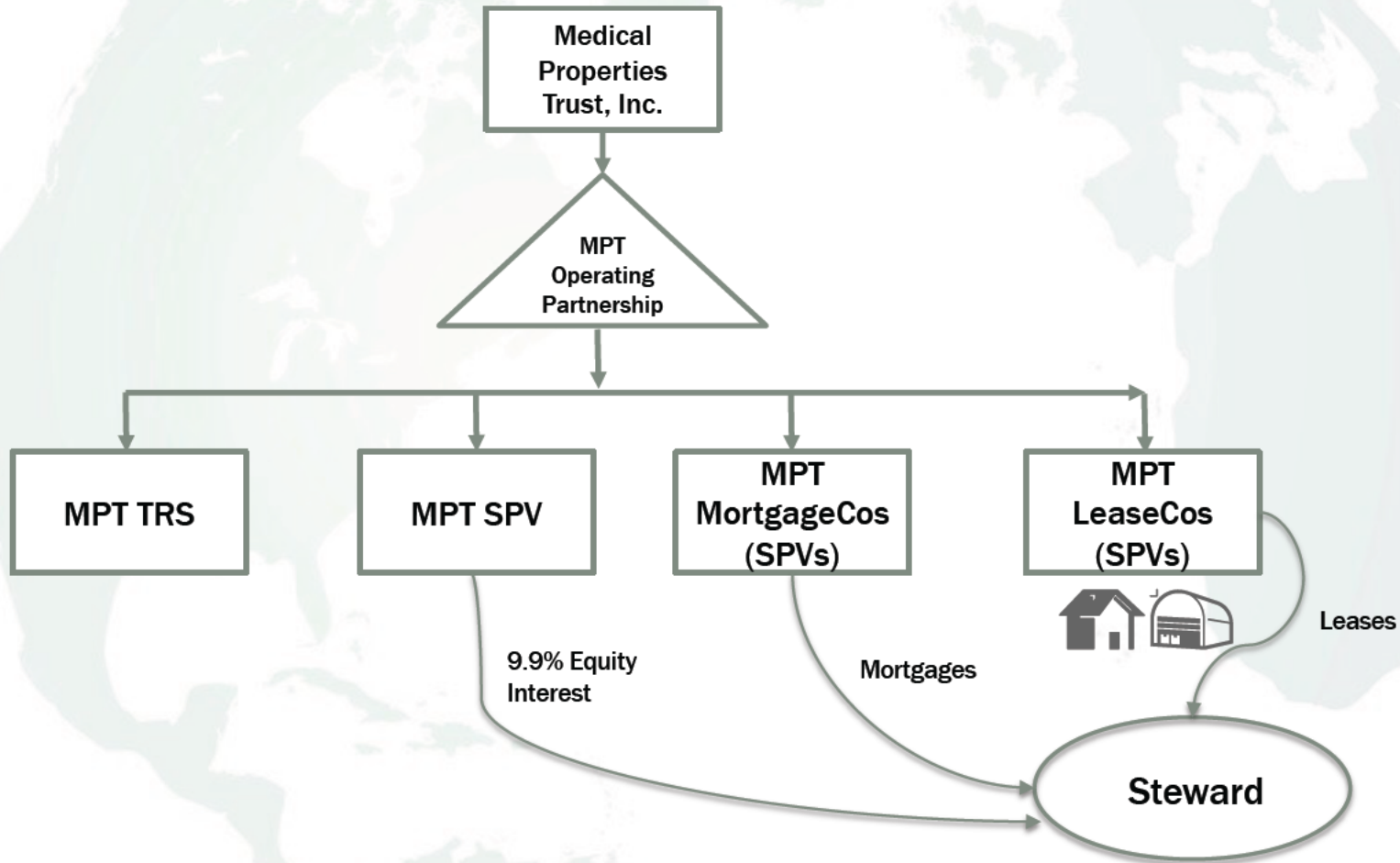




STEWARD RECAPITALIZATION

DRAFT – FOR DISCUSSION PURPOSES ONLY

Current MPT Org Structure (Simplified)

