

MPT of Little Elm FCER, LLC
Form 424B5
April 10, 2014
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Registration No. 333-190543

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, nor are they soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated April 10, 2014

Preliminary Prospectus Supplement

(To Prospectus Dated August 9, 2013)

MPT OPERATING PARTNERSHIP, L.P.

MPT FINANCE CORPORATION

\$300,000,000

% Senior Notes due 2024

Issue Price: %

The issuers are offering \$300.0 million aggregate principal amount % senior notes due 2024 (the notes). The notes will mature on , 2024. The issuers will pay interest on the notes on and of each year. Interest will accrue on the notes offered hereby from , 2014 and the first interest payment date will be , 2014.

The issuers may redeem some or all of the notes at any time after , 2019 at the redemption prices set forth herein. In addition, at any time and from time to time prior to , 2017 the issuers may redeem up to 35% of the aggregate principal amount of the notes using the proceeds of one or more equity offerings at a redemption price equal to % plus accrued and unpaid interest up to, but excluding, the applicable redemption date. The issuers may also redeem some or all the notes on or prior to , 2019 at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest up to, but excluding, the applicable redemption date plus a make-whole premium. The issuers must offer to purchase the notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest up to, but excluding, the purchase date, if we experience a change of control under certain circumstances.

The notes will be the issuers' senior unsecured obligations and will be guaranteed by the issuers' parent company, Medical Properties Trust, Inc., and by each of the issuers' subsidiaries that guarantees borrowings under the issuers' revolving credit facility. The notes and the guarantees will rank equally in right of payment with all of the issuers' and the guarantors' existing and future senior indebtedness and will rank senior in right of payment to any future indebtedness that is subordinated to the notes and the guarantees. The notes will be effectively subordinated to all of the issuers' and the guarantors' existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes and the guarantees will be structurally subordinated to all liabilities of any of the issuers' subsidiaries that do not guarantee the notes.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

Investing in the notes involves risks. See Risk Factors beginning on page S-12 of this prospectus supplement.

	Public offering price⁽¹⁾	Underwriting discounts	Proceeds, before expenses, to the issuers⁽¹⁾
Per note	%	%	%
Total	\$	\$	\$

(1) Plus accrued interest from _____, 2014 if settlement occurs after that date.

We expect that delivery of the notes to purchasers will be made on or about _____, 2014 in book-entry form through The Depository Trust Company for the account of its participants, including Clearstream Banking société anonyme and Euroclear Bank, S.A./N.V., as operator of the Euroclear System.

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.

Joint Book-Running Managers

BofA Merrill Lynch

J.P. Morgan
Lead Managers

Barclays

KeyBanc Capital Markets

Deutsche Bank Securities

RBC Capital Markets
Co-Managers

SunTrust Robinson Humphrey

BBVA

Credit Agricole CIB
The date of this prospectus supplement is _____, 2014

Raymond James

Regions Securities LLC

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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. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. You should read this entire document, including this prospectus supplement, the accompanying prospectus, the documents incorporated therein by reference and any free writing prospectus that we authorize to be delivered to you. 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 therein by reference. Please see **Forward-Looking Statements** in this prospectus supplement.

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 notes, 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 Securities and Exchange Commission, or 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.

Unless the context requires or otherwise indicates, references in this prospectus to **we**, **our**, **us** or **our company** refer to MPT Operating Partnership, L.P., a Delaware limited partnership, and its consolidated subsidiaries, including MPT Finance Corporation, together with Medical Properties Trust, LLC, a Delaware limited liability company and MPT Operating Partnership, L.P.'s sole general partner, and Medical Properties Trust, Inc., a Maryland corporation and the sole member of Medical Properties Trust, LLC. References to **Operating Partnership** refer to MPT Operating Partnership, L.P. References to **Issuers** refer to the Operating Partnership and MPT Finance Corporation, the co-issuers of the notes. References to **Medical Properties** refer to Medical Properties Trust, Inc. As of December 31, 2013, Medical Properties had a 99.8% equity ownership interest in the Operating Partnership.

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CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus supplement, the accompanying prospectus and any documents we incorporate by reference therein and in any free writing prospectus we authorize to be delivered to you 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 intended use of proceeds from this offering;

our ability to acquire or develop net-leased facilities, including the Hospital Acquisition and the Potential Hospital Acquisition (each as defined and described below under Prospectus Supplement Summary Recent Developments);

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:

factors referenced herein under the section captioned Risk Factors;

factors referenced in the combined Annual Report on Form 10-K of Medical Properties and the Operating Partnership for the year ended December 31, 2013, which is incorporated by reference in the accompanying prospectus, including those set forth under the sections captioned Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations and Business;

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the possibility that the anticipated benefits from the Hospital Acquisition and the Potential Hospital Acquisition, if consummated, will take longer to realize than expected or will not be realized at all;

U.S. (both national and local) and European (in particular Germany) economic, 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;

changes in foreign currency exchange rates;

U.S. (both federal and state) and European (in particular Germany) healthcare and other regulatory requirements; and

U.S. national and local economic conditions, as well as conditions in Europe and any other foreign jurisdictions where we own or will own healthcare facilities, 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, inter expressions, we are identifying 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 to reflect future events or developments.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in the prospectus supplement, accompanying prospectus or the documents incorporated by reference therein. 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 under the heading Risk factors, the financial data and other information incorporated by reference in the accompanying prospectus, and any free writing prospectus we authorize to be delivered to you before making an investment decision.

Our Company

Medical Properties is 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. Finally, from time to time, we acquire a profits or other equity interest in our tenants that gives us a right to share in these tenants' profits and losses.

At March 31, 2014, our portfolio consisted of 117 properties (including the property acquired in the Hospital Acquisition described below):

54 general acute care hospitals;

24 long-term acute care hospitals;

31 inpatient rehabilitation hospitals;

2 medical office buildings; and

6 wellness centers.

At March 31, 2014, we owned 108 facilities, 94 of which were in operation and leased to 25 tenants and 14 of which were under development. Two of the facilities we own were subject to long-term ground leases. The remaining nine assets in our portfolio were in the form of first mortgage loans to four operators and consisted of four general acute care facilities, two long-term acute care hospitals, and three inpatient rehabilitation hospitals. Our investments are located in the United States and Europe. For the year ended December 31, 2013, the Operating Partnership's total revenue was \$242.5 million, its EBITDA was \$203.6 million and its net income was \$97.2 million. See Summary Historical Consolidated Financial Data for a reconciliation of the Operating Partnership's EBITDA to the Operating Partnership's net income.

Medical Properties was incorporated under Maryland law on August 27, 2003, and the Operating Partnership was formed under Delaware law on September 10, 2003. We conduct substantially all of our business through our

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Operating Partnership. Medical Properties has operated as a REIT since April 6, 2004, and has elected REIT status since the filing of its federal income tax return for its 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.medicalpropertystrust.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 the accompanying prospectus or any

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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.

Recent Developments

Acquisitions of Acute Care Hospitals

On March 31, 2014, we acquired a general acute care hospital and an adjacent parcel for an aggregate purchase price of \$115 million. The facility was simultaneously leased back to its current operator under a lease with a 15-year initial term with a 3-year extension option, followed by a further 12-year extension option at fair market value. The lease provides for consumer price-indexed annual rent increases, subject to a specified floor and ceiling. The lease includes a customary right of first refusal with respect to a subsequent proposed sale of the facility. In this prospectus supplement, we refer to this acquisition as the [Hospital Acquisition](#). We financed the purchase price for the Hospital Acquisition with borrowings under our revolving credit facility.

