MEDICAL PROPERTIES TRUST INC
Form 424B2
August 16, 2013
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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-186812

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee (1)
Common Stock, par value $0.001 per share	11,500,000	$12.75	$146,625,000	$19,999.65

(1) The filing fee of $19,999.65 is calculated in accordance with Rules 457(o) and 457(r) of the Securities Act of 1933, as amended, and reflects the potential additional issuance of shares of common stock, $0.001 par value per share, pursuant to underwriters option to purchase additional shares. This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the registrant s Registration Statement on Form S-3 (File No. 333-186812).

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PROSPECTUS SUPPLEMENT

(To prospectus dated February 22, 2013)

10,000,000 Shares

Common Stock

We are selling 10,000,000 shares of our common stock.

Our shares trade on the New York Stock Exchange under the symbol MPW. On August 13, 2013, the last sale price of the shares as reported on the New York Stock Exchange was $13.54 per share. To ensure that we maintain our qualification as a real estate investment trust, our charter limits ownership by any person to 9.8% of the lesser of the number or value of our outstanding common shares, with certain exceptions.

Investing in the common stock involves risks that are described in the Risk Factors section beginning on page S-8 of this prospectus supplement.

	Per Share	Total
Public offering price	$ 12.75	$ 127,500,000
Underwriting discount	$ 0.51	$ 5,100,000
Proceeds, before expenses, to us	$ 12.24	$ 122,400,000

The underwriters may also exercise their option to purchase up to an additional 1,500,000 shares from us, at the public offering price, less the underwriting discount, for 30 days after the date of this prospectus supplement.

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

The shares will be ready for delivery on or about August 20, 2013.

Joint Book-Running Managers

BofA Merrill Lynch **J.P. Morgan**

Deutsche Bank Securities **KeyBanc Capital Markets** **RBC Capital Markets**

SunTrust Robinson Humphrey

BBVA Securities **Raymond James**

The date of this prospectus supplement is August 15, 2013

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of common stock. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering of common stock. You should read this entire document, including this prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference. In the event that the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in this prospectus supplement. The accompanying prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (SEC) using a shelf registration statement. Under the shelf registration process, from time to time, we may offer and sell securities in one or more offerings.

This prospectus supplement and the accompanying prospectus contain, or incorporate by reference, forward-looking statements. Such forward-looking statements should be considered together with the cautionary statements and important factors included or referred to in this prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference. Please see Forward-Looking Statements in this prospectus supplement and A Warning About Forward-Looking Statements in the accompanying prospectus.

In this prospectus supplement, the terms MPT, MPW, Medical Properties, we, Company, us, our and our Company refer to Medica Trust, Inc. and its subsidiaries, unless otherwise expressly stated or the context otherwise requires.

Unless otherwise stated in this prospectus supplement, we have assumed throughout this prospectus supplement that the underwriters option to purchase additional shares from us is not exercised.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we authorize to be delivered to you. We have not authorized anyone to provide information different from that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any such free writing prospectus. If anyone provides you with different or additional information, you should not rely on it. This prospectus supplement, the accompanying prospectus and any authorized free writing prospectus are not an offer to sell or the solicitation of an offer to buy any securities other than the registered shares to which they relate, nor is this prospectus supplement, the accompanying prospectus or any authorized free writing prospectus an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. You should assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, any authorized free writing prospectus or information we previously filed with the SEC is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus supplement, the accompanying prospectus and any documents we incorporate by reference herein or therein constitute forward-looking statements within the meaning of the safe harbor from civil liability provided for such statements by the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended (the Securities Act)), and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. Statements regarding the following subjects, among others, are forward-looking by their nature:

- our business strategy;
- our projected operating results;
- our ability to complete the IASIS Acquisition Transactions (as defined below) on the time schedule or terms described herein or at all;
- the ability of MPT Operating Partnership, L.P., our operating partnership, and MPT Finance Corporation, our finance corp., to consummate their public offering of $150 million aggregate principal amount of 6.375% senior notes due 2022, which launched simultaneously with this offering of common stock, priced at 102% of face value on August 15, 2013 and is expected to close on August 20, 2013;
- our ability to acquire or develop net-leased facilities;
- availability of suitable facilities to acquire or develop;
- our ability to enter into, and the terms of, our prospective leases and loans;
- our ability to raise additional funds through offerings of debt and equity securities and/or property disposals;
- our ability to obtain future financing arrangements;
- estimates relating to, and our ability to pay, future distributions;
- our ability to compete in the marketplace;
- market trends;
- lease rates and interest rates;

- projected capital expenditures; and

- the impact of technology on our facilities, operations and business.

