REFINITIV

DELTA REPORT

10-Q

MPW - MEDICAL PROPERTIES TRUST

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2175
CHANGES	206
DELETIONS	814
ADDITIONS	1155

REFINITIV

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

FORM 10-Q

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

For the quarterly period ended September 30, March 31, 2023 2024

OR

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

For the transition period from to

Commission file number 001-32559

Commission file number 333-177186

MEDICAL PROPERTIES TRUST, INC.
MPT OPERATING PARTNERSHIP, L.P.
(Exact Name of Registrant as Specified in Its Charter)

MARYLAND	**20-0191742**
DELAWARE	**20-0242069**
(State or other jurisdiction of incorporation or organization)	**(I. R. S. Employer Identification No.)**

1000 URBAN CENTER DRIVE, SUITE 501	
BIRMINGHAM, AL	**35242**
(Address of principal executive offices)	**(Zip Code)**

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (205) 969-3755

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered

Common stock, par value $0.001 per share, of Medical Properties Trust, Inc.	MPW	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒ (Medical Properties Trust, Inc. only)	Accelerated filer	☐
Non-accelerated filer	☒ (MPT Operating Partnership, L.P. only)	Smaller reporting company	☐
		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. ☐

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

As of November 3, 2023 May 24, 2024, Medical Properties Trust, Inc. had 599.0 600.1 million shares of common stock, par value $0.001, outstanding.

EXPLANATORY NOTE

This report combines the Quarterly Reports on Form 10-Q for the three and nine months ended September 30, 2023 March 31, 2024 of Medical Properties Trust, Inc., a Maryland corporation, and MPT Operating Partnership, L.P., a Delaware limited partnership, through which Medical Properties Trust, Inc. conducts substantially all of its operations. Unless otherwise indicated or unless the context requires otherwise, all references in this report to "we," "us," "our," "Medical Properties," "MPT," or the "company" refer to Medical Properties Trust, Inc. together with its consolidated subsidiaries, including MPT Operating Partnership, L.P. Unless otherwise indicated or unless the context requires otherwise, all references to "operating partnership" refer to MPT Operating Partnership, L.P. together with its consolidated subsidiaries.

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

AND SUBSIDIARIES

QUARTERLY REPORT ON FORM 10-Q

FOR THE QUARTERLY PERIOD ENDED September 30, 2023 March 31, 2024

Table of Contents

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(In thousands, except per share amounts)	September 30, 2023 (Unaudited)	December 31, 2022 (Note 2)	March 31, 2024 (Unaudited)	December 31, 2023 (Note 2)
Assets				
Real estate assets				
Land, buildings and improvements, intangible lease assets, and other	$ 13,042,260	$ 13,862,415	$ 12,823,748	$ 13,237,187
Investment in financing leases	1,233,336	1,691,323	1,233,178	1,231,630
Real estate held for sale	290,321	—	295,130	—
Mortgage loans	302,476	364,101	309,926	309,315
Gross investment in real estate assets	14,868,393	15,917,839	14,661,982	14,778,132
Accumulated depreciation and amortization	(1,315,223)	(1,193,312)	(1,422,728)	(1,407,971)

Net investment in real estate assets	13,553,170	14,724,527	13,239,254	13,370,161
Cash and cash equivalents	340,058	235,668	224,340	250,016
Interest and rent receivables, net	195,559	167,035		
Interest and rent receivables			34,492	45,059
Straight-line rent receivables	788,761	787,166	677,570	635,987
Investments in unconsolidated real estate joint ventures	1,461,725	1,497,903	1,450,482	1,474,455
Investments in unconsolidated operating entities	1,843,847	1,444,872	794,138	1,778,640
Other loans	263,471	227,839	426,971	292,615
Other assets	558,291	572,990	453,709	457,911
Total Assets	**$ 19,004,882**	**$ 19,658,000**	**$ 17,300,956**	**$ 18,304,844**
Liabilities and Equity				
Liabilities				
Debt, net	$ 10,157,079	$ 10,268,412	$ 10,098,723	$ 10,064,236
Accounts payable and accrued expenses	375,888	621,324	302,526	412,178
Deferred revenue	32,280	27,727	32,076	37,962
Obligations to tenants and other lease liabilities	154,218	146,130	163,264	156,603
Total Liabilities	10,719,465	11,063,593	10,596,589	10,670,979
Equity				
Preferred stock, $0.001 par value. Authorized 10,000 shares; no shares outstanding	—	—		
Common stock, $0.001 par value. Authorized 750,000 shares; issued and outstanding — 598,444 shares at September 30, 2023 and 597,476 shares at December 31, 2022	598	597		
Preferred stock, $0.001 par value. Authorized 10,000 shares; no shares outstanding			—	—
Common stock, $0.001 par value. Authorized 750,000 shares; issued and outstanding — 600,304 shares at March 31, 2024 and 598,991 shares at December 31, 2023			600	599
Additional paid-in capital	8,558,768	8,535,140	8,567,199	8,560,309
Retained (deficit) earnings	(215,058)	116,285		

Accumulated other comprehensive loss	(59,778)	(59,184)		
Retained deficit			(1,846,862)	(971,809)
Accumulated other comprehensive (loss) income			(18,838)	42,501
Total Medical Properties Trust, Inc. stockholders' equity	8,284,530	8,592,838	6,702,099	7,631,600
Non-controlling interests	887	1,569	2,268	2,265
Total Equity	8,285,417	8,594,407	6,704,367	7,633,865
Total Liabilities and Equity	**$ 19,004,882**	**$ 19,658,000**	**$ 17,300,956**	**$ 18,304,844**

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Net Income

(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,		For the Three Months Ended March 31,	
(In thousands, except per share amounts)	**2023**	**2022**	**2023**	**2022**	**2024**	**2023**
Revenues						
Rent billed	$ 229,306	$ 232,418	$ 724,954	$ 737,029	$ 199,299	$ 248,157
Straight-line rent	21,511	26,552	38,875	146,114	44,736	56,693
Income from financing leases	26,066	51,011	107,729	154,660	16,393	13,195
Interest and other income	29,693	42,358	122,624	124,562	10,888	32,166
Total revenues	306,576	352,339	994,182	1,162,365	271,316	350,211

Expenses						
Interest	106,709	88,076	308,833	266,989	108,685	97,654
Real estate depreciation and amortization	77,802	81,873	526,065	251,523	75,586	83,860
Property-related	6,483	8,265	38,269	37,998	4,818	7,110
General and administrative	38,110	37,319	115,438	117,601	33,348	41,724
Total expenses	229,104	215,533	988,605	674,111	222,437	230,348
Other income (expense)						
Other expense						
(Loss) gain on sale of real estate	(20)	68,795	209	536,788	(1,423)	62
Real estate and other impairment (charges) recovery	(3,750)	19,450	(93,288)	14,575		
Real estate and other impairment charges, net					(693,088)	(89,538)
Earnings from equity interests	11,264	11,483	34,840	33,606	10,549	11,352
Debt refinancing and unutilized financing benefit (costs)	862	(17)	46	(9,452)		
Other (including fair value adjustments on securities)	41,125	4,082	25,447	20,875	(229,345)	(5,166)
Total other income (expense)	49,481	103,793	(32,746)	596,392		
Total other expense					(913,307)	(83,290)
Income (loss) before income tax	126,953	240,599	(27,169)	1,084,646		
Income tax (expense) benefit	(10,058)	(18,579)	134,661	(40,615)		
(Loss) income before income tax					(864,428)	36,573
Income tax expense					(10,949)	(3,543)
Net income	116,895	222,020	107,492	1,044,031		
Net (loss) income					(875,377)	33,030

Net income attributable to non-controlling interests	(185)	(227)	(25)	(960)	(248)	(236)
Net income attributable to MPT common stockholders	**$ 116,710**	**$ 221,793**	**$ 107,467**	**$ 1,043,071**		
Net (loss) income attributable to MPT common stockholders					**$ (875,625)**	**$ 32,794**
Earnings per common share — basic and diluted						
Net income attributable to MPT common stockholders	$ 0.19	$ 0.37	$ 0.18	$ 1.74		
Net (loss) income attributable to MPT common stockholders					$ (1.46)	$ 0.05
Weighted average shares outstanding — basic	598,444	598,980	598,363	598,828	600,304	598,302
Weighted average shares outstanding — diluted	598,553	599,339	598,406	599,099	600,304	598,310
Dividends declared per common share	**$ 0.15**	**$ 0.29**	**$ 0.73**	**$ 0.87**	**$ —**	**$ 0.29**

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive (Loss) Income

(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(In thousands)	**2023**	**2022**	**2023**	**2022**
Net income	$ 116,895	$ 222,020	$ 107,492	$ 1,044,031
Other comprehensive income:				

Unrealized (loss) gain on interest rate swaps, net of tax	(12,440)	52,975	(9,845)	123,827
Reclassification of interest rate swap gain from AOCI, net of tax	—	—	(28,553)	—
Foreign currency translation (loss) gain	(54,018)	(108,845)	34,570	(226,401)
Reclassification of foreign currency translation loss from AOCI	—	—	3,234	—
Total comprehensive income	50,437	166,150	106,898	941,457
Comprehensive income attributable to non-controlling interests	(185)	(227)	(25)	(960)
Comprehensive income attributable to MPT common stockholders	$ 50,252	$ 165,923	$ 106,873	$ 940,497

(In thousands)	For the Three Months Ended March 31, 2024	2023
Net (loss) income	$ (875,377)	$ 33,030
Other comprehensive (loss) income:		
Unrealized loss on interest rate swaps, net of tax	(2,797)	(15,325)
Reclassification of interest rate swap gain from AOCI, net of tax	—	(28,553)
Foreign currency translation (loss) gain	(58,542)	28,143
Total comprehensive (loss) income	(936,716)	17,295
Comprehensive income attributable to non-controlling interests	(248)	(236)
Comprehensive (loss) income attributable to MPT common stockholders	$ (936,964)	$ 17,059

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Equity

(Unaudited)

Preferred	Common

(In thousands, except per share amounts)	Shares	Par Value	Shares	Par Value	Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interests	Total Equity
Balance at December 31, 2022	—	$ —	597,476	$ 597	$ 8,535,140	$ 116,285	$ (59,184)	$ 1,569	$ 8,594,407
Net income	—	—	—	—	—	32,794	—	236	33,030
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	—	—	(15,325)	—	(15,325)
Reclassification of interest rate swap gain to earnings, net of tax	—	—	—	—	—	—	(28,553)	—	(28,553)
Foreign currency translation gain	—	—	—	—	—	—	28,143	—	28,143
Stock vesting and amortization of stock-based compensation	—	—	1,325	1	11,828	—	—	—	11,829
Stock vesting - satisfaction of tax withholdings	—	—	(499)	—	(5,554)	—	—	—	(5,554)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(231)	(231)
Dividends declared ($0.29 per common share)	—	—	—	—	—	(174,492)	—	—	(174,492)
Balance at March 31, 2023	—	$ —	598,302	$ 598	$ 8,541,414	$ (25,413)	$ (74,919)	$ 1,574	$ 8,443,254
Net loss	—	—	—	—	—	(42,037)	—	(396)	(42,433)
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	—	—	17,920	—	17,920
Foreign currency translation gain	—	—	—	—	—	—	60,445	—	60,445
Reclassification of foreign currency translation loss to earnings	—	—	—	—	—	—	3,234	—	3,234
Stock vesting and amortization of stock-based compensation	—	—	59	—	6,437	—	—	—	6,437
Stock vesting - satisfaction of tax withholdings	—	—	(17)	—	(16)	—	—	—	(16)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(276)	(276)
Dividends declared ($0.29 per common share)	—	—	—	—	—	(173,851)	—	—	(173,851)
Balance at June 30, 2023	—	$ —	598,344	$ 598	$ 8,547,835	$ (241,301)	$ 6,680	$ 902	$ 8,314,714
Net income	—	—	—	—	—	116,710	—	185	116,895
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	—	—	(12,440)	—	(12,440)
Foreign currency translation loss	—	—	—	—	—	—	(54,018)	—	(54,018)

Stock vesting and amortization of stock-based compensation	—	—	156	—	11,453	—	—	—	11,453
Stock vesting - satisfaction of tax withholdings	—	—	(56)	—	(520)	—	—	—	(520)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(200)	(200)
Dividends declared ($0.15 per common share)	—	—	—	—	—	(90,467)	—	—	(90,467)
Balance at September 30, 2023	—	$ —	598,444	$ 598	$ 8,558,768	$ (215,058)	$ (59,778)	$ 887	$ 8,285,417

	Preferred		Common						
(In thousands, except per share amounts)	**Shares**	**Par Value**	**Shares**	**Par Value**	**Additional Paid-in Capital**	**Retained Deficit**	**Accumulated Other Comprehensive (Loss) Income**	**Non-Controlling Interests**	**Total Equity**
Balance at December 31, 2023	—	$ —	598,991	$ 599	$ 8,560,309	$ (971,809)	$ 42,501	$ 2,265	$ 7,633,865
Net (loss) income	—	—	—	—	—	(875,625)	—	248	(875,377)
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	—	—	(2,797)	—	(2,797)
Foreign currency translation loss	—	—	—	—	—	—	(58,542)	—	(58,542)
Stock vesting and amortization of stock-based compensation	—	—	1,370	1	7,173	—	—	—	7,174
Stock vesting - satisfaction of tax withholdings	—	—	(57)	—	(283)	—	—	—	(283)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(245)	(245)
Dividends declared adjustment	—	—	—	—	—	572	—	—	572
Balance at March 31, 2024	—	$ —	600,304	$ 600	$ 8,567,199	$ (1,846,862)	$ (18,838)	$ 2,268	$ 6,704,367

See accompanying notes to condensed consolidated financial statements.

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Equity

(Unaudited)

Preferred	Common	Preferred	Common

(In thousands, except per share amounts)	Shares	Par Value	Shares	Par Value	Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interests	Total Equity	Shares	Par Value	Shares	Par Value	Additional Paid-in Capital	Retained Deficit	Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interests	Total Equity
Balance at December 31, 2021	—	$ —	596,748	$ 597	$ 8,564,009	$ (87,691)	$ (36,727)	$ 5,483	$ 8,445,671									
Balance at December 31, 2022										—	$ —	597,476	$ 597	$ 8,535,140	$ 116,285	$ (59,184)	$ 1,569	$ 8,594,407
Net income	—	—	—	—	—	631,681	—	266	631,947	—	—	—	—	—	32,794	—	236	33,030
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	—	—	44,932	—	44,932									

Foreign currency translation loss	—	—	—	—	—	—	(13,215)	—	(13,215)
Stock vesting and amortization of stock-based compensation	—	—	3,107	3	11,801	—	—	—	11,804
Stock vesting - satisfaction of tax withholdings	—	—	(1,179)	(1)	(27,918)	—	—	—	(27,919)
Issuance of non-controlling interests	—	—	—	—	—	—	—	929	929
Distributions to non-controlling interests	—	—	—	—	—	—	—	(772)	(772)
Dividends declared ($0.29 per common share)	—	—	—	—	—	(174,018)	—	—	(174,018)

Balance at March 31, 2022	—	$ —	598,676	$ 599	$ 8,547,892	$ 369,972	$ (5,010)	$ 5,906	$ 8,919,359
Net income	—	—	—	—	—	189,597	—	467	190,064
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	—	—	25,920	—	25,920
Foreign currency translation loss	—	—	—	—	—	—	(104,341)	—	(104,341)
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	—	—	(15,325)	—	(15,325)
Foreign currency translation gain	—	—	—	—	—	—	28,143	—	28,143

Reclassification of interest rate swap gain to earnings, net of tax										—	—	—	—	—	—	(28,553)	—	(28,553)
Stock vesting and amortization of stock-based compensation	—	—	204	—	10,108	—	—	—	10,108	—	—	1,325	1	11,828	—	—	—	11,829
Stock vesting - satisfaction of tax withholdings	—	—	(41)	—	(880)	—	—	—	(880)	—	—	(499)	—	(5,554)	—	—	—	(5,554)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(335)	(335)	—	—	—	—	—	—	—	(231)	(231)
Dividends declared ($0.29 per common share)	—	—	—	—	—	(174,024)	—	—	(174,024)	—	—	—	—	—	(174,492)	—	—	(174,492)
Balance at June 30, 2022	—	$ —	598,839	$ 59	$ 8,557,120	$ 385,545	$ (83,431)	$ 6,038	$ 8,865,871									

Net income	—	—	—	—	—	221,793	—	227	222,020
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	—	—	52,975	—	52,975
Foreign currency translation loss	—	—	—	—	—	—	(108,845)	—	(108,845)
Stock vesting and amortization of stock-based compensation	—	—	185	—	11,089	—	—	—	11,089
Stock vesting - satisfaction of tax withholdings	—	—	(41)	—	(636)	—	—	—	(636)
Acquisition of non-controlling interest	—	—	—	—	(30,428)	—	—	(4,594)	(35,022)

Distributions to non-controlling interests	—	—	—	—	—	—	—	(205)	(205)
Dividends declared ($0.29 per common share)	—	—	—	—	—	(173,999)	—	—	(173,999)
Balance at September 30, 2022	—	$ —	598,983	$ 599	$ 8,537,145	$ 433,339	$ (139,301)	$ 1,466	$ 8,833,248
Balance at March 31, 2023	—	$ —	598,302	$ 598	$ 8,541,414	$ (25,413)	$ (74,919)	$ 1,574	$ 8,443,254

See accompanying notes to condensed consolidated financial statements.

76

MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(Unaudited)

	For the Nine Months Ended September 30,	For the Three Months Ended March 31,

	2023	2022	2024	2023
	(In thousands)		(In thousands)	
Operating activities				
Net income	$ 107,492	$ 1,044,031		
Adjustments to reconcile net income to net cash provided by operating activities:				
Net (loss) income			$ (875,377)	$ 33,030
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation and amortization	536,200	260,717	77,214	87,586
Amortization of deferred financing costs and debt discount	11,978	13,123	3,698	4,014
Straight-line rent revenue and other	(174,202)	(214,435)	(46,566)	(58,566)
Stock-based compensation	29,719	33,001	7,633	11,829
Gain on sale of real estate	(209)	(536,788)		
Real estate and other impairment charges (recovery)	93,288	(14,575)		
Loss (gain) on sale of real estate			1,423	(62)
Real estate and other impairment charges, net			693,088	89,538
Straight-line rent and other write-off	150,576	35,259	1,817	2,192
Debt refinancing and unutilized financing (benefit) costs	(46)	9,452		
Tax rate changes and other	(164,535)	6,901	(307)	(7,305)
Non-cash revenue from debt and equity securities received	(81,706)	—		
Other adjustments	(27,500)	(2,136)		
Other adjustments (including fair value adjustments on securities)			223,674	(8,505)
Changes in:				
Interest and rent receivables	(100,384)	(68,929)	5,369	(514)
Other assets	(6,701)	(7,551)	5,689	(2,493)
Accounts payable and accrued expenses	(6,279)	8,030	(18,878)	(15,696)
Deferred revenue	2,677	(8,185)	(4,135)	600
Net cash provided by operating activities	370,368	557,915	74,342	135,648
Investing activities				
Cash paid for acquisitions and other related investments	(235,187)	(972,243)	—	(72,900)
Net proceeds from sale of real estate	589,420	2,185,574	6,596	100
Principal received on loans receivable	499,549	52,317		
Proceeds received from sale and repayment of loans receivable			114,416	221,876
Investment in loans receivable	(220,223)	(179,542)	(135,000)	(50,000)

Construction in progress and other	(80,708)	(97,783)	(29,885)	(13,292)
Proceeds from return of equity investment	12,430	14,295		
Proceeds from sale and return of equity investment			11,656	—
Capital additions and other investments, net	(217,940)	(144,307)	(87,045)	(68,606)
Net cash provided by investing activities	347,341	858,311		
Net cash (used for) provided by investing activities			(119,262)	17,178
Financing activities				
Payments of term debt	(533,864)	(869,606)		
Revolving credit facility, net	426,515	(64,055)	111,186	95,919
Dividends paid	(524,155)	(524,536)	(92,763)	(176,580)
Lease deposits and other obligations to tenants	7,752	(2,591)	6,226	(2,691)
Stock vesting - satisfaction of tax withholdings	(6,090)	(29,457)	(283)	(5,554)
Debt refinancing, deferred financing costs, and other financing activities	12,243	(53,444)		
Net cash used for financing activities	(617,599)	(1,543,689)		
Increase (decrease) in cash, cash equivalents, and restricted cash for period	100,110	(127,463)		
Other financing activities, payment of debt refinancing, and deferred financing costs			(2,291)	(219)
Net cash provided by (used for) financing activities			22,075	(89,125)
(Decrease) increase in cash, cash equivalents, and restricted cash for period			(22,845)	63,701
Effect of exchange rate changes	4,238	(29,739)	(2,889)	2,927
Cash, cash equivalents, and restricted cash at beginning of period	241,538	461,882	255,952	241,538
Cash, cash equivalents, and restricted cash at end of period	**$ 345,886**	**$ 304,680**	**$ 230,218**	**$ 308,166**
Interest paid	$ 322,006	$ 285,417	$ 131,815	$ 116,436
Supplemental schedule of non-cash investing activities:				
Debt and equity securities received for certain obligations, real estate, and revenue	$ 804,520	$ —		
Certain obligations and receivables satisfied and real estate sold	722,814	—		
Supplemental schedule of non-cash financing activities:				
Dividends declared, unpaid	$ 90,467	$ 173,999	$ —	$ 174,492
Cash, cash equivalents, and restricted cash are comprised of the following:				
Beginning of period:				
Cash and cash equivalents	$ 235,668	$ 459,227	$ 250,016	$ 235,668
Restricted cash, included in Other assets	5,870	2,655	5,936	5,870
	$ 241,538	$ 461,882	$ 255,952	$ 241,538
End of period:				

Cash and cash equivalents	$ 340,058	$ 299,171	$ 224,340	$ 302,321
Restricted cash, included in Other assets	5,828	5,509	5,878	5,845
	$ 345,886	$ 304,680	$ 230,218	$ 308,166

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(In thousands)	September 30, 2023 (Unaudited)	December 31, 2022 (Note 2)	March 31, 2024 (Unaudited)	December 31, 2023 (Note 2)
Assets				
Real estate assets				
Land, buildings and improvements, intangible lease assets, and other	$ 13,042,260	$ 13,862,415	$ 12,823,748	$ 13,237,187
Investment in financing leases	1,233,336	1,691,323	1,233,178	1,231,630
Real estate held for sale	290,321	—	295,130	—
Mortgage loans	302,476	364,101	309,926	309,315
Gross investment in real estate assets	14,868,393	15,917,839	14,661,982	14,778,132
Accumulated depreciation and amortization	(1,315,223)	(1,193,312)	(1,422,728)	(1,407,971)
Net investment in real estate assets	13,553,170	14,724,527	13,239,254	13,370,161
Cash and cash equivalents	340,058	235,668	224,340	250,016
Interest and rent receivables, net	195,559	167,035		
Interest and rent receivables			34,492	45,059
Straight-line rent receivables	788,761	787,166	677,570	635,987
Investments in unconsolidated real estate joint ventures	1,461,725	1,497,903	1,450,482	1,474,455

Investments in unconsolidated operating entities	1,843,847	1,444,872	794,138	1,778,640
Other loans	263,471	227,839	426,971	292,615
Other assets	558,291	572,990	453,709	457,911
Total Assets	**$ 19,004,882**	**$ 19,658,000**	**$ 17,300,956**	**$ 18,304,844**
Liabilities and Capital				
Liabilities				
Debt, net	$ 10,157,079	$ 10,268,412	$ 10,098,723	$ 10,064,236
Accounts payable and accrued expenses	284,262	444,354	302,136	318,980
Deferred revenue	32,280	27,727	32,076	37,962
Obligations to tenants and other lease liabilities	154,218	146,130	163,264	156,603
Payable due to Medical Properties Trust, Inc.	91,236	176,580	—	92,808
Total Liabilities	10,719,075	11,063,203	10,596,199	10,670,589
Capital				
General Partner — issued and outstanding — 5,986 units at September 30, 2023 and 5,976 units at December 31, 2022	83,521	86,599		
Limited Partners — issued and outstanding — 592,458 units at September 30, 2023 and 591,500 units at December 31, 2022	8,261,177	8,565,813		
Accumulated other comprehensive loss	(59,778)	(59,184)		
General Partner — issued and outstanding — 6,004 units at March 31, 2024 and 5,991 units at December 31, 2023			67,288	75,969
Limited Partners — issued and outstanding — 594,300 units at March 31, 2024 and 593,000 units at December 31, 2023			6,654,039	7,513,520
Accumulated other comprehensive (loss) income			(18,838)	42,501
Total MPT Operating Partnership, L.P. capital	8,284,920	8,593,228	6,702,489	7,631,990
Non-controlling interests	887	1,569	2,268	2,265
Total Capital	8,285,807	8,594,797	6,704,757	7,634,255
Total Liabilities and Capital	**$ 19,004,882**	**$ 19,658,000**	**$ 17,300,956**	**$ 18,304,844**

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Net Income

(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,		For the Three Months Ended March 31,	
(In thousands, except per unit amounts)	2023	2022	2023	2022	2024	2023
Revenues						
Rent billed	$ 229,306	$ 232,418	$ 724,954	$ 737,029	$ 199,299	$ 248,157
Straight-line rent	21,511	26,552	38,875	146,114	44,736	56,693
Income from financing leases	26,066	51,011	107,729	154,660	16,393	13,195
Interest and other income	29,693	42,358	122,624	124,562	10,888	32,166
Total revenues	306,576	352,339	994,182	1,162,365	271,316	350,211
Expenses						
Interest	106,709	88,076	308,833	266,989	108,685	97,654
Real estate depreciation and amortization	77,802	81,873	526,065	251,523	75,586	83,860
Property-related	6,483	8,265	38,269	37,998	4,818	7,110
General and administrative	38,110	37,319	115,438	117,601	33,348	41,724

Total expenses	229,104	215,533	988,605	674,111	222,437	230,348
Other income (expense)						
Other expense						
(Loss) gain on sale of real estate	(20)	68,795	209	536,788	(1,423)	62
Real estate and other impairment (charges) recovery	(3,750)	19,450	(93,288)	14,575		
Real estate and other impairment charges, net					(693,088)	(89,538)
Earnings from equity interests	11,264	11,483	34,840	33,606	10,549	11,352
Debt refinancing and unutilized financing benefit (costs)	862	(17)	46	(9,452)		
Other (including fair value adjustments on securities)	41,125	4,082	25,447	20,875	(229,345)	(5,166)
Total other income (expense)	49,481	103,793	(32,746)	596,392		
Total other expense					(913,307)	(83,290)
Income (loss) before income tax	126,953	240,599	(27,169)	1,084,646		
Income tax (expense) benefit	(10,058)	(18,579)	134,661	(40,615)		
(Loss) income before income tax					(864,428)	36,573
Income tax expense					(10,949)	(3,543)
Net income	116,895	222,020	107,492	1,044,031		
Net (loss) income					(875,377)	33,030
Net income attributable to non-controlling interests	(185)	(227)	(25)	(960)	(248)	(236)
Net income attributable to MPT Operating Partnership partners	**$ 116,710**	**$ 221,793**	**$ 107,467**	**$ 1,043,071**		