In addition, we are currently in advanced discussions with a related seller to purchase an additional acute care hospital for approximately \$180 million, which is expected to be leased back to its current operator under a lease with a 15-year initial term with up to 15 years of extension options and consumer price-indexed annual rent increases, subject to a specified floor and ceiling. This potential hospital acquisition is contingent upon, among other things, the negotiation and execution of definitive agreements and the completion of satisfactory due diligence. If consummated, we expect to fund the purchase price with cash on hand, including any remaining net proceeds from this offering, and, to the extent necessary, additional borrowings under our revolving credit facility. In this prospectus supplement, we refer to this potential hospital acquisition as the [Potential Hospital Acquisition](#). We cannot assure you that the Potential Hospital Acquisition will be consummated on the terms described above or at all.

Pending Development Transaction Pipeline

We have entered into a non-binding letter of intent with one of our current operators/lessees for the development of an additional acute care facility in the United States. The proposed transaction, which is valued at approximately \$55 million, is structured initially as a construction loan from us for the development of the facility, followed by a sale and leaseback to the operator/lessee upon completion under a lease with a 15-year initial term with up to 15 years of extension options and consumer price-indexed annual rent increases, subject to a specified floor and ceiling. While we expect the transaction to close during the first half of 2014, the transaction is contingent upon, among other things, the negotiation and execution of definitive agreements and the completion of satisfactory due diligence, and we cannot assure you that it will be consummated on the terms described above or at all.

In addition, we have entered into a non-binding letter of intent with an affiliate of another of our current operators/lessees for the development of emergency room facilities in the United States, as well as the development and/or acquisition of acute care hospitals in the United States, with an estimated aggregate funding commitment from us and our affiliates of approximately \$150 million. Each of these facilities, when completed, will be leased to the operator/lessee or its affiliates under a master lease and applicable subleases providing for a 15-year initial term with up to 15 years of extension options and consumer price-indexed annual rent increases, subject to a specified floor. While we expect definitive documentation with respect to this transaction will be executed during the first half of 2014, we cannot assure you that definitive documentation will be executed on the terms described above or at all.

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Potential Disposition

As described in our 2013 Annual Report on Form 10-K, which is incorporated by reference into this prospectus supplement, as of December 31, 2013, we had \$21.0 million of rent, interest and other charges owed to us by the operator/lessee of Monroe Hospital in Bloomington, Indiana. In addition, we have advanced \$31.1 million to the operator/lessee pursuant to a working capital loan agreement. Because the operator has not made all payments required by the real estate lease agreement and working capital loan agreement, we consider the loan to be impaired.

During the first quarter of 2014 we commenced and are now in advanced discussions with a third party with respect to a restructuring of our investment in the form of a new joint venture that would acquire the real estate of Monroe Hospital and related assets in exchange for a combination of cash and promissory notes. We will also be entitled to share in the joint venture's profits during the first five years of operations. While we expect the transaction to close during the second half of 2014, the transaction is contingent upon, among other things, the negotiation and execution of definitive agreements and the completion of satisfactory due diligence, and we cannot assure you that it will be consummated on the terms described above or at all.

If consummated, we believe this transaction will result in an impairment of up to \$20 million to be recognized in the first quarter of 2014. If the transaction is not completed as currently expected, further impairment charges could be incurred.

Common Stock Offering

On March 11, 2014, Medical Properties completed an underwritten public offering of 8,300,000 shares of its common stock, consisting of 7,700,000 shares sold by Medical Properties and 600,000 shares sold by a selling stockholder, resulting in net proceeds to Medical Properties of approximately \$100,235,000, after deducting estimated offering expenses, all of which were used to repay borrowings under our revolving credit facility. Medical Properties also granted the underwriters a 30-day option to purchase up to an additional 1,245,000 shares of common stock from Medical Properties. The option, which was exercised in full, closed on April 8, 2014 and resulted in additional net proceeds to Medical Properties of approximately \$16 million.

In this prospectus supplement, we refer to (1) Medical Properties' common stock offering and issuance of 8,945,000 shares and the use of net proceeds to Medical Properties therefrom to repay borrowings under our revolving credit facility, and (2) the consummation of the Hospital Acquisition and the financing thereof with borrowings under our revolving credit facility, collectively, as the Transactions.

Table of Contents**The Offering**

The offering terms are summarized below solely for your convenience. This summary is not a complete description of the notes. You should read the full text and more specific details contained elsewhere in this prospectus supplement. For a more detailed description of the notes, see Description of Notes in this prospectus supplement. For purposes of this section entitled The Offering and the Description of Notes, references to we, us and our refer only to MPT Operating Partnership, L.P. and MPT Finance Corporation, the issuers of the notes, and not to their subsidiaries or any other entity, including the guarantors.

Issuers	MPT Operating Partnership, L.P. and MPT Finance Corporation, as co-issuers.
Securities Offered	\$300,000,000 aggregate principal amount of % senior notes due 2024.
Issue Price	% plus accrued interest, if any, from , 2014.
Stated Maturity Date	The notes will mature on , 2024.
Interest	The notes will accrue interest at a rate of % per year from , 2014, until maturity or earlier redemption or repurchase.
Interest Payment Dates	and of each year, commencing, , 2014.
Optional Redemption	We may redeem some or all of the notes at any time after , 2019 at the redemption prices set forth in Description of notes Optional redemption. We may also redeem up to 35% of the aggregate principal amount of the notes using the proceeds from certain equity offerings completed before , 2017. In addition, we may redeem some or all the notes on or prior to , 2019 at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest up to, but excluding, the applicable redemption date and a make-whole premium. See Description of Notes Optional Redemption.
Change of Control; Certain Asset Sales	If the Operating Partnership or our parent company, Medical Properties, experiences a change of control, we will be required to make an offer to purchase the notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the purchase date under certain circumstances. See Description of Notes Repurchase of

Notes Upon a Change of Control. If the Operating Partnership or any of its restricted subsidiaries sell assets, we will be required to make an offer to purchase the notes at their face amount, plus accrued interest and unpaid interest to the purchase date under certain circumstances. See Description of Notes Limitation on Asset Sales.

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Guarantees

The notes will be guaranteed, jointly and severally, on a senior unsecured basis by our parent company and by each of our subsidiaries that guarantees our revolving credit facility. See Description of Notes The Guarantees.

Ranking

The notes will be our and the guarantors' general senior unsecured obligations, will rank equal in right of payment with all of such entities existing and future senior indebtedness, including borrowings under our revolving credit facility and under our term loan, our senior notes due 2020, 2021 and 2022, and with respect to the Operating Partnership and Medical Properties Trust, the senior notes due 2016, and will rank senior in right of payment to all of such entities' existing and future subordinated indebtedness; however, the notes will be effectively subordinated to all of our and the guarantors' secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes will also be structurally subordinated to the indebtedness and other obligations of our subsidiaries that do not guarantee the notes with respect to the assets of such entities.

As of December 31, 2013 and after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, we and the guarantors (after accounting for intercompany transactions) would have had \$1.6 billion of indebtedness (none of which would have been secured indebtedness), and our subsidiaries that will not guarantee the notes would have had \$13.9 million of indebtedness and \$413.8 million of other liabilities, all of which would have been structurally senior to the notes, and assets of \$625.6 million or 19.5% of the Operating Partnership's consolidated total assets.

