuant to Section 5 or Section 6 of the Notes, the Trustee shall select Notes for redemption as follows:

(x) in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are then listed; or

(y) on a *pro rata* basis, by lot or by such method as the Trustee shall deem fair and appropriate;

provided, *however*, that, in the case of such redemption pursuant to Section 6 of the Notes, the Trustee shall select the Notes on a *pro rata* basis to the extent practicable, by lot or such other method as the Trustee in its sole discretion shall deem to be fair and appropriate, unless another method is required by law or applicable exchange or depositary requirements (subject to the procedures of the Depository).

No Notes of $2,000 or less shall be redeemed in part.

SECTION 3.03. Notice of Redemption. At least 30 days but not more than 60 days before a Redemption Date, the Issuers shall mail a notice of redemption by first class mail, postage prepaid, or as otherwise provided in accordance with the procedures of the Depository, to each Holder whose Notes are to be redeemed at its registered address (with a copy to the Trustee), except that redemption notices may be mailed more than 60 days prior to a Redemption Date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Article Eight hereof. Notices of redemption may be given prior to the completion of an Equity Offering, and any redemption or notice may, at the Issuers' discretion, be subject to the completion of an Equity Offering. At the Issuers' request, the Trustee shall forward the notice of redemption in the Issuers' name and at the Issuers' expense. Each notice for redemption shall identify the Notes (including the CUSIP or ISIN number) to be redeemed and shall state:

(1) the Redemption Date;

(2) the Redemption Price and the amount of accrued interest, if any, to be paid;

(3) the name and address of the Paying Agent;

(4) that Notes called for redemption shall be surrendered to the Paying Agent to collect the Redemption Price plus accrued interest, if any;

(5) that, unless the Issuers default in making the redemption payment, interest on Notes called for redemption ceases to accrue on and after the Redemption Date, and the only remaining right of the Holders of such Notes is to receive payment of the Redemption Price upon surrender to the Paying Agent of the Notes redeemed;

(6) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the Redemption Date, and upon surrender and cancellation of such Note, a new Note or Notes in aggregate principal amount equal to the unredeemed portion thereof will be issued;

(7) if fewer than all the Notes are to be redeemed, the identification of the particular Notes (or portion thereof) to be redeemed, as well as the aggregate principal amount of Notes to be redeemed and the aggregate principal amount of Notes to be outstanding after such partial redemption; and

(8) the Section of the Notes or this Indenture, as applicable, pursuant to which the Notes are to be redeemed.

The notice, if mailed in a manner herein provided, shall be conclusively presumed to have been given, whether or not the Holder receives such notice. In any case, failure to give such notice by mail or any defect in the notice to the Holder of any Note designated for redemption in whole or in part shall not affect the validity of the proceedings for the redemption of any other Note. Except as otherwise provided in this Article Three, notices of redemption may not be conditional.

At the Issuers' request, the Trustee shall give the notice of redemption in the name of the Issuers and at its expense; *provided* that the Issuers shall have delivered to the Trustee, at least five Business Days before notice of redemption is required to be mailed or caused to be mailed to Holders pursuant to this Section 3.03 (unless a shorter notice shall be agreed to by the Trustee), an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

SECTION 3.04. Effect of Notice of Redemption. Once notice of redemption is mailed in accordance with Section 3.03, Notes called for redemption become due and payable on the Redemption Date and at the Redemption Price plus accrued interest, if any. Upon surrender to the Trustee or Paying Agent, such Notes called for redemption shall be paid at the Redemption Price (which shall include accrued interest thereon to, but not including, the Redemption Date), but installments of interest, the maturity of which is on or prior to the Redemption Date, shall be payable to Holders of record at the close of business on the relevant Record Dates. On and after the Redemption Date interest shall cease to accrue on Notes or portions thereof called for redemption and the only right of the Holders of such Notes will be to receive payment of the Redemption Price unless the Issuers shall have not complied with its obligations pursuant to Section 3.05.

SECTION 3.05. Deposit of Redemption Price. On or before 12:00 p.m. New York City time (or such later time as has been agreed to by the Paying Agent) on the Redemption Date, the Issuers shall deposit with the Paying Agent U.S. Legal Tender sufficient to pay the Redemption Price plus accrued and unpaid interest, if any, of all Notes to be redeemed on that date. The Paying Agent shall promptly return

to the Issuers any money deposited with the Paying Agent by the Issuers in excess of the amounts necessary to pay the Redemption Price of, and accrued and unpaid interest on, all Notes to be redeemed or purchased.

If the Issuers comply with the preceding paragraph, then, unless the Issuers default in the payment of such Redemption Price plus accrued interest, if any, interest on the Notes to be redeemed will cease to accrue on and after the applicable Redemption Date, whether or not such Notes are presented for payment.

SECTION 3.06. Notes Redeemed in Part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note or Notes in principal amount equal to the unredeemed portion of the original Note or Notes shall be issued in the name of the Holder thereof upon surrender and cancellation of the original Note or Notes. It is understood that, notwithstanding anything in this Indenture to the contrary, only an Authentication Order and not an Opinion of Counsel or Officer's Certificate is required for the Trustee to authenticate such new Note.

SECTION 3.07. Mandatory Redemption. Except as set forth in Section 3.08 herein, the Issuers will not be required to make any mandatory redemption or sinking fund payments with respect to the Notes.

SECTION 3.08. Special Mandatory Redemption.

The Notes will be subject to a mandatory redemption (a "Special Mandatory Redemption") in the event that either (i) the Escrow Proceeds have not been released to Opco for distribution in accordance with the terms and conditions of the Escrow Agreement (the "Release Date") on or before the Escrow End Date or (ii) prior to the Escrow End Date, the Issuers have determined, in their reasonable discretion, that the escrow conditions cannot be satisfied by such date (any such date, a "Trigger Date"). The Issuers will cause a notice of Special Mandatory Redemption substantially in the form required by Section 3.03 to be mailed to the Holders, the Trustee and the Escrow Agent promptly but in any event not later than five Business Days after the Trigger Date and will redeem the Notes no later than five Business Days following the date of the notice of redemption. The redemption price for any Special Mandatory Redemption will be the sum of 100% of the aggregate principal amount of the Notes issued on the Issue Date, together with accrued and unpaid interest on the Notes from the Issue Date up to but not including the date of the Special Mandatory Redemption.

If the Escrow Agent receives a notice of a Special Mandatory Redemption pursuant to the terms of the Escrow Agreement, the Escrow Agent will, upon joint written direction of the Issuers, liquidate investments of all Escrow Proceeds, if any, then held by it not later than the last Business Day prior to the date of the Special Mandatory Redemption. Concurrently with the release of the amounts necessary to fund the Special Mandatory Redemption to the Paying Agent, the Escrow Agent will release any excess of Escrow Proceeds over the mandatory redemption price to the Issuers (less any amounts owing to the Escrow Agent), and the Issuers will be permitted to use such excess Escrow Proceeds refunded to them at their discretion.

ARTICLE FOUR

Covenants

SECTION 4.01. Payment of Notes. The Issuers shall pay the principal of, premium, if any, and interest on the Notes in the manner provided in the Notes and this Indenture. An installment of principal of, or interest on, the Notes shall be considered paid on the date it is due if the Trustee or Paying

Agent (other than the Issuers or an Affiliate thereof) holds no later than 12:00 p.m. (New York City time) on that date U.S. Legal Tender designated for and sufficient to pay the installment. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Issuers shall pay interest on overdue principal (including post-petition interest in a proceeding under any Bankruptcy Law), and overdue interest, to the extent lawful, at the same rate per annum borne by the Notes.

SECTION 4.02. Maintenance of Office or Agency. The Issuers shall maintain in the United States of America, the office or agency required under Section 2.03 (which may be an office of the Trustee or an affiliate of the Trustee or Registrar). The Issuers shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuers shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations and surrenders may be made at the address of the Corporate Trust Office.

The Issuers may also, from time to time, designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations. The Issuers shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuers hereby initially designate the Corporate Trust Office of the Trustee, as such office of the Issuers in accordance with Section 2.03.

SECTION 4.03. Corporate Existence. Except as otherwise permitted by Article Five, the Parent and the Issuers shall do or cause to be done all things necessary to preserve and keep in full force and effect their corporate, partnership or other existence, as applicable, and the corporate, partnership or other existence, as applicable, of each of the Restricted Subsidiaries of the Parent in accordance with the respective organizational documents of each such Restricted Subsidiary and the related material rights (charter and statutory) of the Parent, the Issuers and each Restricted Subsidiary of the Parent; *provided*, *however*, that the Parent and the Issuers shall not be required to preserve any such right or corporate existence with respect to themselves or any Restricted Subsidiary if the Board of Directors of the Parent or any Officer of the Parent shall determine that the preservation thereof is no longer necessary or desirable in the conduct of the business of the Parent, the Issuers and their Restricted Subsidiaries, taken as a whole, and that the loss thereof could not reasonably be expected to have a material adverse effect on the ability of the Issuers to perform their obligations hereunder and *provided*, *further*, *however*, that the foregoing shall not prohibit a sale, transfer, conveyance, lease or disposal of a Restricted Subsidiary or any of the Parent's or any Restricted Subsidiary's assets in compliance with the terms of this Indenture.

SECTION 4.04. [Reserved]

SECTION 4.05. Compliance Certificate; Notice of Default.

(a) The Issuers shall deliver to the Trustee, within 120 days after each December 31, commencing with December 31, 2012, an Officer's Certificate signed by the principal executive officer, principal financial officer, principal operating officer or principal accounting officer of the Issuers stating that a review of the activities of the Issuers and their Restricted Subsidiaries has been made under the supervision of the signing Officer with a view to determining whether the Issuers and their Restricted Subsidiaries have kept, observed, performed and fulfilled their obligations under this Indenture and further stating, as to each such Officer signing such certificate, that, to the best of such Officer's knowledge, the Issuers and their Restricted Subsidiaries during such preceding fiscal year have kept, observed, performed and fulfilled each and every such covenant and no Default occurred during such year and at the date of such

certificate there is no Default that has occurred and is continuing or, if such signers do know of such Default, the certificate shall specify such Default and what action, if any, the Issuers are taking or propose to take with respect thereto.

(b) The Issuers shall deliver to the Trustee within 30 days after the Issuers become aware (unless such Default has been cured before the end of the 30-day period) of the occurrence of any Default an Officer's Certificate specifying the Default and what action, if any, the Issuers are taking or propose to take with respect thereto.

SECTION 4.06. Waiver of Stay, Extension or Usury Laws. The Issuers and each Guarantor covenants (to the extent permitted by applicable law) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law that would prohibit or forgive such Issuer or such Guarantor from paying all or any portion of the principal of and/or interest on the Notes or the Guarantee of any such Guarantor as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Indenture, and (to the extent permitted by applicable law) each hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

SECTION 4.07. Change of Control.

(a) If a Change of Control occurs, each holder of Notes will have the right to require the Issuers to purchase some or all (in principal amounts of $2,000 or an integral multiple of $1,000) of such holder's Notes pursuant to the offer described below (the "Change of Control Offer").

(b) Any Change of Control Offer will include a cash offer price of 101% of the principal amount of any Notes purchased plus accrued and unpaid interest to the date of purchase (the "Change of Control Payment"). If a Change of Control Offer is required, within ten Business Days following a Change of Control, the Issuers will mail a notice to each Holder (with a copy to the Trustee) describing the Change of Control and offering to repurchase Notes on a specified date (the "Change of Control Payment Date"). The Change of Control Payment Date will be no earlier than 30 days and no later than 60 days from the date the notice is mailed.

(c) On the Change of Control Payment Date, the Issuers will, to the extent lawful:

(1) accept for payment all Notes properly tendered and not withdrawn pursuant to the Change of Control Offer;

(2) deposit the Change of Control Payment with the paying agent in respect of all Notes so accepted; and

(3) deliver to the Trustee the Notes accepted and an Officer's Certificate stating the aggregate principal amount of all Notes purchased by the Issuers.

(d) The Paying Agent will promptly mail to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail, or cause to be transferred by book entry, to each holder a new Note in principal amount equal to any unpurchased portion of the Notes surrendered.

(e) The Issuers will comply with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations to the extent those laws and regulations are applicable to any Change of Control Offer. If the provisions of any of the applicable securities laws or securities regulations conflict with the provisions of this Section 4.07, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue of that compliance.

(f) The Issuers shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuers and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or if notice of redemption has been given pursuant to Section 5 or 6 of the Notes. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, subject to one or more conditions precedent, including, but not limited to, the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Offer to Purchase is made.

SECTION 4.08. Limitation on Indebtedness.

(a) The Issuers shall not and shall not permit any of the Restricted Subsidiaries to Incur any Indebtedness (including Acquired Indebtedness) if, immediately after giving effect to the Incurrence of such additional Indebtedness and the receipt and application of the proceeds therefrom, the aggregate principal amount of all outstanding Indebtedness of the Issuers and the Restricted Subsidiaries on a consolidated basis would be greater than 60% of their Adjusted Total Assets.

(b) The Issuers shall not, and shall not permit any of the Restricted Subsidiaries to, Incur any Secured Indebtedness (including Acquired Indebtedness) if, immediately after giving effect to the Incurrence of such additional Secured Indebtedness and the receipt and application of the proceeds therefrom, the aggregate principal amount of all outstanding Secured Indebtedness of the Issuers and the Restricted Subsidiaries on a consolidated basis would be greater than 40% of their Adjusted Total Assets.

(c) The Issuers shall not and shall not permit any of the Restricted Subsidiaries to Incur any Indebtedness (including Acquired Indebtedness); *provided*, *however*, that the Issuers or any of the Restricted Subsidiaries may Incur Indebtedness (including Acquired Indebtedness) if, after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, the Interest Coverage Ratio of the Issuers and the Restricted Subsidiaries on a consolidated basis would be at least 2.0 to 1.0; *provided* that the amount of Indebtedness (including Acquired Indebtedness) that may be Incurred by Restricted Subsidiaries that are not Guarantors shall not exceed in the aggregate 5% of Adjusted Total Assets of the Issuers and the Restricted Subsidiaries.

(d) Notwithstanding paragraph (a), (b) or (c) above, the Issuers or any of the Restricted Subsidiaries (except as specified below) may Incur each and all of the following:

(1) Indebtedness of the Issuers or any of the Restricted Subsidiaries outstanding under any Credit Facility at any time in an aggregate principal amount not to exceed the greater of (x) $640,000,000 and (y) 30% of Adjusted Total Assets of the Issuers and the Restricted Subsidiaries;

(2) Indebtedness of the Issuers or any of the Restricted Subsidiaries owed to:

(i) the Issuers evidenced by an unsubordinated promissory note, or

(ii) any Restricted Subsidiary;

provided, *however*, that any event that results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary of the Issuers or any subsequent transfer of such Indebtedness (other than to the Issuers or any other Restricted Subsidiary of the Issuers) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (2);

(3) Indebtedness of the Issuers or any of their Restricted Subsidiaries under Currency Agreements and Interest Rate Agreements; *provided* that such agreements (x) are designed solely to protect the Issuers or any of their Restricted Subsidiaries against fluctuations in foreign currency exchange rates or interest rates (whether fluctuations of fixed to floating rate interest or floating to fixed rate interest) and (y) do not increase the Indebtedness of the obligor outstanding at any time other than as a result of fluctuations in foreign currency exchange rates or interest rates or by reason of fees, indemnities and compensation payable thereunder;

(4) Indebtedness of the Issuers or any of the Subsidiary Guarantors, to the extent the net proceeds thereof are promptly:

(i) used to purchase Notes tendered in a Change of Control Offer made as a result of a Change of Control,

(ii) used to redeem all the Notes pursuant to Section 5 of the Notes,

(iii) deposited to defease the Notes as described in Sections 8.02 and 8.03, or

(iv) deposited to discharge the obligations under the Notes and this Indenture as described in Section 8.01;

(5)(i) Guarantees of Indebtedness of the Issuers by any of the Subsidiary Guarantors; *provided* the guarantee of such Indebtedness is permitted by and made in accordance with Section 4.14, and (ii) Guarantees by a Subsidiary Guarantor of any Indebtedness of any other Subsidiary Guarantor;

(6) Indebtedness outstanding on the Issue Date (other than pursuant to clause (1) or (7));

(7) Indebtedness represented by the Notes and the Guarantees issued on the Issue Date;

(8) Indebtedness consisting of obligations to pay insurance premiums incurred in the ordinary course of business;

(9) Indebtedness in respect of any bankers' acceptance, bank guarantees, letter of credit, warehouse receipt or similar facilities, and reinvestment obligations related thereto, entered into in the ordinary course of business;

(10) Indebtedness in respect of workers' compensation claims, self-insurance obligations, indemnities, bankers' acceptances, performance, completion and surety bonds or guarantees and similar types of obligations in the ordinary course of business;

(11) Indebtedness represented by cash management obligations and other obligations in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in each case in connection with deposit accounts;

(12) Indebtedness supported by a letter of credit procured by the Issuers or their Restricted Subsidiaries in a principal amount not in excess of the stated amount of such letter of credit and where the underlying Indebtedness would otherwise be permitted;

(13) Permitted Refinancing Indebtedness incurred in exchange for, or the net proceeds of which are used to refund, refinance or replace, Indebtedness (other than intercompany Indebtedness) that was permitted by this Indenture to be incurred under the provisions of Sections 4.08(a), (b) and (c) or clauses (6), (7), (13) or (15) of this Section 4.08(d);

(14) Indebtedness (including Capitalized Lease Obligations) Incurred by the Issuers or any Restricted Subsidiary within 270 days of the related purchase, lease or improvement, to finance the purchase, lease or improvement of property (real or personal) or equipment used in the business of the Issuers or any Restricted Subsidiary, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets in an aggregate principal amount not to exceed at any one time outstanding the greater of (x) $42,000,000 and (y) 2% of Adjusted Total Assets at any time outstanding; or

(15) additional Indebtedness of the Issuers and their Restricted Subsidiaries in aggregate principal amount at any time outstanding not to exceed the greater of (x) $85,000,000 and (y) 4.0% of the Issuers' and their Restricted Subsidiaries' Adjusted Total Assets; *provided*, *however*, that any Permitted Refinancing Indebtedness incurred under clause (13) above in respect of such Indebtedness shall be deemed to have been incurred under this clause (15) for purposes of determining the amount of Indebtedness that may at any time be incurred under this clause (15).

(e) Notwithstanding any other provision of this Section 4.08, the maximum amount of Indebtedness that the Parent, the Issuers or any of the Restricted Subsidiaries may Incur pursuant to this Section 4.08 shall not be deemed to be exceeded, with respect to any outstanding Indebtedness, due solely to the result of fluctuations in the exchange rates of currencies.

(f) For purposes of determining any particular amount of Indebtedness under this Section 4.08,

(1) Indebtedness Incurred and outstanding under the Credit Agreement on or prior to the Issue Date shall be treated as Incurred pursuant to clause (1) of paragraph (d) of this Section 4.08, and

(2) Guarantees, Liens or obligations with respect to letters of credit supporting Indebtedness otherwise included in the determination of such particular amount shall not be included.

For purposes of determining compliance with this Section 4.08, in the event that an item of Indebtedness meets the criteria of more than one of the categories of permitted Indebtedness described in clauses (1) through (15) of paragraph (d) above or is entitled to be incurred pursuant to paragraphs (a), (b) and (c) above, the Issuers shall, in their sole discretion, be entitled to classify all or a portion of such item of Indebtedness on the date of its incurrence or issuance and determine the order of such incurrence or issuance (and may later reclassify such item of Indebtedness) and may divide and classify such Indebtedness in more than one of the types of Indebtedness described. At any time that the Issuers or the

Restricted Subsidiaries would be entitled to have incurred any then outstanding Indebtedness under paragraphs (a), (b) and (c) of this Section 4.08, such Indebtedness shall be automatically reclassified into Indebtedness incurred pursuant to those paragraphs. Notwithstanding the foregoing, any Indebtedness Incurred and outstanding under the Credit Agreement on or prior to the Issue Date shall be deemed to have been incurred under clause (1) of paragraph (d) above and may not be reclassified. Indebtedness permitted by this Section 4.08 need not be permitted solely by reference to one provision permitting such Indebtedness, but may be permitted in part by one such provision and in part by one or more other provisions of this Section 4.08 permitting such Indebtedness. For the avoidance of doubt, the outstanding principal amount of any particular Indebtedness shall be counted only once and any obligations arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness shall not be double-counted.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided*, *however*, that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced, plus the amount of any reasonable premium (including reasonable tender premiums), defeasance costs and any reasonable fees and expenses incurred in connection with the issuance of such new Indebtedness. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

SECTION 4.09. Limitation on Restricted Payments.