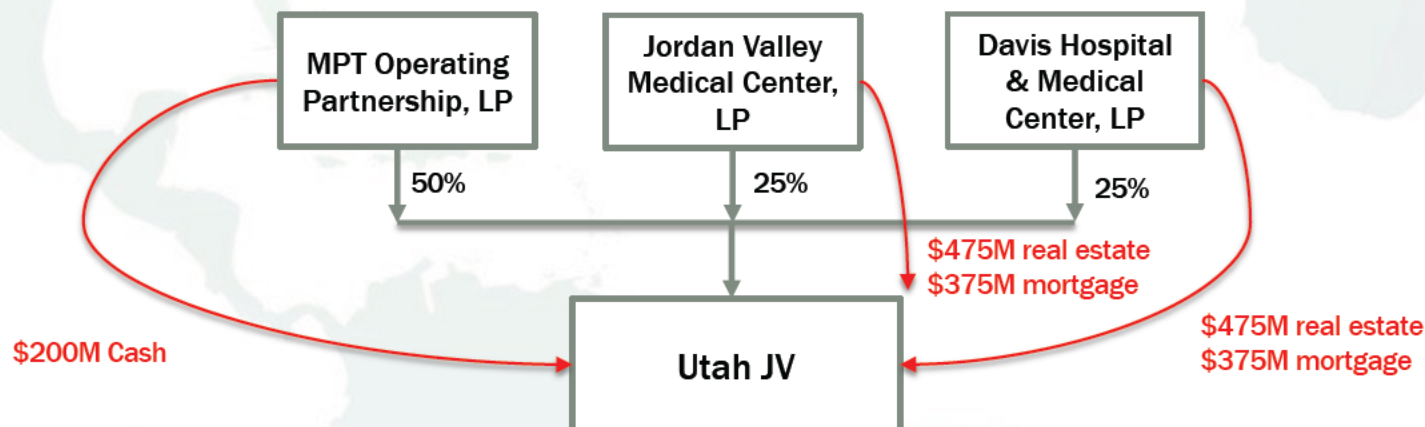




MPT Investment in Utah Properties Through JV Structure

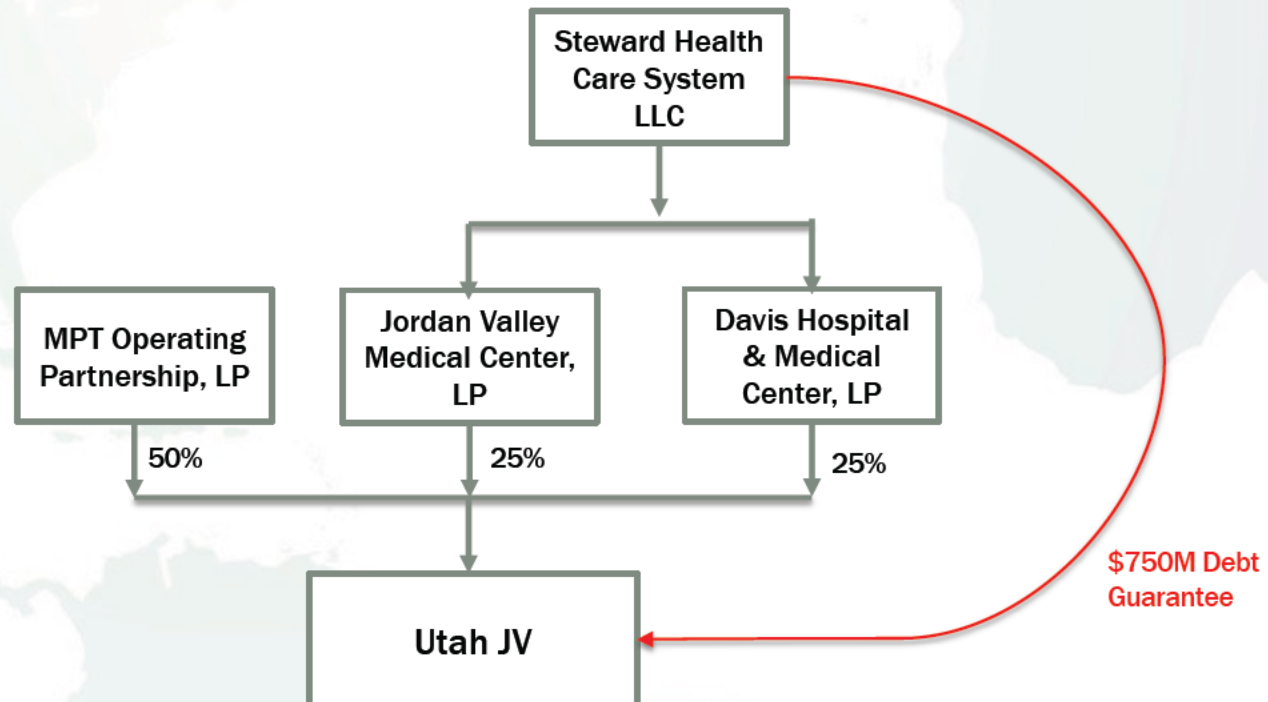
Step 1 – Joint Venture Formation

- Jordan Valley Medical Center, LP (“Jordan Valley”), Davis Hospital & Medical Center, LP (“Davis Hospital”) and MPT Operating Partnership, LP intend to create a Joint Venture (“Utah JV”) for two Utah Properties, Jordan Valley Medical Center and Davis Hospital & Medical Center.
- The two properties are valued at approximately \$950 million and owned by Jordan Valley and Davis Hospital.