For the year ended December 31, 2013, after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, our subsidiaries that will not guarantee the notes would have had net income of \$18.2 million. For the year ended December 31, 2013 after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, our subsidiaries that will not guarantee the notes would have had \$44.5 million of the Operating Partnership's Acquisition Adjusted EBITDA, or 16.5% of the Operating Partnership's Acquisition Adjusted EBITDA. See Summary Historical Consolidated Financial Data for a reconciliation of the Operating Partnership's Acquisition Adjusted EBITDA to the Operating Partnership's net income.

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As of December 31, 2013 and after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, we would have had no borrowings under our \$400 million revolving credit facility and \$400 million of availability.

Certain Covenants

The indenture governing the notes will restrict our ability and the ability of our restricted subsidiaries to, among other things:

incur debt;

pay dividends and make distributions;

create liens;

enter into transactions with affiliates; and

merge, consolidate or transfer all or substantially all of their assets.

We and our restricted subsidiaries are also required to maintain total unencumbered assets of at least 150% of our collective unsecured debt.

These covenants are subject to important exceptions and qualifications. See Description of Notes Certain covenants.

No Public Market

The notes will be new securities for which there is currently no established trading market. The underwriters have advised us that they intend to make a market in the notes. The underwriters are not obligated, however, to make a market in the notes, and any such market-making may be discontinued by the underwriters in their discretion at any time without notice. Accordingly, there can be no assurance as to the development or liquidity of any market for the notes. See Underwriting.

Book-Entry Form

The notes will be issued in book-entry only form and will be represented by one or more permanent global certificates deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company, commonly known as DTC, in New York, New York. Beneficial interests in the global certificates representing the notes will

be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and such interests may not be exchanged for certificated notes, except in limited circumstances.

Use of Proceeds

We estimate that the net proceeds from this offering will be approximately \$ million, after deducting underwriting discounts and commissions and our estimated offering expenses. We intend to use the net proceeds from this offering to repay all of our borrowings under our revolving credit facility and for general corporate purposes,

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which may include investing in additional healthcare properties, including to finance the purchase price of the Potential Hospital Acquisition. As of April 4, 2014, we had \$155 million of borrowings under our revolving credit facility. Pending application of any portion of the net proceeds in the manner described in this prospectus supplement, we may invest such net proceeds in interest bearing accounts and short-term, interest-bearing securities as is consistent with our intention to maintain our qualification for taxation as a REIT. See Use of Proceeds.

Trustee

Wilmington Trust, National Association.

Governing Law

New York.

Risk Factors

Investment in the notes involves risk. You should carefully consider the information under the section titled Risk Factors and all other information included and incorporated by reference in this prospectus supplement and the accompanying prospectus before investing in the notes.

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The summary historical consolidated financial data presented below as of December 31, 2013 and for the years ended December 31, 2011, 2012 and 2013 have been derived from the Operating Partnership's audited consolidated financial statements and accompanying notes appearing in the combined Annual Report of Medical Properties and the Operating Partnership on Form 10-K for the year ended December 31, 2013, incorporated by reference into the accompanying prospectus. Historical results are not necessarily indicative of the results to be expected in the future.

As of December 31, 2013, Medical Properties had a 99.8% equity ownership interest in the Operating Partnership. Medical Properties has no significant operations other than as the sole member of its wholly owned subsidiary, Medical Properties Trust, LLC, which is the sole general partner of the Operating Partnership, and no material assets, other than its direct and indirect investment in the Operating Partnership. There is no significant difference between the Operating Partnership's net income and Medical Properties' net income.

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 and the Operating Partnership's audited financial statements, each of which is included in the combined Annual Report of Medical Properties and the Operating Partnership on Form 10-K for the year ended December 31, 2013, which is incorporated by reference into the accompanying prospectus. 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,		
	2011⁽¹⁾⁽²⁾	2012⁽¹⁾⁽²⁾	2013⁽¹⁾⁽²⁾
Operating data			
Total revenue	\$ 132,322	\$ 198,125	\$ 242,523
Depreciation and amortization (expense)	(30,147)	(32,815)	(36,978)
Property-related and general and administrative (expenses)	(27,798)	(30,039)	(32,513)
Acquisition expense ⁽³⁾	(4,184)	(5,420)	(19,494)
Interest and other income (expense)	96	1,281	3,235
Debt refinancing (expense)	(14,214)		
Interest (expense)	(43,810)	(58,243)	(66,746)
Income tax (expense)	(128)	(19)	(726)
Income from continuing operations	12,137	72,870	89,301
Income from discontinued operations	14,594	17,207	7,914
Net income	26,731	90,077	97,215
Net income attributable to non-controlling interests	(178)	(177)	(224)
Net income attributable to MPT Operating Partnership, L.P. partners	\$ 26,553	\$ 89,900	\$ 96,991
Other data			
Dividends declared per unit	\$ 0.80	\$ 0.80	\$ 0.81

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In thousands	As of December 31, 2013
Balance sheet data	
Real estate assets at cost	\$ 2,296,479
Real estate accumulated depreciation / amortization	(159,776)
Other loans and investments	549,640
Cash and equivalents	45,979
Other assets	172,248
Total assets	\$ 2,904,570
Debt, net	\$ 1,421,681
Other liabilities	138,291
Total capital	1,344,598
Total liabilities and capital	\$ 2,904,570

In thousands, except for ratios	Year ended December 31,		
	2011⁽¹⁾	2012⁽¹⁾	2013⁽¹⁾
Other data			
EBITDA ⁽⁴⁾	\$ 120,269	\$ 184,009	\$ 203,584
Adjusted EBITDA ⁽⁴⁾	\$ 123,902	\$ 179,516	\$ 216,876
Net debt ⁽⁵⁾ to Adjusted EBITDA ⁽⁴⁾	4.74x	5.50x	6.34x
Acquisition Adjusted EBITDA ⁽⁶⁾			\$ 270,386
Net debt ⁽⁵⁾ to Acquisition Adjusted EBITDA ⁽⁶⁾			5.10x
Acquisition Adjusted Total Assets ⁽⁷⁾			\$ 3,215,791

- (1) Reclassification, presentation and certain computational changes have been made for the results of properties sold and reclassified to discontinued operations.
- (2) Cash paid for acquisitions and other related investments totaled \$279.0 million, \$621.5 million, \$654.9 million in 2011, 2012 and 2013, respectively. 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 Medical Properties and the Operating Partnership for the year ended December 31, 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 Medical Properties and the Operating Partnership for the year ended December 31, 2013 for further information regarding our debt, common stock and discontinued operations, respectively.
- (3) Includes \$12.0 million in transfer taxes in 2013 related to our property acquisitions in Germany.

- (4) We believe that earnings before interest expense (including debt refinancing expense), income taxes, depreciation and amortization, or EBITDA, and Adjusted EBITDA, are useful supplemental performance measures because they allow investors to view the Operating Partnership's performance without the impact of non-cash depreciation and amortization or the cost of debt. Adjusted EBITDA is EBITDA adjusted to eliminate the impact of gains and losses on asset sales, write-off of straight line rent, write-off of former tenant receivable, executive severance and acquisition costs. In calculating net debt to Adjusted EBITDA, we have subtracted from net debt all cash on the balance sheet as of each applicable fiscal year end. In addition, we believe EBITDA and Adjusted EBITDA are frequently used by securities analysts, investors

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and other interested parties in the evaluation of REITs. Because EBITDA and Adjusted EBITDA are calculated before recurring cash charges including interest expense and income taxes, exclude capitalized costs, such as leasing commissions, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utility as a measure of the Operating Partnership's performance is limited. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur charges, costs and expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Accordingly, EBITDA and Adjusted EBITDA should be considered only as supplements to net income (computed in accordance with U.S. GAAP) as a measure of the Operating Partnership's financial performance. Other REITs may calculate EBITDA and Adjusted EBITDA differently than the Operating Partnership does; accordingly, the Operating Partnership's EBITDA and Adjusted EBITDA may not be comparable to such other REITs' EBITDA and Adjusted EBITDA. EBITDA and Adjusted EBITDA as described above may not be calculated on the same basis as Consolidated EBITDA is calculated under the indenture governing the notes. For a description of how Consolidated EBITDA is calculated under the indenture governing the notes, see Description of Notes Certain definitions.

