

Medical Properties Trust Announces Agreements for CommonSpirit Health to Acquire Steward's Utah Operations and Lease MPT's \$1.2 Billion Utah Portfolio

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BIRMINGHAM, Ala.--(BUSINESS WIRE)--Feb. 15, 2023-- Medical Properties Trust, Inc. (the "Company" or "MPT") (NYSE: MPW) today announced that it has agreed to lease its entire Utah hospital portfolio to Catholic Health Initiatives Colorado ("CHIC"), a wholly owned subsidiary of CommonSpirit Health ("CommonSpirit"), subsequent to CHIC's pending acquisition of the Utah hospital business currently operated by Steward Health Care System ("Steward"). Centura Health ("Centura") will manage the facilities for CHIC.

The expected transaction will further MPT's long-term efforts to improve portfolio diversification by property type, geography and, in this case, operator. The Company's investment in its Utah real estate represents approximately 6% of its total gross assets, and Steward's concentration will decline by this amount. Accordingly, CommonSpirit, recognized as one of the country's largest and most respected not-for-profit healthcare providers, will become one of MPT's largest tenants. Cash rental payments during the 15-year initial lease term are to begin at roughly 7.8% of MPT's gross investment and increase by 3.0% annually. The overall cash flow profile of the lease is particularly attractive given the tenant's strong investment grade credit. The lessee will have the option to purchase the facilities at the higher of fair market value or MPT's gross investment at 5, 10 and 15 years.

The purchase price of CHIC's acquisition of operations from Steward was not disclosed by the parties, but Steward expects to use the proceeds to reduce debt, including early prepayment of loans extended by MPT in the second quarter of 2022, and other liabilities.

"These Utah hospitals checked all of the boxes as far as our cornerstone underwriting principles, and this

transaction demonstrates that such hospitals not only facilitate attractive real estate returns to MPT but also meet the critical healthcare needs of their communities,” said Edward K. Aldag, Jr., Chairman, President and Chief Executive Officer. “The sale of the operations of these hospitals is a great outcome for Steward, and we are delighted to begin a long and successful relationship with CHIC.”

“We are very excited to extend our mission into Utah and to further build whole person care and flourishing communities,” said Peter D. Banko, President & CEO of Centura Health. “We look forward to a strong relationship with MPT and are confident they will be a valued partner as we move forward and support and nurture the more than 3,000 caregivers as well as continue the longstanding legacy of caring for communities throughout Utah.”

Both transactions, which are expected to be finalized later this year, are under binding agreements subject to receipt of certain regulatory approvals and other customary closing conditions.

About Medical Properties Trust, Inc.

Medical Properties Trust, Inc. is a self-advised real estate investment trust formed in 2003 to acquire and develop net-leased hospital facilities. From its inception in Birmingham, Alabama, the Company has grown to become one of the world’s largest owners of hospital real estate with roughly 435 facilities and 44,000 beds in ten countries and across four continents. MPT’s financing model facilitates acquisitions and recapitalizations and allows operators of hospitals to unlock the value of their real estate assets to fund facility improvements, technology upgrades and other investments in operations. For more information, please visit the Company’s website at www.medicalpropertiestrust.com.

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “would”, “could”, “expect”, “intend”, “plan”, “estimate”, “target”, “anticipate”, “believe”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding our strategies, objectives, future expansion and development activities, and expected financial performance. Forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results or future events to differ materially from those expressed in or underlying such forward-looking statements, including, but not limited to: (i) the economic, political and social impact of, and uncertainty relating to, potential impact from health crises (like COVID-19); (ii) the ability of our tenants, operators and borrowers to satisfy their obligations under their respective contractual arrangements with us, especially as a result of the adverse economic impact of the COVID-19 pandemic, and government regulation of hospitals and healthcare providers in connection with same (as further detailed in our Current Report on Form 8-K filed with the SEC on April 8, 2020); (iii) our expectations regarding annual guidance for net income and NFFO per share; (iv) our success in implementing our business strategy and our ability to identify, underwrite, finance,

consummate and integrate acquisitions and investments; (v) the nature and extent of our current and future competition; (vi) macroeconomic conditions, such as a disruption of or lack of access to the capital markets or movements in currency exchange rates; (vii) our ability to obtain debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and pay down, refinance, restructure or extend our indebtedness as it becomes due; (viii) increases in our borrowing costs as a result of changes in interest rates and other factors; (ix) international, national and local economic, real estate and other market conditions, which may negatively impact, among other things, the financial condition of our tenants, lenders and institutions that hold our cash balances, and may expose us to increased risks of default by these parties; (x) factors affecting the real estate industry generally or the healthcare real estate industry in particular; (xi) our ability to maintain our status as a REIT for federal and state income tax purposes; (xii) federal and state healthcare and other regulatory requirements, as well as those in the foreign jurisdictions where we own properties; (xiii) the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain equity or debt financing secured by our properties or on an unsecured basis; (xiv) the ability of our tenants and operators to operate profitably and generate positive cash flow, comply with applicable laws, rules and regulations in the operation of the our properties, to deliver high-quality services, to attract and retain qualified personnel and to attract patients; (xv) potential environmental contingencies and other liabilities; (xvi) the risk that the expected sale of three Connecticut hospitals currently leased to Prospect does not occur; (xvii) the risk that Steward's anticipated sale of its Utah operations and MPT's expected lease with Catholic Health Initiatives Colorado are not executed as announced; and (xviii) the risk that other property sales, loan repayments, and other capital recycling transactions do not occur.

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

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