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

- the risk that a condition to closing under the agreement governing the IASIS Acquisition Transactions may not be satisfied;

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- the possibility that the anticipated benefits from the IASIS Acquisition Transactions will take longer to realize than expected or will not be realized at all;
- factors referenced in this prospectus supplement under the section captioned Risk Factors;
- national and local business, real estate and other market conditions;
- the competitive environment in which we operate;
- the execution of our business plan;
- financing risks;
- acquisition and development risks;
- potential environmental contingencies and other liabilities;
- other factors affecting the real estate industry generally or the healthcare real estate industry in particular;
- our ability to maintain our status as a REIT for federal and state income tax purposes;
- our ability to attract and retain qualified personnel;
- federal and state healthcare and other regulatory requirements; and
- national and local economic conditions, which may have a negative effect on the following, among other things:
  - the financial condition of our tenants, our lenders, and institutions that hold our cash balances, which may expose us to increased risks of default by these parties;
  - our ability to obtain equity or debt financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and refinance existing debt and our future interest expense; and
  - the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing secured by our properties or on an unsecured basis.

When we use the words believe, expect, may, potential, anticipate, estimate, plan, will, could, intend or similar expressions, v forward-looking statements. You should not place undue reliance on these forward-looking statements. Except as required by law, we disclaim any obligation to update such statements or to publicly announce the result of any revisions to any of the forward-looking statements contained in this prospectus supplement and the accompanying prospectus to reflect future events or developments.

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PROSPECTUS SUPPLEMENT SUMMARY

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

Our Company

We are a self-advised real estate investment trust (REIT) focused on investing in and owning net-leased healthcare facilities. We acquire and develop healthcare facilities and lease the facilities to healthcare operating companies under long-term net leases, which require the tenant to bear most of the costs associated with the property. We also make mortgage loans to healthcare operators collateralized by their real estate assets. In addition, we selectively make loans to certain of our operators through our taxable REIT subsidiaries, the proceeds of which are typically used for acquisition and working capital purposes. From time to time we may also acquire profits or other equity interests in our tenants that give us a right to share in these tenants profits and losses.

The following table provides a summary of our facilities as of August 14, 2013 (not including the IASIS Acquisition Transactions described below):

Type of Property	Number of Properties	Number of square feet	Number of licensed beds
General Acute Care Hospital	32	5,882,097	4,697
Long-term Acute Care Hospital	24	1,310,181	1,422
Rehabilitation Hospital	21	1,161,666	1,019
Wellness Center	6	251,213	N/A
Medical Office Buildings	2	93,287	N/A
Total	85	8,698,444	7,138

At August 14, 2013, 73 of our facilities are leased to 24 tenants, four are under development, and the remaining assets are in the form of first mortgage loans to three operators. Three of our facilities are subject to long-term ground leases. While all of our investments are currently located in the United States, we are currently considering investment opportunities in Europe that we believe would be complementary to our portfolio.

Medical Properties Trust, Inc. was incorporated under Maryland law on August 27, 2003, and our operating partnership was formed under Delaware law on September 10, 2003. We conduct substantially all of our business through our operating partnership. We have operated as a REIT since April 6, 2004, and elected REIT status upon the filing of our federal income tax return for our taxable year that began on April 6, 2004 and ended on December 31, 2004.

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

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Recent Developments

Acquisition of Healthcare Properties and Related Transactions

On August 8, 2013, we entered into an agreement to acquire from affiliates of IASIS Healthcare LLC (IASIS) three general acute care hospitals for a combined purchase price of approximately $283.3 million (including a commitment to provide approximately $2.0 million for improvements to a fourth hospital that we already own) (the IASIS Acquisition Transactions). Each of the facilities will be leased back to affiliates of IASIS under leases with initial 15-year terms plus renewal options, and consumer price-indexed rent increases limited to a 2.5% ceiling annually. The lessees will also have a customary right of first refusal option with respect to subsequent proposed sales of the facilities. All of our leases with affiliates of IASIS will be cross-defaulted with each other.

