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

FORM 8-K

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

Date of Report (Date of earliest event reported): June 7, 2018

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

(Exact Name of Registrant as Specified in Charter)

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

**001-32559
333-177186**
(Commission
File Number)

**20-0191742
20-0242069**
(I.R.S. Employer
Identification No.)

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

35242
(Zip Code)

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

N/A
(Former name or former address, if changed since last report.)

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On June 7, 2018, affiliates of Medical Properties Trust, Inc. and MPT Operating Partnership, L.P. (together with their consolidated subsidiaries, the “Company”) entered into a subscription agreement (the “Subscription Agreement”) with Primotop Holding S.à.r.l. (“Primotop”), a company managed by an entity of the Primonial group pursuant to which Primotop will acquire a 50% interest by way of a joint venture in the real estate of 71 post-acute hospitals in Germany (the “Portfolio”) currently owned by the Company, with an aggregate agreed valuation of approximately €1.635 billion.

Pursuant to the Subscription Agreement, which was entered into among MPT Operating Partnership, L.P., Primotop and MPT RHM Holdco S.à.r.l., a subsidiary of the Company and the current indirect owner of the Portfolio, Primotop will subscribe for new shares representing, following issuance, 50% of the outstanding interests in MPT RHM Holdco S.à.r.l. (the “Joint Venture”) in exchange for a cash amount equal to 50% of the estimated net asset value of the Portfolio at the closing of the transaction (the “Closing”), subject to certain adjustments set forth in the Subscription Agreement. The remaining 50% interest in the Joint Venture will be retained by the Company. Immediately following the Closing, which is expected to occur during the third quarter of 2018, the Joint Venture is expected to make cash distributions to the Company in an aggregate amount of approximately €1.14 billion from the proceeds of the cash contributions and certain debt financings.

The Subscription Agreement provides that the Joint Venture will be governed by a Shareholders’ Agreement to be entered into upon Closing by and among the parties to the Subscription Agreement. In addition, affiliates of the Company will continue to manage the Portfolio pursuant to a management agreement to be entered into upon Closing.

The Subscription Agreement contains customary mutual representations, warranties and covenants by the parties in connection with transactions of this nature, including a covenant for the Company to conduct the business of the Portfolio as a going concern in the ordinary course prior to the Closing.

Pursuant to the Subscription Agreement, the Closing is subject to certain closing conditions, including (i) the receipt of governmental approval for the transaction from the German Federal Cartel Office, (ii) obtaining third-party financing in the form of a syndicated secured financing facility, and (iii) the completion of certain pre-Closing reorganization transactions. In addition to providing the parties with certain customary termination rights, the Subscription Agreement also grants the Company with a termination right in the event of certain changes in German real estate transfer tax law that would trigger indemnity obligations by the Company to Primotop. The Company has also agreed to indemnify Primotop, subject to certain limitations, for certain customary pre-close indemnifiable losses.

The foregoing description of the Subscription Agreement does not purport to be complete and is qualified in its entirety by reference to the text of the Subscription Agreement, which the Company expects to file as an exhibit to its Quarterly Report on Form 10-Q for the quarter ended June 30, 2018.

Item 7.01. Regulation FD Disclosure.

On June 7, 2018, we issued a press release announcing the joint venture transaction described above in Item 1.01 of this Current Report on Form 8-K. A copy of the press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

The information contained in this Item 7.01 is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise. The information in this Item 7.01 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act or into any filing or other document pursuant to the Securities Exchange Act of 1934, as amended, except as otherwise expressly stated in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated June 7, 2018

SIGNATURES

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

MEDICAL PROPERTIES TRUST, INC.

By: /s/ R. Steven Hamner
Name: R. Steven Hamner
Title: Executive Vice President and Chief Financial Officer

Date: June 11, 2018

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ R. Steven Hamner
Name: R. Steven Hamner
Title: Executive Vice President and Chief Financial Officer
of the sole member of the general partner of MPT
Operating Partnership, L.P.

Date: June 11, 2018



Medical Properties Trust

Contact: Tim Berryman
 Director – Investor Relations
 Medical Properties Trust, Inc.
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tberryman@medicalpropiertiestrust.com

MEDICAL PROPERTIES TRUST AND PRIMONIAL GROUP ENTER JOINT VENTURE TO OWN 71 GERMAN POST-ACUTE HOSPITALS VALUED AT €1.635 BILLION

MPT to Recognize Gain of Approximately €500 Million Resulting From 6.0% Valuation of Hospital Rents

Total Expected Cash Proceeds to MPT of €1.14 Billion to Repay Debt and be Reinvested

Birmingham, AL – June 7, 2018 – Medical Properties Trust, Inc. (“MPT” or the “Company”) (NYSE: MPW), a global leader in hospital real estate finance, announced today that it has entered into agreements with Primonial Group to form a joint venture pursuant to which a fund managed by Primonial Group will acquire a 50% interest in an MPT portfolio of 71 post-acute hospitals throughout Germany. MPT will retain a 50% interest in the portfolio through the joint venture and an MPT affiliate will continue to manage the facilities. The transaction values the portfolio at approximately €1.635 billion.