Net (loss) income attributable to MPT Operating Partnership partners					**$ (875,625)**	**$ 32,794**
Earnings per unit — basic and diluted						
Net income attributable to MPT Operating Partnership partners	$ 0.19	$ 0.37	$ 0.18	$ 1.74		
Net (loss) income attributable to MPT Operating Partnership partners					$ (1.46)	$ 0.05
Weighted average units outstanding — basic	598,444	598,980	598,363	598,828	600,304	598,302
Weighted average units outstanding — diluted	598,553	599,339	598,406	599,099	600,304	598,310
Dividends declared per unit	**$ 0.15**	**$ 0.29**	**$ 0.73**	**$ 0.87**	**$ —**	**$ 0.29**

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive (Loss) Income
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(In thousands)	**2023**	**2022**	**2023**	**2022**
Net income	$ 116,895	$ 222,020	$ 107,492	$ 1,044,031
Other comprehensive income:				
Unrealized (loss) gain on interest rate swaps, net of tax	(12,440)	52,975	(9,845)	123,827
Reclassification of interest rate swap gain from AOCI, net of tax	—	—	(28,553)	—

Foreign currency translation (loss) gain	(54,018)	(108,845)	34,570	(226,401)
Reclassification of foreign currency translation loss from AOCI	—	—	3,234	—
Total comprehensive income	50,437	166,150	106,898	941,457
Comprehensive income attributable to non-controlling interests	(185)	(227)	(25)	(960)
Comprehensive income attributable to MPT Operating Partnership partners	$ 50,252	$ 165,923	$ 106,873	$ 940,497

	For the Three Months Ended March 31,	
(In thousands)	2024	2023
Net (loss) income	$ (875,377)	$ 33,030
Other comprehensive (loss) income:		
Unrealized loss on interest rate swaps, net of tax	(2,797)	(15,325)
Reclassification of interest rate swap gain from AOCI, net of tax	—	(28,553)
Foreign currency translation (loss) gain	(58,542)	28,143
Total comprehensive (loss) income	(936,716)	17,295
Comprehensive income attributable to non-controlling interests	(248)	(236)
Comprehensive (loss) income attributable to MPT Operating Partnership partners	$ (936,964)	$ 17,059

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Capital

(Unaudited)

(In thousands, except per unit amounts)	General Partner Units	General Partner Unit Value	Limited Partners Common Units	Limited Partners Common Unit Value	Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interests	Total Capital
Balance at December 31, 2022	5,976	$ 86,599	591,500	$ 8,565,813	$ (59,184)	$ 1,569	$ 8,594,797
Net income	—	328	—	32,466	—	236	33,030

Unrealized loss on interest rate swaps, net of tax	—	—	—	—	(15,325)	—	(15,325)
Reclassification of interest rate swap gain to earnings, net of tax	—	—	—	—	(28,553)	—	(28,553)
Foreign currency translation gain	—	—	—	—	28,143	—	28,143
Unit vesting and amortization of unit-based compensation	13	118	1,312	11,711	—	—	11,829
Unit vesting - satisfaction of tax withholdings	(5)	(56)	(494)	(5,498)	—	—	(5,554)
Distributions to non-controlling interests	—	—	—	—	—	(231)	(231)
Distributions declared ($0.29 per unit)	—	(1,745)	—	(172,747)	—	—	(174,492)
Balance at March 31, 2023	5,984	$ 85,244	592,318	$ 8,431,745	$ (74,919)	$ 1,574	$ 8,443,644
Net loss	—	(420)	—	(41,617)	—	(396)	(42,433)
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	17,920	—	17,920
Foreign currency translation gain	—	—	—	—	60,445	—	60,445
Reclassification of foreign currency translation loss to earnings	—	—	—	—	3,234	—	3,234
Unit vesting and amortization of unit-based compensation	1	64	58	6,373	—	—	6,437
Unit vesting - satisfaction of tax withholdings	—	—	(17)	(16)	—	—	(16)
Distributions to non-controlling interests	—	—	—	—	—	(276)	(276)
Distributions declared ($0.29 per unit)	—	(1,739)	—	(172,112)	—	—	(173,851)
Balance at June 30, 2023	5,985	$ 83,149	592,359	$ 8,224,373	$ 6,680	$ 902	$ 8,315,104
Net income	—	1,167	—	115,543	—	185	116,895
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	(12,440)	—	(12,440)
Foreign currency translation loss	—	—	—	—	(54,018)	—	(54,018)
Unit vesting and amortization of unit-based compensation	2	115	154	11,338	—	—	11,453
Unit vesting - satisfaction of tax withholdings	(1)	(5)	(55)	(515)	—	—	(520)
Distributions to non-controlling interests	—	—	—	—	—	(200)	(200)
Distributions declared ($0.15 per unit)	—	(905)	—	(89,562)	—	—	(90,467)
Balance at September 30, 2023	5,986	$ 83,521	592,458	$ 8,261,177	$ (59,778)	$ 887	$ 8,285,807

	General Partner		Limited Partners		Accumulated Other	Non-	

(In thousands, except per unit amounts)	Units	Unit Value	Units	Unit Value	Comprehensive (Loss) Income	Controlling Interests	Total Capital
Balance at December 31, 2023	5,991	$ 75,969	593,000	$ 7,513,520	$ 42,501	$ 2,265	$ 7,634,255
Net (loss) income	—	(8,756)	—	(866,869)	—	248	(875,377)
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	(2,797)	—	(2,797)
Foreign currency translation loss	—	—	—	—	(58,542)	—	(58,542)
Unit vesting and amortization of unit-based compensation	14	72	1,356	7,102	—	—	7,174
Unit vesting - satisfaction of tax withholdings	(1)	(3)	(56)	(280)	—	—	(283)
Distributions to non-controlling interests	—	—	—	—	—	(245)	(245)
Distributions declared adjustment	—	6	—	566	—	—	572
Balance at March 31, 2024	6,004	$ 67,288	594,300	$ 6,654,039	$ (18,838)	$ 2,268	$ 6,704,757

	General Partner		Limited Partners		Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interests	Total Capital
(In thousands, except per unit amounts)	Units	Unit Value	Units	Unit Value			
Balance at December 31, 2022	5,976	$ 86,599	591,500	$ 8,565,813	$ (59,184)	$ 1,569	$ 8,594,797
Net income	—	328	—	32,466	—	236	33,030
Unrealized loss on interest rate swaps, net of tax	—	—	—	—	(15,325)	—	(15,325)
Foreign currency translation gain	—	—	—	—	28,143	—	28,143
Reclassification of interest rate swap gain to earnings, net of tax	—	—	—	—	(28,553)	—	(28,553)
Unit vesting and amortization of unit-based compensation	13	118	1,312	11,711	—	—	11,829
Unit vesting - satisfaction of tax withholdings	(5)	(56)	(494)	(5,498)	—	—	(5,554)
Distributions to non-controlling interests	—	—	—	—	—	(231)	(231)
Distributions declared ($0.29 per unit)	—	(1,745)	—	(172,747)	—	—	(174,492)
Balance at March 31, 2023	5,984	$ 85,244	592,318	$ 8,431,745	$ (74,919)	$ 1,574	$ 8,443,644

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Capital

(Unaudited)

(In thousands, except per unit amounts)	General Partner Units	General Partner Unit Value	Limited Partners Common Units	Limited Partners Common Unit Value	Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interests	Total Capital
Balance at December 31, 2021	5,968	$ 84,847	590,780	$ 8,392,458	$ (36,727)	$ 5,483	$ 8,446,061
Net income	—	6,317	—	625,364	—	266	631,947
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	44,932	—	44,932
Foreign currency translation loss	—	—	—	—	(13,215)	—	(13,215)
Unit vesting and amortization of unit-based compensation	31	118	3,076	11,686	—	—	11,804
Unit vesting - satisfaction of tax withholdings	(12)	(279)	(1,167)	(27,640)	—	—	(27,919)
Issuance of non-controlling interests	—	—	—	—	—	929	929
Distributions to non-controlling interests	—	—	—	—	—	(772)	(772)
Distributions declared ($0.29 per unit)	—	(1,740)	—	(172,278)	—	—	(174,018)
Balance at March 31, 2022	5,987	$ 89,263	592,689	$ 8,829,590	$ (5,010)	$ 5,906	$ 8,919,749
Net income	—	1,896	—	187,701	—	467	190,064
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	25,920	—	25,920
Foreign currency translation loss	—	—	—	—	(104,341)	—	(104,341)
Unit vesting and amortization of unit-based compensation	2	101	202	10,007	—	—	10,108
Unit vesting - satisfaction of tax withholdings	(1)	(9)	(40)	(871)	—	—	(880)
Distributions to non-controlling interests	—	—	—	—	—	(335)	(335)
Distributions declared ($0.29 per unit)	—	(1,740)	—	(172,284)	—	—	(174,024)
Balance at June 30, 2022	5,988	$ 89,511	592,851	$ 8,854,143	$ (83,431)	$ 6,038	$ 8,866,261
Net income	—	2,218	—	219,575	—	227	222,020
Unrealized gain on interest rate swaps, net of tax	—	—	—	—	52,975	—	52,975
Foreign currency translation loss	—	—	—	—	(108,845)	—	(108,845)
Unit vesting and amortization of unit-based compensation	2	111	183	10,978	—	—	11,089

Unit vesting - satisfaction of tax withholdings	—	(6)	(41)	(630)	—	—	(636)
Acquisition of non-controlling interest	—	(304)	—	(30,124)	—	(4,594)	(35,022)
Distributions to non-controlling interests	—	—	—	—	—	(205)	(205)
Distributions declared ($0.29 per unit)	—	(1,740)	—	(172,259)	—	—	(173,999)
Balance at September 30, 2022	5,990	$ 89,790	592,993	$ 8,881,683	$ (139,301)	$ 1,466	$ 8,833,638

See accompanying notes to condensed consolidated financial statements.

MPT OPERATING PARTNERSHIP, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(Unaudited)

	For the Nine Months Ended September 30,		For the Three Months Ended March 31,	
	2023	2022	2024	2023
	(In thousands)		(In thousands)	
Operating activities				
Net income	$ 107,492	$ 1,044,031		
Adjustments to reconcile net income to net cash provided by operating activities:				
Net (loss) income			$ (875,377)	$ 33,030
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation and amortization	536,200	260,717	77,214	87,586
Amortization of deferred financing costs and debt discount	11,978	13,123	3,698	4,014
Straight-line rent revenue and other	(174,202)	(214,435)	(46,566)	(58,566)
Unit-based compensation	29,719	33,001	7,633	11,829
Gain on sale of real estate	(209)	(536,788)		
Real estate and other impairment charges (recovery)	93,288	(14,575)		
Loss (gain) on sale of real estate			1,423	(62)
Real estate and other impairment charges, net			693,088	89,538
Straight-line rent and other write-off	150,576	35,259	1,817	2,192
Debt refinancing and unutilized financing (benefit) costs	(46)	9,452		
Tax rate changes and other	(164,535)	6,901	(307)	(7,305)
Non-cash revenue from debt and equity securities received	(81,706)	—		
Other adjustments	(27,500)	(2,136)		
Other adjustments (including fair value adjustments on securities)			223,674	(8,505)

Changes in:				
Interest and rent receivables	(100,384)	(68,929)	5,369	(514)
Other assets	(6,701)	(7,551)	5,689	(2,493)
Accounts payable and accrued expenses	(6,279)	8,030	(18,878)	(15,696)
Deferred revenue	2,677	(8,185)	(4,135)	600
Net cash provided by operating activities	370,368	557,915	74,342	135,648
Investing activities				
Cash paid for acquisitions and other related investments	(235,187)	(972,243)	—	(72,900)
Net proceeds from sale of real estate	589,420	2,185,574	6,596	100
Principal received on loans receivable	499,549	52,317		
Proceeds received from sale and repayment of loans receivable			114,416	221,876
Investment in loans receivable	(220,223)	(179,542)	(135,000)	(50,000)
Construction in progress and other	(80,708)	(97,783)	(29,885)	(13,292)
Proceeds from return of equity investments	12,430	14,295		
Proceeds from sale and return of equity investments			11,656	—
Capital additions and other investments, net	(217,940)	(144,307)	(87,045)	(68,606)
Net cash provided by investing activities	347,341	858,311		
Net cash (used for) provided by investing activities			(119,262)	17,178
Financing activities				
Payments of term debt	(533,864)	(869,606)		
Revolving credit facility, net	426,515	(64,055)	111,186	95,919
Distributions paid	(524,155)	(524,536)	(92,763)	(176,580)
Lease deposits and other obligations to tenants	7,752	(2,591)	6,226	(2,691)
Unit vesting - satisfaction of tax withholdings	(6,090)	(29,457)	(283)	(5,554)
Debt refinancing, deferred financing costs, and other financing activities	12,243	(53,444)		
Net cash used for financing activities	(617,599)	(1,543,689)		
Increase (decrease) in cash, cash equivalents, and restricted cash for period	100,110	(127,463)		
Other financing activities, payment of debt refinancing, and deferred financing costs			(2,291)	(219)
Net cash provided by (used for) financing activities			22,075	(89,125)
(Decrease) increase in cash, cash equivalents, and restricted cash for period			(22,845)	63,701
Effect of exchange rate changes	4,238	(29,739)	(2,889)	2,927

Cash, cash equivalents, and restricted cash at beginning of period	241,538	461,882	255,952	241,538
Cash, cash equivalents, and restricted cash at end of period	**$ 345,886**	**$ 304,680**	**$ 230,218**	**$ 308,166**
Interest paid	$ 322,006	$ 285,417	$ 131,815	$ 116,436
Supplemental schedule of non-cash investing activities:				
Debt and equity securities received for certain obligations, real estate, and revenue	$ 804,520	$ —		
Certain obligations and receivables satisfied and real estate sold	722,814	—		
Supplemental schedule of non-cash financing activities:				
Distributions declared, unpaid	$ 90,467	$ 173,999	$ —	$ 174,492
Cash, cash equivalents, and restricted cash are comprised of the following:				
Beginning of period:				
Cash and cash equivalents	$ 235,668	$ 459,227	$ 250,016	$ 235,668
Restricted cash, included in Other assets	5,870	2,655	5,936	5,870
	$ 241,538	$ 461,882	$ 255,952	$ 241,538
End of period:				
Cash and cash equivalents	$ 340,058	$ 299,171	$ 224,340	$ 302,321
Restricted cash, included in Other assets	5,828	5,509	5,878	5,845
	$ 345,886	$ 304,680	$ 230,218	$ 308,166

See accompanying notes to condensed consolidated financial statements.

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

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. Organization

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

We operate as a real estate investment trust ("REIT"). Accordingly, we are generally not subject to United States ("U.S.") federal income tax on our REIT taxable income, provided that we continue to qualify as a REIT and our distributions to our stockholders equal or exceed such taxable income. Similarly, as of July 1, 2023, the majority of our real estate operations in the United Kingdom ("U.K.") operate as a REIT and generally are subject only to a withholding tax on earnings upon distribution out of the U.K. REIT. Certain non-real estate activities we undertake in the U.S. are conducted by entities which we elected to be treated as taxable REIT subsidiaries ("TRS"). Our TRS entities are subject to both U.S. federal and state income taxes. For our properties located outside the U.S. (excluding those assets that are in the United Kingdom REIT as of July 1, 2023), U.K. REIT), we are subject to the local income and other taxes of the jurisdictions where our properties reside and/or legal entities are domiciled; however, we do not expect to incur additional taxes, of a significant nature, in the U.S. from foreign-based income as the majority of such income flows through our U.S. REIT.

Our primary business strategy is to acquire and develop healthcare facilities and lease the facilities to healthcare operating companies under long-term net leases, which require the tenant to bear most of the costs associated with the property. The majority of our leased assets are owned 100%; however, we do own some leased assets through joint ventures with other partners that share our view that healthcare facilities are part of the infrastructure of any community, which we refer to as investments in unconsolidated real estate joint ventures. We also may make mortgage loans to healthcare operators collateralized by their real estate. In addition, we may make noncontrolling investments in our tenants (which we refer to as investments in unconsolidated operating entities), from time-to-time, typically in conjunction with larger real estate transactions with the tenant, which may enhance our overall return and provide for certain minority rights and protections.

Our business model facilitates acquisitions and recapitalizations, and allows operators of healthcare facilities to unlock the value of their real estate to fund facility improvements, technology upgrades, and other investments in operations. At September 30, 2023 March 31, 2024, we have investments in 441 436 facilities in 31 states in the U.S., in seven countries in Europe, and one country in South America, and in Australia. America. Our properties consist of general acute care hospitals, behavioral health facilities, inpatient physical rehabilitation facilities, long-term acute care hospitals, and freestanding ER/urgent care facilities. We manage our business as a single business segment.

2. Summary of Significant Accounting Policies

Unaudited Interim Condensed Consolidated Financial Statements: The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. for interim financial information, including rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles ("GAAP") for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement have been included. Operating results for the three and nine months ended September 30, 2023 March 31, 2024, are not necessarily indicative of the results that may be expected for the year ending December 31, 2023 December 31, 2024. The condensed consolidated balance sheet at December 31, 2022 December 31, 2023 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the U.S. for complete financial statements.

The preparation of our condensed consolidated financial statements in conformity with GAAP 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 condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. We believe the estimates and assumptions underlying our condensed consolidated financial statements are reasonable and supportable based on the information available as of September 30, 2023 March 31, 2024, (particularly as it relates to our assessments of the recoverability of our real estate, the ability of our tenants tenants/borrowers to make lease lease/loan payments in accordance with lease their respective agreements, (especially for those classified as operating leases), the fair value of our equity and convertible loan investments, and the adequacy of our credit loss reserves on loans and financing receivables). However, actual results could differ from these estimates for various reasons as outlined in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022.

For information about significant accounting policies, and how actual results could differ from estimates, refer to the consolidated financial statements and footnotes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. There have been no material changes to these significant accounting policies.

Reclassifications

Certain amounts in the condensed consolidated financial statements for prior periods have been reclassified to conform to the current period presentation.

Variable Interest Entities

At September 30, 2023 March 31, 2024, we had loans and/or equity investments in certain variable interest entities ("VIEs"), which are also tenants of our facilities. We have determined that we were not the primary beneficiary of any variable interest entity in which we hold a variable interest because we do not control the activities (such as the day-to-day operations) that most significantly impact the economic performance of these entities. VIEs. The carrying value and classification of the related assets and maximum exposure to loss as a result of our involvement with these VIEs at September 30, 2023 March 31, 2024 are presented below (in thousands):

VIE Type	Carrying Amount(1)	Asset Type Classification	Maximum Loss Exposure(2)	Carrying Amount(1)	Asset Type Classification	Maximum Loss Exposure(2)
Loans, net and equity investments				$ 498,632	Investments in Unconsolidated Operating Entities	$ 498,632
Loans, net	$ 805,640	Investments in Unconsolidated Operating Entities	$ 805,640	150,494	Mortgage and other loans	150,523
Loans, net	142,438	Mortgage and other loans	184,825			

		Investments in Unconsolidated	
Equity investments	108,935	Operating Entities	108,935

(1) Carrying amount only reflects the net book value of our loan or equity investment only in the VIE.

(2) Our maximum loss exposure related to loans with VIEs represents our current aggregate gross carrying value of the loan plus accrued interest and any other related assets (such as rent receivables), less any liabilities. Our maximum loss exposure related our equity investments in VIEs represents the current carrying values of such investments plus any other related assets (such as receivables), less any liabilities.

For the VIE types above, we do not consolidate the VIE VIEs because we do not have the ability to control the activities (such as the day-to-day healthcare operations of our borrowers or investees) that most significantly impact the VIE's economic performance. As of September 30, 2023 March 31, 2024, we were not required to provide financial support through a liquidity arrangement or otherwise to our unconsolidated VIEs, including circumstances in which they could be exposed to further losses (e.g. cash short falls).

16 Recent Accounting Developments

Segment Reporting

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07") to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We do not expect to have a significant impact from the adoption of this standard on our consolidated financial statements and disclosures, as we consider our investments in healthcare real estate, other loans, and any investments in our tenants a single reportable segment.

Income Taxes

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09") which focuses on income tax disclosures regarding effective tax rates and cash income taxes paid. This standard requires public entities to disclose (1) specific categories in the rate reconciliation, (2) the income or loss from continuing operations before income tax expense or benefit, and (3) provide additional information for certain reconciling items at or above a quantitative threshold of 5% of the statutory tax. Additionally, this standard requires disclosure of income taxes paid (net of refunds), separated by international, federal, state, and local jurisdictions. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. We are currently evaluating the potential impact of the adoption of this standard on our consolidated financial statements.

14

---

3. Real Estate and Other Activities

New Investments

We acquired or invested in the following net assets (in thousands):

	For the Nine Months Ended September 30,		For the Three Months Ended March 31,	
	2023	2022	2024	2023
Land and land improvements	$ 28,916	$ 34,925	$ —	$ 9,313
Buildings	114,966	312,645	—	11,652
Intangible lease assets — subject to amortization (weighted-average useful life of 24.8 years for 2023 and 20.4 years for 2022)	16,305	19,839		
Mortgage loans	—	100,000		
Investments in unconsolidated real estate joint ventures	—	399,456		
Intangible lease assets — subject to amortization (weighted-average useful life of 28.8 years for 2023)			—	1,935
Investments in unconsolidated operating entities	50,000	131,105	—	50,000
Other loans	25,000	—		
Liabilities assumed	—	(25,727)		
	$ 235,187	$ 972,243	$ —	$ 72,900
Loans repaid(1)	(22,900)	—	—	(22,900)
Total net assets acquired	$ 212,287	$ 972,243	$ —	$ 50,000

(1) The 2023 column includes a $23 million mortgage loan that was converted to fee simple ownership of one property as described under Lifepoint Transaction below.

2023 Activity

Prospect Transaction

In August 2019, we invested in a portfolio of 14 acute care hospitals in three states (California, Pennsylvania, and Connecticut) operated by and master leased to or mortgaged by Prospect Medical Holdings, Inc. ("Prospect") for a combined investment of approximately $1.5 billion. In addition, we originated a $112.9 million term loan cross-defaulted to the master lease and mortgage loan agreements and further secured by a parent guaranty. In the 2022 second quarter, we funded an additional $100 million towards the existing mortgage loan that was secured by a first lien on a California hospital. Prospect's operations were negatively impacted by the coronavirus ("COVID-19") global pandemic commencing in early 2020, but Prospect remained current with respect to contractual rent and interest payments until the fourth quarter of 2022. Accordingly, and due further to the termination of certain refinancing negotiations between Prospect and certain third parties in early 2023 that included provisions would have recapitalized Prospect and provided for payment of unpaid rent and interest, we recorded an approximate $280 million impairment charge in the 2022 fourth quarter. As part of this charge, we reduced the carrying value of the underperforming Pennsylvania properties by approximately $170 million (to approximately $250 million) and reserved all unbilled rent accruals for a total of $112 million.

However, Prospect continued to pursue a recapitalization plan, and, in late March 2023, Prospect received a binding commitment from several lenders to provide liquidity to pay down certain debt instruments. Along with these commitments from third-party lenders, we agreed to pursue certain transactions with Prospect as part of their recapitalization plan, including originating a $50 million convertible loan to PHP Holdings, the managed care business of Prospect, in the first quarter of 2023.

On May 23, 2023, Prospect completed its recapitalization plan, which included receiving $375 million in new financing from several lenders. Along with this new debt capital from third-party lenders, we agreed to the following restructuring of our then $1.7 billion investment in Prospect including: a) maintaining the master lease covering six California hospitals without any changes in rental rates or escalator provisions, but with cash payments starting in September 2023 for a substantial portion of the contractual monthly rent due on these California properties, b) transitioning the Pennsylvania properties back to Prospect in return for a $150 million first lien mortgage on the facilities, c) providing up to $75 million in a loan secured by a first lien on Prospect's accounts receivable and certain other assets, of which we had funded $25 million on May 23, 2023 and an additional $20 million in both the third quarter of 2023 and in October full during 2023, d) completing continuing to pursue the previously disclosed sale of the three Connecticut properties to Yale New Haven ("Yale"), as more fully described in Note 9 to the condensed consolidated financial statements, and e) obtaining a non-controlling ownership interest in PHP Holdings of approximately $654 million, after applying a discount for lack of marketability, consisting of an approximate $68 million equity investment and $586 million loan convertible into equity of PHP Holdings (collectively, the "Prospect Transaction"). This non-controlling ownership interest was received in exchange for unpaid rent and interest through December 2022, previously unrecorded rent and interest revenue in 2023 totaling approximately $82 million, (including approximately $13 million that was recorded as revenue in the 2023 third quarter), our $151 million mortgage loan on a California property, our $112.9 million term loan, and other obligations at the time of such investment.

At September 30, 2023, we believe our remaining investment in the Prospect real estate, our investments in PHP Holdings, and other assets are fully recoverable, but no assurances can be given that we will not have any further impairments in future periods.

Lifepoint Transaction

On February 7, 2023, a subsidiary of Lifepoint Health, Inc. ("Lifepoint") acquired a majority interest in Springstone (now Lifepoint Behavioral Health, "Lifepoint Behavioral") (the "Lifepoint Transaction") based on an enterprise value of $250 million. As part of the transaction, we received approximately $205 million in full satisfaction of our initial acquisition loan, including accrued interest, and we retained our minority equity investment in the operations of Lifepoint Behavioral. Separately, we converted a mortgage loan (as part of our initial acquisition in 2021) into the fee simple ownership of a property in Washington, which will be is leased, along with the other 18 behavioral health hospitals, already leased to Lifepoint Behavioral, under the a master lease agreement. In connection with the Lifepoint Transaction, Lifepoint extended its current lease with us on eight existing general acute care hospitals by five years to 2041.

Other Transactions

In the second first quarter of 2023, 2024, we acquired three inpatient rehabilitation facilities for a total of approximately €70 million. These hospitals are leased to Median Kliniken S.á.r.l ("MEDIAN") pursuant to a long-term master lease with annual inflation-based escalators.

On April 14, 2023, we acquired five behavioral health hospitals located sold our minority equity investment in the United Kingdom for approximately £44 million. These hospitals are leased to Priory Group ("Priory") pursuant to five separate lease agreements with annual inflation-based escalators.

2022 Activity

Macquarie Transaction

On March 14, 2022, we completed a transaction with Macquarie Asset Management (“MAM”), an unrelated party, to form a partnership (the “Macquarie Transaction”), pursuant to which we contributed eight Massachusetts-based general acute care hospitals that are leased to Steward Health Care System LLC ("Steward"), and a fund managed by MAM acquired, for cash consideration, a 50% interest in the partnership. The transaction valued the portfolio at approximately $1.7 billion, and we recognized a gain on sale of real estate of approximately $600 million from this transaction, partially offset by the write-off of unbilled straight-line rent receivables. The partnership raised nonrecourse secured debt of 55% of asset value, and we received proceeds, including from the secured debt, of approximately $1.3 billion. We obtained a 50% interest in the real estate partnership valued at approximately $400 million (included in the "Investments in unconsolidated real estate joint ventures" line of our condensed consolidated balance sheets), which is being accounted for under the equity method of accounting.

In connection with this transaction, we separated the eight Massachusetts-based facilities into a new master lease with terms generally identical to the other master lease, and the initial fixed lease term of both master leases was extended to 2041.