On July 18, 2013, we acquired the real estate of Esplanade Rehab Hospital in Corpus Christi, Texas for $15.8 million and leased the facility to an affiliate of Ernest Health Inc. (Ernest) under the 2012 master lease agreement among us and certain affiliates of Ernest. The master lease provides for a 20-year term with three five-year extension options, plus consumer price-indexed rent increases, limited to a 2% floor and 5% ceiling annually. We borrowed $25.0 million under our revolving credit facility to finance this acquisition and for general corporate purposes.

On June 11, 2013, we acquired the real estate of two acute care hospitals in Kansas from affiliates of Prime Healthcare Services, Inc. (Prime) for a combined purchase price of $75 million and leased the facilities to the operator under a master lease agreement. The master lease is for 10 years and contains two renewal options of five years each, plus consumer price-indexed rent increases, subject to a 2% floor annually.

The table below sets forth pertinent details with respect to the properties that we would acquire from and lease to IASIS in connection with the IASIS Acquisition Transactions, the property we have acquired and leased to an affiliate of Ernest and the properties we have acquired from and leased to affiliates of Prime (collectively, the Acquisition Transactions):

Property	Type of Property	Operator	Location	Number of licensed beds	Number of square feet
Mountain Vista Medical Center	General Acute Care Hospital	IASIS	Mesa, AZ	178	405,011
The Medical Center of Southeast Texas	General Acute Care Hospital	IASIS	Port Arthur, TX	224	349,461
IASIS Glenwood Regional Medical Center	General Acute Care Hospital	IASIS	West Monroe, LA	268	330,323
Esplanade Rehab Hospital	Rehabilitation Hospital	Ernest	Corpus Christi, TX	35	33,327
Providence Medical Center, Inc.	General Acute Care Hospital	Prime	Kansas City, KS	400	412,616
Saint John Hospital, Inc.	General Acute Care Hospital	Prime	Leavenworth, KS	76	93,226
Total				1,181	1,623,964

The Acquisition Transactions are expected to result in a minimum weighted average yield of 9.1% per year over the life of the leases (8.6% on an initial year cash basis), with a weighted average lease term of 14 years.

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We intend to consummate the IASIS Acquisition Transactions during the third quarter of 2013. No assurance can be given that any portion of the IASIS Acquisition Transactions will occur as described herein or at all. This offering of common stock is not contingent upon the successful completion of the IASIS Acquisition Transactions.

Financing of the IASIS Acquisition Transactions

Simultaneously with the launch of this offering of common stock, MPT Operating Partnership, L.P., our operating partnership, and MPT Finance Corporation, our finance corp., launched a public offering of $150 million aggregate principal amount of 6.375% senior notes due 2022, the net proceeds of which are expected to be used to finance a portion of the IASIS Acquisition Transactions. We intend to finance the remainder of the IASIS Acquisition Transactions, including the related costs and expenses, with the net proceeds of this offering of common stock, and borrowings under our revolving credit facility to the extent necessary. Pending the closing of the IASIS Acquisition Transactions, we intend to use the net proceeds from this offering of common stock to repay borrowings under our revolving credit facility and to invest in short-term, liquid investments. See Use of Proceeds in this prospectus supplement for more information regarding the financing of the IASIS Acquisition Transactions. This offering of common stock is not conditioned upon the successful completion of the IASIS Acquisition Transactions or the consummation of our operating partnership s and finance corp. s senior note offering.

This prospectus supplement and the accompanying prospectus relate only to the offering of common stock not to our operating partnership s and finance corp. s offering of notes.

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The Offering

The offering terms are summarized below solely for your convenience. You should read the full text and more specific details contained elsewhere in this prospectus supplement.

Issuer	Medical Properties Trust, Inc.
Shares of common stock to be offered by us	10,000,000 shares. We have also granted the underwriters a 30-day option to purchase up to 1,500,000 additional shares of our common stock.
Shares of common stock to be outstanding after this offering	160,071,911 shares (161,571,911 shares if the underwriters exercise their option to purchase additional shares from us in full).
NYSE symbol	MPW
Restrictions on ownership	Our charter contains restrictions on the ownership and transfer of our capital stock that are intended to assist us in complying with the requirements for taxation as a REIT and continuing to qualify as a REIT. Specifically, without the approval of our Board of Directors, no person or persons acting as a group may own more than 9.8% of the number or value, whichever is more restrictive, of the outstanding shares of our common stock. See Description of Capital Stock in the accompanying prospectus.
Use of proceeds	We estimate that the net proceeds from this offering of common stock will be approximately $122.0 million (approximately $140.4 million if the underwriters exercise their option to purchase additional shares from us in full), after deducting underwriting discounts and commissions and our estimated offering expenses. We intend to use the net proceeds from this offering of common stock to finance a portion of the pending IASIS Acquisition Transactions described above under Recent Developments. Pending closing of the IASIS Acquisition Transactions, we may to use the net proceeds from this offering of common stock to repay borrowings under our revolving credit facility and to invest in short-term, liquid investments.
	This offering of common stock is not conditioned upon the successful completion of the IASIS Acquisition Transactions. If the IASIS Acquisition Transactions are not completed, we intend to use the net proceeds from this offering of common stock to repay borrowings under our revolving credit facility and for general corporate purposes, which may include investing in additional healthcare properties. See Use of Proceeds.