- Subsidiaries of MPT Operating Partnership have mortgages on both properties of approximately \$750 million.
- MPT Operating Partnership, LP would contribute \$200 million of cash to the joint venture.
- Jordan Valley and Davis Hospital would contribute Jordan Valley and Davis Hospital subject to the existing mortgages.



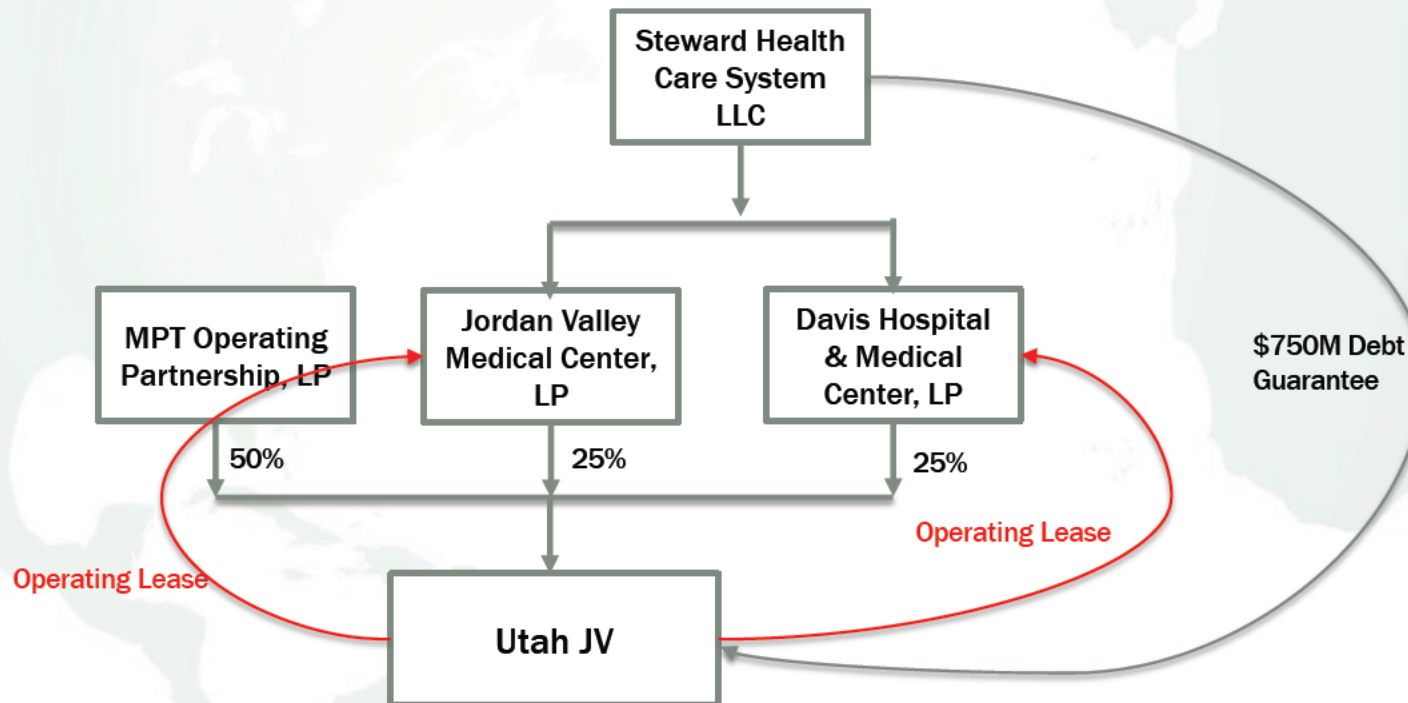
Step 2 – Steward Debt Guarantee

- Simultaneous with Step 1, Steward Parent would provide an unconditional guarantee to Utah JV on the \$750M mortgage.
- Debt guarantee will ensure positive capital for Steward and avoid additional taxable gain on the JV setup.



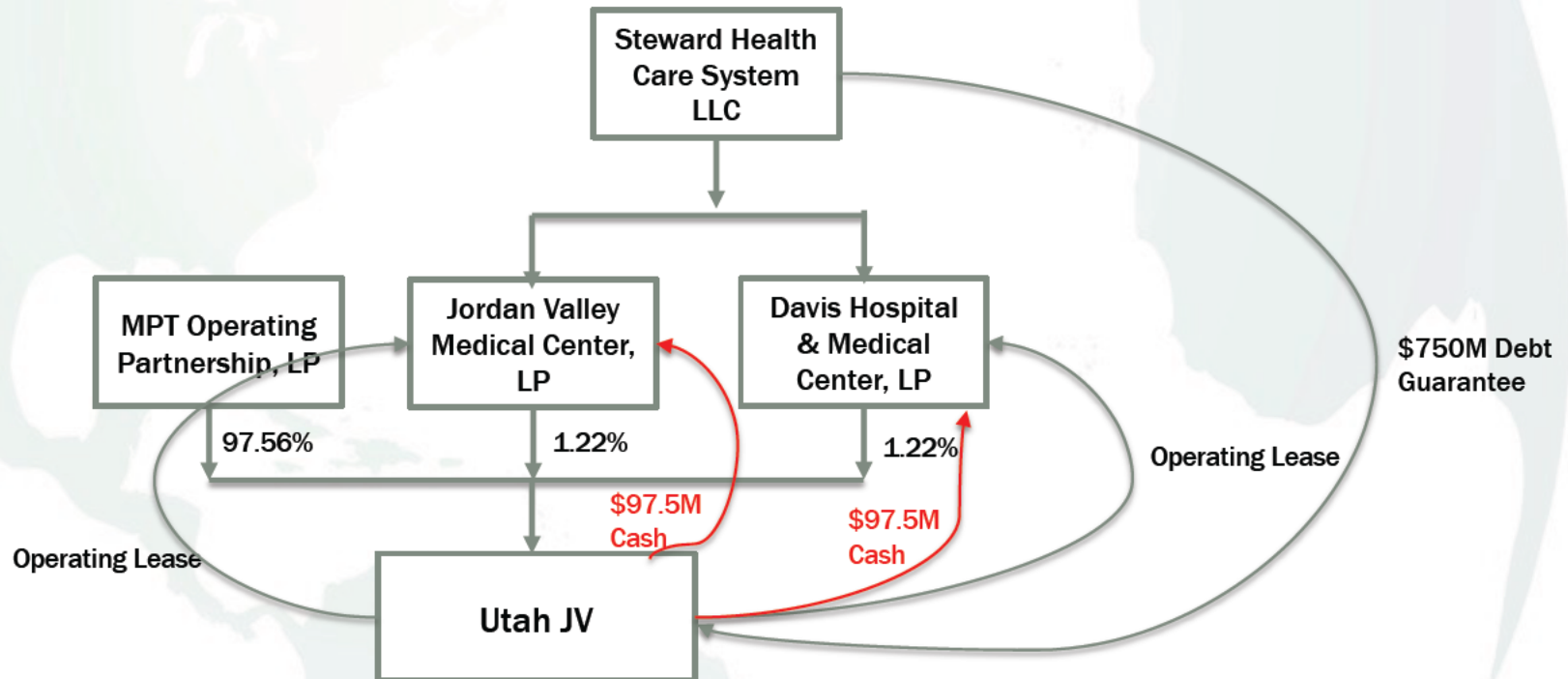
Step 3 – Utah JV Enters into Operating Lease

- Utah JV will enter into an operating leases with Jordan Valley and Davis Hospital.



Step 4 – Utah JV Distributes Cash to Steward

- Utah JV will distribute \$195 million of cash to Steward.
- Distribution will be a disguised sale for tax purposes, and result in tax on the \$195 million.
- Is it expected Steward will have sufficient current period losses to offset.



Utah JV Structure – Post Transaction