Other Transactions

On March 11, 2022, we acquired four general acute care hospitals in Finland for €178 million ($194 million). These hospitals are leased to Pihlajalinna pursuant to a long-term lease with annual inflation-based escalators. We acquired these facilities by purchasing the shares of the real estate holding entities, which included deferred income tax and other liabilities of approximately $26 million.

On February 16, 2022, we agreed to participate in an existing syndicated term loan with a term of six years originated on behalf of Priory, of which we funded £96.5 million towards a £100 million participation level in the variable rate loan.

Other acquisitions in the first nine months of 2022 included six general acute care facilities. Three general acute care facilities, located throughout Spain, were acquired on April 29, 2022 for €27 million and are leased to GenesisCare pursuant to a long-term lease with annual inflation-based escalators. Two general acute care facilities, one in Arizona and the other in Florida, were acquired on April 18 and 25, 2022, respectively, Lifepoint Behavioral for approximately $80 12 million and are leased to Steward pursuant to an already existing master lease agreement with annual inflation-based escalators. The other general acute care facility, located in Colombia, was acquired on July 29, 2022 for $26 million and is leased to Fundación Cardiovascular de Colombia pursuant to a long-term lease with inflation-based escalators.

million.

Development Activities

See table below for a status summary of our current development projects (in thousands):

Property	Commitment	Costs Incurred as of September 30, 2023	Estimated Rent Commencement Date	Commitment	Costs Incurred as of March 31, 2024	Estimated Rent Commencement Date
IMED Hospitales ("IMED") (Spain)	$ 44,848	$ 43,103	4Q 2023	$ 37,790	$ 21,586	4Q 2024
Lifepoint Behavioral Health (Texas)	31,600	17,790	1Q 2024			
IMED (Spain)	36,280	13,775	3Q 2024	51,802	19,299	1Q 2025
IMED (Spain)	49,790	17,045	1Q 2025			
Steward (Texas)	169,408	90,445	2Q 2026			
	$ 331,926	$ 182,158		$ 89,592	$ 40,885	

2023 Activity

During the first nine months of 2023, we completed construction and began recording rental income on one inpatient rehabilitation facility located in Lexington, South Carolina, which commenced rent on July 1, 2023, and another inpatient rehabilitation facility located in Stockton, California, which commenced rent on May 1, 2023. Both of these facilities are leased to Ernest Health, Inc. ("Ernest") pursuant to an existing long-term master lease.

We continue to fund have two other development projects ongoing in Texas (Wadley development) and Massachusetts (Norwood redevelopment). These are not highlighted above given the redevelopment ongoing restructuring of and defer rent Steward Health Care System ("Steward") as discussed further in this same Note 3. However, on our Norwood facility in Massachusetts. Recovery receivables of a combined basis, we have spent approximately $130 395 million through March 31, 2024.

Separately, on the Norwood redevelopment, we have approximately $150 million, net of payments received to date, due to us from a combination of recovery receivables (included in "Other assets" in the condensed consolidated balance sheets) associated with the damage to this the original facility are included in the "Other assets" line of our condensed consolidated balance sheets. In conjunction with the redevelopment of the Norwood facility, we advanced 2020 and a $50 million advance (reflected in "Other loans" in the condensed consolidated balance sheets) made to Steward in the first half of 2023 that is secured by, among other things, proceeds from Steward's business interruption insurance claims. Additionally, we have funded approximately $175 million through the third quarter of 2023 for building improvements related to this facility.

2022 2024 Activity

During the 2022 first quarter, three months of 2024, we completed construction and began recording rental income on an inpatient rehabilitation a $35.4 million behavioral health facility located in Bakersfield, California. This facility commenced rent on March 1, 2022 and McKinney, Texas, that is leased to Ernest pursuant Lifepoint Behavioral. We also completed construction and began recording rental income on a €45.4 million (approximately $49.0 million) general acute care facility located in Spain that is leased to an existing long-term master lease. IMED.

Disposals

2024 Activity

On February 19, 2024, we entered into definitive agreements to sell five properties to Prime Healthcare Services, Inc. ("Prime") for total proceeds of approximately $250 million along with a $100 million interest-bearing mortgage loan due in approximately nine months from the closing date. As such, we designated these properties as held for sale at March 31, 2024. This transaction, which closed on April 9, 2024, resulted in a gain on real estate of approximately $50 million and a non-cash straight-line rent write-off of approximately $28 million.

As part of this sale transaction, we also agreed to extend the lease maturity of four other facilities with Prime to 2044. This amended lease has inflation-based escalators, collared between 2% and 4% and a purchase option on or prior to August 26, 2028 for a value of $238 million, which is greater than our net book value for these properties at March 31, 2024. After August 26, 2028, this option price reverts to $260 million (subject to annual escalations).

During the first three months of 2024, we also completed the sale of three other facilities and two ancillary facilities for approximately $7 million, resulting in a loss on real estate of approximately $1.4 million.

Summary of Operations for Disposed (or to be Disposed) Assets in 2024

The following represents the operating results from the five properties designated as held for sale at March 31, 2024, as well as the five properties sold in April 2024 as part of the Utah Transaction (further described in Note 10 to the condensed consolidated financial statements) (in thousands):

	For the Three Months Ended March 31, 2024	2023
Revenues	$ 39,007	$ 43,198
Real estate depreciation and amortization	(6,381)	(10,718)
Property-related expenses	(4)	(120)
Other expense	(42)	(21)
Income from real estate dispositions, net	$ 32,580	$ 32,339

2023 Activity

On March 30, 2023, we entered into a definitive agreement to sell our 11 general acute care facilities located in Australia and operated by Healthscope Ltd. ("Healthscope") (the "Australia Transaction") to affiliates of HMC Capital for cash proceeds of approximately A$1.2 billion. As a result, we designated the Australian portfolio as held for sale in the first quarter of 2023 and recorded an approximate approximately $82 79 million of net impairment charge to-date, charges at that time, which included $37.4 million of straight-line rent receivables, an estimated receivable writeoffs and approximately $8 million in fees to sell the hospitals, and $13 million of accumulated other comprehensive loss related to foreign currency translation. This impairment charge was partially offset by approximately $29 16 million of deferred gains from our interest rate swap and foreign currency translation amounts in accumulated other comprehensive income that was were reclassified to earnings in 2023 as part of this expected the transaction. This transaction was set to close closed in two phases. The first phase closed on May 18, 2023, in which we sold seven of the 11 facilities for A$730 million, and the final phase closed on October 10, 2023, in which we sold the remaining four facilities for approximately A$470 million.

On March 8, 2023, we received notice that Prime Healthcare Services, Inc. ("Prime") planned to exercise its right to repurchase from us the real estate associated with one master lease for approximately $100 million. As such, we recorded an approximate $11 million non-cash impairment charge in the first quarter of 2023 related to unbilled rent on the three facilities that were sold. On July 11, 2023, Prime acquired the three facilities for $100 million.

2022 Activity

On March 14, 2022, we completed the previously described partnership with MAM, in which we sold the real estate of eight Massachusetts-based general acute care hospitals, with a fair value of approximately $1.7 billion. See "New Investments" in this same Note 3 for further details on this transaction.

During the first nine months of 2022, we also completed the sale of 15 other facilities (including 11 properties sold on September 1, 2022 to Prime for proceeds of $366 million) and five ancillary properties for total proceeds of approximately $522 million and recognized a gain on real estate of approximately $100 million, along with a $42 million write-off of straight-line rent receivables due to the early termination of certain properties' expected lease terms. July 11, 2023.

Summary of Operations for Disposed Assets in 2023 and 2022

The properties sold during 2023 and 2022 do not meet the definition of discontinued operations. However, the following represents the operating results from these properties for the periods presented (in thousands):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues(1)	$ 5,632	$ (9,358)	$ 36,560	$ 75,289
Real estate depreciation and amortization	—	(5,905)	(4,991)	(20,207)
Property-related expenses	(569)	(407)	(2,430)	(6,226)
Real estate and other impairment charges(2)	(3,750)	—	(93,288)	—
Other (expense) income(3)	(2,455)	62,053	(13,433)	518,219
(Loss) income from real estate dispositions, net	$ (1,142)	$ 46,383	$ (77,582)	$ 567,075

(1) Includes approximately $35 million and $42 million of straight-line rent write-offs associated with the non-Macquarie disposal transactions for the three and nine months ended September 30, 2022, respectively.

(2) Includes an approximate $82 million net impairment charge (including $37.4 million of straight-line rent write-offs) associated with the Australia Transaction and an approximate $11 million non-cash impairment charge associated with the repurchase of three Prime facilities for the nine months ended September 30, 2023.

(3) Includes $68.8 million and $536.8 million of gains (net of $125 million write-off of straight-line rent receivables related to the Macquarie Transaction) for the three and nine months ended September 30, 2022.

Leasing Operations (Lessor)

We acquire and develop healthcare facilities and lease the facilities to healthcare operating companies. The initial fixed lease terms of these infrastructure-type assets are typically at least 15 years, and most include renewal options at the election of our tenants, generally in five year increments. Over 99% of our leases provide annual rent escalations based on increases in the Consumer Price Index ("CPI") (or similar indices outside the U.S.) and/or fixed minimum annual rent escalations. Many of our domestic leases contain purchase options with pricing set at various terms but in no case less than our total initial investment. Our leases typically require the tenant to handle and bear most of the costs associated with our properties including repair/maintenance, property taxes, and insurance.

For all of our properties subject to lease, we are the legal owner of the property and the tenant's right to use and possess such property is guided by the terms of a lease. At September 30, 2023 March 31, 2024, we account for all of these leases as operating leases, except where GAAP requires alternative classification, including leases on 13 Ernest facilities that are accounted for as direct financing leases and leases on nine of our Prospect facilities and five of our Ernest facilities that are accounted for as a financing. The components of our total investment in financing leases consisted of the following (in thousands):

	As of September 30, 2023	As of December 31, 2022	As of March 31, 2024	As of December 31, 2023
Minimum lease payments receivable	$ 616,686	$ 880,253	$ 606,537	$ 611,669
Estimated unguaranteed residual values	203,818	203,818	203,818	203,818
Less: Unearned income and allowance for credit loss	(576,309)	(731,915)	(565,116)	(571,059)
Net investment in direct financing leases	244,195	352,156	245,239	244,428
Other financing leases (net of allowance for credit loss)	989,141	1,339,167	987,939	987,202
Total investment in financing leases	$ 1,233,336	$ 1,691,323	$ 1,233,178	$ 1,231,630

The decrease in our investment in financing leases since December 31, 2022, is the result of selling three Prime facilities in the third quarter of 2023 and the sale of four Pennsylvania properties and other aspects of the Prospect Transaction.

Other Leasing Activities

At September 30, 2023 March 31, 2024, our vacant properties represent less than 99% of our properties are occupied by tenants, leaving five properties as vacant, representing approximately 0.2 0.3% of total assets. We are in various stages of either releasing re-leasing or selling these vacant properties, for one of which we received and recorded a significant lease termination fee in 2019. properties.

As more fully described in “Item 1A. Risk Factors” in our Annual Report on Form 10-K, our Our tenants’ 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. Our tenants operate in the healthcare industry, which is highly regulated, and changes in regulation (or delays in enacting regulation) may temporarily impact our tenants’ operations until they are able to make the appropriate adjustments to their business. In addition, our tenants may experience operational challenges from time-to-time as a result of many factors, including those external to them, such as cybersecurity attacks or public health crises (like the COVID-19 pandemic), economic issues resulting in high inflation and spikes in labor costs, extreme or severe weather and climate-related events, and adverse market and political conditions. We monitor our tenants' operating results and the potential impact from these challenges. We may elect to provide support to our tenants from time-to-time in the form of short-term rent deferrals to be paid back in full (like as described below under COVID-19 Rent Deferrals and Pipeline Health System), or in the form of temporary loans (like as described previously in the Prospect Transaction). See below for an update on some of our tenants:

COVID-19 Rent Deferrals Steward Health Care System

Due to COVID-19 the uncertainty concerning the sale of Steward's managed care business, ongoing operational and liquidity challenges, and the bankruptcy filing as more fully described in "Significant Tenant Update" under the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Form 10-Q, we have recorded approximately $470 million of additional impairment charges in the quarter ending March 31, 2024, that fully reserves for the remaining value of our 9.9% equity investment in Steward and the $362 million loan due from affiliates of Steward along with the accrual for property taxes and other obligations not paid by Steward under its impact master leases. The equity investment and loan to Steward affiliates are included in "Investments in unconsolidated operating entities" on our tenants' business, condensed consolidated balance sheets and were adjusted for after comparing our carrying value of these investments to an updated fair value analysis of the underlying collateral, with assistance from a third-party, independent valuation firm.

At March 31, 2024, we agreed to defer collection have approximately $346 million of a certain amount non-real estate investments in Steward, consisting of the working capital loan and other secured loans advanced in 2024. Based on the analysis discussed above, we believe these investments are fully recoverable at this time. However, no assurances can be given that we will not have any additional impairments in future periods.

In the three months ending March 31, 2024, we received approximately $11 million of rent and interest, which we recorded as revenue. In addition, approximately $38 million of rent ($9 million relating to December 2023) was received in our Massachusetts partnership during the 2024 first quarter, of which approximately $19 million represents our share.

Prospect

Starting January 1, 2023, we began accounting for certain tenants. Pursuant our leases and loans to Prospect on a cash basis versus our agreements normal accrual method. In the first quarter of 2024, we recognized approximately $7 million of revenue representing cash received for rents on our California properties.

In regard to PHP Holdings, we account for our investment (both the equity investment and convertible loan) using the fair value option method. On May 23, 2024, Prospect's investment bankers informed us that they had received updated indications of interest from prospective bidders for PHP Holdings. Based on our consideration of information in the updated indications, along with these tenants, consultations with our third party appraisers, we expect repayments recorded as of previously deferred rent to continue, with the remaining outstanding deferred rent balance March 31, 2024, a $201 million unfavorable fair value adjustment, resulting in a total investment in PHP Holdings of approximately $7.5 500 million at March 31, 2024. Each quarter, we mark such investment to fair value as of September 30, 2023, more fully described in Note 7 to be paid over specified periods in the future with interest. condensed consolidated financial statements.

Pipeline Health System

On October 2, 2022, Pipeline Health System ("Pipeline") filed for reorganization relief under Chapter 11 protection of the United States Bankruptcy Code in the Southern District of Texas, while keeping its hospitals open to continue providing care to the communities served. On February 6, 2023, Pipeline emerged from bankruptcy. Per the bankruptcy settlement, Pipeline's current lease of our California assets remains remained in place, and we were repaid on February 7, 2023, for all rent that was outstanding at December 31, 2022, along with what was due for the first quarter of 2023. We have agreed to defer As part of the settlement, we deferred approximately $6 million, or approximately 30%, of rent in 2023 to be paid in 2024 with interest. As of September 30, 2023 March 31, 2024, Pipeline was in compliance with all is current on their monthly rent obligations per the terms of the bankruptcy settlement and the lease.

Steward Health Care System

On May 1, 2023, Catholic Health Initiatives Colorado ("CHIC"), a wholly owned subsidiary of CommonSpirit Health ("CommonSpirit"), acquired the Utah hospital operations of five general acute care facilities previously operated by Steward (the "Steward Transaction"). As a result of this transaction, we received $100 million on May 1, 2023, of the $150 million loan made in the 2022 second quarter. The new lease with CHIC for these Utah assets has an initial fixed term of 15 years with annual escalation provisions, along with early lessee purchase options at the greater of fair market value or our gross investment. As part of this transaction, we severed these facilities from the master lease with Steward, and accordingly accelerated the amortization of the associated in-place lease intangibles (approximately $286 million) and wrote-off approximately $95 million of straight-line rent receivables in the second quarter of 2023.

Steward is current through September on its rent and interest obligations pursuant to the various lease, and loan agreements, although we hold a portion of September rent was paid in early October; similarly, a portion of October deposit that more than covers all rent was paid timely and the remainder is expected to be paid in mid-November. Steward's cash flows from operations have been impacted by challenges related to revenue cycle management and a backlog of accounts payable. Steward's management has described to us its plans for continued improvements to profitability, access to working capital liquidity, and sales of certain non-core assets. Based on these initiatives, the reported profitability of Steward's operations at our facilities, our cross-defaulted master lease structure, and the additional security of our overall collateral interests, we believe that Steward will be able to satisfy its rental obligations over the full term of our master leases. However, no assurances can be given that we will not have any impairment charges in the future.

Alecto Healthcare Services LLC

On June 16, 2023, Alecto Healthcare Services LLC ("Alecto") filed for Chapter 11 bankruptcy in Delaware. At the time, we leased one property to Alecto in Sherman, Texas with a net book value of approximately $12 million. As a result of this bankruptcy, we have entered into a restructuring agreement involving the Sherman facility and American Healthcare Systems, the new tenant of the facility, which we expect to finalize in 2023. We did not recognize any revenue related to this property in the 2023 third quarter.

21

Prospect

In September 2023, Prospect paid us $3.3 million in partial contractual rent on the six California properties, and we recognized this as rental revenue during the quarter. Subsequent to quarter-end, Prospect has paid us $11 million, in accordance with the underlying agreements, for rent on the California properties (October and November), rent on the Connecticut properties (November), and quarterly interest on the delayed draw term loan facility for the 2023 second quarter. This $11 million will be recorded as revenue in the 2023 fourth quarter. previously deferred.

Other Tenant Matters

We have agreed As discussed in principle our Annual Report on Form 10-K for the year ending December 31, 2023, we placed our loan to sell seven facilities back to a tenant that comprise approximately 1% the international joint venture on the cash basis of our total assets at September 30, 2023. With this transaction, along with a decline in operating results, accounting, as we have determined that it is was no longer probable that the tenant will be able to borrower would pay its rent future interest in full. This loan, accounted for under the fair value option method, was collateralized by the equity of Steward held by an investor in both Steward and the international joint venture. Consistent with the discussion above on non-real estate investments in Steward, we have recorded a $220 million unfavorable fair value adjustment in the 2024 first quarter to fully reserve for the duration of the lease. As a result, we reserved approximately $49 million of billed and straight-line rent receivables loan. The loan, which is included in the third quarter of 2023 and will account "Investments in unconsolidated operating entities" on our condensed consolidated balance sheets, was adjusted for rent on these properties under the cash method. At September 30, 2023, we believe the net book after comparing our carrying value of the loan to an updated fair value analysis of the underlying real estate is recoverable. However, no assurances can be given that collateral, with assistance from a future impairment will not be needed. third-party, independent valuation firm.

Investments in Unconsolidated Entities

Investments in Unconsolidated Real Estate Joint Ventures

Our primary business strategy is to acquire real estate and lease to providers of healthcare services. Typically, we directly own 100% of such investment. investments. However, from time-to-time, we will co-invest with other investors that share a similar view that hospital real estate is a necessary infrastructure-type asset in communities. In these types of investments, we will own undivided interests of less than 100% of the real estate and share control over the assets through unconsolidated real estate joint ventures. The underlying real estate and leases in these unconsolidated real estate joint ventures are generally structured similarly and carry a similar risk profile to the rest of our real estate portfolio.

The following is a summary of our investments in unconsolidated real estate joint ventures by operator (amounts in thousands):

Operator	Ownership Percentage	As of September 30, 2023	As of December 31, 2022	Ownership Percentage	As of March 31, 2024	As of December 31, 2023
MEDIAN	50%	$ 461,930	$ 482,735	50%	$ 471,303	$ 471,336
Swiss Medical Network	70%	432,919	454,083	70%	441,636	472,434
Steward (Macquarie Transaction)	50%	431,224	417,701			
Steward (Macquarie partnership)				50%	405,781	394,052
Policlinico di Monza	50%	82,327	86,245	50%	78,752	80,562
HM Hospitales	45%	53,325	57,139	45%	53,010	56,071

Total	$ 1,461,725	$ 1,497,903	$ 1,450,482	$ 1,474,455

For the first nine months of 2023 and 2022, we received $67 million and $66 million, respectively, in dividends from these real estate joint ventures.

Investments in Unconsolidated Operating Entities

Our investments in unconsolidated operating entities are noncontrolling investments that are typically made in conjunction with larger real estate transactions in which the operators are vetted as part of our overall underwriting process. In many cases, we would not be able to acquire the larger real estate portfolio without such investments in operators. These investments also offer the opportunity to enhance our overall return and provide for certain minority rights and protections.

The following is a summary of our investments in unconsolidated operating entities (amounts in thousands):

Operator	As of September 30, 2023	As of December 31, 2022	As of March 31, 2024	As of December 31, 2023
PHP Holdings	$ 684,418	$ —	$ 498,632	$ 699,535
Swiss Medical Network			173,647	186,113
Aevis Victoria SA ("Aevis")			65,120	77,345
Priory Group ("Priory")			40,394	163,837
Aspris Children's Services ("Aspris")			15,977	15,986
Caremax			368	1,148
Steward (loan investment)	362,589	362,831	—	361,591
International joint venture	230,153	231,402	—	225,960
Swiss Medical Network	171,334	157,145		
Priory	157,547	156,575		
Steward (equity investment)	125,862	125,862	—	35,696
Aevis Victoria SA ("Aevis")	79,738	72,904		
Aspris Children's Services ("Aspris")	15,996	16,023		
Lifepoint Behavioral	11,093	200,827	—	11,429
Caremax	5,117	8,526		
Prospect	—	112,777		
Total	$ 1,843,847	$ 1,444,872	$ 794,138	$ 1,778,640

The See "Leasing Operations (Lessor)" under this same Note 3 for details on the change since December 31, 2022 primarily relates to the payoff of the Lifepoint Behavioral loan in February 2023, as part of the Lifepoint Transaction, partially offset by our investment in PHP Holdings, as more fully described previously in the Prospect Transaction. quarter related to Steward and the international joint venture.

For our other investments marked to fair value (including our investment in PHP Holdings), we recorded approximately $48.7 216 million in favorable unfavorable non-cash fair value adjustments during the first nine three months of 2023 2024 as shown in the "Other (including fair value adjustments on securities)" line of the condensed consolidated statements of net income; whereas, this was a $12.6 4 million favorable non-cash fair value adjustment for the same period of 2022. 2023. The amount recorded in 2023 2024 includes an approximate $30 201 million favorable unfavorable fair market value adjustment in the third quarter of 2023 to our investment in PHP Holdings, and an approximate CHF 20 million favorable adjustment to our investment as further described in Swiss Medical Network.

Other Investment Activities

In the third quarter of 2023, we invested approximately $105 million for a participation in Steward's syndicated asset-backed credit facility, and we loaned an additional $40 million that we may also secure with credit facility collateral. On August 17, 2023, we sold the $105 million interest to a global asset manager for approximately $100 million, and Steward agreed to repay the remaining balance with interest at the credit facility rate. Steward repaid approximately $2 million "Prospect" subheading of this $5 Note 3 million loan on November 3, 2023.

In the second first quarter of 2023, 2024, we received repayment of sold our interest in the CHF Priory syndicated term loan for £60 90 million mortgage loan from Infracore SA ("Infracore") that was originally made (approximately $115 million), resulting in an approximate £6 million ($7.8 million) economic loss. In addition, we sold our remaining minority equity investment in Lifepoint Behavioral in the fourth quarter of 2022. 2024 first quarter.

Credit Loss Reserves

We apply a forward-looking "expected loss" model to all of our financing receivables, including financing leases and loans, based on historical credit losses of similar instruments.

The following table summarizes the activity in our credit loss reserves (in thousands):

	For the Three Months Ended September 30,		For the Three Months Ended March 31,	
	2023	2022	2024	2023
Balance at beginning of the period	$ 87,105	$ 55,250		
Provision (recovery) for credit loss, net	165	(19,677)		
Balance at beginning of the year			$ 96,001	$ 121,146
Provision for credit loss, net			362,187 (1)	986
Expected credit loss reserve related to financial instruments sold, repaid, or satisfied	(63)	(26,362)	(1,596)	(160)

Balance at end of the period	$ 87,207	$ 9,211	$ 456,592	$ 121,972

(1) 23 In Reflects the third quarter of 2022, we recorded a credit loss recovery of approximately charge related to the $20 362 million related loan to loans repaid by Watsonville Community Hospital. Steward, as further described under "Steward Health Care System" subheading of this Note. 3

	For the Nine Months Ended September 30,	
	2023	2022
Balance at beginning of the year	$ 121,146	$ 48,527
Provision (recovery) for credit loss, net	1,513	(12,920)
Expected credit loss reserve related to financial instruments sold, repaid, or satisfied	(35,452)	(26,396)
Balance at end of the period	$ 87,207	$ 9,211

Concentrations of Credit Risk

We monitor concentration risk in several ways due to the nature of our real estate assets that are vital to the communities in which they are located and given our history of being able to replace inefficient operators of our facilities, if needed, with more effective operators. See below for our concentration details (dollars in thousands):

Total Assets by Operator

	As of September 30, 2023		As of December 31, 2022		As of March 31, 2024		As of December 31, 2023	
Operators	Total Assets (1)	Percentage of Total Assets	Total Assets (1)	Percentage of Total Assets	Total Assets (1)	Percentage of Total Assets	Total Assets (1)	Percentage of Total Assets
Steward	$ 3,768,586	19.8 %	$ 4,762,673	24.2 %	$ 3,218,969	18.6 %	$ 3,518,537	19.2 %
Circle Health Ltd ("Circle")	2,043,689	10.8 %	2,062,474	10.5 %	2,088,232	12.1 %	2,119,392	11.6 %

Priory	1,339,742	7.0%	1,290,213	6.6%	1,250,626		7.2%	1,391,005	7.6%
Prospect	1,065,752	5.6%	1,483,599	7.5%	1,093,094		6.3%	1,092,974	6.0%
Lifepoint Behavioral	806,350	4.2%	985,959	5.0%	813,498		4.7%	813,527	4.4%
Other operators	7,544,787	39.8%	7,461,923	38.0%	7,018,904		40.6%	7,352,012	40.2%
Other assets	2,435,976 (2)	12.8%	1,611,159	8.2%	1,817,633	(2)	10.5%	2,017,397	11.0%
Total	$ 19,004,882	100.0%	$ 19,658,000	100.0%	$ 17,300,956		100.0%	$ 18,304,844	100.0%

(1) Total assets by operator are generally comprised of real estate assets, mortgage loans, investments in unconsolidated real estate joint ventures, investments in unconsolidated operating entities, and other loans.

(2) Includes our investment in PHP Holdings of approximately $684 500 million as part of the Prospect Transaction as further described above in this same Note 3.