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The number of shares of common stock to be outstanding after this offering of common stock is based upon 150,071,911 shares outstanding as of August 14, 2013. The number of shares of common stock to be outstanding after this offering of common stock does not include, in each case as of August 14, 2013:

- 20,000 shares reserved for issuance upon exercise of stock options outstanding;

- 7,395,132 shares reserved for issuance in connection with equity-based compensation awards under our 2013 Equity Incentive Plan.

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SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The summary historical consolidated financial data presented below as of December 31, 2012 and for the years ended December 31, 2010, 2011 and 2012, have been derived from our audited consolidated financial statements and accompanying notes incorporated by reference herein. The summary historical consolidated financial data as of June 30, 2013, and for the six months ended June 30, 2012 and 2013 has been derived from our unaudited consolidated financial statements, which are incorporated by reference herein. These unaudited consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements. In the opinion of management, the unaudited summary historical consolidated financial data reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of the results for those periods. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year or any future period. Historical results are not necessarily indicative of the results to be expected in the future.

You should read the following summary historical consolidated financial data in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations included in the combined Annual Report on Form 10-K for the year ended December 31, 2012 and in the combined Quarterly Report on Form 10-Q for the six months ended June 30, 2013 of us and our operating partnership, each of which is incorporated by reference herein, and the audited and unaudited financial statements that are incorporated by reference herein. See Where You Can Find More Information and Incorporation of Certain Information by Reference in the accompanying prospectus.

In thousands, except per unit amounts	Year ended December 31,			Six Months Ended June 30,	
	2010[(2)]	2011[(2)]	2012[(2)]	2012[(2)]	2013[(2)]
Operating data					
Total revenue	$ 108,024	$ 135,484	$ 201,397	$ 89,721	$ 115,444
Depreciation and amortization (expense)	(20,897)	(30,896)	(33,545)	(16,518)	(17,262)
Property-related and general and administrative (expenses)	(32,916)	(32,141)	(35,497)	(18,806)	(18,384)
Impairment (charge)	(12,000)				
Interest and other income (expense)	1,518	96	1,281	847	1,420
Debt refinancing (expense)	(6,716)	(14,214)			
Interest (expense)	(33,984)	(43,810)	(58,243)	(27,684)	(30,065)
Income from continuing operations	3,029	14,519	75,393	27,560	51,153
Income from discontinued operations	19,983	12,195	14,684	2,407	2,461
Net income	23,012	26,714	90,077	29,967	53,614
Net income attributable to non-controlling interests	(99)	(178)	(177)	(87)	(110)
Net income attributable to MPT common stock holders	$ 22,913	$ 26,536	$ 89,900	$ 29,880	$ 53,504
Income from continuing operations attributable to MPT common stockholders per diluted share	$ 0.02	$ 0.12	$ 0.56	$ 0.21	$ 0.34
Income from discontinued operations attributable to MPT common stockholders per diluted share	0.20	0.11	0.11	$ 0.02	$ 0.02
Net income attributable to MPT common stock holders per diluted share	$ 0.22	$ 0.23	$ 0.67	$ 0.23	$ 0.36
Weighted average number of common shares diluted	100,708	110,629	132,333	129,810	146,291
Other data					
Dividends declared per common share	$ 0.80	$ 0.80	$ 0.80	$ 0.40	$ 0.40