- (5) We define net debt as debt less cash and cash equivalents.
- (6) We believe that Acquisition Adjusted EBITDA is a useful supplemental performance measure because it allows investors to view our performance reflective of the Hospital Acquisition and our other acquisitions and divestitures since January 1, 2013. Acquisition Adjusted EBITDA consists of the Operating Partnership's Adjusted EBITDA for the year ended December 31, 2013 plus rent we estimate we would have received from the assets we have acquired since January 1, 2013 had we acquired such assets on January 1, 2013 for the period beginning on January 1, 2013 and ending on the earlier of December 31, 2013 and the date of each such acquisition (Estimated rent gain from acquired assets), less rent attributable to the assets we have divested since January 1, 2013 to the extent such rent was included in the Operating Partnership's total net income for the year ended December 31, 2013 (Estimated rent loss from divested assets), less additional general and administrative expenses that we estimate we would have incurred with respect to such acquired assets had they been acquired on January 1, 2013 for the year ended December 31, 2013, net of general and administrative expenses that we estimate we would have saved with respect to the divested assets had they been divested on January 1, 2013 for the year ended December 31, 2013 (Estimated increased G&A expense). Acquisition Adjusted EBITDA was prepared based upon the purchase method of accounting for the real estate acquired pursuant to the Hospital Acquisition and our other acquisitions since January 1, 2013 and the expected accounting treatment of the related leases as operating leases pursuant to U.S. GAAP. Because Acquisition Adjusted EBITDA is calculated before recurring cash charges including interest expense and income taxes, excludes capitalized costs, such as leasing commissions, and is not adjusted for capital expenditures or other recurring cash requirements of our business, including assets acquired pursuant to the Hospital Acquisition and our other acquisitions since January 1, 2013, its utility as a measure of the Operating Partnership's performance is limited. In evaluating Acquisition Adjusted EBITDA, you should be aware that in the future we may incur charges, costs and expenses that are the same as or similar to some adjustments in this presentation. Our presentation of Acquisition Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Accordingly, Acquisition Adjusted EBITDA should be considered only as a supplement to net income (computed in accordance with U.S. GAAP) as a measure of the Operating Partnership's financial performance. Acquisition Adjusted EBITDA as described above is not calculated on the same basis as Consolidated EBITDA is calculated under the indenture governing the notes. For a description of how Consolidated EBITDA is calculated under the indenture governing the notes, see Description of Notes Certain Definitions.

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The following table shows the reconciliation of net income to EBITDA, Adjusted EBITDA and Acquisition Adjusted EBITDA:

In thousands	Year ended December 31,		
	2011⁽¹⁾⁽²⁾	2012⁽¹⁾⁽²⁾	2013⁽¹⁾⁽²⁾
Net income	\$ 26,731	\$ 90,077	\$ 97,215
Interest expense (including debt refinancing costs)	57,930	58,319	66,825
Taxes	128	19	726
Depreciation and amortization	35,480	35,594	38,818
EBITDA	120,269	184,009	203,584
Gains on asset sales	(5,431)	(16,369)	(7,659)
Write-off of straight-line rent	2,470	6,456	1,457
Write-off of former tenant receivable	1,846		
Impairment charge	564		
Acquisition costs ⁽³⁾	4,184	5,420	19,494
Adjusted EBITDA	\$ 123,902	\$ 179,516	\$ 216,876
Plus: Estimated rent gain from acquired assets			55,905
Less: Estimated rent loss from divested assets			(1,895)
Less: Estimated increased G&A expense			(500)
Acquisition Adjusted EBITDA			\$ 270,386

(7) Acquisition Adjusted Total Assets as of December 31, 2013 consist of the Operating Partnership's total assets as of December 31, 2013 adjusted for the assets acquired pursuant to the Hospital Acquisition, the use of net proceeds from this offering and Medical Properties' common stock offering and issuance of 8,945,000 shares and the use of net proceeds to Medical Properties therefrom to repay borrowings under our revolving credit facility as described in more detail in Recent Developments' Common Stock Offering.

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RISK FACTORS

An investment in the notes offered hereby 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 Medical Properties and the Operating Partnership for the year ended December 31, 2013, which is incorporated by reference into the accompanying prospectus. 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 the notes offered hereby. 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 the notes to decline, resulting in the loss of all or part of your investment.

Risks Related to the Notes and the Offering

Our indebtedness may affect our ability to operate our business, and may have a material adverse effect on our financial condition and results of operations. We and our subsidiaries may incur additional indebtedness, including secured indebtedness.

As of December 31, 2013 and after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, the Issuers and the guarantors (after accounting for intercompany transactions) would have had \$1.6 billion of indebtedness (none of which would have been secured indebtedness) and our subsidiaries that will not guarantee the notes would have had \$13.9 million of indebtedness and \$413.8 million of other liabilities. In addition, as of December 31, 2013 and after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, we would have had no borrowings under our \$400 million revolving credit facility and \$400 million of availability.

Our indebtedness could have significant adverse consequences to us and the holders of the notes, such as:

requiring us to use a substantial portion of our cash flow from operations to service our indebtedness, which would reduce the available cash flow to fund working capital, capital expenditures, development projects and other general corporate purposes;

limiting our ability to obtain additional financing to fund our working capital needs, acquisitions, capital expenditures or other debt service requirements or for other purposes;

limiting our ability to compete with other companies who are not as highly leveraged, as we may be less capable of responding to adverse economic and industry conditions;

restricting us from making strategic acquisitions, developing properties or exploiting business opportunities;

restricting the way in which we conduct our business because of financial and operating covenants in the agreements governing our existing and future indebtedness, including, in the case of certain indebtedness of subsidiaries, certain covenants that restrict the ability of subsidiaries to pay dividends or make other distributions to us;

exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our debt instruments that could have a material adverse effect on our business, financial condition and operating results;

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increasing our vulnerability to a downturn in general economic conditions; and

limiting our ability to react to changing market conditions in our industry and in our tenants and borrowers industries.

In addition, borrowings under our revolving credit facility will and our other future borrowings may bear interest at variable rates. If interest rates increase significantly, our ability to borrow additional funds may be reduced and the risk related to our indebtedness would intensify.

In addition to our debt service obligations, our operations may require substantial investments on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets and properties, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors.

Subject to the restrictions that are contained in our revolving and term loan facilities and the indentures governing the Operating Partnership's senior notes due 2016 (the 2016 Notes), the indenture governing the Issuers' 5.750% senior notes due 2020 (the 2020 Notes), the indenture governing the Issuers' 6.875% senior notes due 2021 (the 2021 Notes) and the indenture governing the Issuers' 6.375% senior notes due 2022 (the 2022 Notes) and, such indentures collectively, the Existing Indentures) and restrictions that will be contained in the indenture governing the notes offered hereby, we may also incur significant additional indebtedness, including additional secured indebtedness. Although the terms of these agreements contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and additional indebtedness incurred in compliance with these restrictions could be significant. If we incur additional debt in the future, the risks described above could increase.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.