Total Assets by U.S. State and Country (1)

U.S. States and Other Countries	As of September 30, 2023 Total Assets	Percentage of Total Assets	As of December 31, 2022 Total Assets	Percentage of Total Assets	As of March 31, 2024 Total Assets	Percentage of Total Assets	As of December 31, 2023 Total Assets	Percentage of Total Assets
Texas	$ 2,009,435	10.6%	$ 1,967,948	10.0%	$ 1,434,667	8.3%	$ 1,891,482	10.3%
Florida	1,356,050	7.1%	1,324,555	6.8%	1,271,192	7.3%	1,348,210	7.4%
California	1,227,372	6.4%	1,450,112	7.4%	1,248,995	7.2%	1,252,674	6.8%
Utah					818,704	4.7%	824,048	4.5%

Massachusetts	844,804	4.5 %	761,694	3.9 %	759,268	4.4 %	732,550	4.0 %
Utah	829,434	4.4 %	1,224,484	6.2 %				
All other states	3,757,534	19.8 %	4,245,306	21.6 %	3,695,029	21.4 %	3,726,145	20.4 %
Other domestic assets	1,775,974	9.3 %	1,028,946	5.2 %	1,229,695	7.1 %	1,397,170	7.6 %
Total U.S.	$ 11,800,603	62.1 %	$ 12,003,045	61.1 %	$ 10,457,550	60.4 %	$ 11,172,279	61.0 %
United Kingdom	$ 4,108,393	21.6 %	$ 4,083,244	20.8 %	$ 4,079,869	23.6 %	$ 4,261,944	23.3 %
Germany	716,959	3.8 %	664,900	3.4 %	726,940	4.2 %	734,630	4.0 %
Switzerland	683,991	3.6 %	748,947	3.8 %	680,403	3.9 %	735,891	4.0 %
Australia	290,321	1.5 %	854,582	4.3 %				
Spain	233,724	1.2 %	222,316	1.1 %	250,043	1.5 %	252,529	1.4 %
All other countries	510,889	2.7 %	498,753	2.5 %	518,213	3.0 %	527,344	2.9 %
Other international assets	660,002	3.5 %	582,213	3.0 %	587,938	3.4 %	620,227	3.4 %
Total international	$ 7,204,279	37.9 %	$ 7,654,955	38.9 %	$ 6,843,406	39.6 %	$ 7,132,565	39.0 %
Grand total	$ 19,004,882	100.0 %	$ 19,658,000	100.0 %	$ 17,300,956	100.0 %	$ 18,304,844	100.0 %

Total Assets by Facility Type (1)

	As of September 30, 2023		As of December 31, 2022	
Facility Types	**Total Assets**	**Percentage of Total Assets**	**Total Assets**	**Percentage of Total Assets**
General acute care hospitals	$ 12,105,205	63.7 %	$ 13,386,376	68.1 %
Behavioral health facilities	2,525,664	13.3 %	2,727,326	13.9 %
Inpatient rehabilitation hospitals	1,430,494	7.5 %	1,418,603	7.2 %
Long-term acute care hospitals	274,971	1.5 %	277,772	1.4 %
Freestanding ER/urgent care facilities	232,572	1.2 %	236,764	1.2 %
Other assets	2,435,976	12.8 %	1,611,159	8.2 %

Total	$ 19,004,882	100.0 %	$ 19,658,000	100.0 %

On an individual property basis, our largest investment in any single property was approximately 2% of our total assets as of September 30, 2023.

Total Revenues by Operator

	For the Three Months Ended September 30,			
	2023		2022	
Operators	Total Revenues	Percentage of Total Revenues	Total Revenues	Percentage of Total Revenues
Steward	$ 70,664	23.0 % (1)	$ 101,262	28.7 %
Circle	49,207	16.1 %	45,531	12.9 %
CommonSpirit	29,355	9.6 %	—	—
Priory	28,335	9.2 %	18,611	5.3 %
Lifepoint Behavioral	18,553	6.1 %	21,960	6.2 %
Ernest	18,225	5.9 %	15,530	4.4 %
Other operators	92,237	30.1 %	149,445	42.5 %
Total	$ 306,576	100.0 %	$ 352,339	100.0 %

	As of March 31, 2024		As of December 31, 2023	
Facility Types	Total Assets	Percentage of Total Assets	Total Assets	Percentage of Total Assets
General acute care hospitals	$ 11,115,957	64.3 %	$ 11,764,151	64.3 %
Behavioral health facilities	2,432,850	14.1 %	2,576,983	14.1 %
Inpatient rehabilitation hospitals	1,436,694	8.3 %	1,445,399	7.9 %
Long-term acute care hospitals	269,235	1.5 %	270,849	1.5 %
Freestanding ER/urgent care facilities	228,587	1.3 %	230,065	1.2 %
Other assets	1,817,633	10.5 %	2,017,397	11.0 %
Total	$ 17,300,956	100.0 %	$ 18,304,844	100.0 %

(1) Excluding the $49 million reserve in the 2023 third quarter related to a different operator, revenue concentration would have been 19.9%; in line with total assets concentration.

Total Revenues by U.S. State and Country

	For the Three Months Ended September 30,			
	2023		2022	
U.S. States and Other Countries	Total Revenues	Percentage of Total Revenues	Total Revenues	Percentage of Total Revenues
Texas	$ 40,423	13.2 %	$ 41,572	11.8 %

Utah	30,559	10.0 %	34,701	9.8 %
Florida	28,443	9.3 %	25,572	7.3 %
Arizona	17,056	5.6 %	16,442	4.7 %
Ohio	9,303	3.0 %	10,839	3.1 %
All other states	64,044	20.8 %	115,677	32.8 %
Total U.S.	$ 189,828	61.9 %	$ 244,803	69.5 %
United Kingdom	$ 90,655	29.6 %	$ 76,191	21.6 %
Germany	10,000	3.3 %	7,926	2.2 %
All other countries	16,093	5.2 %	23,419	6.7 %
Total international	$ 116,748	38.1 %	$ 107,536	30.5 %
Grand total	$ 306,576	100.0 %	$ 352,339	100.0 %

For geographic and facility type concentration metrics in the tables above, we allocate our investments in operating entities pro rata based on the gross book value of the real estate. Such pro rata allocations are subject to change from period to period. Total

On an individual property basis, our largest investment in any single property was approximately 2% of our total assets as of March 31, 2024.

From a revenue concentration perspective, Circle and CommonSpirit individually represented more than 10% of our total revenues also include revenue from ground lease for the three months ended March 31, 2024, and other expenses reimbursed to us by our tenants that may vary from Steward and Circle represented more than 10% for the same period to period. of 2023.

4. Debt

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

	As of September 30, 2023	As of December 31, 2022	As of March 31, 2024	As of December 31, 2023
Revolving credit facility(A)	$ 1,354,294	$ 929,584	$ 1,614,791	$ 1,514,420
Term loan	200,000	200,000	200,000	200,000
British pound sterling term loan due 2024(B)	127,907	126,690		
British pound sterling secured term loan due 2024(B)			132,352	133,484
British pound sterling term loan due 2025(B)	853,930	845,810	883,610	891,170
Australian term loan facility(B)	302,445	817,560	306,487	320,164

2.550% Senior Unsecured Notes due 2023(B)	439,399	483,320		
3.325% Senior Unsecured Notes due 2025(B)	528,650	535,250		
0.993% Senior Unsecured Notes due 2026(B)	528,650	535,250		
2.500% Senior Unsecured Notes due 2026(B)	609,950	604,150		
5.250% Senior Unsecured Notes due 2026	500,000	500,000		
5.000% Senior Unsecured Notes due 2027	1,400,000	1,400,000		
3.692% Senior Unsecured Notes due 2028(B)	731,940	724,980		
4.625% Senior Unsecured Notes due 2029	900,000	900,000		
3.375% Senior Unsecured Notes due 2030(B)	426,965	422,905		
3.500% Senior Unsecured Notes due 2031	1,300,000	1,300,000		
3.325% Senior Unsecured Notes due 2025(B)			539,500	551,950
0.993% Senior Unsecured Notes due 2026(B)			539,500	551,950
2.500% Senior Unsecured Notes due 2026(B)			631,150	636,550
5.250% Senior Unsecured Notes due 2026			500,000	500,000
5.000% Senior Unsecured Notes due 2027			1,400,000	1,400,000
3.692% Senior Unsecured Notes due 2028(B)			757,380	763,860
4.625% Senior Unsecured Notes due 2029			900,000	900,000
3.375% Senior Unsecured Notes due 2030(B)			441,805	445,585
3.500% Senior Unsecured Notes due 2031			1,300,000	1,300,000
	$ 10,204,130	$ 10,325,499	$ 10,146,575	$ 10,109,133
Debt issue costs and discount, net	(47,051)	(57,087)	(47,852)	(44,897)
	$ 10,157,079	$ 10,268,412	$ 10,098,723	$ 10,064,236

(A) Includes £77 232 million and £322 million of GBP-denominated borrowings and €303 million and €303 million of Euro-denominated borrowings that reflect the applicable exchange rates at September 30, 2023. March 31, 2024 and December 31, 2023, respectively.

(B) Non-U.S. dollar denominated debt reflects the exchange rates at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

As of September 30, 2023 March 31, 2024, principal payments due on our debt (which exclude the effects of any discounts, premiums, or debt issue costs recorded) are as follows (amounts in thousands):

2023	$ 439,399	
2024	430,352	$ 438,839
2025	1,382,580	1,423,110
2026	2,992,894	3,285,441
2027	1,600,000	1,600,000
2028		757,380
Thereafter	3,358,905	2,641,805

Total	$ 10,204,130	$ 10,146,575

2023 Activity

In the third quarter of 2023, we purchased approximately £40 million of our 2.550% Senior Unsecured Notes due 2023 at a discounted price and yield averaging approximately 12%. As a result of this prepayment, we realized an approximate $0.9 million gain. On October 4, 2023, we purchased an additional £10 million of our 2.550% Senior Unsecured Notes due 2023 at a discounted price and yield of approximately 16%.

On May 18, 2023, we completed the first phase of the Australia Transaction in which we sold seven of the 11 Australia facilities for A$730 million. We used the proceeds from the first phase of this sale to prepay A$730 million of the A$1.2 billion Australian term loan. As a result of this prepayment, we incurred approximately $0.8 million to accelerate the amortization of related debt issue costs. The final phase closed on October 10, 2023, in which we sold the remaining four facilities for approximately A$470 million and used the proceeds to pay down our revolving credit facility.

2022 Activity

On June 29, 2022, we amended our Credit Facility to extend the maturity date of our $1.8 billion revolving facility to June 30, 2026, with our option to extend for an additional 12 months, and extend the maturity date of our $200 million unsecured term loan facility to June 30, 2027. Additionally, we may request incremental term loan and/or revolving loan commitments in an aggregate amount not to exceed $1 billion. As a result of this amendment, we incurred approximately $0.6 million of debt refinancing costs.

On March 15, 2022, we paid off and terminated our $1 billion interim credit facility that was entered into on July 27, 2021 with proceeds from the Macquarie Transaction as more fully described in Note 3 to the condensed consolidated financial statements. As part of this transaction, we incurred approximately $8.8 million of debt refinancing costs.

Covenants

Our debt facilities impose certain restrictions on us, including restrictions on our ability to: incur debts; create or incur liens; provide guarantees in respect of obligations of any other entity; make redemptions and repurchases of our capital stock; prepay, redeem, or repurchase debt; engage in mergers or consolidations; enter into affiliated transactions; dispose of real estate or other assets; and change our business. In addition, the credit agreements governing our unsecured credit facility ("Credit Facility Facility") limit the amount of dividends we can pay as a percentage of normalized adjusted funds from operations ("NAFFO"), as defined in the agreements, on a rolling four quarter basis. At September 30, 2023 March 31, 2024, the dividend restriction was 95% of NAFFO. The indentures governing our senior unsecured notes also limit the amount of dividends we can pay based on the sum of 95% of NAFFO, proceeds of equity issuances, and certain other net cash proceeds. Finally, our senior unsecured notes require us to maintain total unencumbered assets (as defined in the related indenture) of not less than 150% of our unsecured indebtedness.

In addition to these restrictions, the Credit Facility contains customary financial and operating covenants, including covenants relating to our total leverage ratio, fixed charge coverage ratio, secured leverage ratio, consolidated adjusted net worth, unsecured leverage ratio, and unsecured interest coverage ratio. The 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 our covenants. If an event of default occurs and is continuing under the Credit Facility, the entire outstanding balance may become immediately due and payable. At September 30, 2023 March 31, 2024, we were in compliance with all such financial and operating covenants.

27 See Note 10 to the condensed consolidated financial statements for subsequent event information related to debt.

5. Income Taxes

2023 Activity

During the 2023 second quarter, we elected to move a majority of our United Kingdom assets into a United Kingdom REIT regime with an effective date of July 1, 2023. With this election, we adjusted the deferred tax liabilities associated with these properties, resulting in a $158 million income tax benefit in the second quarter of 2023.

As a result of the Australia Transaction described in Note 3 to the condensed consolidated financial statements, we recorded a $5 million tax benefit in the first quarter of 2023.

2022 Activity

In the 2022 third quarter, we incurred approximately $5 million of income tax expense from the credit loss recovery on loans made to the Watsonville Community Hospital.

6. Stock Awards

During the second quarter of 2022, we amended the 2019 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. Our Equity Incentive Plan is administered by the Compensation Committee of the Board of Directors, and we have reserved 28.9 million shares of common stock for awards, of which 15.5 8.6 million shares remain available for future stock awards as of September 30, 2023 March 31, 2024. Share-based compensation expense totaled $29.7 7.6 million (including $0.5 million related to certain grants in 2024 with cash-settlement features) and $33.0 11.8 million for the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. The decrease in share-based compensation is a result of a $6.7 million cumulative benefit catch-up in the second quarter of 2023 from adjusting the payout probability of certain performance awards, partially offset by an incremental $3.5 million of expense from the acceleration of stock awards for a retiring executive officer.

7. Fair Value of Financial Instruments

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

Fair value estimates are made at a specific point in time, are subjective in nature, and involve uncertainties and matters of significant judgment. Settlement of such fair value amounts may not be a prudent management decision.

The following table summarizes fair value estimates for our financial instruments (in thousands):

Asset (Liability)	As of September 30, 2023		As of December 31, 2022		As of March 31, 2024		As of December 31, 2023	
	Book Value	Fair Value	Book Value	Fair Value	Book Value	Fair Value	Book Value	Fair Value
Interest and rent receivables, net	$ 195,559	$ 156,131	$ 167,035	$ 163,101				
Interest and rent receivables					$ 34,492	$ 34,730	$ 45,059	$ 45,476
Loans(1)	1,255,589 (2)	1,162,388	1,405,615 (2)	1,360,113	955,388 (2)	900,597	1,302,727 (2)	1,202,383
Debt, net	(10,157,079)	(8,201,606)	(10,268,412)	(8,697,042)	(10,098,723)	(8,619,882)	(10,064,236)	(8,256,465)

(1) Excludes the convertible loan made in May 2023 to PHP Holdings and the acquisition loan made in May 2020 related to our investment in the international joint venture, along with the related subsequent investment in the real estate of three hospitals in Colombia, as these assets are accounted for under the fair value option method, as noted below. In addition for December 31, 2022 only, this excludes the acquisition and mortgage loans made to Lifepoint Behavioral, which were satisfied in full in February 2023 as further described in Note 3 to the condensed consolidated financial statements.

(2) Includes $162.9 162.4 million and $223.8 162.4 million of mortgage loans, a $312.0 329.0 million and $315.9 323.8 million shareholder loan included in investments in unconsolidated real estate joint ventures, $520.1 40.0 million and $640.4 526.9 million of loans that are part of our investments in unconsolidated operating entities, and $260.6 424.0 million and $225.5 289.6 million of other loans at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

Items Measured at Fair Value on a Recurring Basis

Our equity investment and related loan to the international joint venture, our loan investment in the real estate of three hospitals operated by subsidiaries of the international joint venture in Colombia, our equity investment in Lifepoint Behavioral (which was sold in March 2024), and our investment in PHP Holdings are measured at fair value on a recurring basis as we elected to account for these investments using the fair value option at the point of initial investment. For December 31, 2022, our acquisition and mortgage loans to Lifepoint Behavioral (which were satisfied in full in February 2023 as described in Note 3 to the condensed consolidated financial statements) were also accounted for under the fair value option method. We elected to account for these investments at fair value due to the size of the investments and because we believe this method was more reflective of current values.

At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the amounts recorded under the fair value option method were as follows (in thousands):

Asset (Liability)	As of September 30, 2023 Fair Value	As of September 30, 2023 Original Cost	As of December 31, 2022 Fair Value	As of December 31, 2022 Original Cost	Asset Type Classification	As of March 31, 2024 Fair Value	As of March 31, 2024 Original Cost	As of December 31, 2023 Fair Value	As of December 31, 2023 Original Cost	Asset Type Classification
Mortgage loans	$ 139,607	$ 139,607	$ 140,260	$ 140,260	Mortgage loans	$ 147,502	$ 147,502	$ 146,892	$ 146,892	Mortgage loans
Equity investment and other loans	928,334	910,647	434,609	441,943	Investments in unconsolidated operating entities/Other loans	501,623	906,602	939,903	912,999	Investments in unconsolidated operating entities/Other loans

Our loans to the international joint venture and its subsidiaries (as well as the Lifepoint Behavioral loans at December 31, 2022) are recorded at fair value based on Level 2 and Level 3 inputs by discounting the estimated cash flows using the market rates at which similar loans would be made to borrowers with similar credit ratings and the same remaining maturities, while also considering the value of the underlying collateral of the loans. Our equity investment in Lifepoint Behavioral is (which was sold in March 2024) was recorded at fair value as of December 31, 2023, based on Level 2 inputs by discounting the estimated cash flows expected to be realized as part of the Lifepoint Transaction described in Note 3 to the condensed consolidated financial statements. Our equity investment in the international joint venture and our investment in PHP Holdings are recorded at fair value based on Level 3 inputs, by using a market approach (for our equity investment in the international joint venture) and a discounted cash flow model (for our equity investment in PHP Holdings), which requires significant estimates of our investee such as projected revenue and expenses and appropriate consideration of the underlying risk profile of the forecasted assumptions associated with the investee. We classify our valuations of these investments as Level 3, as we use certain unobservable inputs to the valuation methodology that are significant to the fair value measurement, and the valuations require management judgment due to the absence of quoted market prices. For the cash flow models, model used for our observable equity investment in PHP Holdings, our unobservable inputs include use of a capitalization rate and discount rate (which is based on a weighted-average cost of capital), and our unobservable input includes an adjustment for a marketability discount ("DLOM"). In regard to the underlying projections used in the discounted cash flow model, such projections are provided by the investees. However, we will may modify such projections as needed based on our review and analysis of historical results, meetings with key members of management, and our understanding of trends and developments within the healthcare industry.

In the first nine three months of 2023, 2024, we had recorded a net favorable unfavorable adjustment to the investments accounted for under the fair value option method (primarily from of approximately $430 million, primarily related to the loan to the international joint venture and our investment in PHP Holdings as described further discussed in Note 3), compared to the condensed consolidated financial statements. In the first quarter of 2023, we had a net unfavorable favorable adjustment in of $2.3 million for our investments accounted for under the first nine months of 2022. fair value option method.

The discount rate and DLOM on our investment in PHP Holdings was approximately 19% and 7%, respectively, at March 31, 2024, compared to 11% and 8% at September 30, 2023 December 31, 2023. In arriving at the DLOM, we started with a DLOM range based on the results of studies supporting valuation discounts for other transactions or structures without a public market. To select the appropriate DLOM within the range, we then considered many qualitative factors, including the percent of control, the nature of the underlying investee's business along with our rights as an investor pursuant to the operating agreement, the size of investment, expected holding period, number of shareholders, access to capital marketplace, etc. To illustrate the effect of movements in the DLOM, we performed a sensitivity analysis below by using full basis point variations (in thousands):

Basis Point Change in Marketability Discount		**Estimated Increase (Decrease) In Fair Value**
+100 basis points	$	(7,423)
- 100 basis points		7,423

Basis Point Change in Marketability Discount		**Estimated Increase (Decrease) In Fair Value**
+100 basis points	$	(5,356)
- 100 basis points		5,356

Items Measured at Fair Value on a Nonrecurring Basis

In addition to items that are measured at fair value on a recurring basis, we have assets and liabilities that are measured, from time-to-time, at fair value on a nonrecurring basis, such as for long-lived asset impairment purposes of our financial instruments and for certain equity investments without a readily determinable fair value. For long-lived asset impairment purposes,

Impairment of Non-Real Estate Investments

Our non-real estate investments in Steward and related affiliates include our 9.9% equity investment, approximately $346 million in working capital and other secured loans, and an approximate $362 million loan made to a Steward affiliate in 2021, proceeds of which were used to redeem a similarly sized convertible loan held by Steward's former private equity sponsor. In addition, the approximate $220 million loan to the international joint venture is collateralized by the equity of Steward held by an investor in both Steward and the international joint venture. To assess recovery of these investments, we performed a valuation of Steward's business at March 31, 2024, with assistance from a third-party, independent valuation firm. The valuation approaches utilized included the cost, market, and income approaches. The fair value may be based on estimated cash flows discounted at analysis was performed under a risk-adjusted rate non-going concern, orderly liquidation premise of interest by using value and assuming normal exposure to market participants. We utilized this premise of value due to Steward’s

24

ongoing financial distress and subsequent filing of bankruptcy. Accordingly, the valuation approaches used, including the Level 2 3 inputs, or for our real estate, we may use a market approach using Level 2 inputs, whereby we will divide the expected net operating income (i.e. rent revenue less expenses, if any) of the facility by a market capitalization rate. For our investment in Swiss Medical Network (which does not have a readily determinable fair value), we marked our investment to fair value in the 2023 third quarter (resulting in a CHF 20 million favorable adjustment) were based on the price paid by financial performance of the Steward assets. For profitable hospitals, Level 3 inputs included a new investor weighted average EBITDA multiple of 6.48x from a selected range of 5x to 7x in reference to comparable transactions. We also used a weighted average discount rate of 15.03% from a selected range of 15% to 16%. For unprofitable hospitals, Level 3 inputs included a weighted average net revenue multiple range of 0.275x from a selected range of 0.25x to 0.30x in reference to comparable transactions. We also considered the reported book values inclusive of various adjustments for unprofitable hospitals. After reducing the derived fair value of Steward's business for Steward's secured debt (including our working capital and other secured loans) and their working capital deficit, we arrived at only a nominal remaining value that could not support the carrying value of our $362 million loan to a Steward affiliate or our remaining 9.9% equity investment. In addition, the value of the investor's share of the remaining 90.1% of Steward's equity that collateralizes the loan to the international joint venture was deemed insufficient to support recovery of this investment. As a result, we recorded impairment charges and fair value adjustments in the same security. 2024 first quarter, as discussed further in Note 3 to the condensed consolidated financial statements.

8. Earnings Per Share/Unit

Medical Properties Trust, Inc.

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

	For the Three Months Ended September 30, 2023	For the Three Months Ended September 30, 2022
Numerator:		
Net income	$ 116,895	$ 222,020
Non-controlling interests’ share in net income	(185)	(227)
Participating securities’ share in earnings	(311)	(288)
Net income, less participating securities’ share in earnings	$ 116,399	$ 221,505
Denominator:		
Basic weighted-average common shares	598,444	598,980
Dilutive potential common shares	109	359
Diluted weighted-average common shares	598,553	599,339

	For the Nine Months Ended September 30,		For the Three Months Ended March 31,	
	2023	2022	2024	2023
Numerator:				
Net income	$ 107,492	$ 1,044,031		
Non-controlling interests’ share in net income	(25)	(960)		
Net (loss) income			$ (875,377)	$ 33,030
Non-controlling interests’ share in earnings			(248)	(236)
Participating securities’ share in earnings	(1,295)	(1,035)	—	(515)
Net income, less participating securities’ share in earnings	$ 106,172	$ 1,042,036		
Net (loss) income, less participating securities’ share in earnings			$ (875,625)	$ 32,279
Denominator:				
Basic weighted-average common shares	598,363	598,828	600,304	598,302
Dilutive potential common shares	43	271	—	8
Diluted weighted-average common shares	598,406	599,099	600,304	598,310

MPT Operating Partnership, L.P.

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

	For the Three Months Ended September 30,	
	2023	2022
Numerator:		
Net income	$ 116,895	$ 222,020
Non-controlling interests’ share in net income	(185)	(227)
Participating securities’ share in earnings	(311)	(288)
Net income, less participating securities’ share in earnings	$ 116,399	$ 221,505
Denominator:		
Basic weighted-average units	598,444	598,980
Dilutive potential units	109	359
Diluted weighted-average units	598,553	599,339

	For the Nine Months Ended September 30,	For the Three Months Ended March 31,

	2023	2022	2024	2023
Numerator:				
Net income	$ 107,492	$ 1,044,031		
Non-controlling interests’ share in net income	(25)	(960)		
Net (loss) income			$ (875,377)	$ 33,030
Non-controlling interests’ share in earnings			(248)	(236)
Participating securities’ share in earnings	(1,295)	(1,035)	—	(515)
Net income, less participating securities’ share in earnings	$ 106,172	$ 1,042,036		
Net (loss) income, less participating securities’ share in earnings			$ (875,625)	$ 32,279
Denominator:				
Basic weighted-average units	598,363	598,828	600,304	598,302
Dilutive potential units	43	271	—	8
Diluted weighted-average units	598,406	599,099	600,304	598,310

9. Commitments and Contingencies

Commitments

On October 5, 2022, we entered into definitive agreements to sell three Prospect facilities located in Connecticut to Yale for approximately $457 million, of which we expect to receive $355 million in cash and have received the remainder in equity-like securities of additional investments in PHP Holdings - part of the Prospect Transaction. Closing Transaction discussed in Note 3. This transaction was approved by the state of this transaction Connecticut's Office of Health Strategy on March 27, 2024 and is now subject to certain regulatory approvals and the completion of Yale's acquisition of the hospital operations from Prospect. No assurances can be given that this transaction will be consummated as described or at all.

Contingencies

In 2023, With Steward's ongoing operational and liquidity challenges as discussed in Note 3 and in the "Significant Tenant Update" section in "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Form 10-Q, we became and certain of Steward's asset backed lenders agreed to a new bridge facility in February 2024 and have funded an additional $75 million each to Steward during the 2024 first quarter. Of the $75 million funded by Steward's asset backed lenders, up to $60 million can be put to us in 2025 if not previously paid by Steward or through liquidation of Steward's collateral. If any amount is put to us in 2025, we would then be eligible to collect this full amount plus a return from Steward. Given this, we have determined that any liability from this financial guarantee has minimal value at March 31, 2024.

We are party to various lawsuits as further described below:

Securities and Derivative Litigation

On April 13, 2023, we and certain of our executives were named as defendants in Item 1 a putative federal securities class action lawsuit alleging false and/or misleading statements and/or omissions resulted in artificially inflated prices for our common stock, filed by a purported stockholder in the United States District Court for the Northern District of Part II Alabama (Case No. 2:23-cv-00486). The complaint seeks class certification on behalf of this Quarterly Report purchasers of our common stock between July 15, 2019 and February 22, 2023 and unspecified damages including interest and an award of reasonable costs and expenses. This class action complaint was amended on Form 10-Q. September 22, 2023 and alleges that we made material misstatements or omissions relating to the financial health of certain of our tenants.

Members of our Board of Directors were also named as defendants in two related shareholder derivative lawsuits filed by purported stockholders in the United States District Court for the Northern District of Alabama on October 19, 2023 (Case No. 2:23- cv-01415) and December 7, 2023 (Case No. 2:23-cv-01667). The Company was named as a nominal defendant in both complaints. These shareholder derivative complaints both make allegations similar to those made in the Alabama securities lawsuit described above relating to purported material misstatements or omissions relating to the financial health of certain of our tenants. On February 16, 2024, members of our Board of Directors were named as defendants in a shareholder derivative lawsuit filed by a purported stockholder in the United States District Court for the District of Maryland (Case No. 1:24-cv-00471). The Company was named as a nominal defendant. This shareholder derivative complaint makes allegations similar to those made in the Alabama securities and derivative lawsuits described above relating to purported material misstatements or omissions relating to the financial health of certain of our tenants.