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In thousands	As of December 31, 2012(1)	As of June 30, 2013
Balance sheet data		
Real estate assets at cost	$ 1,595,127	$ 1,687,133
Real estate accumulated depreciation / amortization	(126,734)	(141,877)
Other loans and investments	527,893	525,901
Cash and equivalents	37,311	26,072
Other assets	145,289	157,247
Total assets	$ 2,178,886	$ 2,254,476
Debt, net	$ 1,025,160	$ 929,074
Other liabilities	103,912	102,562
Total equity	1,049,814	1,222,840
Total liabilities and equity	$ 2,178,886	$ 2,254,476

(1) The summary historical consolidated financial data as of December 31, 2012 and for the years ended December 31, 2010, 2011 and 2012 have been derived from our audited consolidated financial statements and accompanying notes incorporated by reference herein and have not been adjusted for discontinued operations for the two properties sold in 2013. Such adjustments, however, would have no effect on net income, total assets or equity for any period presented.

(2) Cash paid for acquisitions and other related investments totaled $621.5 million, $279.0 million and $137.8 million in 2012, 2011 and 2010, respectively, and $75.0 million during the six months ended June 30, 2013. The results of operations resulting from these investments are reflected in our consolidated financial statements from the dates invested. See Note 3 in Item 8 of the combined Annual Report on Form 10-K of us and our operating partnership for the year ended December 31, 2012 and Note 3 in the combined Quarterly Report of us and our operating partnership on Form 10-Q for the quarter ended June 30, 2013 for further information on acquisitions of real estate, new loans, and other investments. We funded these investments generally from issuing common stock, utilizing additional amounts of our revolving facility, incurring additional debt, or from the sale of facilities. See Notes 4, 9, and 11, in Item 8 of the combined Annual Report on Form 10-K of us and our operating partnership for the year ended December 31, 2012 and Notes 4, 5 and 8 in Item 1 of the combined Quarterly Report of us and our operating partnership on Form 10-Q for the quarter ended June 30, 2013 for further information regarding our debt, common stock and discontinued operations, respectively.

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RISK FACTORS

An investment in our common stock involves various risks, including those set forth below as well as the risk factors included in the combined Annual Report on Form 10-K of us and our operating partnership for the year ended December 31, 2012, which is incorporated herein by reference. You should carefully consider these risk factors, together with the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment in shares of our common stock. These risks are not the only ones we face. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. These risks could materially adversely affect, among other things, our business, financial condition or results of operations, and could cause the trading price of our common stock to decline, resulting in the loss of all or part of your investment.

We may fail to consummate the IASIS Acquisition Transactions or may fail to consummate the IASIS Acquisition Transactions on the terms described herein.

This offering of common stock is expected to be consummated prior to the closing of the IASIS Acquisition Transactions. We expect to consummate the IASIS Acquisition Transactions during the third quarter of 2013, and we intend to use the net proceeds from this offering of common stock to finance a portion of the pending IASIS Acquisition Transactions described above under Prospectus Supplement Summary Recent Developments. The consummation of the IASIS Acquisition Transactions, however, are subject to certain conditions, including conditions regarding certain regulatory approvals, and there can be no assurance that such conditions will be satisfied on the anticipated schedule or at all.

This offering of common stock is not contingent upon the successful completion of the IASIS Acquisition Transactions. If the IASIS Acquisition Transactions are not completed, we intend to use the net proceeds from this offering of common stock to repay borrowings under our revolving credit facility and for general corporate purposes, which may include investing in additional healthcare properties. See Use of Proceeds. By purchasing our common stock in this offering of common stock you are investing in us on a stand-alone basis and recognize that we may not consummate the IASIS Acquisition Transactions or realize the expected benefits therefrom if we do. In the event that we fail to consummate the IASIS Acquisition Transactions, we will have issued a significant number of additional shares of common stock, and we will not have acquired the revenue generating assets that we had anticipated. As a result, failure to consummate the IASIS Acquisition Transactions could adversely affect our earnings per share and ability to make distributions to stockholders.

Our business, ability to make distributions to stockholders and the market price of our common stock may be adversely affected if the IASIS Acquisition Transactions are not completed.

The IASIS Acquisition Transactions are subject to customary closing conditions. If the IASIS Acquisition Transactions are not completed, we could be subject to a number of risks that may adversely affect our business, ability to make distributions to stockholders and the market price of our common stock, including the following:

- the market price of our common stock may decline to the extent that the current market price reflects a market assumption that the IASIS Acquisition Transactions will be completed;

- we must pay certain costs related to the IASIS Acquisition Transactions, such as legal and accounting fees and expenses, regardless of whether the IASIS Acquisition Transactions are consummated; and

- we would not realize the benefits we expect to realize from consummating the IASIS Acquisition Transactions.