Our ability to satisfy our debt obligations will depend upon, among other things:

our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control; and

our future ability to borrow under our revolving credit facility, the availability of which depends on, among other things, our complying with the covenants in the indenture that will govern the notes.

We cannot assure you that our business will generate sufficient cash flow from operations, or that we will be able to draw under our revolving credit facility or otherwise, in an amount sufficient to fund our liquidity needs.

If our cash flows and capital resources are insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to

comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt agreements may restrict us from adopting some of these alternatives. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations, sell equity, and/or negotiate

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with our lenders to restructure the applicable debt, in order to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. Our term loan facility, revolving credit facility, the Existing Indentures and the indenture governing the notes offered hereby may restrict, or market or business conditions may limit, our ability to avail ourselves to some or all of these options. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

Our revolving credit and term loan facilities and the Existing Indentures contain, the indenture governing the notes offered hereby will contain and any instruments governing future indebtedness of ours may contain, a number of covenants that impose significant operating and financial restrictions on us, including restrictions on our ability to, among other things:

incur additional debt or issue certain preferred shares;

pay dividends on or make distributions in respect of Medical Properties capital stock or make other restricted payments;

make certain payments on debt that is subordinated to the notes;

make certain investments;

sell or transfer assets;

create liens on certain assets;

consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;

enter into certain transactions with our affiliates; and

designate our subsidiaries as unrestricted subsidiaries.

Any of these restrictions could limit our ability to plan for or react to market conditions and could otherwise restrict corporate activities. Any failure to comply with these covenants could result in a default under our term loan facility, revolving credit facility, the indenture governing the notes offered hereby and the Existing Indentures. Upon a default, unless waived, the lenders under our term loan facility and revolving credit facility could elect to terminate their commitments, cease making further loans and force us into bankruptcy or liquidation. Holders of the notes offered hereby, our 2016 Notes, 2020 Notes, 2021 Notes and our 2022 Notes would also have the ability ultimately to force us into bankruptcy or liquidation, subject to the indenture governing the notes offered hereby and the Existing

Indentures. In addition, a default (or an event of default) under our term loan facility, our revolving credit facility, the indenture governing the notes offered hereby and the Existing Indentures may trigger a cross default under our other agreements and could trigger a cross-default or cross-acceleration under the agreements governing our future indebtedness. Our operating results may not be sufficient to service our indebtedness or to fund our other expenditures and we may not be able to obtain financing to meet these requirements. See Description of Notes.

We will depend on dividends and distributions from our direct and indirect subsidiaries to fulfill our obligations under the notes. The creditors of these subsidiaries are entitled to amounts payable to them by the subsidiaries before the subsidiaries may pay any dividends or distributions to us.

Substantially all of our assets are held through our subsidiaries. We depend on these subsidiaries for substantially all of our cash flow. The creditors of each of our direct and indirect subsidiaries are entitled to payment of that subsidiary's obligations to them, when due and payable, before distributions may be made by

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that subsidiary to us. Thus, our ability to service our debt obligations, including our ability to pay the interest on and principal of the notes when due, depends on our subsidiaries' ability first to satisfy their obligations to their creditors and then to make distributions to us. Our subsidiaries are separate and distinct legal entities and have no obligations, other than under the guarantee of the notes for the majority of our subsidiaries, to make any funds available to us.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.

Any default under the agreements governing our indebtedness, including a default under our term loan facility, our revolving credit facility, the indentures governing the notes offered hereby and the Existing Indentures, that is not waived by the required holders of such indebtedness, could leave us unable to pay principal, premium, if any, or interest on the notes and could substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on such indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, including our term loan facility, our revolving credit facility, the indenture governing the notes offered hereby and the Existing Indentures, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with any accrued and unpaid interest, the lenders under our term loan facility and revolving credit facility could elect to terminate their commitments, cease making further loans and we could be forced into bankruptcy or liquidation, as applicable. If our operating performance declines, we may in the future need to seek waivers from the required lenders under our term loan facility and revolving credit facility to avoid being in default. If we breach our covenants under our term loan facility and revolving credit facility and seek waivers, we may not be able to obtain waivers from the required lenders thereunder.

Your right to receive payments on the notes is effectively subordinated to the right of lenders who have a security interest in our assets to the extent of the value of those assets.

Our obligations under our term loan facility and revolving credit facility, the indenture governing the notes offered hereby and the Existing Indentures, the guarantors' obligations under their guarantees of borrowings under our term loan facility, revolving credit facility, the notes offered hereby, the 2020 Notes, the 2021 Notes and the 2022 Notes and Medical Properties' obligations under the 2016 Notes are unsecured, but certain of our future debt obligations may be secured. If we are declared bankrupt or insolvent, or if we default under any of our future secured financing arrangements, the funds borrowed thereunder, together with accrued interest, could become immediately due and payable. If we were unable to repay such indebtedness, the lenders could foreclose on the pledged assets to the exclusion of holders of the notes, even if an event of default exists under the indenture governing the notes at such time. In any such event, because the notes are not secured by any of such assets, it is possible that there would not be sufficient assets from which your claims could be satisfied.

Claims of noteholders will be structurally subordinated to claims of creditors of any of our subsidiaries that do not guarantee the notes.

We conduct all of our operations through our subsidiaries. Subject to certain limitations, the indenture governing the notes will permit us to form or acquire subsidiaries that are not guarantors of the notes and permit such non-guarantor subsidiaries to acquire assets and incur indebtedness, and, as a result, noteholders would not have any claim as a creditor against any such subsidiaries. The claims of the creditors of those subsidiaries, including their trade creditors, banks and other lenders, would have priority over any of our claims or those of our other subsidiaries as equity holders of the non-guarantor subsidiaries. Consequently, in any insolvency, liquidation, reorganization, dissolution or other winding-up of any of the non-guarantor subsidiaries, creditors of those subsidiaries would be paid before any amounts

would be distributed to us or to any of our other subsidiaries

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as equity holders, and thus be available to satisfy our and the guarantors' obligations under the notes and guarantees of the notes.

As of December 31, 2013 and on an as adjusted basis to give effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, our subsidiaries that will not guarantee the notes would have had \$13.9 million of indebtedness and \$413.8 million of other liabilities, all of which would have been structurally senior to the notes, and would have had assets of \$625.6 million, or 19.5% of the Operating Partnership's consolidated total assets. For the year ended December 31, 2013 after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, our subsidiaries that will not guarantee the notes would have had \$18.2 million of net income and \$44.5 million of Acquisition Adjusted EBITDA, or 16.5% of the Operating Partnership's Acquisition Adjusted EBITDA. See Summary Historical Consolidated Financial Data for a reconciliation of the Operating Partnership's Acquisition Adjusted EBITDA to the Operating Partnership's net income.

We may not be able to satisfy our obligations to holders of the notes upon a change of control.

Upon the occurrence of a change of control, as defined in the indenture, with certain exceptions, each holder of the notes will have the right to require us to purchase the notes at a price equal to 101% of the principal amount thereof. Our failure to purchase, or to give notice of purchase of, the notes would be a default under the indenture and any such default could result in a default under certain of our other indebtedness, including our term loan facility, our revolving credit facility and the Existing Indentures. In addition, a change of control may constitute an event of default under our term loan facility and revolving credit facility.

There is no established trading market for the notes. If an actual trading market does not develop for the notes, you may not be able to resell them quickly, for the price that you paid or at all.