(a) Opco shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on or with respect to Capital Stock of Opco or any Restricted Subsidiary held by Persons other than Opco or any of its Restricted Subsidiaries, other than (i) dividends or distributions payable solely in shares of its Capital Stock (other than Disqualified Stock) or in options, warrants or other rights to acquire shares of such Capital Stock and (ii) *pro rata* dividends or other distributions made by a Restricted Subsidiary of Opco that is not Wholly Owned to minority stockholders (or owners of equivalent interests in the event such Subsidiary is not a corporation);

(2) purchase, redeem, retire or otherwise acquire for value any shares of Capital Stock (including options, warrants or other rights to acquire such shares of Capital Stock) of Opco or any of its direct or indirect parent entities held by any Person (other than a Restricted Subsidiary);

(3) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, or give any irrevocable notice of redemption of Subordinated Indebtedness of the Issuers or any Subsidiary Guarantor, in each case excluding (i) any intercompany Indebtedness between or among the Parent, the Issuers or any of the Subsidiary Guarantors; (ii) the payment, purchase, redemption, defeasance,

acquisition or retirement (collectively, a "purchase") of Subordinated Indebtedness purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such payment, purchase, redemption, defeasance, acquisition or retirement; and (iii) the giving of an irrevocable notice of redemption with respect to a transaction described in clauses (3) or (5) of Section 4.09(b); or

(4) make an Investment, other than a Permitted Investment, in any Person,

(such payments or any other actions described in clauses (1) through (4) above being collectively "Restricted Payments") if, at the time of, and after giving effect to, the proposed Restricted Payment:

(A) a Default or Event of Default shall have occurred and be continuing,

(B) the Issuers could not Incur at least $1.00 of Indebtedness under paragraphs (a) and (c) of Section 4.08, or

(C) the aggregate amount of all Restricted Payments (the amount, if other than in cash, to be determined in good faith by the Board of Directors of the Issuers, whose determination shall be conclusive and evidenced by a Board Resolution) made after the April Issue Date shall exceed the sum of, without duplication:

(i) 95% of the aggregate amount of the Funds From Operations (or, if the Funds From Operations is a loss, minus 100% of the amount of such loss) accrued on a cumulative basis during the period (taken as one accounting period) beginning April 1, 2011 and ending on the last day of the last fiscal quarter preceding the Transaction Date for which reports have been filed with the SEC or provided to the Trustee pursuant to Section 4.15, *plus*

(ii) 100% of the aggregate Net Cash Proceeds received by the Issuers after the April Issue Date from (x) the issuance and sale of Opco's Capital Stock (other than Disqualified Stock) or (y) the issuance and sale of Parent's Capital Stock (to the extent contributed to Opco as Capital Stock (other than Disqualified Stock)) to a Person who is not a Subsidiary of the Parent, including from an issuance or sale permitted by this Indenture of Indebtedness of the Issuers or any of their Restricted Subsidiaries for cash subsequent to the April Issue Date upon the conversion of such Indebtedness into Capital Stock (other than Disqualified Stock) of Opco or Parent, or from the issuance to a Person who is not a Subsidiary of the Parent of any options, warrants or other rights to acquire Capital Stock of Opco or Parent (in each case, exclusive of any Disqualified Stock or any options, warrants or other rights that are redeemable at the option of the holder for cash or Indebtedness, or are required to be redeemed, prior to the Stated Maturity of the Notes), *plus*

(iii) 100% of (x) the aggregate net cash proceeds and (y) the fair market value of other property, in any such case, received by means of the sale or other disposition (other than to the Issuers or a Restricted Subsidiary) of Restricted Investments made by the Issuers or a Restricted Subsidiary and repurchases and redemptions of such Restricted Investments from the Issuers or a Restricted Subsidiary (other than by the Issuers or a Restricted Subsidiary) and repayments of loans or advances that constitute Restricted Investments made by the Issuers or a Restricted Subsidiary, in each case after the April Issue Date (except, in each case, to the extent any such payment or proceeds are included in the calculation of Funds From Operations), *plus*

(iv) in the case of the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary or the merger, amalgamation or consolidation of an Unrestricted Subsidiary into one of the Issuers or a Restricted Subsidiary or the transfer of all or substantially all of the assets of an Unrestricted Subsidiary to one of the Issuers or a Restricted Subsidiary after the April Issue Date, the fair market value, as determined in good faith by the Issuers or if such fair market value may exceed $50.0 million, in writing by a nationally recognized investment banking, appraisal or accounting firm, of the Investment in such Unrestricted Subsidiary or the assets transferred at the time of the redesignation of such Unrestricted Subsidiary as a Restricted Subsidiary or at the time of such merger, amalgamation, consolidation or transfer of assets (other than to the extent the Investment in such Unrestricted Subsidiary constituted a Permitted Investment), *plus*

(v) the fair market value of non-cash tangible assets or Capital Stock acquired in exchange for an issuance of Capital Stock (other than Disqualified Stock or Capital Stock issued in exchange for Capital Stock of the Issuers or the Parent utilized pursuant to clauses (3) or (4) of Section 4.09(b)) of Opco or, to the extent contributed to Opco or one or more Restricted Subsidiaries, the Parent, in each case, subsequent to the April Issue Date (including upon conversion or exchange of the Common Units for Capital Stock of the Parent, in which case the fair market value shall equal the fair market value received upon issuance of such Common Units), *plus*

(vi) without duplication, in the event the Issuers or any Restricted Subsidiary makes any Investment in a Person that, as a result of or in connection with such Investment, becomes a Restricted Subsidiary, an amount not to exceed the amount of Investments previously made by the Issuers and the Restricted Subsidiaries in such Person that was treated as a Restricted Payment.

(b) Notwithstanding Section 4.09(a), the limitations on Restricted Payments described above shall not apply to the following:

(1) any distribution or other action which is necessary to maintain the Parent's status as a REIT under the Code, if the aggregate principal amount of outstanding Indebtedness of the Issuers and the Restricted Subsidiaries on a consolidated basis determined in accordance with GAAP is less than 60% of Adjusted Total Assets as of the end of the fiscal quarter covered in the Parent's annual or quarterly report most recently furnished to holders of the Notes or filed with the SEC, as the case may be;

(2) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of a redemption notice related thereto, as the case may be, if, at said date of declaration or notice, such payment would comply with Section 4.09(a);

(3) the payment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness, including premium, if any, and accrued and unpaid interest, with the proceeds of, or in exchange for, Indebtedness Incurred under Sections 4.08(a), (b) or (c) or Section 4.08(d)(13);

(4)(a) the making of any Restricted Payment in exchange for, or out of the proceeds of the substantially concurrent sale of, Capital Stock of Opco or the Parent (other than any Disqualified Stock or any Capital Stock sold to an Issuer or a Restricted Subsidiary or to an employee stock ownership plan or any trust established by the Parent or any of its Subsidiaries) or from

substantially concurrent contributions to the equity capital of Opco (collectively, including any such contributions, "Refunding Capital Stock") (with any offering within 90 days deemed as substantially concurrent); and (b) the declaration and payment of accrued dividends on any Capital Stock redeemed, repurchased, retired, defeased or acquired out of the proceeds of the sale of Refunding Capital Stock within 90 days of such sale; *provided* that the amount of any such proceeds or contributions that are utilized for any Restricted Payment pursuant to this clause (4) shall be excluded from the amount described in Section 4.09(a)(4)(C)(ii);

(5) the payment, redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness, including premium, if any, and accrued and unpaid interest with the proceeds of, or in exchange for, an issuance of, shares of Capital Stock of the Parent or Opco (or options, warrants or other rights to acquire such Capital Stock) that occurs within 90 days of such payment, redemption, repurchase, defeasance or other acquisition or retirement for value; *provided*, that the amount of any such proceeds or contributions that are utilized for any Restricted Payments pursuant to this clause (5) shall be excluded from the amount described in Section 4.09(a)(4)(C)(ii);

(6)(x) the distribution or dividend to Parent, the proceeds of which are used to repurchase, redeem or otherwise acquire or retire for value any shares of Capital Stock of the Parent held by any of the Parent's or Medical Property Trust LLC's Subsidiaries and (y) the repurchase, redemption or other acquisition or retirement for value of any shares of Capital Stock of Opco or any Restricted Subsidiary in each case held by any of the Parent's or an Issuer's or any Restricted Subsidiaries' current or former officers, directors, consultants or employees (or any permitted transferees, assigns, estates or heirs of any of the foregoing); *provided*, *however*, the aggregate amount distributed or dividended to Parent and paid by the Issuers and the Restricted Subsidiaries pursuant to this clause (6) shall not exceed $5,000,000 in any calendar year (excluding for purposes of calculating such amount the amount paid for Capital Stock repurchased, redeemed, acquired or retired with the cash proceeds from the repayment of outstanding loans previously made by the Parent, an Issuer or a Restricted Subsidiary thereof for the purpose of financing the acquisition of such Capital Stock), with unused amounts in any calendar year being carried over to the next two succeeding calendar years; *provided further*, that such amount in any calendar year may be increased by an amount not to exceed (A) the Net Cash Proceeds from the sale of Capital Stock (other than Disqualified Stock) of Opco or Parent to the extent contributed to Opco or any of its Restricted Subsidiaries to members of management, directors or consultants of the Parent, Opco or any of the Restricted Subsidiaries that occurs after the April Issue Date, to the extent such proceeds (i) have not otherwise been and are not thereafter applied to the payment of any other Restricted Payment or (ii) are not attributable to loans made by the Parent, an Issuer or a Restricted Subsidiary thereof for the purpose of financing the acquisition of such Capital Stock, plus (B) the cash proceeds of key man life insurance policies received by the Issuers and their Restricted Subsidiaries after the April Issue Date, less (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (6); *provided further, however*, that cancellation of Indebtedness owing to an Issuer or any of its Restricted Subsidiaries from current or former officers, directors, consultants or employees (or any permitted transferees, assigns, estates or heirs of any of the foregoing) of the Parent, an Issuer or any Restricted Subsidiary thereof in connection with a repurchase of Capital Stock of the Parent, the Issuers or any Restricted Subsidiary shall not be deemed to constitute a Restricted Payment for purposes of this Indenture;

(7)(x) distributions or dividends to Parent, the proceeds of which are used and (y) payments made or expected to be made by the Issuers or any Restricted Subsidiary, in each case, in respect of withholding or similar taxes payable upon exercise of Capital Stock by any

future, present or former employee, director, officer, manager or consultant (or any permitted transferees, assigns, estates or heirs of any of the foregoing) and any repurchases of Capital Stock deemed to occur upon exercise of stock options or warrants if such Capital Stock represents a portion of the exercise price of such options or warrants or required withholding or similar taxes and cashless repurchases of Capital Stock deemed to occur upon exercise of stock options or warrants if such Capital Stock represent a portion of the exercise price of such options or warrants;

(8) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness pursuant to the provisions similar to those described under Sections 4.07 and 4.11; *provided* that all Notes validly tendered by holders of Notes in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have been repurchased, redeemed, acquired or retired for value;

(9) Permitted Payments to Parent;

(10) any distribution or dividend to Parent, the proceeds of which are used for the payment of cash in lieu of the issuance of fractional shares of Capital Stock upon exercise or conversion of securities exercisable or convertible into Capital Stock of the Parent and the payment of cash in lieu of the issuance of fractional shares of Capital Stock upon exercise or conversion of securities exercisable or convertible into Capital Stock of Opco; or

(11) additional Restricted Payments in an aggregate amount not to exceed $170,000,000;

provided, *however*, that, except in the case of clauses (1), (2) and (3), no Default or Event of Default shall have occurred and be continuing or occur as a direct consequence of the actions or payments set forth therein.

(c) The net amount of any Restricted Payment permitted pursuant to Section 4.09(b)(1) and (2) (adjusted to avoid double counting) shall be included in calculating whether the conditions of Section 4.09(a)(4)(C) have been met with respect to any subsequent Restricted Payments. The net amount of any Restricted Payment permitted pursuant to clauses (3) through (11) of the immediately preceding paragraph shall be excluded in calculating whether the conditions of Section 4.09(a)(4)(C) have been met with respect to any subsequent Restricted Payments. The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued to or by the Issuers or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

SECTION 4.10. Maintenance of Total Unencumbered Assets. The Issuers and their Restricted Subsidiaries shall maintain Total Unencumbered Assets of not less than 150% of the aggregate outstanding principal amount of the Unsecured Indebtedness of the Issuers and their Restricted Subsidiaries on a consolidated basis in accordance with GAAP.

SECTION 4.11. Limitation on Asset Sales.

(a) The Issuers shall not, and shall not permit any of their Restricted Subsidiaries to, consummate any Asset Sale, unless:

(1) the consideration received by the Issuers or such Restricted Subsidiary is at least equal to the fair market value of the assets sold or disposed of; and

(2) at least 75% of the consideration received consists of cash, Temporary Cash Investments or Replacement Assets, or a combination of cash, Temporary Cash Investments or Replacement Assets; *provided*, *however*, with respect to the sale of one or more properties that up to 75% of the consideration may consist of Indebtedness of the purchaser of such properties so long as such Indebtedness is secured by a first priority Lien on the property or properties sold.

(b) For purposes of this Section 4.11, each of the following shall be deemed to be cash:

(1) any liabilities of the Issuers or any Restricted Subsidiary (as shown on the most recent consolidated balance sheet of the Issuers and their Restricted Subsidiaries other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Guarantee) that are assumed by the transferee of any such assets pursuant to an agreement that releases the Issuers or any such Restricted Subsidiary from further liability with respect to such liabilities or that are assumed by contract or operation of law;

(2) any securities, notes or other obligations received by an Issuer or any such Restricted Subsidiary from such transferee that are converted by the Issuers or such Restricted Subsidiary into cash or Temporary Cash Investments within 180 days (to the extent of the cash or Temporary Cash Investments received in that conversion); and

(3) any Designated Non-Cash Consideration received by the Issuers or any such Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (3) that is at the time outstanding, not to exceed the greater of (x) $42,000,000 and (y) 2.0% of the Issuers' Adjusted Total Assets at the time of the receipt of such Designated Non-Cash Consideration, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value.

(c) Within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Issuers or any such Restricted Subsidiary may apply such Net Cash Proceeds:

(1) to prepay, repay, redeem or purchase Pari Passu Indebtedness of the Issuers or a Subsidiary Guarantor that is Secured Indebtedness (in each case other than Indebtedness owed to the Issuers or an Affiliate of the Issuers);

(2) to make an Investment in (*provided* such Investment is in the form of Capital Stock), or to acquire all or substantially all of the assets of, a Person engaged in a Permitted Business if such Person is, or will become as a result thereof, a Restricted Subsidiary;

(3) to prepay, repay, redeem or purchase (x) Pari Passu Indebtedness of an Issuer or of any Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor; *provided*, *however*, that if the Issuers or a Guarantor shall so prepay, repay, redeem or purchase any such Pari Passu Indebtedness, the Issuers shall equally and ratably reduce obligations under the Notes if the Notes are then prepayable or, if the Notes may not then be prepaid, the Issuers shall make an offer (in accordance with the procedures set forth below) with the ratable proceeds to all Holders to purchase their Notes at 100% of the principal amount thereof, plus accrued but unpaid interest, if any, thereon, up to the principal amount of Notes that would otherwise be prepaid, or (y) any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor;

(4) to fund all or a portion of an optional redemption of the Notes pursuant to Section 5 of the Notes;

(5) to make a capital expenditure;

(6) to acquire Replacement Assets to be used or that are useful in a Permitted Business; or

(7) any combination of the foregoing;

provided that the Issuers shall be deemed to have complied with the provisions described in clauses (2), (5) and (6) of this paragraph if and to the extent that, within 365 days after the Asset Sale that generated the Net Cash Proceeds, the Issuers or any of the Restricted Subsidiaries has entered into and not abandoned or rejected a binding agreement to acquire the assets or Capital Stock of a Permitted Business, acquire Replacement Assets or make a capital expenditure in compliance with the provisions described in clauses (2), (5) and (6) of this paragraph (each an "Acceptable Commitments"), and that Acceptable Commitment (or a replacement commitment should the Acceptable Commitment be subsequently cancelled or terminated for any reason) is thereafter completed within 180 days after the end of such 365-day period. Pending the final application of any such Net Cash Proceeds, the Issuers may temporarily reduce the revolving Indebtedness under any Credit Facility or otherwise invest such Net Cash Proceeds in any manner that is not prohibited by this Indenture. The amount of such excess Net Cash Proceeds required to be applied (or to be committed to be applied) during such 365-day period as set forth in this paragraph (c) and not so applied by the end of such period shall constitute "Excess Proceeds."

(d) When the aggregate amount of Excess Proceeds exceeds $20,000,000, the Issuers shall make an offer to all holders of the Notes and, if required by the terms of any Indebtedness that is Pari Passu Indebtedness, to the holders of such Pari Passu Indebtedness on a *pro rata* basis (an "Asset Sale Offer"), to purchase the maximum aggregate principal amount of the Notes and such Pari Passu Indebtedness that is in an amount equal to at least $2,000, that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100.0% of the principal amount thereof (or accreted value thereof, if less), plus accrued and unpaid interest, if any, to the date fixed for the closing of such offer, in accordance with the procedures set forth in this Indenture. The Issuers will commence an Asset Sale Offer with respect to Excess Proceeds within ten Business Days after the date that Excess Proceeds exceed $20,000,000 by delivering the notice required pursuant to the terms of this Indenture, with a copy to the Trustee. The Issuers may satisfy the foregoing obligations with respect to any Excess Proceeds from an Asset Sale by making an Asset Sale Offer with respect to such Excess Proceeds prior to the expiration of the relevant 365 days or with respect to Excess Proceeds of $20,000,000 or less.

(e) To the extent that the aggregate amount of Notes and such Pari Passu Indebtedness tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuers and the Restricted Subsidiaries may use any remaining Excess Proceeds for any purpose not prohibited by this Indenture. If the aggregate principal amount of Notes or the Pari Passu Indebtedness surrendered by such holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and the Issuers shall select such Pari Passu Indebtedness to be purchased on a pro rata basis based on the accreted value or principal amount of the Notes or such Pari Passu Indebtedness tendered. Upon completion of any such Asset Sale Offer, the amount of Excess Proceeds that resulted in the Asset Sale Offer shall be reset to zero.

(f) Pending the final application of any Net Cash Proceeds pursuant to this Section 4.11, the holder of such Net Cash Proceeds may apply such Net Cash Proceeds temporarily to reduce Indebtedness outstanding under a revolving credit facility or otherwise invest such Net Cash Proceeds in any manner not prohibited by this Indenture.

(g) The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Indenture, the Issuers will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in this Indenture by virtue thereof.

SECTION 4.12. Limitation on Transactions with Affiliates.

(a) The Issuers shall not, and shall not permit any of the Restricted Subsidiaries to, directly or indirectly, enter into, renew or extend any transaction (including the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with any Holder (or any Affiliate of such Holder) of 10% or more of any class of Capital Stock of the Parent or with any Affiliate of the Parent, an Issuer or any Restricted Subsidiary, in each case involving consideration in excess of $5,000,000, except upon terms that are not materially less favorable to the Issuers or such Restricted Subsidiary than could be obtained, at the time of such transaction or, if such transaction is pursuant to a written agreement, at the time of the execution of the agreement providing therefor, in a comparable arm's-length transaction with a Person that is not such a Holder or an Affiliate.

(b) The limitation set forth in Section 4.12(a) does not limit, and shall not apply to:

(1) transactions (A) approved by a majority of the disinterested directors of the Board of Directors of the Parent or (B) for which the Parent or any Restricted Subsidiary delivers to the Trustee a written opinion of a nationally recognized investment banking, appraisal or accounting firm stating that the transaction is fair to the Parent or such Restricted Subsidiary from a financial point of view;

(2) any transaction solely between an Issuer and any of its Restricted Subsidiaries or solely between Restricted Subsidiaries;

(3) the payment of reasonable fees and compensation (including through the issuance of Capital Stock) to, and indemnification and similar arrangements on behalf of, current, former or future directors, officers, employees or consultants of Parent or any Restricted Subsidiary of Parent;

(4) the issuance or sale of Capital Stock (other than Disqualified Stock) of an Issuer;

(5) any Restricted Payments not prohibited by Section 4.09 and Investments constituting Permitted Investments;

(6) any contracts, instruments or other agreements or arrangements in each case as in effect on the date of this Indenture, and any transactions pursuant thereto or contemplated thereby, or any amendment, modification or supplement thereto or any replacement thereof entered into from time to time, as long as such agreement or arrangements as so amended, modified, supplemented or replaced, taken as a whole, is not materially more disadvantageous to the Issuers and the Restricted Subsidiaries at the time executed than the original agreement or arrangements as in effect on the date of this Indenture;

(7) any employment, consulting, service or termination agreement, or customary indemnification arrangements, entered into by an Issuer or any Restricted Subsidiary with current, former or future officers and employees of the Parent or an Issuer or such Restricted Subsidiary

and the payment of compensation to officers and employees of the Parent, an Issuer or any Restricted Subsidiary (including amounts paid pursuant to employee benefit plans, employee stock option or similar plans), in each case in the ordinary course of business;

(8) loans and advances to officers and employees of the Parent, an Issuer or any Restricted Subsidiary or guarantees in respect thereof (or cancellation of such loans, advances or guarantees), for bona fide business purposes, including for reasonable moving and relocation, entertainment and travel expenses and similar expenses, made in the ordinary course of business;

(9) transactions with a Person that is an Affiliate of the Parent or an Issuer solely because the Parent or an Issuer, directly or indirectly, owns Capital Stock of, or controls such Person;

(10) any transaction with a Person who is not an Affiliate immediately before the consummation of such transaction that becomes an Affiliate as a result of such transaction; or

(11) the entering into or amending of any tax sharing, allocation or similar agreement and any payments thereunder.

(c) Notwithstanding Section 4.12(a) and 4.12(b), any transaction or series of related transactions covered by Section 4.12(a) and not covered by clauses (2) through (11) of Section 4.12(b):

(i) the aggregate amount of which exceeds $10,000,000 in value shall be approved or determined to be fair in the manner provided for in Section 4.12(b)(1)(A) or (B); and

(ii) the aggregate amount of which exceeds $25,000,000 in value shall be determined to be fair in the manner provided for in Section 4.12(b)(1)(B).

SECTION 4.13. Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.

(a) The Issuers shall not, and shall not permit any Restricted Subsidiaries to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any such Restricted Subsidiary to:

(1) pay dividends or make any other distributions permitted by applicable law on any Capital Stock of such Restricted Subsidiary owned by an Issuer or any of its Restricted Subsidiaries;

(2) pay any Indebtedness owed to an Issuer or any other Restricted Subsidiary;

(3) make loans or advances to an Issuer or any other Restricted Subsidiary; or

(4) transfer its property or assets to an Issuer or any other Restricted Subsidiary.