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

In addition to the risks described in the combined Annual Report on Form 10-K for us and our operating partnership for the year ended December 31, 2012 relating to healthcare facilities that we may purchase from time to time, we would also be subject to additional risks if the IASIS Acquisition Transactions are consummated, including without limitation the following:

- diversion of our management s attention away from other business concerns; and

- exposure to any undisclosed or unknown potential liabilities relating to the newly-acquired facilities.

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

If the IASIS Acquisition Transactions are not completed, our management may have broad discretion with respect to the use of the proceeds of this offering.

This offering is not contingent upon the successful completion of the IASIS Acquisition Transactions. If the IASIS Acquisition Transactions are not completed, our management has significant flexibility in applying the net proceeds we expect to receive in this offering. We intend to use the net proceeds from this offering as described in Use of Proceeds, but because the net proceeds are not required to be allocated to any specific investment or transaction, you cannot determine at this time the value or propriety of our application of the net proceeds, and you may not agree with our decisions. In addition, our use of the net proceeds from this offering may not yield a significant return or any return at all. The failure by our management to apply these funds effectively could have an adverse effect on our financial condition, results of operations, the trading price of the notes and our ability to make payments on the notes.

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USE OF PROCEEDS

We intend to use the net proceeds from this offering of common stock to finance a portion of the IASIS Acquisition Transactions. Pending closing of the IASIS Acquisition Transactions, we intend to use the net proceeds to repay borrowings under our revolving credit facility and to invest in short-term, liquid investments. If the IASIS Acquisition Transactions are not completed, we intend to use the net proceeds to repay borrowings under our revolving credit facility and for general corporate purposes, which may include investing in additional healthcare properties. Our revolving credit facility matures in October 2015 and bears interest at a variable rate, at our option, equal to either (1) the higher of the prime rate or federal funds rate plus 0.5%, plus a spread initially set at 1.60% (adjustable from 1.60% to 2.40% based on current total leverage), or (2) LIBOR plus a spread initially set at 2.60%, (adjustable from 2.60% to 3.40%) based on current total leverage. The applicable interest rate spread was 2.85% at June 30, 2013. As of August 14, 2013, our revolving credit facility had a total outstanding balance of approximately $65.0 million.

We intend to finance the remainder of the IASIS Acquisition Transactions, including the related costs and expenses, with the net proceeds from the public offering by our operating partnership and our finance corp. of $150 million aggregate principal amount of 6.375% senior notes due 2022, which launched simultaneously with this offering of common stock.

The following table assumes we consummate the IASIS Acquisition Transactions and our operating partnership and finance corp. consummate their offering of $150 million aggregate principal amount of 6.375% senior notes due 2022, and summarizes the approximate sources of financing and uses of funds therefrom to finance the purchase price of the IASIS Acquisition Transactions and certain fees and expenses. This offering of common stock, however, is not contingent upon the successful closing of the IASIS Acquisition Transactions or our operating partnership s and finance corp. s consummation of their offering of notes. Further, as amounts payable under the acquisition agreement related to the IASIS Acquisition Transactions are subject to adjustment, actual amounts at closing of the IASIS Acquisition Transactions may be different. Actual sources of funds may be different than the approximations if, for instance, our operating partnership s and finance corp. s offering of notes does not close or does not close for the amount anticipated.

Sources	(in millions)	Uses	(in millions)
Gross proceeds from notes offering(1)	$ 153.1	Financing purchase price of IASIS Acquisition Transactions	$ 283.3
Gross proceeds from offering of common stock by Medical Properties	127.5	Fees and expenses relating to the IASIS Acquisition Transactions and the notes and common stock offerings(3)	8.8
Borrowings under revolving credit facility(2)	11.5		
Total sources	$ 292.1	Total uses	$ 292.1

(1) If the offering of our operating partnership s and finance corp. s notes does not close or does not close for the amount anticipated, we expect that the remainder of the financing for the IASIS Acquisition Transactions, including the related costs and expenses, will be funded through additional financing arrangements, which may include borrowings under our revolving credit facility, borrowings or net proceeds from other senior debt facilities, issuances of equity securities or a combination thereof. Gross proceeds amount assumes no purchase of additional shares of our common stock pursuant to the option to purchase additional shares we anticipate granting to the underwriters of such offering.