The notes are new securities for which there is currently no existing market and the notes will not be listed for trading on any exchange. We cannot assure you as to the liquidity of any market that may develop for the notes, the ability of holders of the notes to sell them or the price at which the holders of the notes may be able to sell them. The liquidity of any market for the notes will depend on the number of holders, prevailing interest rates, the market for similar securities and other factors, including general economic conditions and our own financial condition, performance and prospects, as well as recommendations by securities analysts. Historically, the market for non-investment-grade debt, such as the notes, has been subject to disruptions that have caused substantial price volatility. We cannot assure you that if a market for the notes were to develop, such a market would not be subject to similar disruptions.

The underwriters have advised us that they intend to make a market in the notes, but they are not obligated to do so. Each underwriter may discontinue any market making in the notes at any time, in its sole discretion, without notice. As a result, we cannot assure you as to the liquidity of any trading market for the notes.

We also cannot assure you that you will be able to sell your notes at a particular time or at all, or that the prices that you receive when you sell them will be favorable. If no active trading market develops, you may not be able to resell your notes at their fair market value, or at all.

U.S. federal and state statutes allow courts, under specific circumstances, to avoid the guarantees, subordinate claims in respect of the guarantees and require note holders to return payments received from the guarantors.

Medical Properties and certain of the Operating Partnership's subsidiaries will guarantee the obligations under the notes. The issuance of the guarantees by the guarantors may be subject to review under federal and

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state laws if a bankruptcy, liquidation or reorganization case or a lawsuit, including in circumstances in which bankruptcy is not involved, were commenced at some future date by, or on behalf of, the unpaid creditors of a guarantor. Under the federal bankruptcy laws and comparable provisions of state fraudulent transfer, insolvency, fictitious indebtedness and similar laws, a court may avoid or otherwise decline to enforce a guarantor's guarantee or may subordinate the notes or such guarantee to the applicable guarantor's existing and future indebtedness. While the relevant laws may vary from state to state, a court might do so if it found that when the applicable guarantor entered into its guarantee, or, in some states, when payments became due under such guarantee, the applicable guarantor received less than reasonably equivalent value or fair consideration in exchange for its issuance of the guarantee and:

was insolvent or rendered insolvent by reason of such incurrence;

was engaged in a business or transaction, or was about to engage in a business or transaction, for which its remaining assets constituted unreasonably small capital; or

intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured.

Under the fictitious indebtedness laws of some states, the presence of the above-listed factors is not required for a guarantee to be invalidated. A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration in exchange for such guarantee if such guarantor did not substantially benefit directly or indirectly from the issuance of such guarantee. The measures of insolvency for purposes of these fraudulent transfer, insolvency and similar laws vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor, as applicable, would be considered insolvent if:

the sum of its debts, including contingent and unliquidated liabilities, was greater than the fair saleable value of its assets;

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent and unliquidated liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

A court might also avoid a guarantee, without regard to the above factors, if the court found that the applicable guarantor entered into its guarantee with the actual intent to hinder, delay or defraud its creditors. In addition, any payment by a guarantor pursuant to its guarantee could be avoided and required to be returned to such guarantor or to a fund for the benefit of such guarantor's overall creditor body, and accordingly the court might direct you to repay any amounts that you had already received from such guarantor.

To the extent a court avoids any of the guarantees as fraudulent transfers or holds any of the guarantees unenforceable or avoidable for any other reason, holders of notes would cease to have any direct claim against the applicable guarantor. If a court were to take this action, the applicable guarantor's assets would be applied first to satisfy the

applicable guarantor's direct liabilities, if any, and might not be applied to the payment of the guarantee. Sufficient funds to repay the notes may not be available from other sources, including the remaining guarantors, if any.

Each guarantee will contain a provision intended to limit the guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer. This provision may not be effective to protect the guarantees from being avoided under applicable fraudulent transfer laws or may reduce the guarantor's obligation to an amount that effectively makes the guarantee worthless. Although overturned on other grounds, in a recent Florida bankruptcy case, such a provision was found to be ineffective to protect the guarantee.

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MPT Finance Corporation has no material assets or operations and provides no credit support for the notes.

MPT Finance Corporation is a wholly owned subsidiary of the Operating Partnership and was formed for the sole purpose of being a co-issuer of some of the Operating Partnership's indebtedness. It has no assets or operations. You should not rely upon MPT Finance Corporation to make payments on the notes.

The guarantees of the notes provided by our subsidiaries that are organized under the laws of Luxembourg are subject to additional risks.

The notes will be guaranteed, jointly and severally, on a senior unsecured basis by Medical Properties and our subsidiaries that guarantee our revolving credit facility. Certain of these guarantors, MPT RHM Holdco S.à r.l., MPT RHM Sonnenwende S.à r.l., MPT RHM Klaus S.à r.l., MPT RHM Vesalius S.à r.l., MPT RHM Park S.à r.l., MPT RHM Fontana S.à r.l., MPT RHM Christiaan S.à r.l. and MPT RHM Hillersbach S.à r.l., are organized under laws of Luxembourg (collectively, the Luxembourg Guarantors). As of December 31, 2013, the Luxembourg Guarantors had \$272.8 million of assets, or 9.4% of the Operating Partnership's consolidated total assets. The guarantees of the Luxembourg Guarantors are subject to additional risks including:

You may be unable to enforce, or recover any amounts under, the guarantees of the Luxembourg Guarantors due to restrictions on the validity and enforceability of security interests and guarantees under the laws of Luxembourg;

Because the Luxembourg Guarantors are organized under the laws of Luxembourg, the assets of the Luxembourg Guarantors are located outside of the United States and certain of the managers and officers of the Luxembourg Guarantors reside outside of the United States, investors may find it difficult to effect service of process within the United States upon the Luxembourg Guarantors or such managers and officers to enforce outside the United States judgments obtained against the Luxembourg Guarantors or such managers or officers in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the U.S. federal securities laws; and

The insolvency laws of Luxembourg may not be as favorable to your interests as the laws of the United States or other jurisdictions with which you are familiar.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately \$ million, after deducting underwriting discounts and commissions and our estimated offering expenses. We intend to use the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, approximately \$115 million of which were used to finance the Hospital Acquisition, and for general corporate purposes, which may include investing in additional healthcare properties, including to finance the purchase price of the Potential Hospital Acquisition. As of April 4, 2014, we had \$155 million of borrowings outstanding under our revolving credit facility. 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 over LIBOR initially set at 2.60%, (adjustable from 2.60% to 3.40% based on current total leverage). The applicable interest rate spread over LIBOR was 2.85% at December 31, 2013. As of December 31, 2013 and after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility, we would have had no borrowings under our \$400 million revolving credit facility and \$400 million of availability.

Pending the application of any portion of the net proceeds in the manner described in this prospectus supplement, we may invest it in interest-bearing accounts and short-term, interest-bearing securities as is consistent with our intention to maintain our qualification for taxation as a REIT, including, for example, government and governmental agency securities, certificates of deposit and interest-bearing bank deposits.

Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Deutsche Bank Securities Inc., RBC Capital Markets, LLC, SunTrust Robinson Humphrey, Inc., BBVA Securities Inc., Raymond James & Associates, Inc. and Regions Securities LLC are lenders, an affiliate of J.P. Morgan Securities LLC is the administrative agent and KeyBank National Association, an affiliate of KeyBanc Capital Markets Inc., is the syndication agent under our revolving credit facility. As described above, we will use a portion of the net proceeds of this offering to repay borrowings outstanding under our revolving credit facility, and such affiliates of the underwriters therefore will receive proceeds from this offering through the repayment of those borrowings.