(b) Section 4.13(a) shall not restrict any encumbrances or restrictions:

(1) existing under, by reason of or with respect to this Indenture, the Credit Agreement and any other agreement in effect on the Issue Date as in effect on the Issue Date, and any amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements of such agreements; *provided*, *however*, that the encumbrances

and restrictions in any such amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements are not materially more restrictive, taken as a whole, than those in effect on the Issue Date;

(2) existing under, by reason of or with respect to any other Indebtedness of the Issuers or their Restricted Subsidiaries permitted under this Indenture; *provided*, *however*, that the Issuers have determined in good faith that the encumbrances and restrictions contained in the agreement or agreements governing the other Indebtedness are not materially more restrictive, taken as a whole, than those contained in customary comparable financings and will not impair in any material respect the Issuers' and the Guarantors' ability to make payments on the Notes when due;

(3) existing with respect to any Person or the property or assets of such Person acquired by an Issuer or any Restricted Subsidiary, existing at the time of such acquisition and not Incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so acquired and any amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements thereof; *provided*, *however*, that the encumbrances and restrictions in any such amendments, modifications, restatements, extensions, increases, supplements, refundings, refinancing, renewals or replacements are entered into in the ordinary course of business or not materially more restrictive, taken as a whole, than those contained in the instruments or agreements with respect to such Person or its property or assets as in effect on the date of such acquisition;

(4) existing under, by reason of or with respect to provisions in joint venture, operating or similar agreements;

(5) in the case of Section 4.13(a)(4):

(i) that restrict in a customary manner the subletting, assignment or transfer of any property or asset that is a lease, license, conveyance or contract or similar property or asset,

(ii) existing by virtue of any transfer of, agreement to transfer, option or right with respect to, or Lien on, any property or assets of an Issuer or any Restricted Subsidiary not otherwise prohibited by this Indenture,

(iii) existing under, by reason of or with respect to (1) purchase money obligations for property acquired in the ordinary course of business or (2) capital leases or operating leases that impose encumbrances or restrictions on the property so acquired or covered thereby, or

(iv) arising or agreed to in the ordinary course of business, not relating to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of an Issuer or any Restricted Subsidiary in any manner material to an Issuer and its Restricted Subsidiaries taken as a whole;

(6) any encumbrance or restriction with respect to a Restricted Subsidiary that is a Guarantor which was previously an Unrestricted Subsidiary pursuant to or by reason of an agreement that such Subsidiary is a party to or entered into before the date on which such Subsidiary became a Restricted Subsidiary; provided that such agreement was not entered into in

anticipation of an Unrestricted Subsidiary becoming a Restricted Subsidiary and any such encumbrance or restriction does not extend to any assets or property of the Issuers or any other Restricted Subsidiary other than the assets and property of such Subsidiary; and

(7) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of the Capital Stock of, or property and assets of, such Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending the closing of such sale or other disposition.

(c) Nothing contained in this Section 4.13 shall prevent an Issuer or any Restricted Subsidiary from restricting the sale or other disposition of property or assets of an Issuer or any of its Restricted Subsidiaries that secure Indebtedness of the Issuers or any of their Restricted Subsidiaries. For purposes of determining compliance with this Section 4.13, (1) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (2) the subordination of loans or advances made to a Restricted Subsidiary to other Indebtedness incurred by such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

SECTION 4.14. Future Guarantees by Restricted Subsidiaries.

(a) The Issuers will cause each Restricted Subsidiary that is not a Guarantor that borrows under or Guarantees the Credit Agreement on the Issue Date, and any domestic Restricted Subsidiary that is not a Guarantor that borrows under or Guarantees the Credit Agreement or any other capital markets Indebtedness thereafter, to, within 30 days thereof, execute and deliver to the Trustee a supplemental indenture pursuant to which such Restricted Subsidiary will unconditionally Guarantee, on a joint and several basis, the full and prompt payment of the principal of, premium, if any, and interest in respect of the Notes on a senior basis and all other obligations under this Indenture.

(b) Any Subsidiary Guarantee by a Restricted Subsidiary shall provide by its terms that it shall be automatically and unconditionally released and discharged upon:

(1) any sale, exchange or transfer, to any Person that is not a Subsidiary of an Issuer of Capital Stock held by an Issuer and its Restricted Subsidiaries in, or all or substantially all the assets of, such Restricted Subsidiary (which sale, exchange or transfer is not prohibited by this Indenture) such that, immediately after giving effect to such transaction, such Restricted Subsidiary would no longer constitute a Subsidiary of an Issuer,

(2) in connection with the merger or consolidation of a Subsidiary Guarantor with (a) an Issuer or (b) any other Subsidiary Guarantor (*provided* that the surviving entity remains a Subsidiary Guarantor),

(3) if the Issuers properly designate any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary pursuant to the terms of this Indenture,

(4) upon the Legal Defeasance or Covenant Defeasance or satisfaction and discharge of this Indenture,

(5) upon a liquidation or dissolution of a Subsidiary Guarantor permitted under this Indenture, or

(6) the release or discharge of the Guarantee that resulted in the creation of such Subsidiary Guarantee, except a discharge or release by or as a result of payment under such Guarantee.

(c) In addition, any Subsidiary Guarantee shall be automatically and unconditionally released and discharged if such Subsidiary ceases to guarantee obligations under the Credit Agreement or ceases to constitute a co-borrower with respect to the Credit Agreement.

SECTION 4.15. Reports to Holders.

(a) Whether or not Opco is then required to file reports with the SEC, Opco shall file with the SEC all such reports and other information as it would be required to file with the SEC by Sections 13(a) or 15(d) under the Exchange Act if it was subject thereto; *provided, however*, that, if filing such documents by Opco with the SEC is not permitted under the Exchange Act, Opco shall, within 15 days after the time Opco would be required to file such information with the SEC if it were subject to Section 13 or 15(d) under the Exchange Act, provide such documents and reports to the Trustee and upon written request supply copies of such documents and reports to any Holder and shall post such documents and reports on Opco's public website. Opco shall supply the Trustee and each Holder or shall supply to the Trustee for forwarding to each such Holder, without cost to such Holder, copies of such reports and other information. Delivery of such information, documents and reports to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuers' compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

(b) So long as permitted by the SEC, at any time that either (x) one or more Subsidiaries of Opco is an Unrestricted Subsidiary or (y) Opco holds directly any material assets (including Capital Stock) other than the Capital Stock of the Issuers then the quarterly and annual financial information required by this Section 4.15 will include a reasonably detailed presentation, either in "Management's Discussion and Analysis of Financial Condition and Results of Operations" or any other comparable section, of the financial condition and results of operations of the Issuers and their Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries and other material assets of the Issuers.

(c) Opco shall also, within a reasonably prompt period of time following the disclosure of the annual and quarterly information required above, conduct a conference call with respect to such information and results of operations for the relevant reporting period. No fewer than three Business Days prior to the date of the conference call required to be held in accordance with the preceding sentence, Opco shall issue a press release to the appropriate internationally recognized wire services announcing the date that such information will be available and the time and date of such conference call.

(d) So long as the Parent is a Guarantor of the Notes, the Indenture will permit Opco to satisfy its obligations under this Section 4.15 with respect to filing, furnishing, providing and posting documents, reports and other information relating to Opco by the Parent's filing, furnishing, providing and posting, as the case may be, of such documents, reports and other information relating to the Parent; *provided* that the same is accompanied by consolidating information that explains in reasonable detail and in the same manner described in the Prospectus the differences between the information relating to the Parent and its consolidated Subsidiaries on the one hand, and the information relating to the Parent, the Issuers and the Subsidiary Guarantors on a standalone basis, on the other hand, as of the ending date of the period covered by such report.

SECTION 4.16. Suspension of Covenants. During a Suspension Period, the Parent, the Issuers and the Restricted Subsidiaries shall not be subject to Section 4.09, 4.11, 4.12, 4.13, 4.14 or 5.01(a)(3) (each a "Suspended Covenant"). All other provisions of this Indenture shall apply at all times during any Suspension Period so long as any Notes remain outstanding hereunder; *provided* that the Interest Coverage Ratio that will be applicable under Section 4.08(c) will be 1.5 to 1.0 during any Suspension Period.

"Suspension Period" means any period (1) beginning on the date that:

(A) the Notes have Investment Grade Status;

(B) no Default or Event of Default has occurred and is continuing; and

(C) the Issuers have delivered an Officer's Certificate to the Trustee certifying that the conditions set forth in clauses (A) and (B) above are satisfied;

and (2) ending on the date (the "Reversion Date") that the Notes cease to have Investment Grade Status, notice of which shall be provided to the Trustee.

On each Reversion Date, all Indebtedness, liens thereon and dividend blockages incurred during the Suspension Period prior to such Reversion Date shall be deemed to have been outstanding on the Issue Date.

For purposes of calculating the amount available to be made as Restricted Payments under Section 4.09(a)(C), calculations under that clause shall be made with reference to the Transaction Date, as set forth in that clause. Accordingly, (x) Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (1) through (11) of Section 4.09(b), shall reduce the amount available to be made as Restricted Payments under Section 4.09(a)(C); *provided, however*, that the amount available to be made as a Restricted Payment on the Transaction Date shall not be reduced to below zero solely as a result of such Restricted Payments, but may be reduced to below zero as a result of negative cumulative Funds From Operations during the Suspension Period for the purpose of Section 4.09(a)(C)(i), and (y) the items specified in Section 4.09(a)(C)(i), (ii), (iii), (iv), (v) and (vi) that occur during the Suspension Period shall increase the amount available to be made as Restricted Payments under Section 4.09(a)(C). Any Restricted Payment made during the Suspension Period that are of the type described in Section 4.09(b) (other than the Restricted Payment referred to in clauses (1) or (2) of Section 4.09(b) or any exchange of Capital Stock for Capital Stock or Indebtedness referred to in clause (4) or (5) of Section 4.09(b)), and the Net Cash Proceeds from any issuance of Capital Stock referred to in clauses (4) and (5) of Section 4.09(b) (adjusted to avoid double counting) shall not be included in calculating the amounts permitted to be incurred under Section 4.09(a)(C) on each Reversion Date.

For purposes of Section 4.11, on each Reversion Date, the unutilized Excess Proceeds shall be reset to zero.

No Default or Event of Default shall be deemed to have occurred on the Reversion Date (or thereafter) under any Suspended Covenant solely as a result of any actions taken by the Parent or any Restricted Subsidiaries thereof, or events occurring, during the Suspension Period. For purposes of Section 4.10, if the Parent and its Restricted Subsidiaries are not in compliance with Section 4.10 as of a Reversion Date, no Default or Event of Default shall be deemed to have occurred for up to 120 days following the Reversion Date; *provided* that neither the Parent nor any of its Restricted Subsidiaries shall incur any Secured Indebtedness until such time that the requirements of Section 4.10 have been met.

SECTION 4.17. Limitation on Activities of Finco.

Finco may not hold any material assets, become liable for any material obligations, engage in any trade or business, or conduct any business activity, other than (1) the issuance of its Capital Stock to Opco or any wholly owned Restricted Subsidiary of Opco, (2) the incurrence of Indebtedness as a co-obligor or guarantor, as the case may be, of the Notes, the Credit Agreement and any other Indebtedness that is permitted to be incurred under Section 4.08; *provided* that the net proceeds of such Indebtedness are not retained by Finco, and (3) activities incidental thereto. Neither the Parent nor any Restricted Subsidiary shall engage in any transaction with Finco in violation of the immediately preceding sentence.

SECTION 4.18. Escrow of Net Proceeds

(a) Unless the Acquisition shall have been consummated simultaneously with the consummation of the offering of the Notes, the maximum Escrow Proceeds will be placed by the Issuers in escrow until the satisfaction of the conditions described below. The terms of the escrow will be set forth in the Escrow Agreement, pursuant to which the Issuers will deposit with the Escrow Agent on the Issue Date the Escrow proceeds. The Issuers will grant the Trustee, for the benefit of the Holders subject to any lien of the Escrow Agent, a first priority security interest in the escrow account and all deposits and investment property therein to secure the Special Mandatory Redemption.

(b) Certain funds held in the Escrow Account will be released to the Issuers in accordance with the Escrow Agreement upon delivery by the Issuers to the Escrow Agent and the Trustee of an Officers' Certificate certifying that, prior to or concurrently with the release of funds from the Escrow Account (clauses (1) through (2) below, collectively, the "Escrow Conditions"):

(i) (a) all conditions precedent to the consummation of the Acquisition will have been satisfied or waived in accordance with the terms of the agreements governing the Acquisition (other than the payment of Purchase Price (as defined in the Transaction Agreement) and other than those conditions that by their terms are to be satisfied simultaneously with the consummation of the Acquisition) and (B) the Acquisition will be consummated on substantially the terms described in the prospectus substantially concurrently with the release of funds on deposit with the Escrow Agent; and

(ii) no Event of Default shall have occurred and be continuing under the Indenture.

ARTICLE FIVE

Successor Corporation

SECTION 5.01. Consolidation Merger and Sale of Assets.

(a) No Issuer shall consolidate with or merge with or into, or sell, convey, transfer or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' (taken as a whole) property and assets (as an entirety or substantially an entirety in one transaction or a series of related transactions) to, any Person or permit any Person (other than a Restricted Subsidiary) to merge with or into it unless:

(1) such Issuer shall be the continuing Person, or the Person (if other than such Issuer) formed by such consolidation or into which such Issuer is merged or that acquired such property and assets of such Issuer shall be a corporation, limited liability company, partnership (including a limited partnership) or trust organized and validly existing under the laws of the United States of America or any state or jurisdiction thereof and shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, all of the obligations of such Issuer with respect to the Notes and under this Indenture (*provided* that in the case of a limited liability company, partnership (including a limited partnership) or trust, there shall also be a corporation organized and validly existing under the laws of the United States of America or any state or jurisdiction thereof which shall expressly jointly with such limited liability company, partnership (including a limited partnership) or trust, assume, by a supplemental indenture, executed and delivered to the Trustee, all of the obligations of such Issuer with respect to the Notes and under this Indenture);

(2) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction and any related financing transactions as if the same had occurred at the beginning of the applicable Four Quarter Period, on a pro forma basis the Issuers, or any Person becoming the successor obligor of the Notes, as the case may be, could Incur at least $1.00 of Indebtedness under paragraphs (a) and (c) of Section 4.08; *provided*, *however*, that this clause (3) shall not apply to a consolidation or merger with or into a Wholly Owned Restricted Subsidiary; and

(4) the Issuers deliver to the Trustee an Officer's Certificate (attaching the arithmetic computations to demonstrate compliance with clause (3) above) and an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and such supplemental indenture complies with this Section 5.01 and that all conditions precedent provided for herein relating to such transaction have been complied with and, with respect to the Opinion of Counsel, that the supplemental indenture constitutes a valid and binding obligation enforceable against the Issuers, or the Person (if other than an Issuer) formed by such consolidation or into which such Issuer is merged or that acquired all or substantially all of such Issuer's and its Restricted Subsidiaries' property and assets;

provided, *however*, that clause (3) above does not apply if, in the good faith determination of the Board of Directors of the Parent, whose determination shall be evidenced by a Board Resolution, the principal purpose of such transaction is to change the state of domicile of an Issuer; *provided further*, *however*, that any such transaction shall not have as one of its purposes the evasion of the foregoing limitations.

(b) Except as provided in Section 10.04, the Issuers shall not permit any Subsidiary Guarantor to consolidate with or merge with or into, or convey or transfer, in one transaction or a series of transactions, all or substantially all of its property and assets to any Person, unless:

(1)(i) the resulting, surviving or transferee Person (if not such Subsidiary) shall be a Person organized and existing under the laws of the jurisdiction under which such Subsidiary was organized or under the laws of the United States of America, or any state thereof or the District of Columbia, and (ii) such Person shall expressly assume, by a supplemental indenture, all the obligations of such Subsidiary Guarantor, if any, under the Notes or its Subsidiary Guarantee, as applicable; *provided*, *however*, that the foregoing requirement in clause (ii) shall not apply in the case of a Subsidiary Guarantor or all or substantially all of its property and assets (x) that has been disposed of in its entirety to another Person (other than to an Issuer or an Affiliate of an Issuer), whether through a merger, consolidation or sale of Capital Stock or assets or (y) that, as a result of the disposition of all or a portion of its Capital Stock, ceases to be a Subsidiary, so long as, in both cases, in connection therewith the Issuers provide an Officer's Certificate to the Trustee to the effect that the Issuers shall comply with their obligations under Section 4.11;

(2) immediately after giving effect to such transaction or transactions on a pro forma basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of such transaction as having been issued by such Person at the time of such transaction), no Default shall have occurred and be continuing; and

(3) the Issuers deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with this Indenture and, with respect to the Opinion of Counsel, that the supplemental indenture constitutes a valid and binding obligation enforceable against the Issuers, the Subsidiary Guarantors, the Parent and the surviving Persons.

(c) Notwithstanding the foregoing, any Subsidiary Guarantor may (i) merge with an Affiliate of an Issuer or a Restricted Subsidiary or another Subsidiary Guarantor solely for the purpose of changing the state of domicile of the Subsidiary Guarantor, (ii) merge with or into or transfer all or part of its properties and assets to another Subsidiary Guarantor or the Issuers or (iii) convert into a corporation, partnership, limited partnership, limited liability company or trust organized under the laws of the jurisdiction of organization of such Subsidiary Guarantor.

(d) Upon any such consolidation, combination or merger of an Issuer or a Guarantor, or any such sale, conveyance, transfer or other disposition of all or substantially all of the assets of an Issuer in accordance with this Section 5.01, in which such Issuer or such Guarantor is not the continuing obligor under the Notes or its Guarantee, the surviving entity formed by such consolidation or into which such Issuer or such Guarantor is merged or the entity to which the sale, conveyance, transfer or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, such Issuer or such Guarantor under this Indenture and, the Notes and the Guarantees with the same effect as if such surviving entity had been named therein as such Issuer or such Guarantor and such Issuer or such

Guarantor, as the case may be, shall be released from the obligation to pay the principal of and interest on the Notes or in respect of its Guarantee, as the case may be, and all of such Issuer's or such Guarantor's other obligations and covenants under the Notes, this Indenture and its Guarantee, if applicable.

(e) Notwithstanding the foregoing, the Acquisition and the related transactions shall be permitted under the Indenture.

ARTICLE SIX

Default and Remedies

SECTION 6.01. Events of Default. Each of the following is an "Event of Default":

(1) default in the payment of principal of, or premium, if any, on any Note when they are due and payable at maturity, upon acceleration, redemption or otherwise;

(2) default in the payment of interest on any Note when they are due and payable, and such default continues for a period of 30 days;

(3) the Issuers or Restricted Subsidiaries do not comply with their obligations under Section 5.01;

(4) the Issuers fail to make or consummate a Change of Control Offer following a Change of Control when required under Section 4.07;

(5) the Issuers or Restricted Subsidiaries default in the performance of or breach any other covenant or agreement of the Issuers or the Restricted Subsidiaries in this Indenture or under the Notes (other than a default specified in clause (1), (2), (3) or (4) above) and such default or breach continues for 60 consecutive days after written notice by the Trustee or the Holders of 25% or more in aggregate principal amount of the Notes;

(6) there occurs with respect to any issue or issues of Indebtedness of an Issuer or any Significant Subsidiary having an outstanding principal amount of $45,000,000 or more in the aggregate for all such issues of all such Persons, whether such Indebtedness now exists or shall hereafter be created,

(i) an event of default that has caused the Holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and such Indebtedness has not been discharged in full or such acceleration has not been rescinded or annulled within 30 days of such acceleration and/or

(ii) the failure to make a principal payment at the final (but not any interim) fixed maturity and such defaulted payment shall not have been made, waived or extended within 30 days of such payment default;

(7) any final and non-appealable judgment or order for the payment of money in excess of $45,000,000 in the aggregate for all such final judgments or orders against all such Persons:

(i) shall be rendered against an Issuer or any Significant Subsidiary and shall not be paid or discharged and

(ii) there shall be any period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed $45,000,000 during which a stay of enforcement of such final judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

(8) a court of competent jurisdiction enters a decree or order for:

(i) relief in respect of an Issuer or any Significant Subsidiary in an involuntary case under any applicable Bankruptcy Law now or hereafter in effect,

(ii) appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of an Issuer or any Significant Subsidiary or for all or substantially all of the property and assets of an Issuer or any Significant Subsidiary or

(iii) the winding up or liquidation of the affairs of an Issuer or any Significant Subsidiary and, in each case, such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or

(9) an Issuer or any Significant Subsidiary:

(i) commences a voluntary case under any applicable Bankruptcy Law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under such law,

(ii) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of an Issuer or such Significant Subsidiary or for all or substantially all of the property and assets of an Issuer or such Significant Subsidiary or

(iii) effects any general assignment for the benefit of its creditors.

SECTION 6.02. Acceleration. If an Event of Default (other than an Event of Default specified in clause (8) or (9) of Section 6.01 that occurs with respect to an Issuer) occurs and is continuing under this Indenture, the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Issuers (and to the Trustee if such notice is given by the Holders), may, and the Trustee at the request of the Holders of at least 25% in aggregate principal amount of the Notes then outstanding shall, declare the principal of, premium, if any, and accrued interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued interest shall be immediately due and payable. In the event of a declaration of acceleration because an Event of Default set forth in clause (6) of Section 6.01 has occurred and is continuing, such declaration of acceleration shall be automatically rescinded and annulled if the event of default triggering such Event of Default pursuant to clause (6) of Section 6.01 shall be remedied or cured by the relevant Issuer or Significant Subsidiary or waived by the Holders of the relevant Indebtedness within 60 days after the declaration of acceleration with respect thereto.

If an Event of Default specified in clause (8) or (9) of Section 6.01 occurs with respect to an Issuer, the principal of, premium, if any, and accrued interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. The Holders of at least a majority in principal amount of the outstanding Notes by written notice to the Issuers and to the Trustee may waive all past Defaults and rescind and annul a declaration of acceleration and its consequences if:

(x) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived; and

(y) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 6.03. Other Remedies. If a Default occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the payment of principal of, or interest on, the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon a Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Default. No remedy is exclusive of any other remedy. All available remedies are cumulative to the extent permitted by law.

SECTION 6.04. Waiver of Past Defaults. Subject to Sections 2.09, 6.07 and 9.02, the Holders of a majority in principal amount of the outstanding Notes (which may include consents obtained in connection with a tender offer or exchange offer of Notes) by notice to the Trustee may waive an existing Default and its consequences, except a Default in the payment of principal of, or interest on, any Note as specified in Section 6.01(1) or (2). The Issuers shall deliver to the Trustee an Officer's Certificate stating that the requisite percentage of Holders have consented to such waiver and attaching copies of such consents. When a Default is waived, it is cured and ceases.

SECTION 6.05. Control by Majority. The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. Subject to Section 7.01, however, the Trustee may refuse to follow any direction that conflicts with any law or this Indenture, that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of Holders of Notes not joining in the giving of such direction received from the Holders of Notes; *provided*, *however*, that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

SECTION 6.06. Limitation on Suits. No Holder shall have any right to institute any proceeding with respect to this Indenture or for any remedy thereunder, unless:

(1) the Holder gives the Trustee written notice of a continuing Event of Default;

(2) the Holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer the Trustee indemnity satisfactory to the Trustee against any costs, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(5) during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a direction that is inconsistent with the request.