“This transaction will validate MPT’s pioneering entry into European hospital real estate,” said Edward K. Aldag, Jr., Chairman, President and CEO of Medical Properties Trust. “Through forward looking and creative investment structures, MPT assembled this portfolio during the last few years in competition with other large U.S. REITs, sovereign wealth, private equity and other investors.

“Investor interest in this JV opportunity was strong and came from funds based in Asia, Europe, Canada and the U.S. The attraction was not only the chance for exposure to the attractive healthcare sector in Germany, but equally the opportunity to partner with the world’s leading specialist in hospital real estate. Primonial Group, one of Europe’s real estate leaders, has now committed to a long-term investment in hospital real estate that demonstrates the importance of hospitals as an asset sector in general, and MPT’s portfolio in particular,” continued Aldag.

“The benefits to MPT of the arrangement also include access to less expensive forms of equity and debt capital and an independent indication of MPT’s asset values,” concluded Aldag.

Based on the agreed 6.0% valuation of the portfolio’s 2017 rents, MPT expects to report a gain of approximately €500 million upon closing. At closing, Primonial Group will acquire its interest in the joint venture for cash, and a bank syndicate is expected to provide secured financing. Total expected proceeds to MPT, including its portion of the secured debt, will be approximately €1.14 billion. MPT expects to use such proceeds to fully repay its balances under its revolving credit facility, execute its pipeline opportunities for continued investment in U.S. and European hospital

assets and for other corporate purposes. The Company is suspending its previous guidance regarding 2018 net income and funds from operations pending clarity on the timing of closing and any reinvestment activities.

Closing of the transaction is conditioned on customary conditions, including approval of the German Federal Cartel Office and completion of definitive documentation concerning secured financing, and is expected during the third quarter of 2018.

About Medical Properties Trust, Inc.

Medical Properties Trust, Inc. is a self-advised real estate investment trust formed to capitalize on the changing trends in healthcare delivery by acquiring and developing net-leased healthcare facilities. MPT's financing model helps facilitate acquisitions and recapitalizations and allows operators of hospitals and other healthcare facilities to unlock the value of their real estate assets to fund facility improvements, technology upgrades and other investments in operations. Facilities include acute care hospitals, inpatient rehabilitation hospitals, long-term acute care hospitals, and other medical and surgical facilities. For more information, please visit the Company's website at www.medicalpropietrust.com.

About Primonial Group

Primonial Group, specialized in all aspects of wealth management, selects, combines and offers comprehensive solutions for wealth management professionals and their clients. It is supported by a large number of specialists in residential property investments and real estate funds, life insurance and annuities, structured products and asset management, and has assets under management (managed or advised) of €23.44 billion. For more information, please visit the Company's website at www.primonial.com.

The statements in this press release that are forward looking are based on current expectations and actual results or future events may differ materially. Words such as "expects," "believes," "anticipates," "intends," "will," "should" and variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results of the Company or future events to differ materially from those expressed in or underlying such forward-looking statements, including without limitation: the satisfaction of all conditions to, and the timely closing (if at all) of pending transactions; the amount of acquisitions of healthcare real estate, if any; results from potential sales and joint venture arrangements, if any; capital markets conditions; estimated leverage metrics; the repayment of debt arrangements; statements concerning the additional income to the Company as a result of ownership interests in certain hospital operations and the timing of such income; the payment of future dividends, if any; completion of additional debt arrangements, and additional investments; national and international economic, business, real estate and other market conditions; the competitive environment in which the Company operates; the execution of the Company's business plan; financing risks; the Company's ability to maintain its status as a REIT for income tax purposes; acquisition and development risks; potential environmental and other liabilities; and other factors affecting the real estate industry generally or healthcare real estate in particular. For further discussion of the factors that could affect outcomes, please refer to the "Risk factors" section of the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and as updated by the Company's subsequently filed Quarterly Reports on Form 10-Q and other SEC filings. Except as otherwise required by the federal securities laws, the Company undertakes no obligation to update the information in this press release.

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