On September 29, 2023, we and certain of our executives were named as defendants in a putative federal securities class action lawsuit filed by a purported stockholder in the United States District Court for the Southern District of New York (Case No. 1:23-cv- 08597). The complaint seeks class certification on behalf of purchasers of our common stock between May 23, 2023 and August 17, 2023 and alleges false and/or misleading statements and/or omissions in connection with certain transactions involving Prospect. Members of our Board of Directors were also named as defendants in two related shareholder derivative lawsuits filed by purported stockholders in the United States District Court for the Southern District of New York on December 18, 2023 (Case No. 1:23-cv-10934) and March 1, 2024 (Case No. 1:24-cv-01589). The Company was named as a nominal defendant in both complaints. These shareholder derivative complaints both make allegations similar to those made in the New York securities lawsuit described above relating to purported false and/or misleading statements and/or omissions in connection with certain transactions involving Prospect. On February 21, 2024, members of our Board of Directors were named as defendants in a shareholder derivative lawsuit filed by a purported stockholder in the United States District Court for the District of Maryland (Case No. 1:24-cv-00527). The Company was named as a nominal defendant. This shareholder derivative complaint makes allegations similar to those made in the New York securities and derivative lawsuits described above relating to purported false and/or misleading statements and/or omissions in connection with certain transactions involving Prospect.

We believe these claims are without merit and intend to defend the remaining open cases vigorously. We have not recorded a liability related to these the lawsuits above because, at this time, we are unable to determine whether an unfavorable outcome is probable or to estimate reasonably possible losses.

Defamation Litigation

On March 30, 2023, we commenced an action in the United States District Court for the Northern District of Alabama (Case No. 2:23-cv-00408), against short-seller Viceroy Research LLC (“Viceroy”) and its members. We are seeking injunctive relief and damages for defamation, civil conspiracy, tortious interference, private nuisance, and unjust enrichment based on defamatory statements expressed against us. On June 29, 2023, we won a preliminary ruling in this lawsuit after Viceroy's motion to dismiss the case was denied by a judge in the United States District Court for the Northern District of Alabama.

From time-to-time, we are a party to various other legal proceedings, claims, or regulatory inquiries and investigations arising out of, or incidental to, our business from time-to-time. In business. While we are unable to predict with certainty the outcome of any particular matter, in the opinion of management, after consultation with legal counsel, the ultimate liability, if any, with respect to those proceedings is not presently expected to materially affect our financial position, results of operations, or cash flows.

---

10. Subsequent Events

Utah Transaction

On April 12, 2024, we sold our interests in five Utah hospitals for an aggregate agreed valuation of approximately $1.2 billion to a newly formed joint venture (the "Venture") with Blue Owl RE Nucleus Holdco LLC (the "Fund"), which we call the Utah Transaction. We have retained an approximately 25% interest in the Venture (which we plan to account for on the equity method on a quarterly lag basis), and the Fund purchased an approximately 75% interest for $886 million. In conjunction with this transaction closing, the Venture placed new non-recourse secured financing, providing $190 million of additional cash to us. We used the majority of the $1.1 billion proceeds from this transaction to pay down a portion of our revolving credit facility and to pay off our Australia term loan, as described below.

As previously reported, the Utah lessee (an affiliate of CommonSpirit Health) may acquire the leased real estate at a price equal to the greater of fair market value and the approximate $1.2 billion lease base at the fifth or tenth anniversary of the 2023 master lease commencement. We granted the Fund certain limited and conditional preferences based on the possible execution of the purchase option, which we expect to account for as a derivative liability with an initial value of less than $5 million.

Credit Facility

On April 12, 2024, we amended the Credit Facility and certain other agreements to (i) reduce revolving commitments from $1.8 billion to $1.4 billion, (ii) apply certain proceeds from the Utah Transaction and other asset sales and debt transactions to repay the Australian term loan facility and certain other outstanding obligations of the Borrower, including revolving loans under the Credit Facility to the extent necessary to reduce the outstanding borrowings to no more than the amended $1.4 billion commitment, (iii) lower the maximum permitted secured leverage ratio from 40% to 25%, and (iv) waive the 10% cap on unencumbered asset value attributable to tenants subject to a bankruptcy event for purposes of determining compliance with the unsecured leverage ratio for the trailing four fiscal quarter periods ended June 30, 2024, and for purposes of determining pro forma compliance with the unsecured leverage ratio for certain asset sale and debt transactions.

Australian Term Loan Facility

On April 18, 2024, we paid off and terminated the approximate $306 million Australian term loan facility with proceeds from the Utah Transaction described in this same Note 10. We did not incur any early termination penalties in connection with this repayment.

Dividend

On April 12, 2024, our Board of Directors declared a quarterly cash dividend of $0.15 per common share that was paid on May 1, 2024.

Secured Term Loan Facility

On May 24, 2024, we closed on a secured loan facility with a consortium of institutional investors that provides for a term loan in aggregate principal amount of approximately £631 million (approximately $800 million) secured by a portfolio of 27 properties located in the U.K. currently leased to affiliates of Circle. The facility carries a fixed rate of 6.877% over its 10-year term, excluding fees and expenses, and is interest-only (payable quarterly in advance) through the maturity date. The facility is secured by first priority mortgages or similar security instruments on the relevant properties, including assignments of rents and security over accounts, and is non-recourse to us. We intend to use the majority of the net proceeds of the facility to pay down portions of our revolving credit facility and British pound sterling term loan due 2025, and to pay off our British pound sterling secured term loan due 2024 (approximately £105 million).

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

The following discussion and analysis of the consolidated financial condition and consolidated results of operations are presented on a combined basis for Medical Properties Trust, Inc. and MPT Operating Partnership, L.P. as there are no material differences between these two entities. Such discussion and analysis should be read together with the condensed consolidated financial statements and notes thereto contained in this Form 10-Q and the consolidated financial statements and notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Forward-Looking Statements.

This Quarterly Report on Form 10-Q contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results or future performance, achievements or transactions or events to be materially different from those expressed or implied by such forward-looking statements, including, but not limited to, the risks described in our Annual Report on Form 10-K and as updated in our quarterly reports on Form 10-Q for future periods, and current reports on Form 8-K as we file them with the SEC under the Exchange Act. Such factors include, among others, the following:

- the political, economic, business, real estate, risk that Steward's bankruptcy prevents us from being able to recover deferred rent our other investments in Steward and other market conditions in the U.S. (both national and local), Europe (in particular the Unite Kingdom, Germany, Switzerland, Spain, Italy, Finland, and Portugal), Australia, South America (in particular Colombia), and other foreign jurisdictions where we may own healthcare facilities or transact business, which may have its affiliates at full value, within negative effect on the following, among other things:
  - o the financial condition of our tenants, our lenders, or institutions that hold our cash balances or are counterparties to certain hedge agreements, which may expose us to increased risks of default by these parties;

- o our ability to obtain equity or debt financing on attractive terms reasonable time period or at all, which may adversely impact our ability to pursue acquisition and development opportunities, refinance existing debt, and our future interest expense; an
- o 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 real estate assets or on an unsecured basis;

- the impact of factors that may affect our business, our joint ventures or the business of our tenants/borrowers that are beyond our control, including natural disasters, health crises, or pandemics (such as COVID-19) and subsequent government actions in react to such matters; all;
- the risk that a condition to closing under the agreements governing any property sales, loan repayments, and other capital recycling transactions do not occur as anticipated or at all, of our pending transactions (including including the transaction described in Note 9 to the condensed consolidated financial statements) that have not closed as of the date hereof may not be satisfied; statements;
- the possibility risk that the anticipated benefits from any we are not able to attain our leverage, liquidity, and cost of capital objectiv within a reasonable time period or all of the transactions we have entered into or will enter into may take longer to realize than expected or will not be realized at all;
- our ability to obtain debt financing on attractive terms or at all, as a result of changes in interest rates and other factors, which ma adversely impact our ability to pay down, refinance, restructure, or extend our indebtedness as it becomes due, or pursue acquisi and development opportunities;
- macroeconomic conditions, including due to geopolitical conditions and instability, which may lead to a disruption of or lack of acc to the competitive environment capital markets, disruptions and instability in which we operate; the banking and financial services industries, rising inflation and movements in currency exchange rates, and may negatively impact the financial condition of our tenants;
- the execution risk that the expected sale of three Connecticut hospitals currently leased to Prospect does not occur on the agreed upon terms or at all, and that we are otherwise unable to monetize our business plan; investment in Prospect at full value within a reasonable time period or at all;
- financing risks, including due to rising inflation and interest rates; any downgrades in our credit ratings;
- acquisition the ability of our tenants, operators, and development risks; borrowers (including those of our joint ventures) to satisfy t obligations under their respective contractual arrangements with us;
- potential environmental contingencies the ability of our tenants and other liabilities; operators to operate profitably and generate positive cash flow, comply with applicable laws, rules and regulations in the operation of our properties, to deliver high-quality services, to attract and retain qualified personnel, and to attract patients;
- the cooperation of our joint venture partners, including adverse developments affecting the financial health of one such joint ventu partners or more of our tenants, including insolvency; the joint venture itself;
- other the economic, political and social impact of, and uncertainty relating to, the potential impact from health crises (like COVID- which may adversely affect our and our tenants' business, financial condition, results of operations, and liquidity;
- our success in implementing our business strategy and our ability to identify, underwrite, finance, consummate, and integrate acquisitions and investments;
- the nature and extent of our current and future competition;
- factors affecting the real estate industry generally or the healthcare real estate industry in particular;
- our ability to maintain our status as a REIT for U.S. federal and state income tax purposes as well as in the U.S. and U.K.;
- our ability to attract and retain qualified personnel;
- changes in foreign currency exchange rates;
- changes in federal, state, or local tax laws in the U.S., Europe, Australia, South America, or other jurisdictions in which we may ow healthcare facilities or transact business;

- federal and state healthcare and other regulatory requirements, as well as those in the foreign jurisdictions where we own propert
- the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain equity debt financing secured by our properties or on an unsecured basis;
- loss of property owned through ground leases upon breach or termination of the U.S., Europe, Australia, South America, ground leases;
- potential environmental contingencies and other foreign countries; liabilities;
- our ability to attract and retain qualified personnel;
- the risks and uncertainties of litigation or other regulatory proceedings and investigations; and

- the accuracy of our methodologies and estimates regarding environmental, social, and governance ("ESG" (“ESG”) metrics and targets, tenant willingness and ability to collaborate towards reporting ESG metrics and meeting ESG goals and targets, and the impact of governmental regulation on our and our tenants' tenants’ ESG efforts.

Key Factors that May Affect Our Operations

Our revenue is derived from rents we earn pursuant to the lease agreements with our tenants, from interest income from loans to our tenants and other facility owners, and from profits or equity interests in certain of our tenants’ operations. Our tenants operate in the healthcare industry, generally providing medical, surgical, rehabilitative, and behavioral health care to patients. The capacity of our tenants to pay our rents and interest is dependent upon their ability to conduct their operations at profitable levels. We believe that the business environment of the industry segments in which our tenants operate is generally positive for efficient operators. However, our tenants’ operations are subject to economic, regulatory, market, and other conditions (such as the impact of the COVID-19 pandemic) that may affect their profitability, which could impact our results. Accordingly, we monitor certain key performance indicators that we believe provide us with early indications of conditions that could affect the level of risk in our portfolio.

Key factors that we may consider in underwriting prospective deals and in our ongoing monitoring of our tenants’ (and guarantors’) performance, as well as the condition of our properties, include, but are not limited to, the following:

- the scope and breadth of clinical services and programs, including utilization trends (both inpatient and outpatient) by service type
- the size and composition of medical staff and physician leadership at our facilities, including specialty, tenure, and number of procedures performed and/or referrals;
- an evaluation of our operators’ administrative team, as applicable, including background and tenure within the healthcare industry
- staffing trends, including ratios, turnover metrics, recruitment and retention strategies at corporate and individual facility levels;
- facility operating performance measured by current, historical, and prospective operating margins (measured by a tenant's earnin before interest, taxes, depreciation, amortization, management fees, and facility rent) of each tenant and at each facility;
- the ratio of our tenants' operating earnings to facility rent and to other fixed costs, including debt costs;
- changes in revenue sources of our tenants, including the relative mix of public payors (including Medicare, Medicaid/MediCal, and managed care in the U.S., as well as equivalent payors in Europe, Australia, and South America) and private payors (including commercial insurance and private pay patients);
- historical support (financial or otherwise) from governments and/or other public payor systems during major economic

downturns/depressions;

- trends in tenants' cash collections, including comparison to recorded net patient service revenues, knowing and assessing curren revenue cycle management systems and potential future planned upgrades or replacements;
- tenants' tenants' free cash flow;
- the potential impact of healthcare pandemics/epidemics, legislation, and other regulations (including changes in reimbursement) (our tenants' tenants', borrowers' borrowers', and guarantors' profitability and liquidity;
- the potential impact of any legal, regulatory, or compliance proceedings with our tenants (including at the facility level);
- the potential impact of supply chain and inflation-related challenges as they relate to new developments or capital addition project

29

- an ongoing assessment of the operating environment of our tenants, including demographics, competition, market position, status compliance, accreditation, quality performance, and health outcomes as measured by The Centers for Medicare and Medicaid Services ("CMS"), The Joint Commission, and other governmental bodies in which our tenants operate;
- the level of investment in the hospital infrastructure and health IT systems; and
- physical real estate due diligence, typically including property condition and Phase 1 environmental assessments, along with ann property inspections thereafter.

34

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

- trends in interest rates and other costs due to general inflation and availability and increased costs from labor shortages could adversely impact the operations of our tenants and their ability to meet their lease obligations;
- changes in healthcare regulations that may limit the opportunities for physicians to participate in the ownership of healthcare providers and healthcare real estate;
- reductions (or non-timely increases) in reimbursements from Medicare, state healthcare programs, and commercial insurance providers that may reduce our tenants' or borrowers' profitability and our revenues;
- competition from other financing sources; and
- the ability of our tenants and borrowers to access funds in the credit markets.

CRITICAL ACCOUNTING POLICIES

Refer to our 2022 2023 Annual Report on Form 10-K for a discussion of our critical accounting policies, which include investments in real estate, purchase price allocation, loans, credit losses, losses from rent and interest receivables, investments accounted for under the fair value option election, and our accounting policy on consolidation. During the nine three months ended September 30, 2023 March 31, 2024, there were no material changes to these policies.

Overview

We are a self-advised REIT focused on investing in and owning net-leased healthcare facilities across the U.S. and selectively in foreign jurisdictions. Medical Properties Trust, Inc. was incorporated under Maryland law on August 27, 2003, and MPT Operating Partnership, L.P. was formed under Delaware law on September 10, 2003. We conduct substantially all of our business through MPT Operating Partnership, L.P. We acquire and develop healthcare facilities and lease the facilities to healthcare operating companies under long-term net leases, which require the tenant to bear most of the costs associated with the property. The majority of our leased assets are owned 100%; however, we do own some leased assets through joint ventures with other partners that share our view that healthcare facilities are part of the infrastructure of any community, which we refer to as investments in unconsolidated real estate joint ventures. We also make mortgage loans to healthcare operators collateralized by their real estate assets. In addition, we may make loans to certain of our operators through our TRS, the proceeds of which are typically used for working capital and other purposes. From time-to-time, we may make noncontrolling investments in our tenants, which we refer to as investments in unconsolidated operating entities. These investments are typically made in conjunction with larger real estate transactions with the tenant that give us a right to share in such tenant's profits and losses, and provide for certain minority rights and protections. Our business model facilitates acquisitions and recapitalizations, and allows operators of healthcare facilities to serve their communities by unlocking the value of their real estate assets to fund facility improvements, technology upgrades, and other investments in operations.

At September 30, 2023 March 31, 2024, our portfolio consisted of 441 436 properties leased or loaned to 55 53 operators, of which five three are under development and seven are in the form of mortgage loans. development. We manage our business as a single business segment.

At September 30, 2023 March 31, 2024, all of our investments are located in the U.S., Europe, Australia, and South America. Our total assets are made up of the following (dollars in thousands):

	As of September 30, 2023	% of Total	As of December 31, 2022	% of Total	As of March 31, 2024	% of Total	As of December 31, 2023	% of Total
Real estate assets - at cost	$ 14,868,393	78.2%	$ 15,917,839	81.0%	$ 14,661,982	84.7%	$ 14,778,132	80.8%
Accumulated real estate depreciation and amortization	(1,315,223)	-6.9%	(1,193,312)	-6.1%	(1,422,728)	(8.2)%	(1,407,971)	(7.7)%
Net investment in real estate assets					13,239,254	76.5%	13,370,161	73.1%
Cash and cash equivalents	340,058	1.8%	235,668	1.2%	224,340	1.3%	250,016	1.4%

Investments in unconsolidated real estate joint ventures	1,461,725	7.7%	1,497,903	7.6%	1,450,482	8.4%	1,474,455	8.0%
Investments in unconsolidated operating entities	1,843,847	9.7%	1,444,872	7.4%	794,138	4.6%	1,778,640	9.7%
Other	1,806,082	9.5%	1,755,030	8.9%	1,592,742	9.2%	1,431,572	7.8%
Total assets	$ 19,004,882	100.0%	$ 19,658,000	100.0%	$ 17,300,956	100.0%	$ 18,304,844	100.0%

Significant Tenant Update

Steward Health Care System

At March 31, 2024, affiliates of Steward lease 28 of our facilities across five different markets under a master lease totaling approximately $2.4 billion, along with eight properties pursuant to a separate master lease agreement that are part of the Massachusetts partnership with Macquarie Asset Management ("Macquarie") (our investment in this partnership approximates $406 million). In addition to the master leases, we hold working capital and other secured loans totaling approximately $346 million, which the working capital loan consists of multiple tranches with varying terms. We also have a $362 million loan due from affiliates of Steward that was made in 2021, proceeds of which were used to redeem a similarly sized convertible loan held by Steward's former private equity sponsor. Finally, we hold a 9.9% equity investment in Steward.

Operational and Liquidity Challenges

As disclosed in our Annual Report on Form 10-K for the year ending December 31, 2023, Steward delayed until early October 2023 paying a portion of its September 2023 rent and paid less than 30% of its required $70 million of rent and interest obligations (including our share of rent due to the Massachusetts partnership) for the 2023 fourth quarter.

According to Steward, its cash flows from operations have been impacted by challenges related to insufficient reimbursement revenue, increased costs and expenses, revenue cycle management, and a backlog of accounts payable. With a single exception, Steward historically paid rent timely until its late payment of a portion of September 2023. Earlier in 2023, Steward’s management had described to us its plans for continued improvements to profitability, improvements to collections of billed revenue, access to working capital liquidity, and sales of certain non-core assets. Based on these initiatives, the reported profitability of Steward's operations at our facilities, our cross-defaulted master lease structure, and the additional security of our overall collateral interests, we believed that Steward would be able to satisfy its rental obligations over the full term of our master leases. However, despite Steward obtaining additional working capital financing and selling its non-core laboratory business in the 2023 fourth quarter, Steward informed us in December 2023 that its cash collection challenges had become more pronounced and coupled with significant changes to vendor payment terms, their liquidity had been negatively impacted. To improve its liquidity position, Steward stated in December 2023 that it would be pursuing several strategic transactions, including the sale or re-tenanting of certain hospital operations and working with a third-party capital partner to divest of its managed care business. In addition, Steward stated it planned to intensify measures to improve cash collections and overall governance, including the establishment of a transformation committee comprised of newly appointed independent directors.

Separately, we engaged financial and legal advisors in the 2023 fourth quarter to advise us on options to maximize the ultimate recovery of our investments, including the recovery of unpaid rent and interest. To this point and while Steward was working to execute its stated plan, we agreed to fund a $60 million bridge loan (which we funded in January 2024) secured by our existing collateral as well as new second liens on the managed care business of Steward. In addition, we and certain of Steward's asset backed lenders agreed to a new bridge facility in February 2024 and have funded an additional $75 million each to Steward during the 2024 first quarter (of which, up to $60 million advanced by certain of Steward's asset backed lenders could be put to us in 2025 if not previously paid by Steward or through liquidation of Steward's collateral). In addition to these fundings, we agreed to a forbearance agreement in which we consented to the deferral of unpaid rent and interest through December 2023, as well as a limited and tapering deferral of rent in 2024.

31

---

35 Due to the operational and liquidity challenges that Steward is experiencing, we moved to the cash basis of accounting for our leases and loans with Steward effective December 31, 2023. This resulted in the reserving of all unpaid rent and interest receivables at December 31, 2023 and the reversal of previously recognized straight-line rent receivables. In addition, we recorded impairment charges on certain real estate assets and on our 9.9% equity interest. In total, we recorded approximately $714 million of impairment and other charges in 2023.

Steward signed a letter of intent for the sale of its managed care business ("Stewardship") in February 2024. However, the sale price of Stewardship was less than what was anticipated earlier in 2024, and important regulatory and anti-trust approvals have not yet been forthcoming as soon as earlier planned. These circumstances have created a level of uncertainty about the likelihood, valuation, and timing of Steward's realizations of Stewardship. Moreover, as of the end of the first quarter of 2024, Steward had not signed any agreements for possible sales of its operations in or the re-tenanting of our hospital real estate. Meanwhile, Steward's working capital deficit has continued to increase from December 31, 2023, despite the influx of cash and rent concessions from us and certain of Steward's asset backed lenders as described earlier, which culminated in Steward's filing for reorganization relief under Chapter 11 protection of the United States Bankruptcy Code in the Southern District of Texas on May 6, 2024.

Due to the uncertainty concerning the sale of Stewardship, status of sales of Steward operations or the re-tenanting of our real estate, the ongoing operational and liquidity challenges, and new bankruptcy filing, we have recorded approximately $470 million of additional impairment charges in the quarter ending March 31, 2024, that fully reserve for the remaining value of our 9.9% equity investment in Steward and the $362 million loan due from affiliates of Steward along with the accrual for property taxes and other obligations not paid by Steward under its master leases. The equity investment and loan to Steward affiliates were included in "Investments in unconsolidated operating entities" on our condensed consolidated balance sheets and were adjusted for after comparing our carrying value of these investments to an updated fair value analysis of the underlying collateral, with assistance from a third-party, independent valuation firm.

At March 31, 2024, we have approximately $346 million of non-real estate investments in Steward, consisting of the working capital loan and other secured loans advanced in 2024. Based on the analysis discussed above, we believe these investments are fully recoverable at this time. However, no assurances can be given that we will not have any additional impairments in future periods.

Results of Operations

Three Months Ended September 30, 2023 March 31, 2024 Compared to September 30, 2022 March 31, 2023

Net income loss for the three months ended September 30, 2023 March 31, 2024, was $116.7 million ($0.19 875.6) million, or ($1.46) per diluted share) share compared to net income of $221.8 million ($0.37 $32.8 million, or $0.05 per diluted share) share, for the three months ended September 30, 2022 March 31, 2023. This decrease in net income is primarily driven by the Australia $693 million of impairment charges in the first quarter of 2024 related to Steward and Prime disposals (including the Prime sale international joint venture and an approximate $201 million unfavorable fair value adjustment to our investment in 2022 that generated a gain of approximately $67 million) PHP Holdings, as described in Note 3 to the condensed consolidated financial statements, along with lower rent and interest from Prospect, and more rent receivable reserves and higher interest expense in the third quarter of 2023 compared to the same period of 2022. Steward. Normalized funds from operations ("FFO"), after adjusting for certain items (as more fully described in the section titled "Reconciliation of Non-GAAP Financial Measures" in Item 2 of this Quarterly Report on Form 10-Q), was $225.5 million $141.8 million for the 2023 third 2024 first quarter, or $0.38 $0.24 per diluted share, as compared to $272.3 million $222.2 million, or $0.45 $0.37 per diluted share, for the 2022 third 2023 first quarter. This 36% decrease in Normalized FFO is primarily due to lower revenues from Steward moving to the cash basis of accounting on December 31, 2023, higher interest expense, and lower revenues as a result of various disposals in 2023.

Revenues

A comparison of revenues for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 is as follows (dollar amounts in thousands):

	2023	% of Total	2022	% of Total	Year over Year Change	2024	% of Total	2023	% of Total	Year over Year Change
Rent billed	$ 229,306	74.8%	$ 232,418	66.0%	-1.3%	$ 199,299	73.5%	$ 248,157	70.8%	(19.7)%
Straight-line rent	21,511	7.0%	26,552	7.5%	-19.0%	44,736	16.5%	56,693	16.2%	(21.1)%
Income from financing leases	26,066	8.5%	51,011	14.5%	-48.9%	16,393	6.0%	13,195	3.8%	24.2%
Interest and other income	29,693	9.7%	42,358	12.0%	-29.9%	10,888	4.0%	32,166	9.2%	(66.2)%
Total revenues	$ 306,576	100.0%	$ 352,339	100.0%	-13.0%	$ 271,316	100.0%	$ 350,211	100.0%	(22.5)%

Our total revenues for the 2023 third 2024 first quarter are down $45.8 million $78.9 million, or 13.0% 23%, over the same period in the prior year. This decrease is made up of the following:

- Operating lease revenue (includes rent billed and straight-line rent) – down $8.2 million $60.8 million over the prior year, of which approximately $24 million $57 million is due to less revenue from our operators on a cash basis in the first quarter of 2024 as compared to the prior year. The majority of this decline is due to Steward as we recognized $60 million of rent revenue in

the 2023 first quarter (excluding revenue on Utah properties now leased to CommonSpirit), while receiving and recording only $9 million of rent revenue in the first three months of 2024.

Operating lease revenues in the 2024 first quarter further declined by approximately $17 million due to disposals and other leasing transactions in 2022 and 2023 and approximately $10 million of more rent reserves recorded in the third quarter of 2023 as compared to the prior year. 2023. These decreases are partially offset by approximately $12 million $5.5 million in incremental revenue from acquisitions in 2023, capital additions, and the commencement of rent on two development properties in 2023, and $6 million 2024; $3.3 million of favorable foreign currency fluctuations. In addition, rent revenues are up fluctuations; and approximately $8 million quarter-over-quarter $4.5 million from increases in CPI above the contractual minimum escalations in our leases.

- Income from financing leases – down $24.9 million up $3.2 million primarily due to $19.2 million receiving cash of lower approximately $7 million for rent revenue on from Prospect in the third first quarter of 2024, whereas we did not receive any cash from this cash basis tenant in the 2023 compared to first quarter. In addition, financing lease income was higher by $0.5 million from the third quarter of 2022, and $6 million increase in CPI above the lease contractual minimum escalations. These increases were partially offset by a $3.9 million decrease from the disposal of three Prime financing leases in the third quarter of 2023 as described in Note 3 to the condensed consolidated financial statements. These decreases are partially offset by the increase in CPI above the lease contractual minimum escalations by approximately $0.3 million.
- Interest and other income – down $12.7 million $21.3 million from the prior year due to the following:
    - o Interest from loans – down $10.4 million $19.4 million, primarily due to a decrease of $7.1 million from loan payoffs (including $4 million due to the repayment of the initial acquisition loan as part of the Lifepoint Transaction described Note 3 to the condensed consolidated financial statements) and an $8.7 million $16 million decrease in interest incon related to Prospect. Steward and the international joint venture and an approximate $5 million decrease from loan payoffs (including $1.9 million from the sale of our interest in the Priory syndicated term loan in the first quarter of 2024). These decreases are partially offset by approximately $3.0 million of incremental revenue earned on new investments, approximately $1.3 million $0.7 million of higher income from annual escalations due to increases in CP and $0.8 million of favorable foreign currency fluctuations.
    - o Other income – down $2.3 million $1.9 million from the prior year as we had less direct reimbursements from our tenants for ground leases, property taxes, and insurance.