However, such limitations do not apply to the right of any Holder of a Note to receive payment of the principal of, premium, if any, or interest on, such Note or to bring suit for the enforcement of any such payment on or after the due date expressed in the Notes, which right shall not be impaired or affected without the consent of the Holder.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over such other Holder.

SECTION 6.07. Rights of Holders To Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal of and premium, if any, and interest on, a Note, on or after the respective due dates therefor, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the Holder.

SECTION 6.08. Collection Suit by Trustee. If a Default in payment of principal or interest specified in Section 6.01(1) or (2) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Issuers or any other obligor on the Notes for the whole amount of principal and accrued interest and fees remaining unpaid, together with interest on overdue principal and, to the extent that payment of such interest is lawful, interest on overdue installments of interest, in each case at the rate per annum borne by the Notes and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

SECTION 6.09. Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relating to the Issuers, their creditors or their property and shall be entitled and empowered to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same, and any custodian in any such judicial proceedings is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agent and counsel, and any other amounts due the Trustee under Section 7.07. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding. The Trustee shall be entitled to participate as a member of any official committee of creditors in the matters as it deems necessary or advisable.

SECTION 6.10. Priorities. If the Trustee collects any money or property pursuant to this Article Six, it shall pay out the money or property in the following order:

First: to the Trustee for amounts due hereunder, including under Section 7.07;

Second: to Holders for interest accrued on the Notes, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for interest;

Third: to Holders for principal amounts due and unpaid on the Notes, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal; and

Fourth: to the Issuers or, if applicable, the Guarantors, as their respective interests may appear.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

SECTION 6.11. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07, or a suit by a Holder or Holders of more than 10% in principal amount of the outstanding Notes.

SECTION 6.12. Restoration of Rights and Remedies. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceedings or any other proceedings, the Issuers, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies hereunder of the Trustee and the Holders shall continue as though no such proceeding has been instituted.

ARTICLE SEVEN

Trustee

SECTION 7.01. Duties of Trustee.

(a) If a Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) Except during the continuance of a Default:

(1) The Trustee need perform only those duties as are specifically set forth herein or in the Trust Indenture Act and no duties, covenants, responsibilities or obligations shall be implied in this Indenture against the Trustee.

(2) In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates (including Officer's Certificates) or opinions (including Opinions of Counsel) furnished to the Trustee and conforming to the requirements of this Indenture. However, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) Notwithstanding anything to the contrary herein, the Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) This paragraph does not limit the effect of Section 7.01(b).

(2) The Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(3) The Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

(d) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or to take or omit to take any action under this Indenture or take any action at the request or direction of Holders if it shall have reasonable grounds for believing that repayment of such funds is not assured to it.

(e) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to this Section 7.01.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuers. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law or unless otherwise agreed with the Issuers.

(g) In the absence of bad faith, negligence or willful misconduct on the part of the Trustee, the Trustee shall not be responsible for the application of any money by any Paying Agent other than the Trustee.

SECTION 7.02. Rights of Trustee. Subject to Section 7.01:

(a) The Trustee may rely conclusively on any resolution, certificate (including any Officer's Certificate), statement, instrument, opinion (including any Opinion of Counsel), notice, request, direction, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate and an Opinion of Counsel, which shall conform to the provisions of Section 11.05. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel.

(c) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent (other than an agent who is an employee of the Trustee) appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it reasonably believes to be authorized or within its rights or powers under this Indenture.

(e) The Trustee may consult with counsel of its selection and the advice or opinion of such counsel as to matters of law shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Holders pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby.

(g) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate (including any Officer's Certificate), statement, instrument, opinion (including any Opinion of Counsel), notice, request, direction, consent, order, bond, debenture, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled, upon reasonable notice to the Issuers, to examine the books, records, and premises of the Issuers, personally or by agent or attorney at the sole cost of the Issuers.

(h) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(i) The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as duties.

(j) Except with respect to Sections 4.01 and 4.05, the Trustee shall have no duty to inquire as to the performance of the Issuers with respect to the covenants contained in Article Four. In addition, the Trustee shall not be deemed to have knowledge of an Event of Default except (i) any Default or Event of Default occurring pursuant to Section 4.01, 6.01(1) or 6.01(2) or (ii) any Default or Event of Default actually known to a Responsible Officer.

(k) The rights, privileges, protections, immunities and benefits given to the Trustee, including its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder.

SECTION 7.03. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuers, their Subsidiaries or their respective Affiliates with the same rights it would have if it were not Trustee. Any Agent may do the same with like rights. However, the Trustee shall comply with Sections 7.10 and 7.11.

SECTION 7.04. Trustee's Disclaimer. The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Issuers' use of the proceeds from the Notes, and it shall not be responsible for any statement of the Issuers in this Indenture or any document issued in connection with the sale of Notes or any statement in the Notes other than the Trustee's certificate of authentication. The Trustee makes no representations with respect to the effectiveness or adequacy of this Indenture.

SECTION 7.05. Notice of Default. If a Default occurs and is continuing and is deemed to be known to the Trustee pursuant to Section 7.02(j), the Trustee shall mail to each Holder notice of the uncured Default within 60 days after the Trustee is deemed to know such Default occurred. Except in the case of a Default in payment of principal of, or interest on, any Note, including an accelerated payment and the failure to make a payment pursuant to an Asset Sale Offer and/or Change of Control Offer or a

Default in complying with the provisions of Article Five, the Trustee may withhold the notice if and so long as the Board of Directors, the executive committee, or a trust committee of directors and/or Responsible Officers, of the Trustee in good faith determines that withholding the notice is in the interest of the Holders.

SECTION 7.06. Reports by Trustee to Holders. Within 60 days after each November 1, beginning with November 1, 2012, the Trustee shall, to the extent that any of the events described in Trust Indenture Act § 313(a) occurred within the previous twelve months, but not otherwise, mail to each Holder a brief report dated as of such date that complies with Trust Indenture Act § 313(a). The Trustee also shall comply with Trust Indenture Act §§ 313(b), 313(c) and 313(d).

A copy of each report at the time of its mailing to Holders shall be mailed to the Issuers and filed with the SEC and each securities exchange, if any, on which the Notes are listed.

The Issuers shall notify the Trustee if the Notes become listed on any securities exchange or of any delisting thereof and the Trustee shall comply with Trust Indenture Act § 313(d).

SECTION 7.07. Compensation and Indemnity. The Issuers shall pay to the Trustee from time to time such compensation as the Issuers and the Trustee shall from time to time agree in writing for its services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuers shall reimburse the Trustee upon request for all reasonable disbursements, expenses and advances (including reasonable fees and expenses of counsel) incurred or made by it in addition to the compensation for its services, except any such disbursements, expenses and advances as may be attributable to the Trustee's negligence, bad faith or willful misconduct. Such expenses shall include the reasonable fees and expenses of the Trustee's agents and counsel.

The Issuers shall indemnify each of the Trustee or any predecessor Trustee and its agents for, and hold them harmless against, any and all loss, damage, claims including taxes (other than taxes based upon, measured by or determined by the income of the Trustee), liability or expense incurred by them except for such actions to the extent caused by any negligence, bad faith or willful misconduct on their part, arising out of or in connection with this Indenture including the reasonable costs and expenses of defending themselves against or investigating any claim or liability in connection with the exercise or performance of any of the Trustee's rights, powers or duties hereunder. The Trustee shall notify the Issuers promptly of any claim asserted against the Trustee or any of its agents for which it may seek indemnity, provided that failure to provide such notice shall not relieve the Issuers of their obligations in this Section 7.07. The Issuers may, at the request of the Trustee, defend the claim and the Trustee shall cooperate in the defense; provided that the Trustee and its agents subject to the claim may have separate counsel and the Issuers shall pay the reasonable fees and expenses of such counsel; *provided*, *however*, that the Issuers shall not be required to pay such fees and expenses if the Issuers assume the Trustee's defense and there is no conflict of interest between the Issuers and the Trustee and its agents subject to the claim in connection with such defense as reasonably determined by the Trustee. The Issuers need not pay for any settlement made without their written consent (which shall not be unreasonably withheld). The Issuers need not reimburse any expense or indemnify against any loss or liability to the extent incurred by the Trustee through its negligence, bad faith or willful misconduct.

Notwithstanding anything to the contrary in this Indenture, to secure the Issuers' payment obligations in this Section 7.07, the Trustee shall have a Lien prior to the Notes against all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property held in trust to pay principal and interest on particular Notes.

When the Trustee incurs expenses or renders services after a Default specified in Section 6.01(8) or 6.01(9) occurs, such expenses and the compensation for such services shall be paid to the extent allowed under any Bankruptcy Law.

Notwithstanding any other provision in this Indenture, the foregoing provisions of this Section 7.07 shall survive the satisfaction and discharge of this Indenture or the appointment of a successor Trustee.

SECTION 7.08. Replacement of Trustee. A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08. The Trustee may resign with 60 days prior written notice by so notifying the Issuers in writing. The Holders of a majority in principal amount of the outstanding Notes may remove the Trustee by so notifying the Issuers and the Trustee and may appoint a successor Trustee. The Issuers may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10;

(2) the Trustee is adjudged a bankrupt or an insolvent;

(3) a receiver or other public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuers shall notify each Holder of such event and shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuers.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuers. Immediately after that, the retiring Trustee shall transfer, after payment of all sums then owing to the Trustee pursuant to Section 7.07, all property held by it as Trustee to the successor Trustee, subject to the Lien provided in Section 7.07, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. A successor Trustee shall mail notice of its succession to each Holder.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuers or the Holders of at least 10% in principal amount of the outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee at the expense of the Issuers.

If the Trustee fails to comply with Section 7.10, any Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Issuers' obligations under Section 7.07 shall continue for the benefit of the retiring Trustee.

SECTION 7.09. Successor Trustee by Merger, Etc. Any business entity into which the Trustee may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any entity succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 7.10. Eligibility, Disqualification. This Indenture shall always have a Trustee who satisfies the requirement of Trust Indenture Act §§ 310(a)(1), 310(a)(2) and 310(a)(5). The Trustee shall have a combined capital and surplus of at least $150,000,000 asset forth in its most recent published annual report of condition. The Trustee shall comply with Trust Indenture Act § 310(b); *provided*, *however*, that there shall be excluded from the operation of Trust Indenture Act § 310(b)(1) any indenture or indentures under which other securities, or certificates of interest or participation in other securities, of the Issuers are outstanding, if the requirements for such exclusion set forth in Trust Indenture Act § 310(b)(1) are met. The provisions of Trust Indenture Act § 310 shall apply to the Issuers and any other obligor of the Notes.

SECTION 7.11. Preferential Collection of Claims Against the Issuers. The Trustee, in its capacity as Trustee hereunder, shall comply with Trust Indenture Act § 311(a), excluding any creditor relationship listed in Trust Indenture Act § 311(b). A Trustee who has resigned or been removed shall be subject to Trust Indenture Act § 311(a) to the extent indicated.

SECTION 7.12. Escrow Authorization. Each Holder, by its acceptance of a Note, consents and agrees to the terms of the Escrow Agreement, including related documents thereto, as the same may be in effect or may be amended from time to time in writing by the parties thereto (*provided* that no amendment that would materially adversely affect the rights of the Holders may be effected without the consent of each Holder of Notes affected thereby), and authorizes and directs the Trustee to enter into the Escrow Agreement and to perform its obligations and exercise its rights thereunder in accordance therewith. The Issuers shall do or cause to be done all such acts and things as may be necessary or proper, or as may be required by the provisions of the Escrow Agreement, to assure and confirm to the Trustee the security interest contemplated by the Escrow Agreement or any part thereof, as from time to time constituted, so as to render the same available for the security and benefit of this Indenture and of the Notes secured hereby, according to the intent and purpose herein expressed. The Issuers shall take, or shall cause to be taken, any and all actions reasonably required to cause the Escrow Agreement to create and maintain, as security for the obligations of the Issuers under this Indenture and the Notes as provided in the Escrow Agreement, valid and enforceable first priority perfected Liens in and on all of the Escrow Proceeds, in favor of the Trustee for its benefit and the ratable benefit of the Holders, superior to and prior to the rights of third Persons and subject to no other Lien other than any Lien of the Escrow Agent.

ARTICLE EIGHT

Discharge of Indenture, Defeasance

SECTION 8.01. Termination of the Issuers' Obligations. The Issuers may terminate their obligations under the Notes and this Indenture and the obligations of the Guarantors under the Guarantees and this Indenture, and this Indenture shall cease to be of further effect, except those obligations referred to in the penultimate paragraph of this Section 8.01, if:

(1) either

(A) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuers and thereafter repaid to the Issuers or discharged from such trust) have been delivered to the Trustee for cancellation; or

(B) all Notes not theretofore delivered to the Trustee for cancellation (1) have become due and payable or (2) will become due and payable within one year, or are to be called for redemption within one year, under arrangements reasonably satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuers, and the Issuers have irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of maturity or redemption, as the case may be, together with irrevocable instructions from the Issuers directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuers have paid all other sums payable under this Indenture by the Parent or the Issuers, and

(3) the Issuers have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel stating that all conditions precedent under this Indenture relating to the satisfaction and discharge of this Indenture have been complied with.

In the case of clause (B) of this Section 8.01, and subject to the next sentence and notwithstanding the foregoing paragraph, the Issuers' obligations in Sections 2.05, 2.06, 2.07, 2.08, 7.07, 8.05 and 8.06 shall survive until the Notes are no longer outstanding pursuant to the last paragraph of Section 2.08. After the Notes are no longer outstanding, the Issuers' obligations in Sections 7.07, 8.05 and 8.06 shall survive.

After such delivery or irrevocable deposit, the Trustee upon request shall acknowledge in writing the discharge of the Issuers' obligations under the Notes and this Indenture except for those surviving obligations specified above.

SECTION 8.02. Legal Defeasance and Covenant Defeasance.

(a) The Issuers may, at their option and at any time, elect to have either paragraph (b) or (c) below be applied to all outstanding Notes upon compliance with the conditions set forth in Section 8.03.

(b) Upon the Issuers' exercise under Section 8.02(a) hereof of the option applicable to this Section 8.02(b), the Issuers and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.03, be deemed to have been discharged from their obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, Legal Defeasance means that the Issuers and the Guarantors shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes and Guarantees, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.04 hereof and the other Sections of this Indenture referred to in (i) and (ii) below, and to have satisfied all its other obligations under such Notes and this Indenture and the Guarantors shall be deemed to have satisfied all of their obligations under the Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Issuers, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

(i) the rights of Holders of outstanding Notes to receive, solely from the trust fund described in Section 8.04, and as more fully set forth in such Section 8.04, payments in respect of the principal of, premium, if any, and interest on such Notes when such payments are due;

(ii) the Issuers' obligations with respect to such Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and Section 4.02 hereof;

(iii) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuers' obligations in connection therewith; and

(iv) the provisions of this Article Eight applicable to Legal Defeasance.

Subject to compliance with this Article Eight, the Issuers may exercise their option under this Section 8.02(b) notwithstanding the prior exercise of its option under Section 8.02(c).

(c) Upon the Issuers' exercise under Section 8.02(a) hereof of the option applicable to this Section 8.02(c), the Issuers and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.03, be released from their respective obligations under the covenants contained in Sections 4.03 (other than with respect to the legal existence of the Issuers), 4.04, 4.07 through 4.16 and clause (3) of Section 5.01(a) with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.03 are satisfied (hereinafter, "Covenant Defeasance"), and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, the Issuers and the Guarantors may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute an Event of Default under Section 6.01, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby. In addition, upon the Issuers' exercise under paragraph (a) hereof of the option applicable to this paragraph (c), subject to the satisfaction of the conditions set forth in Section 8.03, clauses (3), (4), (5), (6) and (7) of Section 6.01 shall not constitute Events of Default.

SECTION 8.03. Conditions to Legal Defeasance or Covenant Defeasance. The following shall be the conditions to the application of either Section 8.02(b) or 8.02(c) hereof to the outstanding Notes:

(1) the Issuers shall irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, U.S. Legal Tender, U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient (without reinvestment), in the opinion of a nationally recognized firm of independent public accountants selected by the Issuers, to pay the principal of and interest and premium, if any, on the Notes on the stated date for payment or on the redemption date of the Notes;

(2) in the case of Legal Defeasance, the Issuers shall have delivered to the Trustee an Opinion of Counsel in the United States of America confirming that:

(a) the Issuers have received from, or there has been published by the Internal Revenue Service, a ruling, or

(b) since the date of this Indenture, there has been a change in the applicable U.S. Federal income tax law,

in either case to the effect that, and based thereon this Opinion of Counsel shall confirm that the Holders and beneficial owners will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuers shall have delivered to the Trustee an Opinion of Counsel in the United States of America reasonably acceptable to the Trustee confirming that the Holders and beneficial owners will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default shall have occurred and be continuing on the date of such deposit (other than a Default resulting from the borrowing of funds to be applied to such deposit and any similar and simultaneous deposit relating to other Indebtedness and, in each case, the granting of Liens on the deposited funds in connection therewith);

(5) the Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under any other material agreement or instrument (other than this Indenture) to which the Parent or any of its Subsidiaries is a party or by which the Parent or any of its Subsidiaries is bound (other than any such Default or default relating to any Indebtedness being defeased from any borrowing of funds to be applied to such deposit and any similar and simultaneous deposit relating to such Indebtedness, and the granting of Liens on the deposited funds in connection therewith);

(6) the Issuers shall have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by them with the intent of preferring the Holders over any other creditors of the Issuers or with the intent of defeating, hindering, delaying or defrauding any other of their creditors or others; and

(7) the Issuers shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that the conditions provided for in, in the case of the Officer's Certificate, clauses (1) through (6), as applicable, and, in the case of the Opinion of Counsel, clauses (2), if applicable, and/or (3) and (5) of this Section 8.03 have been complied with.

SECTION 8.04. Application of Trust Money. Subject to Section 8.05, the Trustee or Paying Agent shall hold in trust all U.S. Legal Tender and U.S. Government Obligations deposited with it pursuant to this Article Eight, and shall apply the deposited U.S. Legal Tender and the money from U.S. Government Obligations in accordance with this Indenture to the payment of the principal of and the interest on the Notes. The Trustee shall be under no obligation to invest said U.S. Legal Tender and U.S. Government Obligations, except as it may agree with the Issuers.

The Issuers shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Legal Tender and U.S. Government Obligations deposited pursuant to Section 8.03 or the principal and interest received in respect thereof, other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article Eight to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuers from time to time upon the Issuers' request any U.S. Legal Tender and U.S. Government Obligations held by it as provided in Section 8.03 which, in the opinion of a nationally recognized firm of

independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

SECTION 8.05. Repayment to the Issuers. The Trustee and the Paying Agent shall pay to the Issuers upon request any money held by them for the payment of principal or interest that remains unclaimed for two years. After payment to the Issuers, Holders entitled to such money shall look to the Issuers for payment as general creditors unless an applicable law designates another Person.

SECTION 8.06. Reinstatement. If the Trustee or Paying Agent is unable to apply any U.S. Legal Tender and U.S. Government Obligations in accordance with this Article Eight by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuers' obligations under this Indenture, and the Notes and the Guarantees shall be revived and reinstated as though no deposit had occurred pursuant to this Article Eight until such time as the Trustee or Paying Agent is permitted to apply all such U.S. Legal Tender and U.S. Government Obligations in accordance with this Article Eight; *provided* that if the Issuers have made any payment of interest on, or principal of, any Notes because of the reinstatement of its obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the U.S. Legal Tender and U.S. Government Obligations held by the Trustee or Paying Agent.

ARTICLE NINE

Amendments, Supplements and Waivers

SECTION 9.01. Without Consent of Holders.

(a) The Parent, the Issuers, the Guarantors and the Trustee, together, may amend or supplement this Indenture, the Notes or the Guarantees without notice to or consent of any Holder:

(1) to cure any ambiguity, omission, defect or inconsistency;

(2) to provide for the assumption by a successor corporation of the obligations of the Parent, the Issuers or any Subsidiary Guarantor under this Indenture;

(3) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(4) to add Guarantees with respect to the Notes or to secure the Notes;

(5) to add to the covenants of the Parent, the Issuers or a Restricted Subsidiary for the benefit of the Holders or to surrender any right or power conferred upon the Parent, the Issuers or a Restricted Subsidiary;

(6) to make any change that does not adversely affect the rights of any Holder, as evidenced by an Officer's Certificate delivered to the Trustee (upon which it may fully rely);

(7) to comply with any requirement of the SEC in order to effect or maintain the qualification of this Indenture under the Trust Indenture Act;

(8) to make any amendment to the provisions of this Indenture relating to the transfer and legending of Notes; *provided*, *however*, that (a) compliance with this Indenture as so

amended would not result in Notes being transferred in violation of the Securities Act or any other applicable securities law and (b) such amendment does not materially and adversely affect the rights of Holders to transfer Notes;

(9) to conform the text of this Indenture or the Guarantees or the Notes to any provision of the "Description of notes" section of the Prospectus; to the extent that such provision in the "Description of notes" section of the Prospectus was intended to be a substantially verbatim recitation of a provision of this Indenture or the Guarantees or the Notes, as evidenced by an Officer's Certificate delivered to the Trustee (upon which it may fully rely);

(10) evidence and provide for the acceptance of appointment by a successor trustee, *provided* that the successor trustee is otherwise qualified and eligible to act as such under the terms of this Indenture;

(11) provide for a reduction in the minimum denominations of the Notes;

(12) comply with the rules of any applicable securities depositary; or

(13) to provide for the issuance of Additional Notes and related guarantees in accordance with the limitations set forth in this Indenture.

SECTION 9.02. With Consent of Holders.

(a) Subject to Section 6.07, the Issuers, the Guarantors and the Trustee, together, with the consent of the Holder or Holders of not less than a majority in aggregate principal amount of the outstanding Notes may amend or supplement this Indenture, the Notes or the Guarantees, without notice to any other Holders. Subject to Sections 6.07, the Holder or Holders of not less than a majority in aggregate principal amount of the outstanding Notes may waive compliance with any provision of this Indenture, the Notes or the Guarantees without notice to any other Holders.