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The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2013:

on an actual basis;

on an as adjusted basis giving effect to:

- (1) Medical Properties common stock offering and issuance of 8,945,000 shares and the use of net proceeds therefrom to repay borrowings under our revolving credit facility, all of which is described in greater detail Prospectus Supplement Summary Recent Developments Common Stock Offering ; and
- (2) the consummation of the Hospital Acquisition and the financing thereof with borrowings under our revolving credit facility, which is described in greater detail in Prospectus Supplement Summary Recent Developments Acquisitions of Acute Care Hospitals ; and

on a further adjusted basis giving effect to the adjustments described above, the sale of the notes offered hereby and the use of a portion of the net proceeds from this offering to repay all of our borrowings under our revolving credit facility with the remainder of the net proceeds from this offering reflected in the table below as cash and cash equivalents.

You should read the following table in conjunction with the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations included in the combined Annual Report on Form 10-K of Medical Properties and the Operating Partnership for the year ended December 31, 2013, our consolidated financial statements, related notes and other financial information that we have incorporated by reference into the accompanying prospectus.

(amounts in thousands)	As of December 31, 2013		
	Actual	As adjusted	As further adjusted
Cash and cash equivalents	\$ 45,979	\$ 47,200	\$ 236,700 ⁽¹⁾
Indebtedness:			
Revolving credit facility ⁽²⁾	\$ 105,000	\$ 105,000	\$
Senior unsecured notes due 2016 ⁽³⁾	125,000	125,000	125,000
6.875% senior notes due 2021	450,000	450,000	450,000
6.375% senior notes due 2022:			
Principal amount	350,000	350,000	350,000
Unamortized premium	2,873	2,873	2,873
5.75% senior notes due 2020	274,860	274,860	274,860

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Notes offered hereby			300,000
Northland mortgage loan ⁽⁴⁾	13,948	13,948	13,948
Term loan facility	100,000	100,000	100,000
Total long-term debt	\$ 1,421,681	\$ 1,421,681	\$ 1,616,681
Equity (including non-controlling interest)	\$ 1,344,598	1,460,819	1,460,819
Total Capitalization	\$ 2,766,279	\$ 2,882,500	\$ 3,077,500

- (1) Assumes the notes offered hereby are issued at an issue price of 100%.
- (2) As of April 4, 2014, we had \$155 million borrowings under our \$400 million revolving credit facility and \$245 million of availability.

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- (3) As of December 31, 2013, \$65.0 million of our senior notes due 2016 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 due 2016 were fixed at a rate of 5.675%.

- (4) 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.

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Table of Contents**DESCRIPTION OF NOTES**

We will issue the notes offered hereby (the *Notes*) under a base indenture, dated as of October 10, 2013, as amended and supplemented through the Issue Date, including pursuant to the Fourth Supplemental Indenture, to be dated as of the Issue Date, by and among MPT Operating Partnership, L.P. (*Opc*), MPT Finance Corporation (*Finco*), Medical Properties Trust, Inc., the Parent guarantor, the subsidiary guarantors and Wilmington Trust, National Association, as trustee (as amended and supplemented, the *indenture*). The following is a summary of the material provisions of the indenture. It does not restate that agreement, and we urge you to read the indenture in its entirety, which is available upon request to *Opc* at the address indicated under *Where You Can Find More Information* in the accompanying prospectus, because it, and not this description, defines your rights as a noteholder.

You can find the definitions of certain capitalized terms used in this description under the subheading *Certain Definitions*. The term *Issuers* as used in this section refers only to *Opc* and *Finco* and not to any of their subsidiaries and the term *Parent* as used in this section refers only to Medical Properties Trust, Inc. and not to any of its subsidiaries.

General

The initial Notes will be issued in an aggregate principal amount of \$ _____ million. The Notes will be unsecured senior obligations of the Issuers and will mature on _____, 2024. The Notes will initially bear interest at a rate of _____% per annum, payable semiannually to holders of record at the close of business on the _____ or the immediately preceding the interest payment date on _____ and _____ of each year, commencing _____, 2014.

Principal of, premium, if any, and interest on the Notes will be payable, and the Notes may be exchanged or transferred, in accordance with the terms of the indenture.

Interest on the Notes will accrue from the date of original issuance. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Notes will be issued only in fully registered form, without coupons, in denominations of \$2,000 of principal amount and any integral multiple of \$1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Issuers are entitled to require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection with a registration of transfer.

Subject to the covenants described below under *Covenants* and applicable law, the Issuers are entitled to issue additional notes under the indenture. The Notes and any additional notes of the same series as the Notes subsequently issued under the indenture will be treated as a single class for all purposes under the indenture, including waivers, amendments, redemptions and offers to purchase. Additional notes will not necessarily be fungible with the Notes for U.S. federal income tax purposes.

The indenture will be qualified under the Trust Indenture Act of 1939. The terms of the Notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939.

Optional Redemption

Prior to _____, 2019, the Issuers will be entitled at their option to redeem all or any portion of the Notes at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and any

accrued and unpaid interest to, but not including, the redemption date (subject to the right of each holder on the relevant record date to receive interest due on the relevant interest payment date).

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On or after _____, 2019, the Issuers may redeem the Notes, in whole or from time to time in part, at the redemption prices (expressed as percentages of the principal amount thereof) set forth below, plus accrued and unpaid interest thereon to, but not including, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period beginning on _____ of each of the years indicated below:

Year	Percentage
2019	%
2020	%
2021	%
2022 and thereafter	%

In addition, at any time prior to _____, 2017, the Issuers may redeem, on any one or more occasions, with all or a portion of the net cash proceeds of one or more Equity Offerings (within 60 days of the consummation of any such Equity Offering), up to 35% of the aggregate principal amount of the Notes (including any additional Notes) at a redemption price (expressed as a percentage of the aggregate principal amount of the Notes so redeemed) equal to _____%, plus accrued and unpaid interest to but not including, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however*, that at least 65% of the original aggregate principal amount of the Notes must remain outstanding immediately after each such redemption.

After notice of optional redemption has been given as provided in the indenture, if funds for the redemption of any Notes called for redemption have been made available on the redemption date, such Notes called for redemption will cease to bear interest on the date fixed for the redemption specified in the redemption notice and the only right of the holders of such Notes will be to receive payment of the redemption price.

Notice of any optional redemption of any Notes will be given to holders (with a copy to the trustee) at their addresses, as shown in the Notes register, not more than 60 nor less than 30 days prior to the date fixed for redemption. The notice of redemption will specify, among other items, the redemption price and the principal amount of the Notes held by the holder to be redeemed.

The Issuers will notify the trustee at least 45 days prior to the redemption date (or such shorter period as is satisfactory to the trustee) of the aggregate principal amount of the Notes to be redeemed and the redemption date. If less than all the Notes are to be redeemed, the trustee shall select, *pro rata* or by lot or by any such similar method in accordance with the procedures of DTC, the Notes to be redeemed. Notes may be redeemed in part in the minimum authorized denomination for the Notes or in any integral multiple thereof.

The Issuers or their Affiliates are entitled to acquire Notes by means other than a redemption from time to time, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, so long as such acquisition does not otherwise violate the terms of the indenture, upon such terms and at such prices as the Issuers or their Affiliates may determine, which may be more or less than the consideration for which the Notes offered hereby are being sold and may be less than any redemption price then in effect and could be for cash or other consideration.

Sinking Fund

There will be no sinking fund payments for the Notes.