Interest Expense

Interest expense for the quarters ended September 30, 2023 March 31, 2024 and 2022 2023 totaled $106.7 million $108.7 million and $88.1 million $97.7 million, respectively. This increase is primarily related to an increase in borrowings on our revolver and revolving credit facility that carried higher interest rates on our Credit Facility and term loans (as variable rate debt) compared to the prior year, partially offset by a decrease due to lower fixed interest rates of debt that was repaid in 2023, including the A$730 million paydown of our Australia Australian term loan facility paid off in the 2023 second quarter of and the 2.550% Senior Unsecured Notes paid off in December 2023. Our Overall, our weighted-average interest rate was 4.0% 4.2% for the quarter ended September 30, 2023 March 31, 2024, compared to 3.4% 3.7% for the same period in 2022. 2023, as general interest rates have trended higher post the 2023 first quarter and our specific rates have increased due to a credit rating adjustment in March 2023.

Real Estate Depreciation and Amortization

Real estate depreciation and amortization during the third first quarter of 2023 2024 decreased to $77.8 million $75.6 million from $81.9 million $83.9 million in 2022. 2023. This decrease is primarily due to classifying our the sale of 11 properties related to the Australia properties Transaction (as described in Note 3 to the condensed consolidated financial statements) and three Prime properties in 2023. We also classified five Prime facilities as held for sale in the first quarter of 2023 2024 and are no longer recording depreciation on these properties.

Property-related

Property-related expenses totaled $6.5 million $4.8 million and $8.3 million $7.1 million for the quarters ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. Of the property expenses in the third first quarter of 2024 and 2023, approximately $2.3 million and 2022, approximately $3.3 million and $5.6 million $4.2 million, respectively, represents costs that were reimbursed by our tenants and included in the “Interest and other income” line on our condensed consolidated statements of net income.

General and Administrative

General and administrative expenses totaled $38.1 million $33.3 million for the 2024 first quarter, compared to $41.7 million for the 2023 third first quarter. Approximately $4 million of this decrease is stock compensation expense related, of which approximately $1.5 million of this decrease is related to timing of when the 2024 awards were granted in the quarter. In regard to the 2024 stock grants, and as described in Note 6 to the condensed consolidated financial statements, certain stock awards have cash-settlement features that will be accounted for as liability awards verses equity awards and adjusted to fair value quarterly.

Excluding stock compensation expense, general and administrative expenses totaled $25.6 million in the 2024 first quarter, compared to $37.3 million for $29.8 million in the 2022 third quarter. The 2023 third quarter included $1.2 million prior year reflecting our ongoing efforts to manage our expenses.

(Loss) Gain on Sale of higher stock compensation expense for the acceleration of stock award vesting for a retiring executive officer. Real Estate

During the three months ended September 30, 2022 March 31, 2024, we disposed of 11 three facilities as part of the Prime repurchase transaction and three two ancillary properties facilities resulting in a net gain loss of $68.8 million $1.4 million.

Real Estate and Other Impairment Charges, Net

In the third 2024 first quarter, we recognized $693 million of 2022, we recorded a credit loss recovery of approximately $20 million related to loans repaid by Watsonville Community Hospital.

With non-real estate impairment charges and fair value adjustments associated with our investments in Steward and the interest rate swap no longer classified international joint venture as an effective cash flow hedge due to the Australia Transaction disclosed further described in Note 3 to the condensed consolidated financial statements, statements. In the first quarter of 2023, we expect some earnings volatility recorded an $89.5 million net impairment charge, of which $79 million related to the Australia Transaction and $11 million was a non-cash impairment charge on the three Prime properties as more fully described in Note 3 to the condensed consolidated financial statements.

Earnings from marking the swap to fair value each quarter until all of the related debt is extinguished. We recognized a $3.75 million loss from this in the 2023 third quarter. Equity Interests

Earnings from equity interests was $11.3 million $10.5 million for the quarter ended September 30, 2023 March 31, 2024, basically flat compared to slightly below the $11.4 million for the same period in 2022.

Our debt refinancing and unutilized financing benefit for the third quarter of 2023, of $0.9 million relates primarily due to the purchase of £40 million of lower revenue earned on our 2.550% Senior Unsecured Notes due 2023 at a discounted price. Italian joint venture.

Other income (Including Fair Value Adjustments on Securities)

Other expense for the third quarter first three months of 2023 2024 was $41.1 million $229.3 million, which included an approximate $30 million favorable compared to $5.2 million in the prior year. For 2024, we recognized approximately $216 million in unfavorable non-cash fair value adjustments from our investments marked to fair value, primarily due to an approximate $201 million unfavorable adjustment on to our investment in PHP Holdings Holdings. The remaining expense in the 2024 first quarter included a $7.8 million economic loss from the sale of our interest in the Priory syndicated term loan and a CHF 20 million unrealized gain on our equity investment in Swiss Medical Network, partially offset by approximately $2.8 million $5.9 million of expenses associated with responding to certain defamatory statements published by certain parties, including those who are defendants to a lawsuit we filed on March 30, 2023. See Item 1 For 2023, we incurred $8 million of Part II for further details on the lawsuit. For the third quarter expenses associated with responding to defamatory statements previously mentioned, partially offset by approximately $4 million of 2022, we had other income of $4.1 million, which included a favorable non-cash fair value adjustment of $3.6 million adjustments on our investment in Aevis. Fair Aevis and other investments marked to fair value during the first quarter of 2023.

With certain investments accounted for at fair value, such as our investment in PHP Holdings, we may have positive or negative fair value adjustments as discussed above can be favorable or unfavorable from quarter-to-quarter, so the positive results in the 2023 third quarter are not necessarily indicative of future results. quarter-to-quarter.

Income Tax Expense

Income tax expense includes U.S. federal and state income taxes on our TRS entities, as well as non-U.S. income-based income based or withholding taxes on certain investments located in jurisdictions outside the U.S. The $10.1 million $10.9 million income tax expense for the three months ended September 30, 2023 March 31, 2024 is primarily based on the income generated internationally (primarily by our investments in the U.K., Colombia, and Germany) and reflects the tax benefit of moving to the U.K. REIT regime on July 1, 2023, as described in Note 5 to the condensed consolidated financial statements. Germany. In comparison, we incurred $18.6 million $3.5 million in income tax expense in the third first quarter of 2022. 2023 that was net of a $5.0 million tax benefit recognized from the Australia Transaction.

We utilize the asset and liability method of accounting for income taxes. Deferred tax assets are recorded to the extent we believe these assets will more likely than not be realized. In making such determination, all available positive and negative evidence is considered, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, and recent financial performance. Based upon our review of all positive and negative evidence, including our three-year cumulative pre-tax book loss position in certain entities, we concluded that a valuation allowance of approximately $89 million $152 million should be reflected against certain of our international and domestic net deferred tax assets at September 30, 2023. In the future, if we determine that it is more likely than not that we will realize our net deferred tax assets, we will reverse the applicable portion of the valuation allowance, recognize an income tax benefit in the period in which such determination is made, and potentially incur higher income tax expense in future periods as income is earned.

Nine Months Ended September 30, 2023 Compared to September 30, 2022

Net income for the nine months ended September 30, 2023, was $107.5 million ($0.18 per diluted share) compared to net income of $1.0 billion ($1.74 per diluted share) for the nine months ended September 30, 2022. This decrease in net income is primarily driven by the gain on sale of real estate in the 2022 first quarter from the Macquarie Transaction, and the 2023 impairment charge in the first quarter associated with the Australia Transaction and Prime disposal, as described in Note 3 to the condensed consolidated financial statements. Net income was also lower due to the $49 million billed and straight-line rent reserve recorded in the third quarter of 2023, accelerating the amortization of the approximate $286 million in-place lease intangible and the write-off of approximately $95 million of straight-line rent receivables, both associated with the Steward Transaction (see Note 3 to the condensed consolidated financial statements for more detail), along with higher interest expense and lower rent and interest revenue from Prospect. This decrease was partially offset by the approximate $158 million tax benefit recognized in the second quarter of 2023 related to entering the United Kingdom REIT regime (as more fully described in Note 5 to the condensed consolidated financial statements). Normalized FFO, after adjusting for certain items (as more fully described in the section titled “Reconciliation of Non-GAAP Financial Measures” in Item 2 of this Quarterly Report on Form 10-Q), was $733.0 million for the first nine months of 2023, or $1.22 per diluted share, as compared to $829.5 million, or $1.38 per diluted share, for the first nine months of 2022. This decrease in Normalized FFO is primarily due to lower revenue from various disposals throughout 2022 and 2023, including the Macquarie Transaction, the Australia Transaction, and Prime disposals, along with lower revenues from Prospect (see Note 3 to the condensed consolidated financial statements for further details).

A comparison of revenues for the nine months ended September 30, 2023 and 2022 is as follows (dollar amounts in thousands):

	2023	% of Total	2022	% of Total	Year over Year Change
Rent billed	$ 724,954	72.9 %	$ 737,029	63.4 %	-1.6 %
Straight-line rent	38,875	3.9 %	146,114	12.6 %	-73.4 %
Income from financing leases	107,729	10.8 %	154,660	13.3 %	-30.3 %
Interest and other income	122,624	12.4 %	124,562	10.7 %	-1.6 %
Total revenues	$ 994,182	100.0 %	$ 1,162,365	100.0 %	-14.5 %

Our total revenues for the first nine months of 2023 are down $168.2 million, or 14.5%, over the same period in the prior year. This decrease is made up of the following:

- Operating lease revenue (includes rent billed and straight-line rent) – down $119.3 million over the prior year of which approximately $68 million is due to disposals and other leasing transactions in 2022 and 2023 (primarily related to the Macquarie Transaction as described in Note 3 to the condensed consolidated financial statements), approximately $105 million of more rent reserves in 2023 compared to 2022 (including $95 million as a result of the write-off of straight-line rent associated with the Steward Transaction in the second quarter of 2023), and $4 million of unfavorable foreign currency fluctuations. These decreases are partially offset by approximately $34 million in incremental revenue from acquisitions, capital additions, and the commencement of rent on a development property in the first quarter of 2022 and two properties in 2023. In addition, rent revenues are up approximately $23 million period-over-period from increases in CPI above the contractual minimum escalations in our leases.
- Income from financing leases – down $46.9 million due to $34.7 million of less rent on Prospect in the first nine months of 2023, compared to the first nine months of 2022 and approximately $13.5 million of lower revenues from the disposal of Prime financing leases in 2023 and 2022. These decreases are partially offset by the increase in CPI above the lease contractual minimum escalations by approximately $1.3 million.

- Interest and other income – down $1.9 million from the prior year due to the following:
    - o Interest from loans – down $0.3 million due to a decrease of $14.7 million from loan payoffs (including $10 million due to the repayment of the initial acquisition loan as part of the Lifepoint Transaction described in Note 3 to the condensed consolidated financial statements), a $2.7 million decrease in interest income related to Prospect, and $0.3 million of unfavorable foreign currency fluctuations. These decreases are partially offset by approximately $12.2 million of incremental revenue earned on new investments, along with approximately $2 million of interest revenue on the CHF 60 million mortgage loan from Infracore (which was repaid in the

second quarter of 2023), and approximately $2.9 million of higher income from annual escalations due to increases i CPI.
    - o Other income – down $1.6 million from the prior year as we had less direct reimbursements from our tenants for grou leases, property taxes, and insurance.

Interest expense for the nine months ended September 30, 2023 and 2022 totaled $308.8 million and $267.0 million, respectively. This increase is primarily related to an increase in borrowings and higher interest rates on our Credit Facility and term loans compared to the prior year, partially offset by a decrease due to the A$730 million paydown of our Australia term loan in the second quarter of 2023. Our weighted-average interest rate was 3.9% for the nine months ended September 30, 2023 compared to 3.3% for the same period in 2022.

Real estate depreciation and amortization during the first nine months of 2023 increased to $526.1 million from $251.5 million in the same period of 2022. Of this increase, $286 million relates to accelerating the amortization of lease intangibles as part of the Steward Transaction as described in Note 3 to the condensed consolidated financial statements.

Property-related expenses totaled $38.3 million and $38.0 million for the nine months ended September 30, 2023 and 2022, respectively. Of the property expenses in the first nine months of 2023 and 2022, approximately $28.6 million and $30.2 million, respectively, represents costs (primarily property insurance premiums) that were reimbursed by our tenants and included in the “Interest and other income” line on our condensed consolidated statements of net income.

General and administrative expenses totaled $115.4 million for the first nine months of 2023 compared to $117.6 million in the same period of 2022, primarily due to a decrease in share-based compensation. The decrease in share-based compensation is a result of a $6.7 million cumulative benefit catch-up from adjusting the payout probability of certain performance awards, partially offset by an incremental $3.5 million of expense from the acceleration of stock awards for a retiring executive officer.

During the nine months ended September 30, 2022, we realized $536.8 million of gains from the sales of real estate, including the completion of the partnership with MAM, in which we sold the real estate of eight Massachusetts-based general acute care hospitals, resulting in a gain on real estate of approximately $600 million, partially offset by approximately $125 million of write-offs of non-cash straight-line rent receivables. In 2022, we also disposed of 11 facilities related to the Prime repurchase transaction, resulting in a gain on real estate of approximately $67 million, and we disposed of four other facilities and five ancillary properties, resulting in a net gain of $33 million.

In 2023, we recorded a $93.3 million net impairment charge, of which $82 million related to the Australia Transaction and $11 million was a non-cash impairment charge on the three Prime properties sold as more fully described in Note 3 to the condensed consolidated financial statements. The impairment recovery in the first nine months of 2022 related to our Watsonville facility.

Earnings from equity interests was $34.8 million for the nine months ended September 30, 2023, basically flat from the same period in 2022.

Our debt refinancing and unutilized financing net benefit for the first nine months of 2023 was a result of a $0.9 million benefit related to the purchase of £40 million of our 2.550% Senior Unsecured Notes due 2023 in the third quarter of 2023 at a discounted price, partially offset by $0.8 million of costs associated with the partial prepayment of our A$1.2 billion Australian term loan in the second quarter of 2023. In the first nine months of 2022, debt refinancing and unutilized financing costs were $9.5 million, as a result of the termination of our $1 billion interim credit facility in March 2022 and the amendment of our Credit Facility (see Note 4 to the condensed consolidated financial statements for more detail).

Other income for the first nine months of 2023 was $25.4 million, which included an approximate $30 million favorable non-cash fair value adjustment on our investment in PHP Holdings and a CHF 20 million unrealized gain on our equity investment in Swiss Medical Network, partially offset by approximately $13 million of expenses associated with responding to certain defamatory statements published by certain parties, including those who are defendants to a lawsuit we filed on March 30, 2023. See Item 1 of Part II for further details on the lawsuit. For the first nine months of 2022, we had other income of $20.9 million which included a favorable non-cash fair value adjustment of $12.6 million on our investment in Aevis and other investments marked to fair value during the first nine months of 2022.

Income tax expense includes U.S. federal and state income taxes on our TRS entities, as well as non-U.S. income-based or withholding taxes on certain investments located in jurisdictions outside the U.S. The $134.7 million income tax benefit for the nine months ended September 30, 2023 is primarily based on the $158 million benefit received by entering the United Kingdom REIT

regime and a $5.0 million tax benefit recognized in the first quarter of 2023 related to the expected sale of our Australia facilities. In comparison, we incurred $40.6 million in income tax expense in the first nine months of 2022.

We utilize the asset and liability method of accounting for income taxes. Deferred tax assets are recorded to the extent we believe these assets will more likely than not be realized. In making such determination, all available positive and negative evidence is considered, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, and recent financial performance. Based upon our review of all positive and negative evidence, including our three-year cumulative pre-tax book loss position in certain entities, we concluded that a valuation allowance of approximately $89 million should be reflected against certain of our international and domestic net deferred tax assets at September 30, 2023 March 31, 2024. In the future, if we determine that it is more likely than not that we will realize our net deferred tax assets, we will reverse the applicable portion of the valuation allowance, recognize an income tax benefit in the period in which such determination is made, and potentially incur higher income tax expense in future periods as income is earned.

Reconciliation of Non-GAAP Financial Measures

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

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

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

40

The following table presents a reconciliation of net (loss) income attributable to MPT common stockholders to FFO and Normalized FFO for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 (in thousands except per share data):

	For the Three Months Ended		For the Nine Months Ended		For the Three Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2024	March 31, 2023
FFO information:						
Net income attributable to MPT common stockholders	$ 116,710	$ 221,793	$ 107,467	$ 1,043,071		
Net (loss) income attributable to MPT common stockholders					$ (875,625)	$ 32,794
Participating securities' share in earnings	(311)	(288)	(1,295)	(1,035)	—	(515)
Net income, less participating securities' share in earnings	$ 116,399	$ 221,505	$ 106,172	$ 1,042,036		
Net (loss) income, less participating securities' share in earnings					$ (875,625)	$ 32,279
Depreciation and amortization	96,280	99,296	580,484	300,731	94,243	101,960
Loss (gain) on sale of real estate	20	(68,795)	(209)	(536,788)	1,423	(62)

Real estate impairment charges	3,750	—	55,854	—	—	52,104
Funds from operations	$ 216,449	$ 252,006	$ 742,301	$ 805,979	$ (779,959)	$ 186,281
Write-off of unbilled rent and other	52,742	35,587	150,576	35,259		
Other impairment (recovery) charges	—	(19,450)	37,434	(14,575)		
Write-off of billed and unbilled rent and other					1,817	2,192
Other impairment charges, net					693,088	37,434
Litigation and other	2,759	—	12,987	—	5,870	7,726
Share-based compensation adjustments	1,243	—	(3,120)	(966)		
Non-cash fair value adjustments	(46,815)	(3,597)	(42,562)	(12,563)	221,276	(4,121)
Tax rate changes and other	—	7,726	(164,535)	6,901	(307)	(7,305)
Debt refinancing and unutilized financing (benefit) costs	(862)	17	(46)	9,452		
Normalized funds from operations	$ 225,516	$ 272,289	$ 733,035	$ 829,487	$ 141,785	$ 222,207
Per diluted share data:						
Net income, less participating securities' share in earnings	$ 0.19	$ 0.37	$ 0.18	$ 1.74		
Net (loss) income, less participating securities' share in earnings					$ (1.46)	$ 0.05
Depreciation and amortization	0.16	0.16	0.97	0.50	0.16	0.17
Loss (gain) on sale of real estate	—	(0.11)	—	(0.90)	—	—
Real estate impairment charges	0.01	—	0.09	—	—	0.09
Funds from operations	$ 0.36	$ 0.42	$ 1.24	$ 1.34	$ (1.30)	$ 0.31
Write-off of unbilled rent and other	0.09	0.06	0.25	0.06		
Other impairment (recovery) charges	—	(0.03)	0.06	(0.03)		

Write-off of billed and unbilled rent and other					—	0.01
Other impairment charges, net					1.16	0.06
Litigation and other	0.01	—	0.02	—	0.01	0.01
Share-based compensation adjustments	—	—	(0.01)	—		
Non-cash fair value adjustments	(0.08)	(0.01)	(0.07)	(0.02)	0.37	(0.01)
Tax rate changes and other	—	0.01	(0.27)	0.01	—	(0.01)
Debt refinancing and unutilized financing (benefit) costs	—	—	—	0.02		
Normalized funds from operations	$ 0.38	$ 0.45	$ 1.22	$ 1.38	$ 0.24	$ 0.37

LIQUIDITY AND CAPITAL RESOURCES

2024 Cash Flow Activity

During the first three months of 2024, we generated approximately $74.3 million of cash flows from operating activities, primarily consisting of rent and interest from mortgage and other loans. In addition, we received approximately $133 million during the quarter from sales of our interest in the syndicated Priory term loan, the remaining minority equity interest in Lifepoint Behavioral, and certain real estate properties. We used our operating cash flows, asset sale proceeds, and cash on-hand and borrowings under our revolving credit facility to fund our dividends (declared in November 2023) of $92.8 million, approximately $135 million of advances to Steward, on a secured basis, in order to protect our investments in Steward (see Note 3 to the condensed consolidated financial statements for further discussion), and other investing activities.

Subsequent to March 31, 2024, the following transactions occurred:

- we completed the sale of five properties to Prime for cash proceeds of $250 million along with a $100 million interest-bearing mortgage loan due in 2024;
- we completed the Utah Transaction (as discussed in Note 10 to the condensed consolidated financial statements) that generated cash proceeds of approximately $1.1 billion. With the proceeds from these asset sales, we paid off and terminated our $306 million Australian term loan facility that was due in May 2024 and reduced the outstanding balance on the revolving credit facility by $500 million;
- our Board of Directors declared a quarterly cash dividend of $0.15 per common share on April 12, 2024, that was paid on May 1, 2024, totaling approximately $90 million;

- on April 12, 2024, we amended the Credit Facility and certain other agreements to (i) reduce revolving commitments from $1.8 bil to $1.4 billion, (ii) apply certain proceeds from the Utah Transaction and other asset sales and debt transactions to repay the Australian term loan facility and certain other outstanding obligations, including revolving loans under the Credit Facility to the ext necessary to reduce the outstanding borrowings to no more than the amended $1.4 billion commitment, (iii) lower the maximum permitted secured leverage ratio from 40% to 25%, and (iv) waive the 10% cap on unencumbered asset value attributable to tena subject to a bankruptcy event for purposes of determining compliance with the unsecured leverage ratio for the trailing four fiscal quarter period ended June 30, 2024, and for purposes of determining pro forma compliance with the unsecured leverage ratio for certain asset sale and debt transactions.

  The relief afforded under the April 12, 2024 amendment to the Credit Facility is limited to the relief specified in the amendment, including waiving the 10% cap on unencumbered asset value attributable to tenants subject to a bankruptcy event for purposes of determining compliance with the unsecured leverage ratio for the trailing four fiscal quarter period ended June 30, 2024 and for purposes of determining pro forma compliance with the unsecured leverage ratio for certain asset sale and debt transactions specified in the amendment. The amendment does not provide relief beyond its specific provisions and other adverse consequences of the Steward bankruptcy filing may occur;

- in May 2024, both S&P Global Ratings and Moody's downgraded our corporate ratings. These ratings declining could have a neg impact on us in the form of higher interest rates on any new or amended debt instruments we may enter into in the future;

- primarily as a result of this Quarterly Report on Form 10-Q not being filed timely, we are currently ineligible to file a new short-forn registration statement on Form S-3 or access our existing registration statement on Form S-3 for sales of securities, including unc our at-the-market ("ATM") program, until June 1, 2025, which may impair our ability to raise capital in the public markets. While w able to use other registration avenues for public offerings, such avenues are less expeditious and efficient than a shelf registratior statement on Form S-3. See "Risk Factors" for additional information; and

- on May 24, 2024, we closed on a secured loan facility with a consortium of institutional investors that provides for a term loan in aggregate principal amount of approximately £631 million (approximately $800 million) secured by a portfolio of 27 properties loca in the U.K. currently leased to affiliates of Circle. The facility carries a fixed rate of 6.877% over its 10-year term, excluding fees ar expenses, and is interest-only (payable quarterly in advance) through the maturity date. The facility is secured by first priority mortgages or similar security instruments on the relevant properties, including assignments of rents and security over accounts, a is non-recourse to us. We intend to use the majority of the net proceeds of the facility to pay down portions of our revolving credit facility and British pound sterling term loan due 2025, and to pay off our British pound sterling secured term loan due 2024 (approximately £105 million).

2023 Cash Flow Activity

During the first nine three months of 2023, we generated approximately $370.4 million $135.6 million of cash flows from operating activities, primarily consisting of rent and interest from mortgage and other loans. We used these operating cash flows (along with cash on-hand and borrowings on our revolving credit facility) on-hand) to fund our dividends of $524.2 million $176.6 million.

In regard to other investing and financing activities in the first nine months of 2023, we did the following:

a) sold seven Australian properties as part of the Australia Transaction resulting in proceeds of A$730 million and used such procee pay down our Australian term loan;

b) sold three properties to Prime resulting in proceeds of $100 million;

c) received approximately $500 million of loan principal proceeds, including approximately $200 million from the Lifepoint Transactic $100 million from Steward after the completion of their sale of Utah properties to CHIC, CHF 60 million from the payoff of a loan b Infracore, and approximately $100 million from the sale of our temporary interest in Steward's asset-backed credit facility;

d) funded approximately $250 million of new investments, including $95 million to Prospect as part of its recapitalization plan that wa implemented on May 23, 2023;

e) funded approximately $195 million to Steward, including its temporary participation in its syndicated four-year asset-backed credit facility and loans for general working capital purposes; and

f) purchased approximately £40 million of our 2.550% Senior Unsecured Notes due 2023.

Subsequent to quarter-end, we purchased an additional £10 million of our 2.550% Senior Unsecured Notes due 2023. In addition, we paid out a dividend equal to $0.15 per share. Compared to the dividends paid in the first three quarters of 2023, this dividend per share reduction represents an annualized cash savings of approximately $330 million.

2022 Cash Flow Activity

During the first nine months of 2022, we generated approximately $560 million of cash flows from operating activities, primarily consisting of rent and interest from mortgage and other loans, of which we used $525 million to fund our dividends. During the first nine months of 2022, we received approximately $2.2 billion of proceeds from disposals (including the Macquarie Transaction as described in Note 3 to the condensed consolidated financial statements) and approximately $360 million from the property sales to Prime. We used these proceeds to pay off our interim credit facility, partially pay down the outstanding balance on our Credit Facility, fund $1.0 billion of new acquisitions, and make other investments. We exercised the $500 million accordion feature to our revolving credit facility during the first nine months of 2022 and extended the term on both the revolver and term loan portions of our Credit Facility - see Note 4 to the condensed consolidated financial statements for additional details.

Short-term Liquidity Requirements:

Our short-term liquidity requirements typically consist of general and administrative expenses, dividends in order to comply with REIT requirements, interest payments on our debt, and planned funding commitments on development and capital improvement projects, for which we receive a return in the form of additional rent once completed. next twelve months. Our monthly rent and interest receipts and distributions from our joint venture arrangements are typically enough to cover our short-term liquidity requirements.

However, with increasing interest rates, loss of a substantial portion of cash rent and interest from Prospect, a bond maturing Steward, possible debtor in December 2023 possession financing ("DIP") of approximately $434 million up to $75 million related to the Steward bankruptcy (of which we have funded $60 million to-date), and a term loan maturing in May 2024 $1.4 billion of approximately $300 million debt coming due within the next twelve months (post subsequent event activity discussed earlier), we have looked to other initiatives to improve cash flows including:

- in the sale first five months of the four remaining Australian properties on October 10, 2023, that generated proceeds 2024, we ha raised $2.4 billion of approximately $305 million, liquidity (as previously discussed above under "2024 Cash Flow Activity") comfortably exceeding our initial full year liquidity target of $2.0 billion;
- completing the binding sale of three Connecticut facilities to Yale New Haven that is expected to generate for $355 million, which been approved by the state of Connecticut's Office of Health Strategy;
- reducing our dividend to $0.15 per share, which will provide for annual cash savings extending the maturity of approximately $330 million existing term loans (including the British pound sterling loan due 2025); and
- implementing a REIT tax structure in managing the United Kingdom that we expect will result in quarterly tax savings. form (cash stock) and amount of our dividend requirements.