(b) Notwithstanding Section 9.02(a), without the consent of each Holder affected, no amendment or waiver may:

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Note;

(2) reduce the principal amount of, or premium, if any, or interest on, any Note;

(3) change the place of payment of principal of, or premium, if any, or interest on, any Note;

(4) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the Redemption Date) of any Note;

(5) reduce the above-stated percentages of outstanding Notes the consent of whose Holders is necessary to modify or amend this Indenture;

(6) waive a default in the payment of principal of, premium, if any, or interest on the Notes (except a rescission of the declaration of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the Notes then outstanding and a waiver of the pay-

ment default that resulted from such acceleration, so long as all other existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived);

(7) voluntarily release a Guarantor of the Notes, except as permitted by this Indenture;

(8) reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary for waiver of compliance with Sections 6.02 and 6.04; or

(9) modify or change any provisions of this Indenture affecting the ranking of the Notes as to right of payment or the Guarantees thereof in any manner adverse to the Holders of the Notes.

(c) It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver but it shall be sufficient if such consent approves the substance thereof.

(d) A consent to any amendment, supplement or waiver under this Indenture by any Holder given in connection with an exchange (in the case of an exchange offer) or a tender (in the case of a tender offer) of such Holder's Notes shall not be rendered invalid by such tender or exchange.

(e) After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuers shall mail to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuers to give such notice to all Holders, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment, supplement or waiver.

SECTION 9.03. Compliance with the Trust Indenture Act. Every amendment, waiver or supplement of this Indenture, the Notes or the Guarantees shall comply with the Trust Indenture Act as then in effect.

SECTION 9.04. Revocation and Effect of Consents. Until an amendment, waiver or supplement becomes effective, a consent to it by a Holder is a continuing consent by the Holder and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent Holder may revoke the consent as to his Note or portion of his Note by notice to the Trustee or the Issuers received before the date on which the Trustee receives an Officer's Certificate certifying that the Holders of the requisite principal amount of Notes have consented (and not theretofore revoked such consent) to the amendment, supplement or waiver.

The Issuers may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to consent to any amendment, supplement or waiver, which record date shall be at least 30 days prior to the first solicitation of such consent. If a record date is fixed, then notwithstanding the last sentence of the immediately preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to revoke any consent previously given, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date. The Issuers shall inform the Trustee in writing of the fixed record date if applicable.

After an amendment, supplement or waiver becomes effective, it shall bind every Holder, unless it makes a change described in any of clauses (1) through (9) of Section 9.02(b), in which case, the

amendment, supplement or waiver shall bind only each Holder of a Note who has consented to it and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note; *provided, however*, that any such waiver shall not impair or affect the right of any Holder to receive payment of principal of, and interest on, a Note, on or after the respective due dates therefor, or to bring suit for the enforcement of any such payment on or after such respective dates without the consent of such Holder.

SECTION 9.05. Notation on or Exchange of Notes. If an amendment, supplement or waiver changes the terms of a Note, the Issuers may require the Holder of the Note to deliver it to the Trustee. The Issuers shall provide the Trustee with an appropriate notation on the Note about the changed terms and cause the Trustee to return it to the Holder at the Issuers' expense. Alternatively, if the Issuers or the Trustee so determines, the Issuers in exchange for the Note shall issue, and the Trustee shall authenticate, a new Note that reflects the changed terms. Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

SECTION 9.06. Trustee To Sign Amendments, Etc. The Trustee shall execute any amendment, supplement or waiver authorized pursuant to this Article Nine; *provided, however*, that the Trustee may, but shall not be obligated to, execute any such amendment, supplement or waiver which affects the Trustee's own rights, duties or immunities under this Indenture. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel and an Officer's Certificate each stating that the execution of any amendment, supplement or waiver authorized pursuant to this Article Nine is authorized or permitted by this Indenture, all conditions precedent thereto have been compiled with and constitutes legal, valid and binding obligations of the Issuers enforceable in accordance with its terms, subject to customary exceptions. Such Opinion of Counsel shall be at the expense of the Issuers.

ARTICLE TEN

Guarantee

SECTION 10.01. Guarantee. Subject to this Article Ten, each of the Guarantors hereby, jointly and severally, unconditionally guarantees on a senior unsecured basis to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuers hereunder or thereunder, that: (a) the principal of and interest on the Notes shall be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Issuers to the Holders or the Trustee hereunder or thereunder shall be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

The Guarantors hereby agree that their obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuers, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Subject to Section 6.06 hereof, each Guarantor hereby waives, to the extent permitted by applicable law, diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or

bankruptcy of the Issuers, any right to require a proceeding first against the Issuers, protest, notice and all demands whatsoever and covenant that this Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

If any Holder or the Trustee is required by any court or otherwise to return to the Issuers, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuers or the Guarantors, any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Six hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (y) in the event of any declaration of acceleration of such obligations as provided in Article Six hereof, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Guarantee.

SECTION 10.02. Limitation on Guarantor Liability. Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar Federal or state law to the extent applicable to any Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article Ten, result in the obligations of such Guarantor under its Guarantee not constituting a fraudulent transfer or conveyance. Each Guarantor that makes a payment for distribution under its Guarantee is entitled to a contribution from each other Guarantor in a *pro rata* amount based on the adjusted net assets of each Guarantor.

SECTION 10.03. Execution and Delivery of Guarantee. To evidence its Guarantee set forth in Section 10.01, each Guarantor hereby agrees that a notation of such Guarantee substantially in the form included in Exhibit C shall be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture shall be executed on behalf of such Guarantor by an Officer.

Each Guarantor hereby agrees that its Guarantee set forth in Section 10.01 shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

If an Officer whose signature is on this Indenture or on the Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Guarantee is endorsed, the Guarantee shall be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantors.

SECTION 10.04. Release of a Guarantor . A Guarantor shall be automatically and unconditionally released from its obligations under its Guarantee and its obligations under this Indenture in the event of:

(1) any sale, exchange or transfer, to any Person not a Subsidiary of the Parent of Capital Stock held by the Parent and its Restricted Subsidiaries in, or all or substantially all the assets of, such Restricted Subsidiary (which sale, exchange or transfer is not prohibited by this Indenture), such that, immediately after giving effect to such transaction, such Restricted Subsidiary would no longer constitute a Subsidiary of the Parent,

(2) in connection with the merger or consolidation of a Subsidiary Guarantor with (a) an Issuer or (b) any other Guarantor (*provided* that the surviving entity remains a Guarantor),

(3) if Parent properly designates any Restricted Subsidiary that is a Guarantor as an Unrestricted Subsidiary,

(4) upon the Legal Defeasance or Covenant Defeasance or satisfaction and discharge of this Indenture,

(5) upon a liquidation or dissolution of a Subsidiary Guarantor permitted under this Indenture, or

(6) the release or discharge of the Guarantee that resulted in the creation of such Subsidiary Guarantee, except a discharge or release by or as a result of payment under such Guarantee.

The Trustee may execute an appropriate instrument prepared by the Issuers evidencing the release of a Guarantor from its obligations under its Guarantee and this Indenture upon receipt of a request by the Issuers or such Guarantor accompanied by an Officer's Certificate and an Opinion of Counsel certifying as to the compliance with this Section 10.04; *provided*, *however*, that the legal counsel delivering such Opinion of Counsel may rely as to matters of fact on one or more Officer's Certificates of the Issuers.

Nothing contained in this Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into an Issuer (in which case such Guarantor shall no longer be a Guarantor) or another Guarantor or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to an Issuer or another Guarantor.

ARTICLE ELEVEN

Miscellaneous

SECTION 11.01. Trust Indenture Act Controls . If any provision of this Indenture limits, qualifies, or conflicts with another provision which is required or deemed to be included in this Indenture by the Trust Indenture Act, such required or deemed provision shall control.

SECTION 11.02. Notices . Any notices or other communications required or permitted hereunder shall be in writing, and shall be sufficiently given if made by hand delivery, by telex, by nationally recognized overnight courier service, by telecopy or email or registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to the Issuers:

MPT Operating Partnership, L.P.
MPT Finance Corporation
c/o Medical Properties Trust, Inc.
1000 Urban Center Drive, Suite 501 Birmingham, AL 35242
Facsimile: (205) 969-3756
Attention: R. Steven Hamner
By e-mail: shamner@medicalpropertiestrust.com

with a copy to:

Goodwin Procter LLP
53 State Street
Boston, MA 02109
Facsimile: (617) 523-1231
Attention: James P.C. Barri, Esq.
By e-mail: jbarri@goodwinprocter.com

If to Parent or any other Guarantor:

Medical Properties Trust, Inc.
1000 Urban Center Drive, Suite 501
Birmingham, AL 35242
Facsimile: (205) 969-3756
Attention: R. Steven Hamner
By e-mail: shamner@medicalpropertiestrust.com

with a copy to:

Goodwin Procter LLP
53 State Street
Boston, MA 02109
Facsimile: (617) 523-1231
Attention: James P.C. Barri, Esq.
By e-mail: jbarri@goodwinprocter.com

if to the Trustee:

Wilmington Trust, National Association
Rodney Square North
1100 N. Market Street
Wilmington, DE 19890-0001

Attention: Corporate Trust Administration
Telephone: (302) 636-6398
Facsimile: (302) 636-4145

via email to MWass@WilmingtonTrust.com

If to the Escrow Agent:

Wilmington Trust, National Association
Rodney Square North
1100 N. Market Street
Wilmington, DE 19890-0001

Attention: Thomas Morris
Telephone: (302) 636-6432
Facsimile: (302) 636-4145

via email: tmorris@wilmingtontrust.com

Each of the Issuers and the Trustee by written notice to each other such Person may designate additional or different addresses for notices to such Person. Any notice or communication to the Issuers and the Trustee shall be deemed to have been given or made as of the date so delivered if personally delivered; when replied to; when receipt is acknowledged, if telecopied; five (5) calendar days after mailing if sent by registered or certified mail, postage prepaid (except that a notice of change of address shall not be deemed to have been given until actually received by the addressee); and next Business Day if by nationally recognized overnight courier service.

Any notice or communication mailed to a Holder shall be mailed to him by first class mail or other equivalent means at his address as it appears on the registration books of the Registrar and shall be sufficiently given to him if so mailed within the time prescribed.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

SECTION 11.03. Communications by Holders with Other Holders. Holders may communicate pursuant to Trust Indenture Act § 312(b) with other Holders with respect to their rights under this Indenture, the Notes or the Guarantees. The Issuers, the Trustee, the Registrar and any other Person shall have the protection of Trust Indenture Act § 312(c).

SECTION 11.04. Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Issuers to the Trustee to take any action under this Indenture, the Issuers shall furnish to the Trustee at the request of the Trustee:

(1) an Officer's Certificate, in form and substance satisfactory to the Trustee, stating that, in the opinion of the signers, all conditions precedent to be performed or effected by the Issuers, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

SECTION 11.05. Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture, other than the Officer's Certificate required by Section 4.05, shall include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with or satisfied; and

(4) a statement as to whether or not, in the opinion of each such Person, such condition or covenant has been complied with; *provided*, *however*, that with respect to matters of fact, an Opinion of Counsel may rely on an Officer's Certificate or certificates of public officials.

SECTION 11.06. Rules by Paying Agent or Registrar. The Paying Agent or Registrar may make reasonable rules and set reasonable requirements for their functions.

SECTION 11.07. Legal Holidays. If a Payment Date is not a Business Day, payment may be made on the next succeeding day that is a Business Day, and no interest shall accrue for the intervening period. If a Record Date is not a Business Day, the Record Date shall be unaffected.

SECTION 11.08. Governing Law; Waiver of Jury Trial. This Indenture, the Notes and the Guarantees will be governed by and construed in accordance with the laws of the State of New York. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Indenture, the Notes, the Guarantees or the transaction contemplated hereby.

SECTION 11.09. No Adverse Interpretation of Other Agreements. This Indenture may not be used to interpret another indenture, loan or debt agreement of any of the Issuers or any of their Subsidiaries. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

SECTION 11.10. No Recourse Against Others. No recourse for the payment of the principal of, premium, if any, or interest on any of the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Issuers or the Guarantors in this Indenture, or in any of the Notes or Guarantees or because of the creation of any Indebtedness represented hereby, shall be had against any incorporator, stockholder, officer, director, employee or controlling person of the Issuers or the Guarantors or of any successor Person thereof. Each Holder, by accepting the Notes, waives and releases all such liability. Such waiver and release are part of the consideration for issuance of the Notes.

SECTION 11.11. Successors. All agreements of the Issuers and the Subsidiary Guarantors in this Indenture, the Notes and the Guarantees shall bind their respective successors. All agreements of the Trustee in this Indenture shall bind its successor.

SECTION 11.12. Duplicate Originals. All parties may sign any number of copies of this Indenture. Each signed copy or counterpart shall be an original, but all of them together shall represent the same agreement. Delivery of an executed counterpart of a signature page to this Indenture by facsimile, .pdf transmission, email or other electronic means shall be effective as delivery of a manually executed counterpart of this Indenture.

SECTION 11.13. Severability. To the extent permitted by applicable law, in case any one or more of the provisions in this Indenture, in the Notes or in the Guarantees shall be held invalid, illegal or unenforceable, in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions shall not in any way be affected or impaired thereby, it being intended that all of the provisions hereof shall be enforceable to the full extent permitted by law.

SECTION 11.14. U.S.A. Patriot Act. The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

SECTION 11.15. Force Majeure. In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or in-

directly, forces beyond its control, including without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions or utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

[signature pages follow]

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed all as of the date first written above.

MPT OPERATING PARTNERSHIP, L.P.,
as Issuer,

By: _____
Name:
Title:

MPT FINANCE CORPORATION,
as Issuer,

By: _____
Name:
Title:

MEDICAL PROPERTIES TRUST, INC.,
as Parent and a Guarantor,

By: _____
Name:
Title:

MEDICAL PROPERTIES TRUST, INC.

By: _____
Name: R. Steven Hamner
Title: Executive Vice President and
Chief Financial Officer

MEDICAL PROPERTIES TRUST, LLC

By: MEDICAL PROPERTIES TRUST, INC.,
its sole member

By: _____
Name: R. Steven Hamner
Title: Executive Vice President and
Chief Financial Officer

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee,

By: _____

Name:

Title:

EXHIBIT A

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

MPT OPERATING PARTNERSHIP, L.P.
MPT FINANCE CORPORATION
[ ]% Senior Notes due [ ]

CUSIP No.

No. [ ] $[ ]

MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership, and MPT FINANCE CORPORATION, a Delaware corporation (the "Issuers"), for value received promise to pay to Cede & Co., or its registered assigns, the principal sum of [ ] DOLLARS [or such other amount as is provided in a schedule attached hereto][a] on [ ].

Interest Payment Dates [ ] and [ ], commencing [ ].

Record Dates: [ ] and [ ].

Reference is made to the further provisions of this Note contained herein, which will for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Issuers have caused this Note to be signed manually or by facsimile by its duly authorized officer.

Dated:

MPT OPERATING PARTNERSHIP, L.P.,
MPT FINANCE CORPORATION,
as Issuers,

By: _____
Name:
Title:

[a] This language should be included only if the Note is issued in global form.

[FORM OF] TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the [ ]% Senior Notes due [ ] described in the within-mentioned Indenture.

Dated:

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee,

By: _____
Authorized Signatory

(Reverse of Note)

[ ]% Senior Notes due [ ]

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

SECTION 1. Interest. MPT Operating Partnership, L.P., a Delaware limited partnership, and MPT Finance Corporation, a Delaware corporation (the "**Issuers**"), promise to pay interest on the principal amount of this Note at [ ]% per annum from [ ], until maturity. The Issuers will pay interest semi-annually on [ ] and [ ] of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "**Interest Payment Date**"), commencing [ ]. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from [ ]. The Issuers shall pay interest on overdue principal and premium, if any, from time to time on demand to the extent lawful at the interest rate applicable to the Notes; it shall pay interest on overdue installments of interest (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 2. Method of Payment. The Issuers will pay interest on the Notes to the Persons who are registered Holders at the close of business on the [ ] or [ ] next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The Issuers shall pay principal, premium, if any, and interest on the Notes in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts ("**U.S. Legal Tender**"). Principal, premium, if any, and interest on the Notes will be payable at the office or agency of the Issuers maintained for such purpose except that, at the option of the Issuers, the payment of interest may be made by check mailed to the Holders at their respective addresses set forth in the register of Holders of Notes. Until otherwise designated by the Issuers, the Issuers' office or agency will be the office of the Trustee maintained for such purpose.

SECTION 3. Paying Agent and Registrar. Initially, Wilmington Trust, National Association, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Issuers may change any Paying Agent or Registrar without notice to any Holder. Except as provided in the Indenture, the Issuers or any of their Subsidiaries may act in any such capacity.

SECTION 4. Indenture. The Issuers issued the Notes under an Indenture dated as of [ ] ("**Indenture**") by and among the Issuers, Medical Properties Trust, Inc., a Maryland corporation, the other Guarantors and the Trustee. Subject to the terms of the Indenture, the Issuers shall be entitled to issue Additional Notes pursuant to Section 2.01 of the Indenture. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbbb) (the "**Trust Indenture Act**"). The Notes are subject to all such terms, and Holders are referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling.

SECTION 5. Optional Redemption. Prior to [ ], the Issuers will be entitled at their option to redeem all or any portion of the Notes at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and any accrued and unpaid interest to, but not including, the Redemption Date (subject to the right of each Holder on the relevant Record Date to receive interest due on the relevant Interest Payment Date).

On or after [ ], the Issuers may redeem the Notes in whole or from time to time in part, at the redemption prices (expressed as percentages of the principal amount thereof) set forth below, plus accrued and unpaid interest thereon to, but not including, the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant Interest Payment Date), if redeemed during the 12-month period beginning on [ ] of each of the years indicated below:

Year	Percentage
[ ]	[ ]%
[ ]	[ ]%
[ ]	[ ]%
[ ] and thereafter	100.000%

SECTION 6. Optional Redemption upon Equity Offerings. At any time prior to [ ], the Issuers may redeem, on any one or more occasions, with all or a portion of the net cash proceeds of one or more Equity Offerings (within 60 days of the consummation of any such Equity Offering), up to 35% of the aggregate principal amount of the Notes (including any Additional Notes) at a redemption price (expressed as a percentage of the aggregate principal amount of the Notes so redeemed) equal to [ ]% plus accrued and unpaid interest to but not including, the Redemption Date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that at least 65% of the original aggregate principal amount of the Notes must remain outstanding immediately after each such redemption.

SECTION 7. Notice of Redemption. Subject to Section 3.03 of the Indenture, notice of any optional redemption of any Notes will be given to holders (with a copy to the Trustee) at their addresses, as shown in the Notes register, not more than 60 nor less than 30 days prior to the date fixed for redemption. The notice of redemption will specify, among other items, the redemption price and the principal amount of the Notes held by the holder to be redeemed. No Notes of $2,000 or less shall be redeemed in part. On and after the Redemption Date interest ceases to accrue on Notes or portions thereof called for redemption subject to Section 3.04 of the Indenture.

SECTION 8. Mandatory Redemption. Except as set forth in Section 9 herein, the Issuers shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

SECTION 9. Special Mandatory Redemption.

The Notes will be subject to a mandatory redemption (a "**Special Mandatory Redemption**") in the event that either (i) the Escrow Proceeds have not been released to Opco for distribution in accordance with the terms and conditions of the Escrow Agreement (the "**Release Date**") on or before the Escrow End Date or (ii) prior to the Escrow End Date, the Issuers have determined, in their reasonable discretion, that the escrow conditions cannot be satisfied by such date (any such date, a "**Trigger Date**"). The Issuers will cause a notice of Special Mandatory Redemption substantially in the form required by Section 3.03 of the Indenture to be mailed to the Holders, the Trustee and the Escrow Agent promptly but in any event not later than five Business Days after the Trigger Date and will redeem the Notes no later than five Business Days following the date of the notice of redemption. The redemption price for any Special Mandatory Redemption will be the sum of 100% of the aggregate principal amount of the Notes issued on the Issue Date, together with accrued and unpaid interest on the Notes from the Issue Date up to but not including the date of the Special Mandatory Redemption.

If the Escrow Agent receives a notice of a Special Mandatory Redemption pursuant to the terms of the Escrow Agreement, the Escrow Agent will upon joint written direction of the Issuers, liquidate investments of all Escrow Proceeds if any, then held by it not later than the last Business Day prior to the date of the Special Mandatory Redemption. Concurrently with the release of the amounts necessary to fund the Special Mandatory Redemption to the Paying Agent, the Escrow Agent will release any excess of Escrow Proceeds over the mandatory redemption price to the Issuers (less any amounts owing to the Escrow Agent), and the Issuers will be permitted to use such excess Escrow Proceeds refunded to them at their discretion.

SECTION 10. Repurchase at Option of Holder. Upon the occurrence of a Change of Control, and subject to certain conditions set forth in the Indenture, the Issuers will be required to offer to purchase all of the outstanding Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to the date of repurchase.

The Issuers are, subject to certain conditions and exceptions set forth in the Indenture, obligated to make an offer to purchase Notes at 100% of their principal amount, plus accrued and unpaid interest, if any, thereon to the date of repurchase, with certain Net Cash Proceeds of certain sales or other dispositions of assets in accordance with the Indenture.

SECTION 11. Denominations, Transfer Exchange. The Notes are in registered form without coupons in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuers may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Issuers and the Registrar are not required to transfer or exchange any Note selected for redemption. Also, the Issuers and the Registrar are not required to transfer or exchange any Notes for a period of 15 days before a selection of Notes to be redeemed.

SECTION 12. Persons Deemed Owners. The registered Holder of a Note may be treated as its owner for all purposes.

SECTION 13. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture and the Notes may be amended or supplemented with the written consent of the Holders of at least a majority in aggregate principal amount of the Notes then outstanding, and any existing Default or compliance with any provision may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding. Without notice to or consent of any Holder, the parties thereto may amend or supplement the Indenture, the Notes and the Guarantees as provided in the Indenture.

SECTION 14. Defaults and Remedies. If an Event of Default occurs and is continuing (other than as specified in clauses (8) and (9) of Section 6.01 that occurs with respect to an Issuer), the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare the principal of, premium, if any, and accrued interest on the Notes to be due and payable immediately in accordance with the provisions of Section 6.02. Notwithstanding the foregoing, in the case of an Event of Default arising from clause (8) or (9) of Section 6.01, with respect to an Issuer, all outstanding Notes will become due and payable without further action or notice. Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Notes notice of any continuing Default if it determines that withholding notice is in their interest in accordance with Section 7.05. The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default and its consequences under the Indenture except a Default in the payment of principal of, or interest on, any Note as specified in Section 6.01(1) and (2).

SECTION 15. Restrictive Covenants. The Indenture contains certain covenants as set forth in Article Four of the Indenture.

SECTION 16. No Recourse Against Others. No recourse for the payment of the principal of, premium, if any, or interest on any of the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Issuers or the Guarantors

in the Indenture, or in any of the Notes or Guarantees or because of the creation of any Indebtedness represented thereby, shall be had against any incorporator, stockholder, officer, director, employee or controlling person of the Issuers or the Guarantors or of any successor Person thereof. Each Holder, by accepting the Notes, waives and releases all such liability. Such waiver and release are part of the consideration for issuance of the Notes.

SECTION 17. Guarantees. This Note will be entitled to the benefits of certain Guarantees made for the benefit of the Holders. Reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and obligations thereunder of the Guarantors, the Trustee and the Holders.

SECTION 18. Authentication. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

SECTION 19. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

SECTION 20. CUSIP and ISIN Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuers have caused CUSIP and ISIN numbers to be printed on the Notes and the Trustee may use CUSIP or ISIN numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

SECTION 21. Governing Law**. This Note shall be governed by, and construed in accordance with, the laws of the State of New York.**

The Issuers will furnish to any Holder upon written request and without charge a copy of the Indenture.

ASSIGNMENT FORM

I or we assign and transfer this Note to

(Print or type name, address and zip code of assignee or transferee)

(Insert Social Security or other identifying number of assignee or transferee)

and irrevocably appoint agent to transfer this Note on the books of the Issuers. The agent may substitute another to act for him.

Dated: Signed:

(Sign exactly as name appears on the other side of this Note)

Signature Guarantee:

Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor program reasonably acceptable to the Trustee)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Issuers pursuant to Section 4.07 or Section 4.11 of the Indenture, check the appropriate box:

Section 4.07 ☐ Section 4.11 ☐

If you want to elect to have only part of this Note purchased by the Issuers pursuant to Section 4.07 or Section 4.11 of the Indenture, state the amount (in denominations of $2,000 and integral multiples of $1,000 in excess thereof): $

Dated: Signed:

(Sign exactly as name appears on the other side of this Note)

Signature Guarantee:

Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor program reasonably acceptable to the Trustee)

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE[a]

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Physical Note, or exchanges of a part of another Global Note or Physical Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of The Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee of Note custodian

[a] This schedule should be included only if the Note is issued in global form.

FORM OF LEGEND

Each Global Note authenticated and delivered hereunder shall bear the following legend:

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY OR A SUCCESSOR DEPOSITORY. THIS NOTE IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 2.15 OF THE INDENTURE.

EXHIBIT C

GUARANTEE

For value received, each of the undersigned (including any successor Person under the Indenture) hereby unconditionally guarantees, jointly and severally, to the extent set forth in the Indenture (as defined below) to the Holder of this Note the payment of principal, premium, if any, and interest on this Note in the amounts and at the times when due and interest on the overdue principal, premium, if any, and interest, if any, of this Note when due, if lawful, and, to the extent permitted by law, the payment or performance of all other obligations of the Issuers under the Indenture or the Notes, to the Holder of this Note and the Trustee, all in accordance with and subject to the terms and limitations of this Note, the Indenture, including Article Ten thereof, and this Guarantee. This Guarantee will become effective in accordance with Article Ten of the Indenture and its terms shall be evidenced therein. The validity and enforceability of any Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture dated as of [ ], among MPT Operating Partnership, L.P., a Delaware limited partnership, and MPT Finance Corporation, a Delaware corporation (each, an "**Issuer**", and together, the "**Issuers**"), Medical Properties Trust, Inc., a Maryland corporation, each of the other Guarantors named therein, and Wilmington Trust, National Association, a national banking association organized and existing under the laws of the United States of America, as trustee (the "**Trustee**"), as amended or supplemented (the "**Indenture**").

The obligations of the undersigned to the Holders of Notes and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article Ten of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

No director, officer, employee, incorporator, stockholder or controlling person or any successor Person thereof of any Guarantor, as such, shall have any liability for any obligations of such Guarantors under such Guarantors' Guarantee or the Indenture or for any claim based on, in respect of, or by reason of, such obligation or its creation.

This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York.

This Guarantee is subject to release upon the terms set forth in the Indenture.

IN WITNESS WHEREOF, each Guarantor has caused its Guarantee to be duly executed.

[ ]

By: _____
Name:

Exhibit 5.1

February 3, 2012

Medical Properties Trust, Inc.
MPT Operating Partnership, L.P.
MPT Finance Corporation
1000 Urban Center Drive, Suite 501
Birmingham, AL 35242

Re: Securities Being Registered under Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as counsel to you in connection with your filing of a Registration Statement on Form S-3 (as amended or supplemented, the "Registration Statement") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), relating to the registration of (i) the Senior Notes due 2022 (the "Notes") of MPT Operating Partnership, L.P., a Delaware limited partnership, and MPT Finance Corporation, a Delaware corporation (the "Issuers") and (ii) the guarantees of the Notes (the "Guarantees") by Medical Properties Trust, Inc., a Maryland corporation (the "Parent Guarantor") and certain subsidiaries of the Parent Guarantor named in Schedule 1 (the "Subsidiary Guarantors," and together with the Parent Guarantor, the "Guarantors"). The Notes and the Guarantees are collectively referred to herein as the Securities. The Securities may be issued in an unspecified principal amount. The Registration Statement provides that the Securities may be offered in amounts, at prices and on terms to be set forth in the final prospectus contained in the Registration Statement.

We have reviewed such documents and made such examination of law as we have deemed appropriate to give the opinions set forth below. We have relied, without independent verification, on certificates of public officials and, as to matters of fact material to the opinions set forth below, on certificates of officers of the Parent Guarantor.

The opinions set forth below are limited to the Maryland General Corporation Law (which includes reported judicial decisions interpreting the Maryland General Corporation Law), the Delaware General Corporation Law (which includes reported judicial decisions interpreting the Delaware General Corporation Law), the Delaware Limited Liability Company Act, the Delaware Revised Uniform Limited Partnership Act and the law of New York. Without limiting the generality of the foregoing, we express no opinion with respect to (i) state securities or "blue sky" laws or (ii) state or federal antitrust laws.

For purposes of the opinions set forth below, we refer to the following as the "Future Authorization and Issuance" of Securities:

- (a) the authorization by the Issuers of the amount, terms and issuance of such Notes and (b) the issuance of such Notes in accordance with the authorization therefor upon the receipt by the Issuers of the consideration to be paid therefor in accordance with the authorization;

- (a) the authorization by the Guarantors of the terms and issuance of the Guarantees and (b) the issuance of such Guarantees in accordance with the authorization therefor; and
- (a) the authorization, execution and delivery of the indenture or a supplemental indenture relating to such Securities by the Issuers and the Guarantors and the trustee thereunder and/or (b) the establishment of the terms of such Notes by the Issuers and the establishment of the terms of such Guarantees by the Guarantors in conformity with the applicable indenture or supplemental indenture and applicable law, and (c) the execution, authentication and issuance of such Securities in accordance with the applicable indenture or supplemental indenture and applicable law.

Based upon the foregoing, and subject to the additional qualifications set forth below, we are of the opinion that upon the Future Authorization and Issuance of Securities:

1. Such Notes will be valid and binding obligations of the Issuers; and

2. Such Guarantees will be valid and binding obligations of the respective Guarantors.

The opinions above are subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors and to general principles of equity.

This opinion letter and the opinions it contains shall be interpreted in accordance with the Legal Opinion Principles issued by the Committee on Legal Opinions of the American Bar Association's Business Law Section as published in 53 Business Lawyer 831 (May 1998).

We hereby consent to the inclusion of this opinion as Exhibit 5.1 to the Registration Statement and to the references to our firm under the caption "Legal matters" in the Registration Statement. In giving our consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations thereunder.

Very truly yours,

/S/ Goodwin Procter LLP

GOODWIN PROCTER LLP

SCHEDULE 1

Subsidiary Guarantor	State of Incorporation or Organization
Medical Properties Trust, LLC	Delaware
MPT of Victorville, LLC	Delaware
MPT of Bucks County, LLC	Delaware
MPT of Bloomington, LLC	Delaware
MPT of Covington, LLC	Delaware
MPT of Denham Springs, LLC	Delaware
MPT of Redding, LLC	Delaware
MPT of Chino, LLC	Delaware
MPT of Dallas LTACH, LLC	Delaware
MPT of Portland, LLC	Delaware
MPT of Warm Springs, LLC	Delaware
MPT of Victoria, LLC	Delaware
MPT of Luling, LLC	Delaware
MPT of Huntington Beach, LLC	Delaware
MPT of West Anaheim, LLC	Delaware
MPT of La Palma, LLC	Delaware
MPT of Paradise Valley, LLC	Delaware
MPT of Southern California, LLC	Delaware
MPT of Twelve Oaks, LLC	Delaware
MPT of Shasta, LLC	Delaware
MPT of Webster, LLC	Delaware
MPT of Tucson, LLC	Delaware
MPT of Bossier City, LLC	Delaware
MPT of West Valley City, LLC	Delaware
MPT of Idaho Falls, LLC	Delaware
MPT of Poplar Bluff, LLC	Delaware
MPT of Bennettsville, LLC	Delaware
MPT of Detroit, LLC	Delaware
MPT of Bristol, LLC	Delaware
MPT of Newington, LLC	Delaware
MPT of Enfield, LLC	Delaware
MPT of Petersburg, LLC	Delaware
MPT of Fayetteville, LLC	Delaware
4499 Acushnet Avenue, LLC	Delaware
8451 Pearl Street, LLC	Delaware
MPT of Garden Grove Hospital, LLC	Delaware
MPT of Garden Grove MOB, LLC	Delaware
MPT of San Dimas Hospital, LLC	Delaware
MPT of San Dimas MOB, LLC	Delaware
MPT of Cheraw, LLC	Delaware
MPT of Ft. Lauderdale, LLC	Delaware

MPT of Providence, LLC	Delaware
MPT of Springfield, LLC	Delaware
MPT of Warwick, LLC	Delaware
MPT of Mountain View, LLC	Delaware
MPT of Richardson, LLC	Delaware
MPT of Round Rock, LLC	Delaware
MPT of Shenandoah, LLC	Delaware
MPT of Hillsboro, LLC	Delaware
MPT of Florence, LLC	Delaware
MPT of Clear Lake, LLC	Delaware
MPT of Tomball, LLC	Delaware
MPT of Gilbert, LLC	Delaware
MPT of Corinth, LLC	Delaware
MPT of Bayonne, LLC	Delaware
MPT of Alvarado, LLC	Delaware
MPT of Bucks County, L.P.	Delaware
MPT of Dallas LTACH, L.P.	Delaware
MPT of Warm Springs, L.P.	Delaware
MPT of Victoria, L.P.	Delaware
MPT of Luling, L.P.	Delaware
MPT of Huntington Beach, L.P.	Delaware
MPT of West Anaheim, L.P.	Delaware
MPT of La Palma, L.P.	Delaware
MPT of Paradise Valley, L.P.	Delaware
MPT of Southern California, L.P.	Delaware
MPT of Twelve Oaks, L.P.	Delaware
MPT of Shasta, L.P.	Delaware
MPT of Webster, L.P.	Delaware
MPT of Garden Grove Hospital, L.P.	Delaware
MPT of Garden Grove MOB, L.P.	Delaware
MPT of San Dimas Hospital, L.P.	Delaware
MPT of San Dimas MOB, L.P.	Delaware
MPT of Richardson, L.P.	Delaware
MPT of Round Rock, L.P.	Delaware
MPT of Shenandoah, L.P.	Delaware
MPT of Hillsboro, L.P.	Delaware
MPT of Clear Lake, L.P.	Delaware
MPT of Tomball, L.P.	Delaware
MPT of Corinth, L.P.	Delaware
MPT of Alvarado, L.P.	Delaware
MPT of DeSoto, L.P.	Delaware
MPT of DeSoto, LLC	Delaware
MPT of Hoboken Hospital, LLC	Delaware
MPT of Hoboken Real Estate, LLC	Delaware
MPT of Hausman, LLC	Delaware
MPT of Overlook Parkway, LLC	Delaware

MPT of New Braunfels, LLC	Delaware
MPT of Westover Hills, LLC	Delaware
MPT of Wichita, LLC	Delaware
Wichita Health Associates Limited Partnership	Delaware

Exhibit 8.1

February 3, 2012

Medical Properties Trust, Inc.
MPT Operating Partnership, L.P.
MPT Finance Corporation
1000 Urban Center Drive, Suite 501
Birmingham, Alabama 35242

Re: Medical Properties Trust, Inc.
Qualification as a Real Estate Investment Trust

Dear Ladies and Gentlemen:

We have acted as counsel to Medical Properties Trust, Inc., a Maryland corporation (the "Company"), in connection with the preparation of the Registration Statement on Form S-3 (the "Registration Statement") and filed by the Company with the Securities and Exchange Commission (the "SEC") on February 3, 2012, relating to the registration of (i) the Senior Notes due 2022 of MPT Operating Partnership, L.P., a Delaware limited partnership, and MPT Finance Corporation, a Delaware corporation and (ii) the guarantees of the Notes (as defined in the Registration Statement) by the Company and certain subsidiaries of the Parent Guarantor (as defined in the Registration Statement). You have requested our opinion regarding certain United States federal income tax matters.

The Company, through MPT Operating Partnership, L.P., a Delaware limited partnership, (the "Operating Partnership") and its subsidiary limited liability companies and partnerships, owns interests in healthcare facilities. The Operating Partnership also owns MPT Development Services, Inc., a Delaware corporation, MPT Covington TRS Inc., a Delaware corporation and MPT Finance Corporation, a Delaware corporation. Each of MPT Development Services, Inc., MPT Covington TRS, Inc. and MPT Finance Corporation have made joint elections with the Company for each to be a taxable REIT subsidiary for federal income tax purposes under Section 856(l) of the Internal Revenue Code of 1986, as amended (the "Code").

In giving the opinions rendered below, we have examined the following documents:

1. The Company's Articles of Incorporation filed on August 27, 2003 with the Department of Assessments and Taxation of the State of Maryland, as amended and restated by Second Articles of Amendment and Restatement filed on March 29, 2004 and as corrected by the Certificate of Correction to the Second Articles of Amendment and Restatement filed on January 3, 2005, as further amended by Articles of Amendment to the Second Articles of Amendment and Restatement filed October 20, 2005, Articles of Amendment filed January 9, 2009 and Articles of Amendment filed January 30, 2012;

2. The Company's Second Amended and Restated Bylaws;

3. The Registration Statement;

4. The First Amended and Restated Agreement of Limited Partnership of the Operating Partnership dated February 29, 2004 and all amendments thereto and the Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership dated July 31, 2007 (the "Operating Partnership Agreement"); and

5. Such other documents as we have deemed necessary or appropriate.

In connection with the opinions rendered below, we have assumed, with your consent, that:

1. each of the documents referred to above has been duly authorized, executed, and delivered; is authentic, if an original, or is accurate, if a copy; and has not been amended;

2. except for the Company, for which no assumption is made, each partner of the Operating Partnership (a "Partner") that is a corporation or other entity has a valid legal existence; and

3. each Partner has full power, authority, and legal right to enter into and to perform the terms of the Operating Partnership Agreement and the transactions contemplated thereby.

In connection with the opinions rendered below, we also have relied upon the correctness of the factual representations and covenants contained in that certain certificate dated February 2, 2012 executed by R. Steven Hamner as Executive Vice President and Chief Financial Officer of the Company (the "Officer's Certificate"). To the extent such representations and covenants speak to the intended ownership or operations of the Company, we assume that the Company will in fact be owned and operated in accordance with such stated intent.

Based on the documents and assumptions set forth above and the factual representations set forth in the Officer's Certificate, we are of the opinion that:

(a) The Company is and has been qualified to be taxed as a real estate investment trust (a "REIT") pursuant to Sections 856 through 860 of the Code commencing with its taxable year ended December 31, 2004, and the Company's current and proposed method of operations as described in the Registration Statement and as represented to us by the Company satisfies currently, and will enable the Company to continue to satisfy in the future, the requirements for such qualification and taxation as a real estate investment trust under the Code; and

(b) The descriptions of the law and the legal conclusions contained in the Registration Statement under the caption "United States Federal Income Tax Considerations" are correct in all material respects, and the discussion thereunder fairly summarizes the federal income tax considerations that are likely to be material to a holder of the common stock of the Company.

We will not review on a continuing basis the Company's compliance with the documents or assumptions set forth above, or the representations set forth in the Officer's Certificate. Accordingly, no

assurance can be given that the actual results of the Company's operations for any given taxable year will satisfy the requirements for qualification and taxation as a REIT.

The foregoing opinions are based on current provisions of the Code and the Treasury regulations promulgated thereunder (the "Regulations"), published administrative interpretations thereof, and published court decisions. The Internal Revenue Service has not issued Regulations or administrative interpretations with respect to various provisions of the Code relating to REIT qualification. No assurance can be given that the law will not change in a way that will prevent the Company from qualifying as a REIT.

The foregoing opinions are limited to the United States federal income tax matters addressed herein, and no other opinions are rendered with respect to other federal tax matters or to any issues arising under the tax laws of any other country, or any state or locality. We undertake no obligation to update the opinions expressed herein after the date of this letter. This opinion letter is solely for the information and use of the addressee and the purchasers of the Notes of the Company pursuant to the Registration Statement (except as provided in the next paragraph), and it speaks only as of the date hereof. Except as provided in the next paragraph, this opinion letter may not be distributed, relied upon for any purpose by any other person, quoted in whole or in part or otherwise reproduced in any document, or filed with any governmental agency without our prior express written consent.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement. We also consent to the references to Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C. under the captions "United States Federal Income Tax Considerations" and "Legal Matters" in the Registration Statement. In giving this consent, we do not admit that we are in the category of the persons whose consent is required by Section 7 of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder by the SEC.

Very truly yours,

Baker, Donelson, Bearman, Caldwell &
Berkowitz, P.C.

By: /s/ Thomas J. Mahoney, Jr.
Thomas J. Mahoney, Jr.
Authorized Representative

Exhibit 12.1

Computation of Ratio of Earnings to Fixed Charges

The following table sets forth ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred dividends for the periods indicated below.

	Nine Months Ended September 30, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007	Year Ended December 31, 2006
Income (Loss) From Continuing Operations Before Income Taxes	$13,749,156	$13,515,623	$33,885,889	$18,675,849	$23,489,744	$16,610,768
Fixed Charges	47,209,204	40,818,852	37,689,855	42,466,084	30,887,560	10,835,483
Amortization of Capitalized Interest	153,317	204,422	204,422	204,422	187,138	73,279
Capitalized Interest	(500,452)	(63,248)	—	—	(1,335,413)	(6,220,427)
Earnings	$60,611,225	$54,475,649	$71,780,166	$61,346,355	$53,229,029	$21,299,103
Interest Expense/Debt Refinancing Costs	$46,675,726	$40,708,696	$37,655,907	$42,423,984	$29,527,442	$ 4,579,955
Portion of Rent Related to Interest	33,026	46,908	33,948	42,100	24,705	35,101
Capitalized Interest	500,452	63,248	—	—	1,335,413	6,220,427
Fixed Charges	$47,209,204	$40,818,852	$37,689,855	$42,466,084	$30,887,560	$10,835,483
Preferred Stock Dividends	—	—	—	—	—	—
Combined Fixed Charges and Preferred Stock Dividends	$47,209,204	$40,818,852	$37,689,855	$42,466,084	$30,887,560	$10,835,483
Ratio of Earnings to Fixed Charges	1.28x	1.33x	1.90x	1.44x	1.72x	1.97x
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	1.28x	1.33x	1.90x	1.44x	1.72x	1.97x

Deficiency

Our ratio of earnings to fixed charges is computed by dividing earnings by fixed charges. Our ratio of earnings to combined fixed charges and preferred dividends is computed by dividing earnings by combined fixed charges and preferred dividends. For these purposes, “earnings” is the amount resulting from adding together income (loss) from continuing operations, fixed charges, and amortization of capitalized interest and subtracting interest capitalized. “Fixed charges” is the amount resulting from adding together interest expensed and capitalized; amortized premiums, discounts and capitalized expenses related to indebtedness; and the interest portion of rent. “Combined fixed charges and preferred dividends” is the amount resulting from adding together fixed changes and preferred dividends paid and accrued for each respective period.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-3 of Medical Properties Trust, Inc. of our report dated February 25, 2011, except for the subsequent events discussed in Note 14 and the condensed consolidating financial information in Note 15, collectively as to which the date is October 5, 2011 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting of Medical Properties Trust, Inc., which appear in such Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Birmingham, AL
February 3, 2012

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-3 of MPT Operating Partnership, L.P. of our report dated October 5, 2011 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting of MPT Operating Partnership, L.P., which appear in such Registration Statement. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Birmingham, AL
February 3, 2012

Exhibit 23.3

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Registration Statement (Form S-3) of Medical Properties Trust, Inc., MPT Operating Partnership, L.P. and MPT Finance Corporation of our report dated April 8, 2011, relating to the consolidated financial statements of Prime Healthcare Services, Inc. and subsidiaries as of December 31, 2010 and 2009, and for the years then ended, which report is included in the Annual Report of Medical Properties Trust, Inc. (Form 10-K) for the year ended December 31, 2010, as amended, filed with the Securities and Exchange Commission. We also consent to the reference to us under the heading “Experts” in the Prospectus, which is made part of this Registration Statement.

/s/ Moss Adams LLP

Irvine, California
February 2, 2012

Exhibit 23.4

Consent of Independent Auditors

We consent to the reference to our firm under the caption “Experts” and to the incorporation by reference in this Registration Statement of our report dated April 8, 2011, with respect to the consolidated financial statements of Ernest Health, Inc. and Subsidiaries, as of December 31, 2010 and 2009, and for each of the two years in the period ended December 31, 2010, included in the Current Report on Form 8-K, dated January 31, 2012.

/s/ Ernst & Young LLP

Phoenix, Arizona
January 31, 2012

Exhibit 25.1

File No.

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

WILMINGTON TRUST, NATIONAL ASSOCIATION

(Exact name of trustee as specified in its charter)

16-1486454
(I.R.S. employer identification no.)

1100 North Market Street
Wilmington, DE 19890
(Address of principal executive offices)

Robert C. Fiedler
Vice President and Counsel
1100 North Market Street
Wilmington, Delaware 19890
(302) 651-8541
(Name, address and telephone number of agent for service)

MPT Operating Partnership, L.P.
and
MPT Finance Corporation
(Exact name of obligor as specified in its charter)

Delaware **Delaware** **(State of incorporation)**	**20-0242069** **45-1537205** **(I.R.S. employer identification no.)**
1000 Urban Center Drive, Suite 501 **Birmingham, Alabama** **(Address of principal executive offices)**	**35242** **(Zip Code)**

% Senior Notes due 2022
(Title of the indenture securities)

Item 1. **GENERAL INFORMATION.** Furnish the following information as to the trustee:

(a) *Name and address of each examining or supervising authority to which it is subject.*

Comptroller of Currency, Washington, D.C.
Federal Deposit Insurance Corporation, Washington, D.C.

(b) *Whether it is authorized to exercise corporate trust powers.*

Yes.

Item 2. **AFFILIATIONS WITH THE OBLIGOR.** *If the obligor is an affiliate of the trustee, describe each affiliation:*

Based upon an examination of the books and records of the trustee and upon information furnished by the obligor, the obligor is not an affiliate of the trustee.

Item 16. **LIST OF EXHIBITS.** Listed below are all exhibits filed as part of this Statement of Eligibility and Qualification.

1. A copy of the Charter for Wilmington Trust, National Association, incorporated by reference to Exhibit 1 of Form T-1.
2. The authority of Wilmington Trust, National Association to commence business was granted under the Charter for Wilmington Trust, National Association, incorporated herein by reference to Exhibit 1 of Form T-1.
3. The authorization to exercise corporate trust powers was granted under the Charter for Wilmington Trust, National Association, incorporated herein by reference to Exhibit 1 of Form T-1.
4. A copy of the existing By-Laws of Trustee, as now in effect, incorporated herein by reference to Exhibit 4 of form T-1.
5. Not applicable.
6. The consent of Trustee as required by Section 321(b) of the Trust Indenture Act of 1939, incorporated herein by reference to Exhibit 6 of Form T-1.
7. Current Report of the Condition of Trustee, published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7.
8. Not applicable.
9. Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, Wilmington Trust, National Association, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Wilmington and State of Delaware on the 2nd day of February, 2011.

WILMINGTON TRUST,
NATIONAL ASSOCIATION

By: /s/ W. Thomas Morris, II
Name: W. Thomas Morris, II
Title: Vice President

EXHIBIT 1

CHARTER OF WILMINGTON TRUST, NATIONAL ASSOCIATION

ARTICLES OF ASSOCIATION
OF
WILMINGTON TRUST, NATIONAL ASSOCIATION

For the purpose of organizing an association to perform any lawful activities of national banks, the undersigned do enter into the following articles of association:

FIRST. The title of this association shall be Wilmington Trust, National Association.

SECOND. The main office of the association shall be in the City of Wilmington, County of New Castle, State of Delaware. The general business of the association shall be conducted at its main office and its branches.

THIRD. The board of directors of this association shall consist of not less than five nor more than twenty-five persons, unless the OCC has exempted the bank from the 25-member limit. The exact number is to be fixed and determined from time to time by resolution of a majority of the full board of directors or by resolution of a majority of the shareholders at any annual or special meeting thereof. Each director shall own common or preferred stock of the association or of a holding company owning the association, with an aggregate par, fair market or equity value $1,000. Determination of these values may be based as of either (i) the date of purchase or (ii) the date the person became a director, whichever value is greater. Any combination of common or preferred stock of the association or holding company may be used.

Any vacancy in the board of directors may be filled by action of a majority of the remaining directors between meetings of shareholders. The board of directors may not increase the number of directors between meetings of shareholders to a number which:

(1) exceeds by more than two the number of directors last elected by shareholders where the number was 15 or less; or

(2) exceeds by more than four the number of directors last elected by shareholders where the number was 16 or more, but in no event shall the number of directors exceed 25, unless the OCC has exempted the bank from the 25-member limit.

Directors shall be elected for terms of one year and until their successors are elected and qualified. Terms of directors, including directors selected to fill vacancies, shall expire at the next regular meeting of shareholders at which directors are elected, unless the directors resign or are removed from office. Despite the expiration of a director’s term, the director shall continue to serve until his or her successor is elected and qualifies or until there is a decrease in the number of directors and his or her position is eliminated.

Honorary or advisory members of the board of directors, without voting power or power of final decision in matters concerning the business of the association, may be appointed by resolution of a majority of the full board of directors, or by resolution of shareholders at any

annual or special meeting. Honorary or advisory directors shall not be counted to determine the number of directors of the association or the presence of a quorum in connection with any board action, and shall not be required to own qualifying shares.

FOURTH. There shall be an annual meeting of the shareholders to elect directors and transact whatever other business may be brought before the meeting. It shall be held at the main office or any other convenient place the board of directors may designate, on the day of each year specified therefor in the bylaws, or, if that day falls on a legal holiday in the state in which the association is located, on the next following banking day. If no election is held on the day fixed, or in the event of a legal holiday on the following banking day, an election may be held on any subsequent day within 60 days of the day fixed, to be designated by the board of directors, or, if the directors fail to fix the day, by shareholders representing two-thirds of the shares issued and outstanding. In all cases at least 10 days advance notice of the time, place and purpose of a shareholders' meeting shall be given to the shareholders by first class mail, unless the OCC determines that an emergency circumstance exists. The sole shareholder of the bank is permitted to waive notice of the shareholders' meeting.

In all elections of directors, the number of votes each common shareholder may cast will be determined by multiplying the number of shares such shareholder owns by the number of directors to be elected. Those votes may be cumulated and cast for a single candidate or may be distributed among two or more candidates in the manner selected by the shareholder. If, after the first ballot, subsequent ballots are necessary to elect directors, a shareholder may not vote shares that he or she has already fully cumulated and voted in favor of a successful candidate. On all other questions, each common shareholder shall be entitled to one vote for each share of stock held by him or her.

Nominations for election to the board of directors may be made by the board of directors or by any stockholder of any outstanding class of capital stock of the association entitled to vote for election of directors. Nominations other than those made by or on behalf of the existing management shall be made in writing and be delivered or mailed to the president of the association not less than 14 days nor more than 50 days prior to any meeting of shareholders called for the election of directors; provided, however, that if less than 21 days notice of the meeting is given to shareholders, such nominations shall be mailed or delivered to the president of the association not later than the close of business on the seventh day following the day on which the notice of meeting was mailed. Such notification shall contain the following information to the extent known to the notifying shareholder:

(1) The name and address of each proposed nominee.

(2) The principal occupation of each proposed nominee.

(3) The total number of shares of capital stock of the association that will be voted for each proposed nominee.

(4) The name and residence address of the notifying shareholder.

(5) The number of shares of capital stock of the association owned by the notifying shareholder.

Nominations not made in accordance herewith may, in his/her discretion, be disregarded by the chairperson of the meeting, and the vote tellers may disregard all votes cast for each such nominee. No bylaw may unreasonably restrict the nomination of directors by shareholders.

A director may resign at any time by delivering written notice to the board of directors, its chairperson, or to the association, which resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

A director may be removed by shareholders at a meeting called to remove the director, when notice of the meeting stating that the purpose or one of the purposes is to remove the director is provided, if there is a failure to fulfill one of the affirmative requirements for qualification, or for cause; provided, however, that a director may not be removed if the number of votes sufficient to elect the director under cumulative voting is voted against the director's removal.

FIFTH. The authorized amount of capital stock of this association shall be three million (3,000,000) shares of common stock of the par value of one dollar ($1.00) each; but said capital stock may be increased or decreased from time to time, according to the provisions of the laws of the United States.

No holder of shares of the capital stock of any class of the association shall have any preemptive or preferential right of subscription to any shares of any class of stock of the association, whether now or hereafter authorized, or to any obligations convertible into stock of the association, issued, or sold, nor any right of subscription to any thereof other than such, if any, as the board of directors, in its discretion, may from time to time determine and at such price as the board of directors may from time to time fix. Preemptive rights also must be approved by a vote of holders of two-thirds of the bank's outstanding voting shares. Unless otherwise specified in these articles of association or required by law, (1) all matters requiring shareholder action, including amendments to the articles of association, must be approved by shareholders owning a majority voting interest in the outstanding voting stock, and (2) each shareholder shall be entitled to one vote per share.

Unless otherwise specified in these articles of association or required by law, all shares of voting stock shall be voted together as a class, on any matters requiring shareholder approval. If a proposed amendment would affect two or more classes or series in the same or a substantially similar way, all the classes or series so affected must vote together as a single voting group on the proposed amendment.

Shares of one class or series may be issued as a dividend for shares of the same class or series on a pro rata basis and without consideration. Shares of one class or series may be issued as share dividends for a different class or series of stock if approved by a majority of the votes entitled to be cast by the class or series to be issued, unless there are no outstanding shares of the class or series to be issued. Unless otherwise provided by the board of directors, the record date for determining shareholders entitled to a share dividend shall be the date authorized by the board of directors for the share dividend.

Unless otherwise provided in the bylaws, the record date for determining shareholders entitled to notice of and to vote at any meeting is the close of business on the day before the first notice is mailed or otherwise sent to the shareholders, provided that in no event may a record date be more than 70 days before the meeting.

If a shareholder is entitled to fractional shares pursuant to a stock dividend, consolidation or merger, reverse stock split or otherwise, the association may: (a) issue fractional shares; (b) in lieu of the issuance of fractional shares, issue script or warrants entitling the holder to receive a full share upon surrendering enough script or warrants to equal a full share; (c) if there is an established and active market in the association's stock, make reasonable arrangements to provide the shareholder with an opportunity to realize a fair price through sale of the fraction, or purchase of the additional fraction required for a full share; (d) remit the cash equivalent of the fraction to the shareholder; or (e) sell full shares representing all the fractions at public auction or to the highest bidder after having solicited and received sealed bids from at least three licensed stock brokers; and distribute the proceeds pro rata to shareholders who otherwise would be entitled to the fractional shares. The holder of a fractional share is entitled to exercise the rights for shareholder, including the right to vote, to receive dividends, and to participate in the assets of the association upon liquidation, in proportion to the fractional interest. The holder of script or warrants is not entitled to any of these rights unless the script or warrants explicitly provide for such rights. The script or warrants may be subject to such additional conditions as: (1) that the script or warrants will become void if not exchanged for full shares before a specified date; and (2) that the shares for which the script or warrants are exchangeable may be sold at the option of the association and the proceeds paid to scriptholders.

The association, at any time and from time to time, may authorize and issue debt obligations, whether or not subordinated, without the approval of the shareholders. Obligations classified as debt, whether or not subordinated, which may be issued by the association without the approval of shareholders, do not carry voting rights on any issue, including an increase or decrease in the aggregate number of the securities, or the exchange or reclassification of all or part of securities into securities of another class or series.

SIXTH. The board of directors shall appoint one of its members president of this association, and one of its members chairperson of the board and shall have the power to appoint one or more vice presidents, a secretary who shall keep minutes of the directors' and

shareholders' meetings and be responsible for authenticating the records of the association, and such other officers and employees as may be required to transact the business of this association. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the board of directors in accordance with the bylaws.

The board of directors shall have the power to:

(1) Define the duties of the officers, employees, and agents of the association.

(2) Delegate the performance of its duties, but not the responsibility for its duties, to the officers, employees, and agents of the association.

(3) Fix the compensation and enter into employment contracts with its officers and employees upon reasonable terms and conditions consistent with applicable law.

(4) Dismiss officers and employees.

(5) Require bonds from officers and employees and to fix the penalty thereof.

(6) Ratify written policies authorized by the association's management or committees of the board.

(7) Regulate the manner in which any increase or decrease of the capital of the association shall be made, provided that nothing herein shall restrict the power of shareholders to increase or decrease the capital of the association in accordance with law, and nothing shall raise or lower from two-thirds the percentage required for shareholder approval to increase or reduce the capital.

(8) Manage and administer the business and affairs of the association.

(9) Adopt initial bylaws, not inconsistent with law or the articles of association, for managing the business and regulating the affairs of the association.

(10) Amend or repeal bylaws, except to the extent that the articles of association reserve this power in whole or in part to shareholders.

(11) Make contracts.

(12) Generally perform all acts that are legal for a board of directors to perform.

SEVENTH. The board of directors shall have the power to change the location of the main office to any other place within the limits of Wilmington, Delaware, without the approval of the shareholders, or with a vote of shareholders owning two-thirds of the stock of such

association for a relocation outside such limits and upon receipt of a certificate of approval from the Comptroller of the Currency, to any other location within or outside the limits of Wilmington Delaware, but not more than 30 miles beyond such limits. The board of directors shall have the power to establish or change the location of any branch or branches of the association to any other location permitted under applicable law, without approval of shareholders, subject to approval by the Comptroller of the Currency.

EIGHTH. The corporate existence of this association shall continue until termination according to the laws of the United States.

NINTH. The board of directors of this association, or any one or more shareholders owning, in the aggregate, not less than 50 percent of the stock of this association, may call a special meeting of shareholders at any time. Unless otherwise provided by the bylaws or the laws of the United States, a notice of the time, place, and purpose of every annual and special meeting of the shareholders shall be given at least 10 days prior to the meeting by first-class mail, unless the OCC determines that an emergency circumstance exists. If the association is a wholly-owned subsidiary, the sole shareholder may waive notice of the shareholders' meeting. Unless otherwise provided by the bylaws or these articles, any action requiring approval of shareholders must be effected at a duly called annual or special meeting.

TENTH. For purposes of this Article Tenth, the term "institution-affiliated party" shall mean any institution-affiliated party of the association as such term is defined in 12 U.S.C. 1813(u).

Any institution-affiliated party (or his or her heirs, executors or administrators) may be indemnified or reimbursed by the association for reasonable expenses actually incurred in connection with any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, governmental, administrative or investigative, in accordance with and to the fullest extent permitted by law, as such law now or hereafter exists; provided, however, that when an administrative proceeding or action instituted by a federal banking agency results in a final order or settlement pursuant to which such person: (i) is assessed a civil money penalty, (ii) is removed from office or prohibited from participating in the conduct of the affairs of the association, or (iii) is required to cease and desist from or to take any affirmative action described in 12 U.S.C. 1818(b) with respect to the association, then the association shall require the repayment of all legal fees and expenses advanced pursuant to the next succeeding paragraph and may not indemnify such institution-affiliated parties (or their heirs, executors or administrators) for expenses, including expenses for legal fees, penalties or other payments incurred. The association shall provide indemnification in connection with an action or proceeding (or part thereof) initiated by an institution-affiliated party (or by his or her heirs, executors or administrators) only if such action or proceeding (or part thereof) was authorized by the board of directors.

Expenses incurred by an institution-affiliated party (or by his or her heirs, executors or administrators) in connection with any action or proceeding under 12 U.S.C. 164 or 1818 may be paid by the association in advance of the final disposition of such action or proceeding upon (a) a determination by the board of directors acting by a quorum consisting of directors who are not parties to such action or proceeding that the institution-affiliated party (or his or her heirs, executors or administrators) has a reasonable basis for prevailing on the merits, (b) a determination that the indemnified individual (or his or her heirs, executors or administrators) will have the financial capacity to reimburse the bank in the event he or she does not prevail, (c) a determination that the payment of expenses and fees by the association will not adversely affect the safety and soundness of the association, and (d) receipt of an undertaking by or on behalf of such institution-affiliated party (or by his or her heirs, executors or administrators) to repay such advancement in the event of a final order or settlement pursuant to which such person: (i) is assessed a civil money penalty, (ii) is removed from office or prohibited from participating in the conduct of the affairs of the association, or (iii) is required to cease and desist from or to take any affirmative action described in 12 U.S.C. 1818(b) with respect to the association. In all other instances, expenses incurred by an institution-affiliated party (or by his or her heirs, executors or administrators) in connection with any action or proceeding as to which indemnification may be given under these articles of association may be paid by the association in advance of the final disposition of such action or proceeding upon (a) receipt of an undertaking by or on behalf of such institution-affiliated party (or by or on behalf of his or her heirs, executors or administrators) to repay such advancement in the event that such institution-affiliated party (or his or her heirs, executors or administrators) is ultimately found not to be entitled to indemnification as authorized by these articles of association and (b) approval by the board of directors acting by a quorum consisting of directors who are not parties to such action or proceeding or, if such a quorum is not obtainable, then approval by stockholders. To the extent permitted by law, the board of directors or, if applicable, the stockholders, shall not be required to find that the institution-affiliated party has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding.

In the event that a majority of the members of the board of directors are named as respondents in an administrative proceeding or civil action and request indemnification, the remaining members of the board may authorize independent legal counsel to review the indemnification request and provide the remaining members of the board with a written opinion of counsel as to whether the conditions delineated in the first four paragraphs of this Article Tenth have been met. If independent legal counsel opines that said conditions have been met, the remaining members of the board of directors may rely on such opinion in authorizing the requested indemnification.

In the event that all of the members of the board of directors are named as respondents in an administrative proceeding or civil action and request indemnification, the board shall authorize independent legal counsel to review the indemnification request and provide the board with a written opinion of counsel as to whether the conditions delineated in the first four paragraphs of this Article Tenth have been met. If legal counsel opines that said conditions have been met, the board of directors may rely on such opinion in authorizing the requested indemnification.

To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in these articles of association (a) shall be available with respect to events occurring prior to the adoption of these articles of association, (b) shall continue to exist after any restrictive amendment of these articles of association with respect to events occurring prior to such amendment, (c) may be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding, or on the basis of applicable law in effect at the time such rights are claimed, and (d) are in the nature of contract rights which may be enforced in any court of competent jurisdiction as if the association and the institution-affiliated party (or his or her heirs, executors or administrators) for whom such rights are sought were parties to a separate written agreement.

The rights of indemnification and to the advancement of expenses provided in these articles of association shall not, to the extent permitted under applicable law, be deemed exclusive of any other rights to which any such institution affiliated party (or his or her heirs, executors or administrators) may now or hereafter be otherwise entitled whether contained in these articles of association, the bylaws, a resolution of stockholders, a resolution of the board of directors, or an agreement providing such indemnification, the creation of such other rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in these articles of association shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any such institution-affiliated party (or of his or her heirs, executors or administrators) in any such action or proceeding to have assessed or allowed in his or her favor, against the association or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

If this Article Tenth or any part hereof shall be held unenforceable in any respect by a court of competent jurisdiction, it shall be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article Tenth shall remain fully enforceable.

The association may, upon affirmative vote of a majority of its board of directors, purchase insurance to indemnify its institution-affiliated parties to the extent that such indemnification is allowed in these articles of association; provided, however, that no such insurance shall include coverage to pay or reimburse any institution-affiliated party for the cost of any judgment or civil money penalty assessed against such person in an administrative proceeding or civil action commenced by any federal banking agency. Such insurance may, but need not, be for the benefit of all institution-affiliated parties.

ELEVENTH. These articles of association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of this association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount. The association’s board of directors may propose one or more amendments to the articles of association for submission to the shareholders.

EXHIBIT 4

BY-LAWS OF WILMINGTON TRUST, NATIONAL ASSOCIATION

BYLAWS

OF

WILMINGTON TRUST, NATIONAL ASSOCIATION

ARTICLE I

Meetings of Shareholders

Section 1. Annual Meeting. The annual meeting of the shareholders to elect directors and transact whatever other business may properly come before the meeting shall be held at the main office of the association, Rodney Square North, 1100 Market Street, City of Wilmington, State of Delaware, at 1:00 o'clock p.m. on the first Tuesday in March of each year, or at such other place and time as the board of directors may designate, or if that date falls on a legal holiday in Delaware, on the next following banking day. Notice of the meeting shall be mailed by first class mail, postage prepaid, at least 10 days and no more than 60 days prior to the date thereof, addressed to each shareholder at his/her address appearing on the books of the association. If, for any cause, an election of directors is not made on that date, or in the event of a legal holiday, on the next following banking day, an election may be held on any subsequent day within 60 days of the date fixed, to be designated by the board of directors, or, if the directors fail to fix the date, by shareholders representing two-thirds of the shares. In these circumstances, at least 10 days' notice must be given by first class mail to shareholders.

Section 2. Special Meetings. Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the board of directors or by any one or more shareholders owning, in the aggregate, not less than fifty percent of the stock of the association. Every such special meeting, unless otherwise provided by law,

shall be called by mailing, postage prepaid, not less than 10 days nor more than 60 days prior to the date fixed for the meeting, to each shareholder at the address appearing on the books of the association a notice stating the purpose of the meeting.

The board of directors may fix a record date for determining shareholders entitled to notice and to vote at any meeting, in reasonable proximity to the date of giving notice to the shareholders of such meeting. The record date for determining shareholders entitled to demand a special meeting is the date the first shareholder signs a demand for the meeting describing the purpose or purposes for which it is to be held.

A special meeting may be called by shareholders or the board of directors to amend the articles of association or bylaws, whether or not such bylaws may be amended by the board of directors in the absence of shareholder approval.

If an annual or special shareholders' meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time or place, if the new date, time or place is announced at the meeting before adjournment, unless any additional items of business are to be considered, or the association becomes aware of an intervening event materially affecting any matter to be voted on more than 10 days prior to the date to which the meeting is adjourned. If a new record date for the adjourned meeting is fixed, however, notice of the adjourned meeting must be given to persons who are shareholders as of the new record date. If, however, the meeting to elect the directors is adjourned before the election takes place, at least ten days' notice of the new election must be given to the shareholders by first-class mail.

Section 3. Nominations of Directors. Nominations for election to the board of directors may be made by the board of directors or by any stockholder of any outstanding class of capital stock of the association entitled to vote for the election of directors. Nominations, other than

those made by or on behalf of the existing management of the association, shall be made in writing and shall be delivered or mailed to the president of the association and the Comptroller of the Currency, Washington, D.C., not less than 14 days nor more than 50 days prior to any meeting of shareholders called for the election of directors; *provided, however,* that if less than 21 days' notice of the meeting is given to shareholders, such nomination shall be mailed or delivered to the president of the association not later than the close of business on the seventh day following the day on which the notice of meeting was mailed. Such notification shall contain the following information to the extent known to the notifying shareholder:

(1) The name and address of each proposed nominee;

(2) The principal occupation of each proposed nominee;

(3) The total number of shares of capital stock of the association that will be voted for each proposed nominee;

(4) The name and residence of the notifying shareholder; and

(5) The number of shares of capital stock of the association owned by the notifying shareholder.

Nominations not made in accordance herewith may, in his/her discretion, be disregarded by the chairperson of the meeting, and upon his/her instructions, the vote tellers may disregard all votes cast for each such nominee.

Section 4. Proxies. Shareholders may vote at any meeting of the shareholders by proxies duly authorized in writing, but no officer or employee of this association shall act as proxy. Proxies shall be valid only for one meeting, to be specified therein, and any adjournments of such meeting. Proxies shall be dated and filed with the records of the meeting. Proxies with facsimile signatures may be used and unexecuted proxies may be counted upon receipt of a written confirmation from the shareholder. Proxies meeting the above requirements submitted at any time during a meeting shall be accepted.

Section 5. Quorum. A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law, or by the shareholders or directors pursuant to Article IX, Section 2, but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the articles of association, or by the shareholders or directors pursuant to Article IX, Section 2. If a meeting for the election of directors is not held on the fixed date, at least 10 days' notice must be given by first-class mail to the shareholders.

ARTICLE II

Directors

Section 1. Board of Directors. The board of directors shall have the power to manage and administer the business and affairs of the association. Except as expressly limited by law, all corporate powers of the association shall be vested in and may be exercised by the board of directors.

Section 2. Number. The board of directors shall consist of not less than five nor more than twenty-five members, unless the OCC has exempted the bank from the 25-member limit. The exact number within such minimum and maximum limits is to be fixed and determined from time to time by resolution of a majority of the full board of directors or by resolution of a majority of the shareholders at any meeting thereof.

Section 3. Organization Meeting. The secretary or treasurer, upon receiving the certificate of the judges of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the main office of the association, or at such other place in the cities of Wilmington, Delaware or Buffalo, New York, to organize the new board of directors and elect and appoint officers of the association for the succeeding year. Such meeting shall be held on the day of the election or as soon thereafter as practicable, and, in any event, within 30 days thereof. If, at the time fixed for such meeting, there shall not be a quorum, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 4. Regular Meetings. The Board of Directors may, at any time and from time to time, by resolution designate the place, date and hour for the holding of a regular meeting, but in the absence of any such designation, regular meetings of the board of directors shall be held, without notice, on the first Tuesday of each March, June and September, and on the second Tuesday of each December at the main office or other such place as the board of directors may designate. When any regular meeting of the board of directors falls upon a holiday, the meeting shall be held on the next banking business day unless the board of directors shall designate another day.

Section 5. Special Meetings. Special meetings of the board of directors may be called by the Chairman of the Board of the association, or at the request of two or more directors. Each member of the board of directors shall be given notice by telegram, first class mail, or in person stating the time and place of each special meeting.

Section 6. Quorum. A majority of the entire board then in office shall constitute a quorum at any meeting, except when otherwise provided by law or these bylaws, but a lesser number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. If the number of directors present at the meeting is reduced below the number that would constitute a quorum, no business may be transacted, except selecting directors to fill vacancies in conformance with Article II, Section 7. If a quorum is present, the board of directors may take action through the vote of a majority of the directors who are in attendance.

Section 7. Meetings by Conference Telephone. Any one or more members of the board of directors or any committee thereof may participate in a meeting of such board or committees by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation in a meeting by such means shall constitute presence in person at such meeting.

Section 8. Procedures. The order of business and all other matters of procedure at every meeting of the board of directors may be determined by the person presiding at the meeting.

Section 9. Removal of Directors. Any director may be removed for cause, at any meeting of stockholders notice of which shall have referred to the proposed action, by vote of the stockholders. Any director may be removed without cause, at any meeting of stockholders notice of which shall have referred to the proposed action, by the vote of the holders of a majority of the shares of the Corporation entitled to vote. Any director may be removed for cause, at any meeting of the directors notice of which shall have referred to the proposed action, by vote of a majority of the entire Board of Directors.

Section 10. Vacancies. When any vacancy occurs among the directors, a majority of the remaining members of the board of directors, according to the laws of the United States, may appoint a director to fill such vacancy at any regular meeting of the board of directors, or at a special meeting called for that purpose at which a quorum is present, or if the directors remaining in office constitute fewer than a quorum of the board of directors, by the affirmative vote of a

majority of all the directors remaining in office, or by shareholders at a special meeting called for that purpose in conformance with Section 2 of Article I. At any such shareholder meeting, each shareholder entitled to vote shall have the right to multiply the number of votes he or she is entitled to cast by the number of vacancies being filled and cast the product for a single candidate or distribute the product among two or more candidates. A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the new director may not take office until the vacancy occurs.

ARTICLE III

Committees of the Board

The board of directors has power over and is solely responsible for the management, supervision, and administration of the association. The board of directors may delegate its power, but none of its responsibilities, to such persons or committees as the board may determine.

The board of directors must formally ratify written policies authorized by committees of the board of directors before such policies become effective. Each committee must have one or more member(s), and who may be an officer of the association or an officer or director of any affiliate of the association, who serve at the pleasure of the board of directors. Provisions of the articles of association and these bylaws governing place of meetings, notice of meeting, quorum and voting requirements of the board of directors, apply to committees and their members as well. The creation of a committee and appointment of members to it must be approved by the board of directors.

Section 1. Loan Committee. There shall be a loan committee composed of not less than 2 directors, appointed by the board of directors annually or more often. The loan committee, on behalf of the bank, shall have power to discount and purchase bills, notes and other evidences of debt, to buy and sell bills of exchange, to examine and approve loans and discounts, to exercise authority regarding loans and discounts, and to exercise, when the board of directors is not in session, all other powers of the board of directors that may lawfully be delegated. The loan committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the board of directors at which a quorum is present, and any action taken by the board of directors with respect thereto shall be entered in the minutes of the board of directors.

Section 2. Investment Committee. There shall be an investment committee composed of not less than 2 directors, appointed by the board of directors annually or more often. The investment committee, on behalf of the bank, shall have the power to ensure adherence to the investment policy, to recommend amendments thereto, to purchase and sell securities, to exercise authority regarding investments and to exercise, when the board of directors is not in session, all other powers of the board of directors regarding investment securities that may be lawfully delegated. The investment committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the board of directors at which a quorum is present, and any action taken by the board of directors with respect thereto shall be entered in the minutes of the board of directors.

Section 3. Examining Committee. There shall be an examining committee composed of not less than 2 directors, exclusive of any active officers, appointed by the board of directors annually or more often. The duty of that committee shall be to examine at least once during each calendar year and within 15 months of the last examination the affairs of the association or cause suitable examinations to be made by auditors responsible only to the board of directors and to report the result of such examination in writing to the board of directors at the next regular meeting thereafter. Such report shall state whether the association is in a sound condition, and

whether adequate internal controls and procedures are being maintained and shall recommend to the board of directors such changes in the manner of conducting the affairs of the association as shall be deemed advisable.

Notwithstanding the provisions of the first paragraph of this section, the responsibility and authority of the Examining Committee may, if authorized by law, be given over to a duly constituted audit committee of the association's parent corporation by a resolution duly adopted by the board of directors.

Section 4. Trust Audit Committee. There shall be a trust audit committee in conformance with Section 1 of Article V.

Section 5. Other Committees. The board of directors may appoint, from time to time, from its own members, compensation, special litigation and other committees of one or more persons, for such purposes and with such powers as the board of directors may determine.

However, a committee may not:

(1) Authorize distributions of assets or dividends;

(2) Approve action required to be approved by shareholders;

(3) Fill vacancies on the board of directors or any of its committees;

(4) Amend articles of association;

(5) Adopt, amend or repeal bylaws; or

(6) Authorize or approve issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences and limitations of a class or series of shares.

Section 5. Committee Members' Fees. Committee members may receive a fee for their services as committee members and traveling and other out-of-pocket expenses incurred in attending any meeting of a committee of which they are a member. The fee may be a fixed sum to be paid for attending each meeting or a fixed sum to be paid quarterly, or semiannually, irrespective of the number of meetings attended or not attended. The amount of the fee and the basis on which it shall be paid shall be determined by the Board of Directors.

ARTICLE IV

Officers and Employees

Section 1. Chairperson of the Board. The board of directors shall appoint one of its members to be the chairperson of the board to serve at its pleasure. Such person shall preside at all meetings of the board of directors. The chairperson of the board shall supervise the carrying out of the policies adopted or approved by the board of directors; shall have general executive powers, as well as the specific powers conferred by these bylaws; and shall also have and may exercise such further powers and duties as from time to time may be conferred upon or assigned by the board of directors.

Section 2. President. The board of directors shall appoint one of its members to be the president of the association. In the absence of the chairperson, the president shall preside at any meeting of the board of directors. The president shall have general executive powers and shall have and may exercise any and all other powers and duties pertaining by law, regulation, or practice to the office of president, or imposed by these bylaws. The president shall also have and may exercise such further powers and duties as from time to time may be conferred or assigned by the board of directors.

Section 3. Vice President. The board of directors may appoint one or more vice presidents. Each vice president shall have such powers and duties as may be assigned by the board of directors. One vice president shall be designated by the board of directors, in the absence of the president, to perform all the duties of the president.

Section 4. Secretary. The board of directors shall appoint a secretary, treasurer, or other designated officer who shall be secretary of the board of directors and of the association and who shall keep accurate minutes of all meetings. The secretary shall attend to the giving of all notices required by these bylaws; shall be custodian of the corporate seal, records, documents and papers of the association; shall provide for the keeping of proper records of all transactions of the association; shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice to the office of treasurer, or imposed by these bylaws; and shall also perform such other duties as may be assigned from time to time, by the board of directors.

Section 5. Other Officers. The board of directors may appoint one or more assistant vice presidents, one or more trust officers, one or more assistant secretaries, one or more assistant treasurers, one or more managers and assistant managers of branches and such other officers and attorneys in fact as from time to time may appear to the board of directors to be required or desirable to transact the business of the association. Such officers shall respectively exercise such powers and perform such duties as pertain to their several offices, or as may be conferred upon or assigned to them by the board of directors, the chairperson of the board, or the president. The board of directors may authorize an officer to appoint one or more officers or assistant officers.

Section 6. Tenure of Office. The president and all other officers shall hold office for the current year for which the board of directors was elected, unless they shall resign, become

disqualified, or be removed; and any vacancy occurring in the office of president shall be filled promptly by the board of directors.

Section 7. Resignation. An officer may resign at any time by delivering notice to the association. A resignation is effective when the notice is given unless the notice specifies a later effective date.

ARTICLE V

Fiduciary Activities

Section 1. Trust Audit Committee. There shall be a Trust Audit Committee composed of not less than 2 directors, appointed by the board of directors, which shall, at least once during each calendar year make suitable audits of the association's fiduciary activities or cause suitable audits to be made by auditors responsible only to the board, and at such time shall ascertain whether fiduciary powers have been administered according to law, Part 9 of the Regulations of the Comptroller of the Currency, and sound fiduciary principles, annually or more often. Such committee: (1) must not include any officers of the bank or an affiliate who participate significantly in the administration of the bank's fiduciary activities; and (2) must consist of a majority of members who are not also members of any committee to which the board of directors has delegated power to manage and control the fiduciary activities of the bank.

Section 2. Fiduciary Files. There shall be maintained by the association all fiduciary records necessary to assure that its fiduciary responsibilities have been properly undertaken and discharged.

Section 3. Trust Investments. Funds held in a fiduciary capacity shall be invested according to the instrument establishing the fiduciary relationship and applicable law. Where

such instrument does not specify the character and class of investments to be made and does not vest in the association a discretion in the matter, funds held pursuant to such instrument shall be invested in investments in which corporate fiduciaries may invest under applicable law.

ARTICLE VI

Stock and Stock Certificates

Section 1. Transfers. Shares of stock shall be transferable on the books of the association, and a transfer book shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall in proportion to such shareholder's shares, succeed to all rights of the prior holder of such shares. The board of directors may impose conditions upon the transfer of the stock reasonably calculated to simplify the work of the association with respect to stock transfers, voting at shareholder meetings and related matters and to protect it against fraudulent transfers.

Section 2. Stock Certificates. Certificates of stock shall bear the signature of the president (which may be engraved, printed or impressed) and shall be signed manually or by facsimile process by the secretary, assistant secretary, treasurer, assistant treasurer, or any other officer appointed by the board of directors for that purpose, to be known as an authorized officer, and the seal of the association shall be engraved thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the association properly endorsed.

The board of directors may adopt or use procedures for replacing lost, stolen, or destroyed stock certificates as permitted by law.

The association may establish a procedure through which the beneficial owner of shares that are registered in the name of a nominee may be recognized by the association as the shareholder. The procedure may set forth:

(1) The types of nominees to which it applies;

(2) The rights or privileges that the association recognizes in a beneficial owner;

(3) How the nominee may request the association to recognize the beneficial owner as the shareholder;

(4) The information that must be provided when the procedure is selected;

(5) The period over which the association will continue to recognize the beneficial owner as the shareholder;

(6) Other aspects of the rights and duties created.

ARTICLE VII

Corporate Seal

Section 1. Seal. The seal of the association shall be in such form as may be determined from time to time by the board of directors. The president, the treasurer, the secretary or any assistant treasurer or assistant secretary, or other officer thereunto designated by the board of directors shall have authority to affix the corporate seal to any document requiring such seal and to attest the same. The seal on any corporate obligation for the payment of money may be facsimile.

ARTICLE VIII

Miscellaneous Provisions

Section 1. Fiscal Year. The fiscal year of the association shall be the calendar year.

Section 2. Execution of Instruments. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents may be signed, executed, acknowledged, verified, delivered or accepted on behalf of the association by the chairperson of the board, or the president, or any vice president, or the secretary, or the treasurer, or, if in connection with the exercise of fiduciary powers of the association, by any of those offices or by any trust officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted on behalf of the association in such other manner and by such other officers as the board of directors may from time to time direct. The provisions of this section 2 are supplementary to any other provision of these bylaws.

Section 3. Records. The articles of association, the bylaws and the proceedings of all meetings of the shareholders, the board of directors, and standing committees of the board of directors shall be recorded in appropriate minute books provided for that purpose. The minutes of each meeting shall be signed by the secretary, treasurer or other officer appointed to act as secretary of the meeting.

Section 4. Corporate Governance Procedures. To the extent not inconsistent with federal banking statutes and regulations, or safe and sound banking practices, the association may follow the Delaware General Corporation Law, Del. Code Ann. tit. 8 (1991, as amended 1994, and as amended thereafter) with respect to matters of corporate governance procedures.

Section 5. Indemnification.

For purposes of this Section 5 of Article VIII, the term “institution-affiliated party” shall mean any institution-affiliated party of the association as such term is defined in 12 U.S.C. 1813(u).

Any institution-affiliated party (or his or her heirs, executors or administrators) may be indemnified or reimbursed by the association for reasonable expenses actually incurred in

connection with any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, governmental, administrative or investigative, in accordance with and to the fullest extent permitted by law, as such law now or hereafter exists; provided, however, that when an administrative proceeding or action instituted by a federal banking agency results in a final order or settlement pursuant to which such person: (i) is assessed a civil money penalty, (ii) is removed from office or prohibited from participating in the conduct of the affairs of the association, or (iii) is required to cease and desist from or to take any affirmative action described in 12 U.S.C. 1818(b) with respect to the association, then the association shall require the repayment of all legal fees and expenses advanced pursuant to the next succeeding paragraph and may not indemnify such institution-affiliated parties (or their heirs, executors or administrators) for expenses, including expenses for legal fees, penalties or other payments incurred. The association shall provide indemnification in connection with an action or proceeding (or part thereof) initiated by an institution-affiliated party (or by his or her heirs, executors or administrators) only if such action or proceeding (or part thereof) was authorized by the board of directors.

Expenses incurred by an institution-affiliated party (or by his or her heirs, executors or administrators) in connection with any action or proceeding under 12 U.S.C. 164 or 1818 may be paid by the association in advance of the final disposition of such action or proceeding upon (a) a determination by the board of directors acting by a quorum consisting of directors who are not parties to such action or proceeding that the institution-affiliated party (or his or her heirs, executors or administrators) has a reasonable basis for prevailing on the merits, (b) a determination that the indemnified individual (or his or her heirs, executors or administrators) will have the financial capacity to reimburse the bank in the event he or she does not prevail, (c) a determination that the payment of expenses and fees by the association will not adversely affect the safety and soundness of the association, and (d) receipt of an undertaking by or on behalf of such institution-affiliated party (or by his or her heirs, executors or administrators) to repay such advancement in the event of a final order or settlement pursuant to which such

person: (i) is assessed a civil money penalty, (ii) is removed from office or prohibited from participating in the conduct of the affairs of the association, or (iii) is required to cease and desist from or to take any affirmative action described in 12 U.S.C. 1818(b) with respect to the association. In all other instances, expenses incurred by an institution-affiliated party (or by his or her heirs, executors or administrators) in connection with any action or proceeding as to which indemnification may be given under these articles of association may be paid by the association in advance of the final disposition of such action or proceeding upon (a) receipt of an undertaking by or on behalf of such institution-affiliated party (or by or on behalf of his or her heirs, executors or administrators) to repay such advancement in the event that such institution-affiliated party (or his or her heirs, executors or administrators) is ultimately found not to be entitled to indemnification as authorized by these bylaws and (b) approval by the board of directors acting by a quorum consisting of directors who are not parties to such action or proceeding or, if such a quorum is not obtainable, then approval by stockholders. To the extent permitted by law, the board of directors or, if applicable, the stockholders, shall not be required to find that the institution-affiliated party has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding.

In the event that a majority of the members of the board of directors are named as respondents in an administrative proceeding or civil action and request indemnification, the remaining members of the board may authorize independent legal counsel to review the indemnification request and provide the remaining members of the board with a written opinion of counsel as to whether the conditions delineated in the first four paragraphs of this Section 5 of Article VIII have been met. If independent legal counsel opines that said conditions have been met, the remaining members of the board of directors may rely on such opinion in authorizing the requested indemnification.

In the event that all of the members of the board of directors are named as respondents in an administrative proceeding or civil action and request indemnification, the board shall

authorize independent legal counsel to review the indemnification request and provide the board with a written opinion of counsel as to whether the conditions delineated in the first four paragraphs of this Section 5 of Article VIII have been met. If legal counsel opines that said conditions have been met, the board of directors may rely on such opinion in authorizing the requested indemnification.

To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in these articles of association (a) shall be available with respect to events occurring prior to the adoption of these bylaws, (b) shall continue to exist after any restrictive amendment of these bylaws with respect to events occurring prior to such amendment, (c) may be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding, or on the basis of applicable law in effect at the time such rights are claimed, and (d) are in the nature of contract rights which may be enforced in any court of competent jurisdiction as if the association and the institution-affiliated party (or his or her heirs, executors or administrators) for whom such rights are sought were parties to a separate written agreement.

The rights of indemnification and to the advancement of expenses provided in these bylaws shall not, to the extent permitted under applicable law, be deemed exclusive of any other rights to which any such institution-affiliated party (or his or her heirs, executors or administrators) may now or hereafter be otherwise entitled whether contained in the association’s articles of association, these bylaws, a resolution of stockholders, a resolution of the board of directors, or an agreement providing such indemnification, the creation of such other rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in these bylaws shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any such institution-affiliated party (or of his or her heirs, executors or administrators) in any such action or proceeding to have

assessed or allowed in his or her favor, against the association or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

If this Section 5 of Article VIII or any part hereof shall be held unenforceable in any respect by a court of competent jurisdiction, it shall be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Section 5 of Article VIII shall remain fully enforceable.

The association may, upon affirmative vote of a majority of its board of directors, purchase insurance to indemnify its institution-affiliated parties to the extent that such indemnification is allowed in these bylaws; provided, however, that no such insurance shall include coverage for a final order assessing civil money penalties against such persons by a bank regulatory agency. Such insurance may, but need not, be for the benefit of all institution-affiliated parties.

ARTICLE IX

Inspection and Amendments

Section 1. Inspection. A copy of the bylaws of the association, with all amendments, shall at all times be kept in a convenient place at the main office of the association, and shall be open for inspection to all shareholders during banking hours.

Section 2. Amendments. The bylaws of the association may be amended, altered or repealed, at any regular meeting of the board of directors, by a vote of a majority of the total number of the directors except as provided below, and provided that the following language accompany any such change.

I, , certify that: (1) I am the duly constituted (secretary or treasurer) of and secretary of its board of directors, and as such officer am the official custodian of its records; (2) the foregoing bylaws are the bylaws of the association, and all of them are now lawfully in force and effect.

I have hereunto affixed my official signature on this day of

(Secretary or Treasurer)

The association’s shareholders may amend or repeal the bylaws even though the bylaws also may be amended or repealed by the board of directors.

EXHIBIT 6

Section 321(b) Consent

Pursuant to Section 321(b) of the Trust Indenture Act of 1939, as amended, Wilmington Trust, National Association hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon requests therefor.

WILMINGTON TRUST,
NATIONAL ASSOCIATION

Dated: February 2, 2012

By: /s/ W. Thomas Morris, II
Name: W. Thomas Morris, II
Title: Vice President

EXHIBIT 7

REPORT OF CONDITION

WILMINGTON TRUST, NATIONAL ASSOCIATION

As of the close of business on September 30, 2011:

ASSETS	**Thousands of Dollars**
Cash and balances due from depository institutions:	665,545
Securities:	31,775
Federal funds sold and securities purchased under agreement to resell:	0
Loans and leases held for sale:	0
Loans and leases net of unearned income, allowance:	658,740
Premises and fixed assets:	15,862
Other real estate owned:	315
Investments in unconsolidated subsidiaries and associated companies:	0
Direct and indirect investments in real estate ventures:	0
Intangible assets:	13,104
Other assets:	74,885
Total Assets:	1,460,226

LIABILITIES	**Thousands of Dollars**
Deposits	798,335
Federal funds purchased and securities sold under agreements to repurchase	149,500
Other borrowed money:	0
Other Liabilities:	124,431
Total Liabilities	1,072,266

EQUITY CAPITAL	**Thousands of Dollars**
Common Stock	1,000
Surplus	379,881
Retained Earnings	22,316
Accumulated other comprehensive income	(15,237)
Total Equity Capital	387,960
Total Liabilities and Equity Capital	1,460,226