(2) We intend to borrow under our revolving credit facility to finance the IASIS Acquisition Transactions only to the extent the net proceeds from this offering of common stock and our operating partnership s and finance corp. s offering of notes do not provide sufficient funds to do so.

(3) Amount reflects the estimate of underwriting discounts and commissions for this offering of common stock and the offering of our operating partnership s and finance corp. s notes, as well as legal, accounting and other professional fees related thereto and related to the IASIS Acquisition Transactions.

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Certain affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Deutsche Bank Securities Inc., KeyBanc Capital Markets Inc., RBC Capital Markets, LLC, SunTrust Robinson Humphrey, Inc., BBVA Securities Inc. and Raymond James & Associates, Inc. (underwriters in this offering of common stock) are lenders under our revolving credit facility. As described above, we intend to use the net proceeds from this offering of common stock to repay borrowings under our revolving credit facility. As a result, affiliates of the underwriters will receive a pro rata portion of the net proceeds from this offering of common stock used to repay borrowings outstanding under our revolving credit facility.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2013:

- on an actual basis; and
- on an as adjusted basis giving effect to:
  1. the sale of shares of common stock offered hereby;
  2. the offering and sale by our operating partnership and finance corp. of $150 million aggregate principal amount of 6.375% senior notes due 2022, which launched simultaneously with this offering of common stock, priced at 102% of face value on August 15, 2013 and is expected to close on August 20, 2013;
  3. application of the net proceeds from this offering of common stock, and the offering of senior notes by our operating partnership and finance corp., after deducting certain fees and expenses, described in Use of Proceeds, assuming the IASIS Acquisition Transactions are consummated; and
  4. our acquisition of the real estate of Esplanade Rehab Hospital in Corpus Christi, Texas on July 18, 2013 for $15.8 million and our borrowing of $25 million under our revolving credit facility to finance such acquisition and for general corporate purposes.

	As of June 30, 2013	
(amounts in thousands except par value)	**Actual**	**As adjusted[(1)]**
Cash and cash equivalents	$ 26,072	$ 35,109
Indebtedness:		
Revolving credit facility[(2)]	$ 40,000	76,442
Senior unsecured notes due 2016[(3)]	125,000	125,000
6.875% senior notes due 2021	450,000	450,000
6.375% senior notes due 2022 offered on February 17, 2012[(4)]	200,000	200,000
6.375% senior notes due 2022 offered in the note offering taking place simultaneously with this offering[(5)]		150,000
Northland mortgage loan[(6)]	14,074	14,074
Term loan facility[(7)]	100,000	100,000
Total long-term debt	$ 929,074	$ 1,115,516
Medical Properties Trust, Inc. stockholders equity:		
Preferred stock, $0.001 par value: 10,000 shares authorized; no shares outstanding, actual, as adjusted	$	$
Common stock, $0.001 par value: 250,000 shares authorized; 150,072 shares issued and outstanding, actual; and 160,072 shares issued and outstanding, as adjusted	149	159
Additional paid-in-capital	1,472,961	1,594,951
Distributions in excess of net income	(240,132)	(240,382)
Accumulated other comprehensive income	(9,876)	(9,876)
Treasury shares, at cost	(262)	(262)
Total Medical Properties Trust, Inc. stockholders equity	$ 1,222,840	$ 1,344,590

Total capitalization	$ 2,151,914	$ 2,460,106

(1) If the offering of our operating partnership s and finance corp. s notes does not close or does not close for the amount anticipated, we expect that the remainder of the financing for the IASIS Acquisition

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Transactions, including the related costs and expenses, will be funded through additional financing arrangements, which may include borrowings under our revolving credit facility, borrowings or net proceeds from other senior debt facilities, issuances of equity securities or a combination thereof.

(2) On April 26, 2011, we entered into our revolving credit facility, which provided for a $330.0 million revolving credit facility. On March 9, 2013, we exercised the accordion feature under our revolving credit facility in an amount of $70.0 million, increasing its capacity from $330.0 million to $400.0 million. We intend to borrow under our revolving credit facility to finance the IASIS Acquisition Transactions only to the extent the net proceeds from this offering and operating partnership s and finance corp. s offering of notes do not provide sufficient funds to do so. As of August 14, 2013, our revolving credit facility had a total outstanding balance of approximately $65.0 million.