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Ranking the Notes

The Notes will be:

general unsecured obligations of the Issuers;

equal in right of payment with all other existing and future senior Indebtedness of the Issuers, including Indebtedness under the Credit Agreement, our term loan, the indenture governing the 2016 Notes, the 2020 Notes, the indenture governing the 2021 Notes and the indenture governing the 2022 Notes;

senior in right of payment to any existing and future Subordinated Indebtedness of the Issuers;

effectively subordinated to any existing and future Secured Indebtedness of the Issuers to the extent of the value of the collateral securing such Indebtedness;

structurally subordinated to the liabilities and preferred stock of our non-Guarantor subsidiaries; and

guaranteed by the Guarantors.

As of December 31, 2013 and after giving effect to the consummation of the Transactions (as defined above under Prospectus Supplement Summary Recent Developments), this offering and the use of a portion of the net proceeds from this offering to repay all of Opco's borrowings under its revolving credit facility, the Issuers and the Guarantors (after accounting for intercompany transactions) would have had \$1.6 billion of indebtedness (none of which would have been secured indebtedness) and Opco would have had no borrowings under its \$400 million revolving credit facility and \$400 million of availability.

The Guarantees

The Notes will be guaranteed by Parent and each of the Issuers' current and future Restricted Subsidiaries that guarantee the Credit Agreement until certain conditions are met.

Each Guarantee of the Notes will be:

a general unsecured obligation of the Guarantor;

equal in right of payment with all other existing and future senior Indebtedness of that Guarantor, including its Guarantee of the Credit Agreement, the borrowings under our term loan, the 2020 Notes, the 2021 Notes and the 2022 Notes and with respect to Parent, the 2016 Notes;

senior in right of payment to any existing and future Subordinated Indebtedness of the Guarantor;

effectively subordinated to any existing and future Secured Indebtedness of the Guarantor to the extent of the value of the collateral securing such Indebtedness; and

structurally subordinated to the liabilities and preferred stock of our non-Guarantor subsidiaries.

See Risk Factors Risks Relating to the Notes U.S. federal and state statutes allow courts, under specific circumstances, to avoid the guarantees, subordinate claims in respect of the guarantees and require note holders to return payments received from the guarantors.

As of December 31, 2013 and after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of Opco s borrowings under its revolving credit facility, Opco s subsidiaries that will not guarantee the notes would have had \$13.9 million of

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indebtedness and \$413.8 million of other liabilities, all of which would have been structurally senior to the notes, and assets of \$625.6 million or 19.5% of Opco's consolidated total assets. For the year ended December 31, 2013, after giving effect to the consummation of the Transactions, this offering and the use of a portion of the net proceeds from this offering to repay all of Opco's borrowings under its revolving credit facility, Opco's subsidiaries that will not guarantee the notes would have had net income of \$18.2 million and \$44.5 million of Opco's Acquisition Adjusted EBITDA, or 16.5% of Opco's Acquisition Adjusted EBITDA. See Summary Historical Consolidated Financial Data for a reconciliation of the Operating Partnership's Acquisition Adjusted EBITDA to the Operating Partnership's net income. See Risk Factors Risks Relating to the Notes Claims of noteholders will be structurally subordinated to claims of creditors of any of our subsidiaries that do not guarantee the notes and Risk Factors Risks Relating to the Notes Your right to receive payments on the notes is effectively subordinated to the right of lenders who have a security interest in our assets to the extent of the value of those assets.

Certain Covenants

Suspension of Covenants

During a Suspension Period, the Parent, Issuers and the Restricted Subsidiaries will not be subject to the following corresponding provisions of the indenture (each a Suspended Covenant):

Covenants Limitation on Restricted Payments;

Covenants Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries;

Covenants Future Guarantees by Restricted Subsidiaries;

Covenants Limitation on Transactions with Affiliates;

Covenants Limitation on Asset Sales; and

Clause (3) of Covenants Consolidation, Merger and Sale of Assets.

All other provisions of the indenture will apply at all times during any Suspension Period so long as any Notes remain outstanding thereunder; provided that the Interest Coverage Ratio that will be applicable under clause (3) of

Covenants Limitation on Indebtedness will be 1.5 to 1.0 during any Suspension Period.

Suspension Period means any period:

(1) beginning on the date that:

(A) the Notes have Investment Grade Status;

(B) no Default or Event of Default has occurred and is continuing; and

(C) the Issuers have delivered an officer's certificate to the trustee certifying that the conditions set forth in clauses (A) and (B) above are satisfied; and

(2) ending on the date (the *Reversion Date*) that the Notes cease to have Investment Grade Status. On each Reversion Date, all Indebtedness, liens thereon and dividend blockages incurred during the Suspension Period prior to such Reversion Date will be deemed to have been outstanding on the Issue Date.

For purposes of calculating the amount available to be made as Restricted Payments under clause (C) of the first paragraph of the Limitation on Restricted Payments covenant, calculations under that clause will be

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made with reference to the Transaction Date, as set forth in that clause. Accordingly, (x) Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (1) through (11) under the second paragraph under the Limitation on Restricted Payments covenant will reduce the amount available to be made as Restricted Payments under clause (C) of the first paragraph of such covenant; *provided, however*, that the amount available to be made as a Restricted Payment on the Transaction Date shall not be reduced to below zero solely as a result of such Restricted Payments, but may be reduced to below zero as a result of negative cumulative Funds From Operations during the Suspension Period for the purpose of clause (C)(i) of the first paragraph of such covenant, and (y) the items specified in clauses (C)(i)-(vi) of the first paragraph of such covenant that occur during the Suspension Period will increase the amount available to be made as Restricted Payment under clause (C) of the first paragraph of such covenant. Any Restricted Payment made during the Suspension Period that are of the type described in the second paragraph of the Limitation on Restricted Payments covenant (other than the Restricted Payment referred to in clauses (1) or (2) of such second paragraph or any exchange of Capital Stock for Capital Stock or Indebtedness referred to in clause (4) or (5) of such second paragraph), and the Net Cash Proceeds from any issuance of Capital Stock referred to in clauses (4) and (5) of the second paragraph of the Limitation on Restricted Payments covenant (adjusted to avoid double counting) shall not be included in calculating the amounts permitted to be incurred under such clause (C) on each Reversion Date. For purposes of the Limitation on Asset Sales covenant, on each Reversion Date, the unutilized Excess Proceeds will be reset to zero. No Default or Event of Default will be deemed to have occurred on the Reversion Date (or thereafter) under any Suspended Covenant solely as a result of any actions taken by the Parent or any Restricted Subsidiaries thereof, or events occurring, during the Suspension Period. For purposes of the Maintenance of Total Unencumbered Assets covenant, if the Parent and its Restricted Subsidiaries are not in compliance with such covenant as of a Reversion Date, no Default or Event of Default will be deemed to have occurred for up to 120 days following the Reversion Date; *provided* that neither the Parent nor any of its Restricted Subsidiaries shall incur any Secured Indebtedness until such time that the requirements of such covenant have been met.

Limitation on Indebtedness

(1) The Issuers will not and will not permit any of the Restricted Subsidiaries to Incur any Indebtedness (including Acquired Indebtedness) if, immediately after giving effect to the Incurrence of such additional Indebtedness and the receipt and application of the proceeds therefrom, the aggregate principal amount of all outstanding Indebtedness of the Issuers and the Restricted Subsidiaries on a consolidated basis would be greater than 60% of consolidated Adjusted Total Assets of the Issuers and the Restricted Subsidiaries.

(2) The Issuers will not, and will not permit any of the Restricted Subsidiaries to, Incur any Secured Indebtedness (including Acquired Indebtedness that is Secured Indebtedness) if, immediately after giving effect to the Incurrence of such additional Secured Indebtedness and the receipt and application of the proceeds therefrom, the aggregate principal amount of all outstanding Secured Indebtedness of