With We believe these initiatives, along with liquidity of approximately $0.9 billion $1.4 billion (including cash on-hand and availability under our $1.4 billion revolving credit facility) at November 3, 2023 May 24, 2024 (and including subsequent event activity discussed in Note 3 to the condensed consolidated financial statements), and routine cash receipts of rent and interest, we believe we and the $100 million due from Prime in 2024, can fund our short-term liquidity requirements. requirements, including up to $75 million of DIP financing to Steward.

In addition to the cash flow improvement initiatives discussed above, we could see further cash flow upside from the monetization of our investment in PHP Holdings and any proceeds received from Steward's plan to divest of its managed care business and to transition operations to new healthcare operators (whether it be from a concurrent sale of our real estate or in the form of rent paid by the new lessee).

Long-term Liquidity Requirements:

Our long-term liquidity requirements generally consist of the same requirements described above under “Short-term Liquidity Requirements” along with the acquisition of real estate and the funding of debt maturities. maturities coming due after the next twelve months. At this time, we do not expect any material acquisitions of real estate in the foreseeable future; however, see below for our debt that is coming due over the next five years. future.

As described previously, our monthly rent and interest receipts and distributions from our joint venture arrangements along with our current liquidity of approximately $0.9 billion $1.4 billion at November 3, 2023 May 24, 2024, are typically enough to cover our short-term liquidity requirements. However, to address upcoming debt maturities or to make any new strategic investments, (as outlined below), we may need to look to other sources, which may include one or a combination of the following:

- reducing our dividend (or moving to a stock dividend), while still complying with our REIT requirements, which we reduced to $0.1 per share, generating annual cash savings of approximately $330 million; requirements;
- strategic further property sales or joint ventures, including the sale completion of our four remaining Australian properties on Octol 10, 2023 that generated proceeds of approximately $305 million and the binding commitment to sell sale of three Connecticut faci to Yale that is expected to generate $355 million, ;
- monetizing our investment in operators, including our investment in PHP Holdings, Holdings;
- entering into new secured loans on real estate, estate;

- extending the maturity of existing term loans, loans;
- identifying and implementing cost reduction opportunities, opportunities;
- entering into new bank term loans or issuing new USD, EUR, or GBP denominated debt securities, securities; and
- sale of equity securities.

However, there is no assurance that conditions will be favorable for such possible transactions or that our plans will be successful. As described in the "Risk Factors" section of this Form 10-Q, as a result of this Quarterly Report on Form 10-Q not being filed timely, we are currently ineligible to file a new shelf registration statement on Form S-3 or access our existing registration statement on Form S-3 for sales of securities, including under our ATM program, until June 1, 2025, which may impair our ability to raise capital in the public markets. While we are able to use other registration avenues for public offerings, such avenues are less expeditious and efficient than a shelf registration statement on Form S-3. See "Risk Factors" for additional information.

Principal payments due on our debt (which exclude the effects of any discounts, premiums, or debt issue costs recorded) as of November 3, 2023 May 24, 2024 are as follows (in thousands):

2023	$ 433,539	
2024	435,915	$ 133,547
2025	1,403,150	1,300,202
2026	2,816,026	2,374,864
2027	1,600,000	1,600,000
2028		764,220
Thereafter	3,376,100	3,449,983
Total	$ 10,064,730	$ 9,622,816

Contractual Commitments

We presented our contractual commitments in our 2022 2023 Annual Report on Form 10-K and provided an update in our Quarterly Report on Form 10-Q for the period ended June 30, 2023. 10-K. Except for the change payoff and termination of our Australian term loan facility on April 18, 2024, and the changes noted below, there have been no significant changes through November 3, 2023 May 24, 2024. Excluded from this table is $10 million of unused loan to Prospect as part of the Prospect Transaction discussed in Note 3 to the condensed consolidated financial statements.

The following table updates our contractual commitments schedule as of November 3, 2023 May 24, 2024 (in thousands):

Contractual Commitments	2023(1)	2024	2025	2026	2027	Thereafter	Total	2024(1)	2025	2026	2027	2028	Thereafter	Total
British pound secured loan facility								$ 27,879	$ 55,304	$ 55,304	$ 55,304	$ 55,456	$ 1,108,284	$ 1,357,531
British pound sterling term loans								148,268	758,583	—	—	—	—	906,851

Revolving credit facility	$ 4 12,755	$ 2 80,55	$ 2 80,55	$ 7 1,200,52	$—	$—	$ 5 1,374,38	28,438	47,178	719,122	—	—	—	794,738

(1) This column represents obligations post November 3, 2023 May 24, 2024.

Distribution Policy

The table below is a summary of our distributions declared during the two year period ended September 30, 2023 March 31, 2024:

Declaration Date	Record Date	Date of Distribution	Distribution per Share	Record Date	Date of Distribution	Distribution per Share
November 9, 2023				December 7, 2023	January 11, 2024	$ 0.15
August 21, 2023	September 14, 2023	October 12, 2023	$ 0.15	September 14, 2023	October 12, 2023	$ 0.15
April 27, 2023	June 15, 2023	July 13, 2023	$ 0.29	June 15, 2023	July 13, 2023	$ 0.29
February 16, 2023	March 16, 2023	April 13, 2023	$ 0.29	March 16, 2023	April 13, 2023	$ 0.29
November 10, 2022	December 8, 2022	January 12, 2023	$ 0.29	December 8, 2022	January 12, 2023	$ 0.29
August 18, 2022	September 15, 2022	October 13, 2022	$ 0.29	September 15, 2022	October 13, 2022	$ 0.29
May 26, 2022	June 16, 2022	July 14, 2022	$ 0.29	June 16, 2022	July 14, 2022	$ 0.29
February 17, 2022	March 17, 2022	April 14, 2022	$ 0.29			
November 11, 2021	December 9, 2021	January 13, 2022	$ 0.28			

On April 12, 2024, we announced that our Board of Directors declared a regular quarterly cash dividend of $0.15 per share of common stock that was paid on May 1, 2024, to stockholders of record on April 22, 2024.

It is our policy to make sufficient cash distributions to stockholders in order for us to maintain our status as a REIT under the Internal Revenue Code of 1986, as amended, and to efficiently manage corporate income and excise taxes on undistributed income. However, our Credit Facility limits the amount of dividends we can pay- make- see Note 4 to the condensed consolidated financial statements for further information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk includes risks that arise from changes in interest rates, foreign currency exchange rates, commodity prices, equity prices, and other market changes that affect market sensitive instruments. We seek to mitigate the effects of fluctuations in interest

rates by matching the terms of new investments with new long-term fixed rate borrowings to the extent possible. We may or may not elect to use financial derivative instruments to hedge interest rate or foreign currency exposure. For interest rate hedging, these decisions are principally based on our policy to match investments with comparable borrowings, but are also based on the general trend in interest rates at the applicable dates and our perception of the future volatility of interest rates. For foreign currency hedging, these decisions are principally based on how our investments are financed, the long-term nature of our investments, the need to repatriate earnings back to the U.S., and the general trend in foreign currency exchange rates.

In addition, the value of our facilities will be subject to fluctuations based on changes in local and regional economic conditions and changes in the ability of our tenants to generate profits.

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

Interest Rate Sensitivity

For fixed rate debt, interest rate changes affect the fair market value but do not impact net income to common stockholders or cash flows. Conversely, for floating rate debt, interest rate changes generally do not affect the fair market value but do impact net income to common stockholders and cash flows, assuming other factors are held constant. At September 30, 2023 March 31, 2024, our outstanding debt totaled $10.2 billion $10.1 billion, which consisted of fixed-rate debt of approximately $8.6 billion $8.3 billion (after considering interest rate swaps in-place) and variable rate debt of $1.6 billion $1.8 billion. If market interest rates increase by 10%, the fair value of our debt at

September 30, 2023 March 31, 2024 would decrease by approximately $231.8 million $200.3 million. Changes in the fair value of our fixed rate debt will not have any impact on us unless we decided to repurchase the debt in the open market.

If market rates of interest on our variable rate debt increase by 10%, the increase in annual interest expense on our variable rate debt would decrease future earnings and cash flows by $10.3 million $12.0 million per year. If market rates of interest on our variable rate debt decrease by 10%, the decrease in interest expense on our variable rate debt would increase future earnings and cash flows by $10.3 million $12.0 million per year. This assumes that the average amount outstanding under our variable rate debt for a year is $1.6 billion $1.8 billion, the balance of such variable rate debt at September 30, 2023 March 31, 2024.

Foreign Currency Sensitivity

With our investments in the United Kingdom, U.K., Germany, Spain, Italy, Portugal, Switzerland, Finland, Australia, and Colombia, we are subject to fluctuations in the British pound, euro, Swiss franc, Australian dollar, and Colombian peso to U.S. dollar currency exchange rates. Although we generally deem investments in these countries to be of a long-term nature, (other than Australia as previously discussed in Note 3 to the condensed consolidated financial statements), are typically able to match any non-U.S. dollar borrowings with investments in such currencies, and historically have not needed to repatriate a material amount of earnings back to the U.S., increases or decreases in the value of the respective non-U.S. dollar currencies to U.S. dollar exchange rates may impact our financial condition and/or our results of operations. Based solely on our 2023 2024 operating results to-date and on an annualized basis, a 10% change to the following exchange rates would have impacted our net income, FFO, and Normalized FFO by the amounts below (in thousands):

	Net Income Impact(1)	FFO Impact(1)	NFFO Impact
British pound (£)	$ 10,482	$ 19,935	$ 19,832
Euro (€)	1,975	6,471	6,475
Swiss franc (CHF)	5,427	7,804	3,870
Colombian peso (COP)	1,453	1,523	1,523

(1) Excludes the approximate $158 million one-time tax benefit in the second quarter of 2023 as a result of entering the United Kingdom REIT regime on July 1, 2023 (as discussed in further detail in Note 5 to the condensed consolidated financial statements).

We have excluded the foreign currency sensitivity around Australian dollars in the table above due to the Australia Transaction as described in Note 3 to the condensed consolidated financial statements.

	Net Income Impact	FFO Impact	NFFO Impact
British pound (£)	$ 9,426	$ 19,046	$ 22,163
Euro (€)	1,513	6,129	6,502
Swiss franc (CHF)	2,555	35	2,869
Colombian peso (COP)	69	147	1,856

Item 4. Controls and Procedures.

Medical Properties Trust, Inc. and MPT Operating Partnership, L.P.

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

As required by Rule 13a-15(b), under the Securities Exchange Act of 1934, as amended, we have carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of

the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the quarter covered by this report. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective in providing reasonable assurance that information required to be disclosed by us in the reports that we file under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms.

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

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

From time-to-time, we may become involved in legal proceedings arising in the ordinary course of our business. Except as set forth below, we We are not currently a party to any material legal proceedings, various lawsuits as further described in Note 9 "Commitments and we are not aware of any pending or threatened legal proceeding against us that we believe could have an adverse effect on our business, operating results, or financial condition.

Securities Litigation

On April 12, 2023, we and certain of our executives were named as defendants in a putative federal securities class action lawsuit filed by a purported stockholder in the United States District Court for the Southern District of New York, Case No. 1:23-cv-03070. The complaint sought class certification on behalf of purchasers of our common stock between March 1, 2022 and February 22, 2023 and alleged false and/or misleading statements and/or omissions resulted in artificially inflated prices for our common stock. The complaint sought unspecified damages including interest and an award of reasonable costs and expenses. On May 9, 2023, the plaintiff voluntarily dismissed this lawsuit.

On April 13, 2023, we and certain of our executives were named as defendants in a second putative federal securities class action lawsuit, also alleging false and/or misleading statements and/or omissions resulted in artificially inflated prices for our common stock, filed by a purported stockholder in the United States District Court for the Northern District of Alabama, Case No. 2:23-cv-00486. The complaint seeks class certification on behalf of purchasers of our common stock between July 15, 2019 and February 22, 2023 and unspecified damages including interest and an award of reasonable costs and expenses. This class action complaint was amended on September 22, 2023 and alleges that we made material misstatements or omissions relating Contingencies" to the condensed consolidated financial health of certain of our tenants.

On September 29, 2023, we and certain of our executives were named as defendants in a putative federal securities class action lawsuit filed by a purported stockholder in the United States District Court for the Southern District of New York, Case No. 1:23-cv-08597. The complaint seeks class certification on behalf of purchasers of our common stock between May 23, 2023 and August 17, 2023 and alleges false and/or misleading statements and/or omissions.

On October 19, 2023, members of our Board of Directors were named as defendants in a shareholder derivative action filed by a purported stockholder in the United States District Court for the Northern District of Alabama, Case No. 2:23-cv-01415. The Company was named as a nominal defendant. The complaint makes allegations similar to those made in the securities action pending in the Northern District of Alabama described above relating to purported material misstatements or omissions relating to the financial health of certain of our tenants.

We believe these claims are without merit and intend to defend the remaining open cases vigorously. statements. We have not recorded a liability related to these lawsuits because, at this time, we are unable to determine whether an unfavorable outcome is probable or to estimate reasonably possible losses.

Defamation Litigation

On March 30, 2023, In addition to the foregoing, we commenced an action are currently and have in the United States District Court for past been subject to various legal proceedings and regulatory actions in connection with our business. We believe that the Northern District resolution of Alabama, Case No. 2:23-cv-00408, against short-seller Viceroy Research LLC ("Viceroy") any current pending legal or regulatory matters will not have a material adverse effect on our business, financial condition, results of operations, or cash flows. Nonetheless, we cannot predict the outcome of these proceedings, as legal and its members. We regulatory matters are seeking injunctive relief subject to inherent uncertainties, and damages for defamation, civil conspiracy, tortious interference, private nuisance, there exists the possibility that the ultimate resolution of such matters could have a material adverse effect on our financial condition, cash flows, results of operations, and unjust enrichment based on defamatory statements expressed against us. On June 29, 2023, we won a preliminary ruling in this lawsuit after Viceroy's motion to dismiss the case was denied by a judge in the United States District Court for the Northern District trading price of Alabama.

The information contained in Note 9 "Commitments and Contingencies" to the condensed consolidated financial statements is incorporated by reference into this Item 1. our common stock.

Item 1A. Risk Factors.

There Other than as noted below, there have been no material changes to the Risk Factors as presented in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Steward's deteriorating financial condition has material adversely affected our operating results and financial condition, and Steward's recent Chapter 11 filing adds further risks and uncertainties that could materially adversely affect us.

On May 6, 2024, Steward filed a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of Texas. At March 31, 2024, affiliates of Steward lease 28 of our facilities under a master lease totaling approximately $2.4 billion, along with eight properties pursuant to a separate master lease agreement with one of our unconsolidated joint ventures in which our investment is approximately $406 million. In addition to the master leases, we hold a working capital and other secured loans totaling approximately $346 million, which the working capital loan consists of multiple tranches with varying terms. We also have a $362 million loan due from affiliates of Steward that was made in 2021, and we hold a 9.9% equity investment in Steward. At March 31, 2024, our aggregate investments in Steward and its affiliates represented approximately 18.5% of our total assets. In addition, our approximately $220 million loan to an international joint venture is collateralized by the equity of Steward held by an investor in both Steward and the international joint venture. Subject to approval by the bankruptcy court (including with regards to financing terms), we separately anticipate entering into agreements to provide debtor-in-possession financing to Steward of up to $75 million.

As disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023, we moved to the cash basis of accounting for all leases and loans with Steward effective December 31, 2023. This resulted in the reserving of all unpaid rent and interest receivables at December 31, 2023 and the reversal of previously recognized straight-line rent receivables. In addition, we recorded impairment charges on certain real estate assets and on our 9.9% equity interest in Steward. In total, the Company recorded approximately $700 million of impairment and other charges as of December 31, 2023. Due to Steward's ongoing operational and liquidity challenges and new bankruptcy filing, we recorded approximately $470 million of additional impairment charges in the quarter ending March 31, 2024 that fully reserves for the remaining value of our 9.9% equity investment in Steward and the $362 million loan due from affiliates of Steward along with the accrual for property taxes and obligations not paid per Steward under its master leases. In addition, we recorded a $220 million unfavorable fair value adjustment in the quarter ending March 31, 2024 to fully reserve for our loan to the international joint venture. We cannot assure you that we will not have any additional impairments in future periods.

Steward's bankruptcy filing constitutes a default under the terms of our master leases and loan agreements with Steward, and imposes a stay on our ability to exercise contractual rights with respect to these defaults. The bankruptcy filing bars us from collecting pre-bankruptcy debts from Steward, unless we receive an order permitting us to do so from the bankruptcy court. While we expect to engage in negotiations with Steward and other stakeholders and to pursue all legal remedies to maximize our recovery with respect to our Steward investments, the outcome of any such negotiations and remedies is uncertain at this time and will be subject in all cases to the approval of the bankruptcy court. In addition, there is a risk that third parties may seek to bring claims against us in Steward's bankruptcy proceeding.

If our Steward master leases are rejected by the bankruptcy trustee, in whole or in part, we would have only a general unsecured claim for damages. Any unsecured claim (including our equity interest in Steward) may be paid only to the extent that funds are available and only in the same percentage as is paid to all other holders of unsecured claims. We may recover none or substantially less than the full value of any unsecured claims, which would materially harm our financial condition. Moreover, any secured claims we have against Steward may only be paid to the extent of the value of the collateral, which may not cover any or all of our losses.

Steward's filing and other defaults under its master leases may give us the right to terminate the leases and seek one or more replacement operators for these facilities. However, the process for transferring the operations of healthcare facilities is highly regulated, which may result in delays and increased costs in locating a suitable replacement tenant. There can be no assurance that we would be able to find another tenant in a timely fashion, or at all, or that, if another tenant were found, we would be able to enter into a new lease on favorable terms. If we are unable to re-let the Steward properties, we may be forced to sell the properties at a loss.

In addition, the terms of our unsecured credit facility and the indentures governing our outstanding unsecured senior notes are subject to customary financial, operational, and reporting covenants, including covenants relating to our total leverage ratio, fixed charge coverage ratio, secured leverage ratio, consolidated adjusted net worth, unsecured leverage ratio, and unsecured interest coverage ratio. The terms of our unsecured credit facility also require us to maintain a minimum amount of total unencumbered assets and a 10% cap on unencumbered asset value attributable to tenants subject to a bankruptcy event, such as Steward. In April 2024, the lenders under our unsecured credit facility agreed, among other things, to waive the 10% cap on unencumbered asset value attributable to tenants subject to a bankruptcy event for purposes of determining compliance with the unsecured leverage ratio for the trailing four fiscal quarter periods ended June 30, 2024, and for purposes of determining pro forma compliance with the unsecured leverage ratio for certain asset sale and debt transactions. The amendment does not provide relief beyond its specific provisions and other adverse consequences of the Steward bankruptcy filing may occur. Such waiver and modified covenant are temporary, and we will be required to meet the standard covenant threshold when the waiver period expires on September 30, 2024, unless extended. Our continued ability to incur debt and operate our business is subject to compliance with the covenants in our debt instruments, breaches of which could result in defaults and cross-defaults that could have a material adverse effect on our financial condition and results of operations.

Steward is early in its bankruptcy proceedings and the ultimate outcome of such proceedings is uncertain. At this time we are unable to predict the timing of any of the foregoing matters or the timing for a resolution of the Steward bankruptcy proceeding.

As a result of this Quarterly Report on Form 10-Q not being filed timely, we are currently ineligible to file a new short-form registration statement on Form S-3 or access our existing registration statement on Form S-3 for sales of securities, including under our ATM program, which may impair our ability to raise capital on terms favorable to us, in a timely manner or at all.

Form S-3 permits eligible issuers to conduct registered offerings using a short-form registration statement that is automatically effective and allows the incorporation by reference of past and future filings and reports made under the Exchange Act. In addition, Form S-3 enables eligible issuers to conduct primary offerings “off the shelf” by registering an indeterminate amount of specified securities which, combined with automatic effectiveness and the ability to forward incorporate information, allows issuers to access the capital markets in a more expeditious and efficient manner than raising capital in a standard registered offering pursuant to Form S-11.

As a result of this Quarterly Report on Form 10-Q not being filed timely, we are currently ineligible to file a new short-form registration statement on Form S-3 or access our existing registration statement on Form S-3 for sales of securities, including under our ATM program, until June 1, 2025, which may impair our ability to raise necessary capital to repay our debt obligations as they become due, pursue acquisition and development opportunities, and execute our business strategy. If we seek to access the capital markets through a registered offering during the period of time that we are unable to use a registration statement on Form S-3, we may experience delays in the offering process due to SEC review of a registration statement on Form S-11, experience downward pressure on our share price given that we will have to disclose the offering prior to formal commencement, and incur increased offering and transaction costs. If we are unable to raise capital through a registered offering, we would be required to conduct financing transactions on a private placement basis, subject to pricing, size and other limitations for equity raises under the NYSE rules, or seek other sources of capital, which are not guaranteed. The foregoing limitations on our financing approaches could have a material adverse effect on our results of operations, liquidity and financial position.

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

(a) None.

(b) Not applicable.

(c) Stock repurchase: repurchases:

46 The table below summarizes repurchases of our common stock made during the quarter ended March 31, 2024:

Period	Total number of shares purchased(1) (in thousands)	Average price per share	Total number of shares purchased as part of publicly announced programs(2)	Approximate dollar value of shares that may yet be purchased under the plans or programs (in thousands)	Total number of shares purchased(1) (in thousands)	Average price per share	Total number of shares purchased as part of publicly announced programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in thousands)
July 1-July 31, 2023	56	$ 9.29	—	$ 482,085				
January 1-January 31, 2024					57	$ 4.96	—	$ —

(1) The number of shares purchased consists of shares of common stock tendered by employees to satisfy the employees' tax withholding obligations arising as a result of vesting of restricted stock awards under the Equity Incentive Plan, which shares were purchased based on their fair market value on the vesting date.

(2) On October 9, 2022, the board of directors of the Company authorized a stock repurchase plan for up to $500 million of common

stock, par value $0.001 per share. No shares were repurchased under this plan during the 2023 third quarter. The repurchase authorization expired on October 10, 2023.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

(a) None.

(b) None.

(c) Director and Officer Trading Arrangements

During the three months ended September 30, 2023 March 31, 2024, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Securities and Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

Exhibit Number	Description
10.1*	Amendment to Second Amended and Restated Master Lease Agreement between certain subsidiaries of MPT Operating Partnership, L.P. as Lessor and certain subsidiaries of Steward Health Care System LLC, Lessee
10.2*	Second Amendment to Second Amended and Restated Master Lease Agreement between certain subsidiaries of MPT Operating Partnership, L.P. as Lessor and certain subsidiaries of Steward Health Care System LLC, Lessee
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (Medical Properties Trust, Inc.)
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (Medical Properties Trust, Inc.)
31.3*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (MPT Operating Partnership, L.P.)

31.4*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934. (MPT Operating Partnership, L.P.)
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Medical Properties Trust, Inc.)
32.2**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (MPT Operating Partnership, L.P.)
Exhibit 101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
Exhibit 101.SCH*	Inline XBRL Taxonomy Extension Schema Document With Embedded Linkbase Documents
Exhibit 101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
Exhibit 104*	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*)

* Filed herewith.

** Furnished herewith.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

MEDICAL PROPERTIES TRUST, INC.

By: /s/ J. Kevin Hanna

J. Kevin Hanna
Senior Vice President, Controller, Assistant Treasurer,
and Chief Accounting Officer
(Principal Accounting Officer)

MPT OPERATING PARTNERSHIP, L.P.

By: /s/ J. Kevin Hanna

J. Kevin Hanna
Senior Vice President, Controller, Assistant Treasurer,
and Chief Accounting Officer
of the sole member of the general partner
of MPT Operating Partnership, L.P.
(Principal Accounting Officer)

Date: November 9, 2023 May 29, 2024

Exhibit 10.1

AMENDMENT TO SECOND AMENDED AND RESTATED MASTER LEASE AGREEMENT

(Stewardship Note)

THIS AMENDMENT TO SECOND AMENDED AND RESTATED MASTER LEASE AGREEMENT (this "Amendment"), dated January 2, 2024, is by and among certain Affiliates of MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership ("MPT"), as further described on the signature pages hereto (collectively, jointly and severally, "Lessor"), and certain Affiliates of STEWARD HEALTH CARE SYSTEM LLC, a Delaware limited liability company ("Steward Health"), as further described on the signature pages hereto (collectively, jointly and severally, "Lessee").

WITNESSETH:

WHEREAS, Lessor and Lessee are parties to that certain Second Amended and Restated Master Lease Agreement (Master Lease I), dated as of March 14, 2022 (as the same has been or hereafter may be modified, amended, or restated from time to time, the "Master Lease"), pursuant to which Lessor leases to Lessee certain real property and improvements (including improvements consisting of multiple healthcare facilities), as more particularly described in the Master Lease;

WHEREAS, Lessor, Lessee, and certain of their respective Affiliates are parties to that certain Forbearance Agreement, dated the date hereof (as the same may be modified, amended, or restated from time to time, the "Forbearance Agreement"), pursuant to which, among other things, the Lessees and certain of their Affiliates acknowledged the existence of certain specified defaults under the Obligation Documents and agreed to certain specified actions to affect a plan of restructuring, in exchange for which the Lessors and certain of their Affiliates agreed to forbear from exercising their rights and remedies under the Obligation Documents and advance a loan to certain Affiliates of the Lessees, subject in each case to the terms and conditions therein;

WHEREAS, certain Affiliates of the Lessees executed that certain Promissory Note, dated the date hereof (as the same may be modified, amended, or restated from time to time, the "Stewardship Note"), which secures a loan advanced by MPT TRS Lender-Steward, LLC, a Delaware limited liability company, to such Affiliates of the Lessees, with the first advance of $25,000,000.00 made on the date hereof and a second advance of up to $35,000,000.00 to be made on January 4, 2024, if and only if certain performance thresholds described in the Stewardship Note are satisfied, in each case on the terms and conditions set forth in the Stewardship Note;

WHEREAS, in connection with the Stewardship Note, Steward Health and certain other Affiliates of the Lessees executed that certain Guaranty, dated the date hereof (as the same may be modified, amended, or restated from time to time, the "Stewardship Guaranty"), pursuant to which such Affiliates of the Lessees guaranteed, among other obligations, (i) the obligations of the borrowers under the Stewardship Note and (ii) a limited portion of the obligations under the Obligation Documents (other than the Stewardship Note) as set forth in the Stewardship Guaranty; and

WHEREAS, as contemplated by the Forbearance Agreement, Lessor and Lessee desire to amend the Master Lease as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements herein contained, the covenants, agreements, and obligations of Steward Health and its Affiliates in the Forbearance Agreement, the Stewardship Note, and the Stewardship Guaranty, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby covenant and agree as follows:

1. **CAPITALIZED TERMS**. Capitalized terms used and not otherwise defined in this Amendment shall have the meanings ascribed thereto in the Master Lease.

2. **STATEMENT OF INTENT**. Subject to Articles V, XIV, XV, XXX, and Section 16.1 of the Master Lease, the Master Lease constitutes one unitary, indivisible, non-severable true operating lease of all the Leased Property as provided in the preamble to the Master Lease. Notwithstanding anything to the contrary contained herein, Lessor and Lessee agree that the provisions of this Amendment and the Master Lease shall at all times continue to be construed, interpreted, and applied such that the intention of Lessor and Lessee to create a unitary, indivisible, non-severable true operating lease shall be preserved and maintained.

3. **MATERIAL INDUCEMENT**. The covenants, agreements, and obligations of Steward Health and its Affiliates under the Forbearance Agreement, the Stewardship Note, and the Stewardship Guaranty are a material inducement for the Beneficiary entering into this Amendment.

4. **AMENDMENTS**. Notwithstanding any provisions of the Master Lease to the contrary, effective immediately, the parties hereby amend the Master Lease as follows:

(a) Addition of Defined Terms. Article I of the Master Lease is amended to add and include the following defined terms and correlative definitions:

"Forbearance Agreement" means that certain Forbearance Agreement, dated as of January 2, 2024, among the Lessors, the Lessees, and certain of their respective Affiliates, as the same may be amended, modified, or restated from time to time.

"Stewardship Borrowers" means Steward Health Care Network, Inc., Steward Emergency Physicians, Inc., Steward Physician Contracting, Inc., and Steward Medicaid Care Network, Inc.

"Stewardship Note" means that certain Promissory Note, dated as of January 2, 2024, made by the Stewardship Borrowers in favor of MPT TRS Lender-Steward, LLC, a Delaware limited liability company, in the original principal amount of up to $60,000,000, as the same may be amended, modified, or restated from time to time.

"Stewardship Guaranty" means that certain Guaranty, dated as of January 2, 2024, executed and delivered by Steward Health and the Stewardship Borrowers in favor of MPT TRS Lender-Steward, LLC, the Lessors, and certain of their Affiliates, as the same may be modified, amended, or restated from time to time.

(b)Restated Defined Terms. Article I of the Master Lease is amended to restate the following defined terms and correlative definitions:

Major Event of Default: The occurrence of (i) an Event of Default under clause (a), (j), or (k) of Section 16.1; (ii) an Event of Default by the Guarantor under clause (c) or (g) of Section 16.1; (iii) a "Major Event of Default" under and as defined in the Mortgage Loan Agreement or Master Lease II; or (iv) a monetary or material non-monetary "Event of Default" under and as defined in the Stewardship Note.

Obligation Documents: Individually and collectively, this Lease, Master Lease II, the Real Estate Contract, the LLC Agreement (solely with respect to the MPT Required Provisions), the Mortgage Loan Documents, the CHS Master Agreement, the IASIS Real Estate Contract, the IASIS Master Agreement, the IASIS Realty Agreement, the Tenet Master Agreement, the St. Joseph Purchase Agreement, the Pikes Peak Master Agreement, the Mortgage Conversion Purchase Agreement, the Adeptus Texas Master Agreement, the Project Development Agreements, the Term Loan

Promissory Note, the Arizona Master Agreement, the Big Spring Master Agreement, the Mesa Master Agreement, the Coral Terrace Master Agreement, the Utah Severance Master Agreement, the Guaranties, the Pledge Agreement, the Security Agreement, the Stand Alone Security Agreements, the Lease Assignments, the Environmental Indemnification Agreements, the Non-Competition Agreements, the Loan Guaranty, the Contribution Agreement, the MPT-Steward JV LLC Agreement, the Stapley Disposition Master Agreement, the Mid Jefferson Master Agreement, the Forbearance Agreement, the Stewardship Note, the Stewardship Guaranty, and any other "Obligation Document" under and as defined in Master Lease II, and all other leases, promissory notes, and agreements entered into between Lessor or any Affiliate of Lessor, on the one hand, and any Facility Lessee, Guarantor or any of their respective Affiliates, on the other hand, relating to the transactions contemplated under this Lease, Master Lease II, the Mortgage Loan Documents, the Term Loan Promissory Note, and the Contribution Agreement, as any of the same has been or hereafter may be amended, modified, or restated from time to time; *providedhowever*, that the Equity Purchase Agreement shall be excluded from the Obligation Documents for purposes of this Lease.

(c)Limited Modification of Lessee Obligations. Article III of the Master Lease is amended to add the following as new Section 3.1(d).

(d) Limited Modification of Lessee Obligations. Notwithstanding anything in this Lease to the contrary, Lessee's obligations regarding the payment of Base Rent are amended as provided in ***Schedule 3.1(d)*** attached hereto.

(d)New Schedule 3.1(d). ***Schedule 3.1(d)*** attached hereto is added to the Master Lease as new ***Schedule 3.1(d)***.

5. **REPRESENTATIONS AND WARRANTIES**. Each of the parties to this Amendment hereby represent and warrant to the other parties to this Amendment that (a) the recitals to this Amendment are true and correct in all respects; (b) the execution and delivery of this Amendment and the obligations created hereby have been duly authorized by all necessary proceedings on its part; (c) it has full legal right, power and authority to enter into this Amendment and to incur the obligations

provided for herein; (d) this Amendment constitutes its valid and legally binding obligation, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, and similar laws affecting the enforcement of creditor's rights or contractual obligations generally and, as to enforcement, to general principles of equity, regardless of whether applied in a proceeding at law or in equity; and (e) no approval or consent of any foreign, federal, state, county, local or other governmental or regulatory body, and no approval or consent of any other person is required in connection with its execution and delivery of this Amendment or its consummation and performance of the transactions contemplated hereby.

6. **BINDING EFFECT**. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

7. **RATIFICATION**. Except as expressly amended hereby, the parties hereby confirm and ratify the Master Lease in all respects.

8. **NECESSARY ACTION**. Each party shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Amendment.

9. **JOINT DRAFTING**. The parties hereto and their respective counsel have participated in the drafting and redrafting of this Amendment and the general rules of construction which would construe any provisions of this Amendment in favor of or to the advantage of one party as opposed to the other as a result of one party drafting this Amendment 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 Amendment are hereby expressly waived by all parties to this Amendment.

10. **GOVERNING LAW**. This Amendment shall be governed by and construed in accordance with the terms set forth in Section 39.12 of the Master Lease.

11. **INTERPRETATION; SEVERABILITY**. This Amendment, including the exhibits and schedules attached hereto (if any), and other written agreements executed and delivered in connection herewith by the parties, shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment, unless the severance of such provision would be in opposition to the parties' intent with respect to such provision.

12. **ENTIRE AGREEMENT; MODIFICATION**. This Amendment, together with all exhibits, schedules, and the other documents referred to herein, embody and constitute the entire understanding between the parties with respect to the transactions contemplated herein, and all prior agreements, understandings, representations and statements (oral or written) are merged into this Amendment. The parties have not relied upon, and shall not be entitled to rely upon, any prior or contemporaneous agreements, understandings, representations or statements (oral or written) other than this Amendment in effecting the transactions contemplated herein or otherwise. Neither this Amendment, any exhibit or schedule attached hereto, nor any provision hereof or thereof may be modified or amended except by an instrument in writing signed by the parties.

---

13. **EXHIBITS AND SCHEDULES**. All exhibits and schedules referred to in, or attached to, this Amendment are incorporated in this Amendment by reference.

14. **COUNTERPARTS**. This Amendment may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all such counterparts taken together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[*Signatures appear on following pages*]

[*Remainder of this page intentionally left blank*]

5

IN WITNESS WHEREOF, the parties hereto have executed or caused their duly authorized representative to execute this Amendment as of the date first above written.

LESSOR:

MPT OF HILLSIDE-STEWARD, LLC
MPT OF MELBOURNE-STEWARD, LLC
MPT OF ROCKLEDGE-STEWARD, LLC
MPT OF SEBASTIAN-STEWARD, LLC
MPT OF SHARON-STEWARD, LLC
MPT OF WARREN-STEWARD, LLC
MPT OF YOUNGSTOWN-STEWARD, LLC
MPT OF MESA, LLC
MPT OF WEST MONROE, LLC
MPT OF PORT ARTHUR, LLC
MPT OF HOPE-STEWARD, LLC
MPT OF ODESSA-STEWARD, LLC
MPT OF PHOENIX-STEWARD, LLC
MPT OF PHOENIX BEHAVIORAL-STEWARD, LLC
MPT OF SAN ANTONIO-STEWARD, LLC
MPT OF TEMPE-STEWARD, LLC
MPT OF TEXARKANA-STEWARD, LLC
MPT OF MARICOPA RE - STEWARD, LLC
MPT OF OGDEN RE - STEWARD, LLC
MPT OF PHOENIX RE - STEWARD, LLC
MPT OF PORT ARTHUR RE - STEWARD, LLC
MPT OF SAN ANTONIO RE - STEWARD, LLC
MPT OF NORWOOD-STEWARD, LLC
MPT OF HOUSTON-STEWARD, LLC

MPT OF HOUSTON RE-STEWARD, LLC
MPT OF BIG SPRING-STEWARD, LLC
MPT OF FLORENCE, LLC
MPT OF CORAL GABLES-STEWARD, LLC
MPT OF LAUDERDALE LAKES-STEWARD, LLC
MPT OF HIALEAH-STEWARD, LLC
MPT OF HIALEAH PALMETTO-STEWARD, LLC
MPT OF MIAMI-STEWARD, LLC
MPT OF MESA SUPERSTITION-STEWARD, LLC
MPT OF CORAL TERRACE-STEWARD, LLC
By: MPT Operating Partnership, L.P.
Title: Sole Member of each above-referenced entity
By: /s/ R. Steven Hamner
Name: R. Steven Hamner
Title: Executive Vice President & CFO

IF " DOCVARIABLE "SWDocIDLocation" 1" = "1" " DOCPROPERTY "SWDocID" 4889-8007-9256" "" 4889-8007-9256

Exhibit 10.2

AMENDMENT TO SECOND AMENDED AND RESTATED MASTER LEASE AGREEMENT

(2024 Bridge Loan and Second Forbearance Agreement)

THIS AMENDMENT TO SECOND AMENDED AND RESTATED MASTER LEASE AGREEMENT (this "Amendment"), dated February 21, 2024, is by and among certain Affiliates of MPT OPERATING PARTNERSHIP, L.P., a Delaware limited partnership ("MPT"), as further described on the signature pages hereto (collectively, jointly and severally, "Lessor"), and certain Affiliates of STEWARD HEALTH CARE SYSTEM LLC, a Delaware limited liability company ("Steward Health"), as further described on the signature pages hereto (collectively, jointly and severally, "Lessee").

WITNESSETH:

WHEREAS, Lessor and Lessee are parties to that certain Second Amended and Restated Master Lease Agreement (Master Lease I), dated as of March 14, 2022 (as the same has been or hereafter may be modified, amended, or restated from time to time, the "Master Lease"), pursuant to which Lessor leases to Lessee certain real property and improvements (including improvements consisting of multiple healthcare facilities), as more particularly described in the Master Lease;

WHEREAS, Lessor, Lessee, and certain of their respective Affiliates are parties to that certain Second Forbearance Agreement, dated the date hereof (as the same may be modified, amended, or restated from time to time, the "Second Forbearance Agreement"), pursuant to which, among other things, the Lessees and certain of their Affiliates acknowledged the existence of certain specified defaults under the Obligation Documents and agreed to certain specified actions to affect a plan of restructuring, in exchange for which the Lessors and certain of their Affiliates agreed to forbear from exercising certain of their rights and remedies under certain of the Obligation Documents, subject to the terms and conditions therein;

WHEREAS, contemporaneously herewith and pursuant to the Second Forbearance Agreement, certain Affiliates of Lessor, certain Affiliates of Lessee, and certain of the ABL/FILO Creditors (as defined in the Second Forbearance Agreement) have entered into that certain Credit Agreement, dated as of the date hereof (the "Bridge Credit Agreement");

WHEREAS, as contemplated by the Second Forbearance Agreement, Lessor and Lessee desire to amend the Master Lease as set forth herein;

WHEREAS, contemporaneously herewith, as contemplated by the Second Forbearance Agreement, Lessor and Lessee are entering into that certain Amendment to Second Amended and Restated Master Lease Agreement (Norwood Limited Base Rent Deferral and Reduction), dated as of the date hereof (the "Norwood Lease Amendment"); and

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements herein contained, the covenants, agreements, and obligations of Steward Health and its Affiliates in the Second Forbearance Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby covenant and agree as follows:

---

1. **CAPITALIZED TERMS**. Capitalized terms used and not otherwise defined in this Amendment shall have the meanings ascribed thereto in the Master Lease.

2. **STATEMENT OF INTENT**. Subject to Articles V, XIV, XV, XXX, and Section 16.1 of the Master Lease, the Master Lease constitutes one unitary, indivisible, non-severable true operating lease of all the Leased Property as provided in the preamble to the Master Lease. Notwithstanding anything to the contrary contained herein, Lessor and Lessee agree that the provisions of this Amendment and the Master Lease shall at all times continue to be construed, interpreted, and applied such that the intention of Lessor and Lessee to create a unitary, indivisible, non-severable true operating lease shall be preserved and maintained.

3. **MATERIAL INDUCEMENT**. The covenants, agreements, and obligations of Steward Health and its Affiliates under the Second Forbearance Agreement are a material inducement for the Lessor entering into this Amendment.

4. **AMENDMENTS**. Notwithstanding any provisions of the Master Lease to the contrary, effective immediately, the parties hereby amend the Master Lease as follows:

(a)Addition of Defined Terms. Article I of the Master Lease is amended to add and include the following defined terms and correlative definitions:

> Bridge Credit Agreement: That certain Credit Agreement, dated as of February 21, 2024, by and among certain Affiliates of Lessor, certain Affiliates of Lessee, and certain of the ABL/FILO Creditors (as defined in the Second Forbearance Agreement), as the same may be amended, modified and/or restated from time to time.

Bridge Credit Documents: As defined in the Second Forbearance Agreement.

"Excess Property Disposition Agreement" means that certain Excess Property Disposition Agreement, dated as of February 21, 2024, among certain of the Lessors and certain of the Lessees, as the same may be amended, modified and/or restated from time to time.

Second Forbearance Agreement: That certain Second Forbearance Agreement, dated as of February 21, 2024, by and among Lessee and certain of its Affiliates, on the one hand, and Lessor and certain of its Affiliates, on the other hand, as the same may be amended, modified and/or restated from time to time.

(b)Restated Defined Terms. Article I of the Master Lease is amended to restate the following defined terms and correlative definitions:

Major Event of Default: The occurrence of (i) an Event of Default under clause (a), (j), or (k) of Section 16.1; (ii) an Event of Default by the Guarantor under clause (c) or (g) of Section 16.1; (iii) a "Major Event of Default" under and as defined in the Mortgage Loan Agreement or Master Lease II; (iv) a monetary or material non-monetary "Event of Default" under and as defined in the Stewardship Note; or (v)

a monetary or material non-monetary "Event of Default" under and as defined in the Bridge Credit Agreement.

Obligation Documents: Individually and collectively, this Lease, Master Lease II, the Real Estate Contract, the LLC Agreement (solely with respect to the MPT Required Provisions), the Mortgage Loan Documents, the CHS Master Agreement, the IASIS Real Estate Contract, the IASIS Master Agreement, the IASIS Realty Agreement, the Tenet Master Agreement, the St. Joseph Purchase Agreement, the Pikes Peak Master Agreement, the Mortgage Conversion Purchase Agreement, the Adeptus Texas Master Agreement, the Project Development Agreements, the Term Loan Promissory Note, the Arizona Master Agreement, the Big Spring Master Agreement, the Mesa Master Agreement, the Coral Terrace Master Agreement, the Utah Severance Master Agreement, the Guaranties, the Pledge Agreement, the Security Agreement, the Stand Alone Security Agreements, the Lease Assignments, the Environmental Indemnification Agreements, the Non-Competition Agreements, the Loan Guaranty, the Contribution Agreement, the MPT-Steward JV LLC Agreement, the Stapley Disposition Master Agreement, the Mid Jefferson Master Agreement, the Forbearance Agreement, the Stewardship Note, the Stewardship Guaranty, the Youngstown Disposition Master Agreement, the Second Forbearance Agreement, the Bridge Credit Agreement, the Bridge Credit Documents, the Excess Property Disposition Agreement, and any other "Obligation Document" under and as defined in Master Lease II, and all other leases, promissory notes, and agreements entered into between Lessor or any Affiliate of Lessor, on the one hand, and any Facility Lessee, Guarantor or any of their respective Affiliates, on the other hand, relating to the transactions contemplated under this Lease, Master Lease II, the Mortgage Loan Documents, the Term Loan Promissory Note, and the Contribution Agreement, as any of the same has been or hereafter may be amended, modified, or restated from time to time; *providedhowever*, that the Equity Purchase Agreement shall be excluded from the Obligation Documents for purposes of this Lease.

Stewardship Borrowers: Steward Health Care Network, Inc., a Delaware corporation, Steward Emergency Physicians, Inc., a Massachusetts corporation, Steward Physician Contracting, Inc., a Massachusetts corporation, Steward Medicaid Care Network, Inc., a Delaware corporation, Stewardship Health, Inc., a Delaware corporation, Stewardship Health Medical Group, Inc., a Massachusetts chapter 180 corporation, and Stewardship Services, Inc., a Delaware corporation.

(c)Lease Base. "***Schedule 3.1(a)***" of the Master Lease is deleted in its entirety and replaced with ***Schedule 3.1(a)*** attached to this Amendment.

(d)Lease Rate. "***Schedule 3.1(b)***" of the Master Lease is deleted in its entirety and replaced with ***Schedule 3.1(b)*** attached to this Amendment.

(e)Restated Schedule 3.1(d). ***Schedule 3.1(d)*** of the Master Lease is deleted in its entirety and replaced with ***Schedule 3.1(d)*** attached to this Amendment.

(f) New Schedule 3.1(e). ***Schedule 3.1(e)*** attached hereto is added to the Master Lease as new ***Schedule 3.1(e)***.

5. **RENT COMMENCEMENT FOR CERTAIN FUNDED CAPITAL ADDITIONS**. Lessee has undertaken certain developments, construction projects, and renovations with respect to those Facilities and/or Properties listed on ***Exhibit A*** attached to this Amendment (each, a "Project" and collectively, the "Projects"). To date, for each Project, Lessor has funded or incurred the amounts shown on ***Exhibit A*** attached to this Amendment (the "Multi-Project Designated Amounts"), which amounts constitute costs funded by Lessor for Capital Additions, including construction period rent accruals. Although the Projects are partially complete, Lessee has requested that the Designated Amounts be added to the Lease Base for the Properties shown on ***Exhibit A*** attached to this Amendment. Accordingly, notwithstanding anything to the contrary in the Master Lease or any Development Agreement, the parties agree that from and after the date of this Amendment, the Designated Amounts shall be included in the applicable Lease Base for the applicable Properties and such increased Lease Base shall be utilized for calculating Allocated Base Rent payable with respect to such Properties; *provided, however*, the provisions of Section 4 of the Norwood Lease Amendment shall apply with respect to the Multi-Project Designated Amounts for the Norwood Property during the Norwood Rent Reduction Period (as defined in the Norwood Lease Amendment).

6. **RENT COMMENCEMENT FOR SUNSHINE FUNDED CAPITAL ADDITIONS**. Pursuant to Section 3.7 of the Master Lease, Lessee has undertaken certain Capital Additions (and other improvements and renovations) to the Tenet Properties (the "Sunshine Project"). To date, for the Sunshine Project, Lessor has funded or incurred an

amount equal to $80,950,945.21, including accruals (the "Sunshine Designated Amount" and together with the Multi-Project Designated Amounts, the "Designated Amounts"), which amount constitutes costs funded by Lessor for Capital Additions. Although the Sunshine Project is partially complete, Lessee has requested that the Sunshine Designated Amount be added to the Lease Base for the applicable Tenet Property. Accordingly, notwithstanding anything to the contrary in the Master Lease or any Development Agreement, the parties agree that from and after the date of this Amendment, the Sunshine Designated Amount shall be included in the applicable Lease Base for the applicable Properties and such increased Lease Base shall be utilized for calculating Allocated Base Rent payable with respect to such Properties.

7. **REPRESENTATIONS AND WARRANTIES**. Each of the parties to this Amendment hereby represent and warrant to the other parties to this Amendment that (a) the recitals to this Amendment are true and correct in all respects; (b) the execution and delivery of this Amendment and the obligations created hereby have been duly authorized by all necessary proceedings on its part; (c) it has full legal right, power and authority to enter into this Amendment and to incur the obligations provided for herein; (d) this Amendment constitutes its valid and legally binding obligation, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, and similar laws affecting the enforcement of creditor's rights or contractual obligations generally and, as to enforcement, to general principles of equity, regardless of whether applied in a proceeding at law or in equity; and (e) no approval or consent of any foreign, federal, state, county, local or other governmental or regulatory body, and no approval or consent of any other person is required in connection with its execution and delivery of this Amendment or its consummation and performance of the transactions contemplated hereby.

---

8. **BINDING EFFECT**. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

9. **RATIFICATION**. Except as expressly amended hereby, the parties hereby confirm and ratify the Master Lease in all respects.

10. **NECESSARY ACTION**. Each party shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Amendment.

11. **JOINT DRAFTING**. The parties hereto and their respective counsel have participated in the drafting and redrafting of this Amendment and the general rules of construction which would construe any provisions of this Amendment in favor of or to the advantage of one party as opposed to the other as a result of one party drafting this Amendment 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 Amendment are hereby expressly waived by all parties to this Amendment.

12. **GOVERNING LAW**. This Amendment shall be governed by and construed in accordance with the terms set forth in Section 39.12 of the Master Lease.

13. **INTERPRETATION; SEVERABILITY**. This Amendment, including the exhibits and schedules attached hereto (if any), and other written agreements executed and delivered in connection herewith by the parties, shall be

interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment, unless the severance of such provision would be in opposition to the parties' intent with respect to such provision.

14. **ENTIRE AGREEMENT; MODIFICATION**. This Amendment, together with all exhibits, schedules, and the other documents referred to herein, embody and constitute the entire understanding between the parties with respect to the transactions contemplated herein, and all prior agreements, understandings, representations and statements (oral or written) are merged into this Amendment. The parties have not relied upon, and shall not be entitled to rely upon, any prior or contemporaneous agreements, understandings, representations or statements (oral or written) other than this Amendment in effecting the transactions contemplated herein or otherwise. Neither this Amendment, any exhibit or schedule attached hereto, nor any provision hereof or thereof may be modified or amended except by an instrument in writing signed by the parties.

15. **EXHIBITS AND SCHEDULES**. All exhibits and schedules referred to in, or attached to, this Amendment are incorporated in this Amendment by reference.

16. **COUNTERPARTS**. This Amendment may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all such counterparts taken together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and shall be valid and effective for all purposes.

[*Signatures appear on following pages*]

[*Remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have executed or caused their duly authorized representative to execute this Amendment as of the date first above written.

LESSOR:

MPT OF HILLSIDE-STEWARD, LLC

MPT OF MELBOURNE-STEWARD, LLC
MPT OF ROCKLEDGE-STEWARD, LLC
MPT OF SEBASTIAN-STEWARD, LLC
MPT OF SHARON-STEWARD, LLC
MPT OF WARREN-STEWARD, LLC
MPT OF YOUNGSTOWN-STEWARD, LLC
MPT OF MESA, LLC
MPT OF WEST MONROE, LLC
MPT OF PORT ARTHUR, LLC
MPT OF HOPE-STEWARD, LLC
MPT OF ODESSA-STEWARD, LLC
MPT OF PHOENIX-STEWARD, LLC
MPT OF PHOENIX BEHAVIORAL-STEWARD, LLC
MPT OF SAN ANTONIO-STEWARD, LLC
MPT OF TEMPE-STEWARD, LLC
MPT OF TEXARKANA-STEWARD, LLC
MPT OF MARICOPA RE - STEWARD, LLC
MPT OF OGDEN RE - STEWARD, LLC
MPT OF PHOENIX RE - STEWARD, LLC
MPT OF PORT ARTHUR RE - STEWARD, LLC
MPT OF SAN ANTONIO RE - STEWARD, LLC
MPT OF NORWOOD-STEWARD, LLC
MPT OF HOUSTON-STEWARD, LLC
MPT OF HOUSTON RE-STEWARD, LLC
MPT OF BIG SPRING-STEWARD, LLC
MPT OF FLORENCE, LLC
MPT OF CORAL GABLES-STEWARD, LLC
MPT OF LAUDERDALE LAKES-STEWARD, LLC
MPT OF HIALEAH-STEWARD, LLC
MPT OF HIALEAH PALMETTO-STEWARD, LLC
MPT OF MIAMI-STEWARD, LLC
MPT OF MESA SUPERSTITION-STEWARD, LLC
MPT OF CORAL TERRACE-STEWARD, LLC

By: MPT Operating Partnership, L.P.
Title: Sole Member of each above-referenced entity
By: /s/ R. Steven Hamner
Name: R. Steven Hamner
Title: Executive Vice President & CFO

IF " DOCVARIABLE "SWDocIDLocation" 1" = "1" " DOCPROPERTY "SWDocID" 4855-6734-9410" "" 4855-6734-9410

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

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

1) I have reviewed this quarterly report on Form 10-Q of Medical Properties Trust, Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known tc by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed unc our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions ab the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reason likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2023 May 29, 2024

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

Chairman, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, R. Steven Hamner, certify that:

1) I have reviewed this quarterly report on Form 10-Q of Medical Properties Trust, Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known tc by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed unc our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions ab the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reason likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which ar reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2023 May 29, 2024

/s/ R. Steven Hamner

R. Steven Hamner

Executive Vice President and Chief Financial Officer

Exhibit 31.3

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

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

1) I have reviewed this quarterly report on Form 10-Q of MPT Operating Partnership, L.P.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known tc by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed unc our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions ab the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reason likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which ar reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2023 May 29, 2024

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

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

Exhibit 31.4

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, R. Steven Hamner, certify that:

1) I have reviewed this quarterly report on Form 10-Q of MPT Operating Partnership, L.P.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known tc by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed unc our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions ab the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reason likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which ar reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2023 May 29, 2024

/s/ R. Steven Hamner

R. Steven Hamner

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

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

PURSUANT TO RULE 13a-14(b) UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND 18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this quarterly report on Form 10-Q of Medical Properties Trust, Inc. (the “Company”) for the quarter ended September 30, 2023 March 31, 2024 (the “Report”), each of the undersigned, Edward K. Aldag, Jr. and R. Steven Hamner, certifies, pursuant to Section 18 U.S.C. Section 1350, that:

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

Date: November 9, 2023 May 29, 2024

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

Chairman, President and Chief Executive Officer

/s/ R. Steven Hamner

R. Steven Hamner

Executive Vice President and Chief Financial Officer

Exhibit 32.2

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

In connection with this quarterly report on Form 10-Q of MPT Operating Partnership, L.P. (the “Company”) for the quarter ended September 30, 2023 March 31, 2024 (the “Report”), each of the undersigned, Edward K. Aldag, Jr. and R. Steven Hamner, certifies, pursuant to Section 18 U.S.C. Section 1350, that:

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

Date: November 9, 2023 May 29, 2024

/s/ Edward K. Aldag, Jr.

Edward K. Aldag, Jr.

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

/s/ R. Steven Hamner

R. Steven Hamner

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

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

REFINITIV