(3) As of June 30, 2013, $65.0 million of these senior notes were fixed at a rate of 5.507% pursuant to our interest rate swap in effect at that time, while $60.0 million of our senior notes were fixed at a blended rate of 5.675%. See Note 4 to the combined Annual Report on Form 10-K of us and our operating partnership for the year ended December 31, 2012 for a description of the terms of our senior unsecured notes due 2016.

(4) On February 17, 2012, the issuers of the notes offered hereby completed a registered offering of $200.0 million in aggregate principal amount of 6.375% senior notes due 2022. The notes offered hereby will form a part of the same series as our outstanding 6.375% senior notes due 2022.

(5) Amount shown in table above for the notes is the aggregate principal amount of the notes without reflecting the purchase price at 102% of face value.

(6) In connection with our acquisition of the Northland LTACH Hospital on February 14, 2011, we assumed a $14.6 million mortgage that matures in January 2018. See Note 4 to the combined Annual Report on Form 10-K of us and our operating partnership for the year ended December 31, 2012 for a description of the Northland mortgage loan.

(7) On March 9, 2012, we entered into a $100 million senior unsecured term loan facility, the proceeds of which were used to finance in part the Ernest Health, Inc. acquisition and investment transactions.

You should read the above table in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations included in the combined Annual Report on Form 10-K for the year ended December 31, 2012 and in the combined Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 of us and our operating partnership, each of which is incorporated by reference herein, and the audited and unaudited financial statements that are incorporated by reference herein. See Where You Can Find More Information and Incorporation of Certain Information by Reference in the prospectus that accompanies this preliminary prospectus.

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PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

Our common stock is traded on the New York Stock Exchange under the symbol MPW. The following table sets forth the high and low sales prices for our common stock for the periods indicated, as reported by the New York Stock Exchange Composite Tape, and the distributions declared by us with respect to each such period.

	High	Low	Distribution
Year ended December 31, 2010			
First quarter	$ 11.42	$ 9.15	$ 0.20
Second quarter	11.10	7.98	0.20
Third quarter	10.47	8.99	0.20
Fourth quarter	11.65	10.00	0.20
Year ended December 31, 2011			
First quarter	$ 11.74	$ 10.60	$ 0.20
Second quarter	12.45	11.15	0.20
Third quarter	12.65	8.76	0.20
Fourth quarter	10.50	8.17	0.20
Year ended December 31, 2012			
First quarter	$ 10.83	$ 9.08	$ 0.20
Second quarter	9.69	8.66	0.20
Third quarter	10.88	9.51	0.20
Fourth quarter	12.07	10.35	0.20
Year ending December 31, 2013			
First quarter	$ 16.04	$ 12.32	$ 0.20
Second quarter	17.46	13.73	0.20
Third quarter (through August 13, 2013)	15.47	13.54	Yet to be announced

On August 13, 2013, the closing price for our common stock, as reported on the New York Stock Exchange, was $13.54 per share. As of August 14, 2013, there were 54 holders of record of our common stock.

Dividend policy

We intend to make regular quarterly distributions to our stockholders so that we distribute each year all or substantially all of our REIT taxable income, if any, so as to avoid paying significant corporate level income tax and excise tax on our REIT income and to qualify for the tax benefits accorded to REITs under the Internal Revenue Code of 1986, as amended (the Code). In order to maintain our status as a REIT, we must distribute to our stockholders an amount equal to at least 90% of our REIT taxable income, excluding net capital gain. The actual amount and timing of distributions, however, will be at the discretion of our board of directors and will depend, among other things, upon:

- our actual results of operations;
- the rent received from our tenants;
- the ability of our tenants to meet their other obligations under their leases and their obligations under their loans from us;
- debt service requirements;
- capital expenditure requirements for our facilities;

our taxable income;

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- the annual distribution requirement under the REIT provisions of the Code; and

- other factors that our board of directors may deem relevant.

We cannot assure you that we will pay future quarterly distributions at the levels set forth in the table above, or at all.

To the extent consistent with maintaining our REIT status, we may retain accumulated earnings of our taxable REIT subsidiaries in those subsidiaries. Our ability to make distributions to stockholders will depend on our receipt of distributions from our operating partnership, and may be limited by the terms of the agreements governing our existing and future indebtedness.

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CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

For a general summary of material U.S. federal income tax considerations applicable to us, and to the purchasers of our common stock and our election to be taxed as a REIT, see United States Federal Income Tax Considerations in the accompanying prospectus.

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UNDERWRITING

Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC are acting as the representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith	