MEDICAL PROPERTIES TRUST INC
Form 424B5
March 21, 2008

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Pursuant to Rule 424(b)(5) Registration No. 333-140433

PROSPECTUS SUPPLEMENT
(To Prospectus dated February 15, 2007)

11,000,000 Shares

Common Stock

We are offering 11,000,000 shares of our common stock. Our common stock is listed on the New York Stock Exchange under the symbol MPW. The last reported sale price of our common stock on March 19, 2008 was $10.85 per share. To ensure that we maintain our qualification as a real estate investment trust, ownership by any person is limited to 9.8% of the lesser of the number or value of our outstanding common shares, with certain exceptions.

Investing in our common stock involves a high degree of risk. Before buying any shares, you should read the discussion of material risks in Risk factors beginning on page S-10 of this prospectus supplement and beginning on page 9 of our Annual Report on Form 10-K for the year ended December 31, 2007.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus, including, in each case, the documents incorporated herein by reference, is truthful or complete. Any representation to the contrary is a criminal offense.

	Per share	Total
Public offering price	$ 10.75	$ 118,250,000
Underwriting discounts and commissions	$ 0.54	$ 5,912,500
Proceeds, before expenses, to us	$ 10.21	$ 112,337,500

The underwriters may also purchase up to an additional 1,650,000 shares of common stock from us at the public offering price, less underwriting discounts and commissions payable by us, to cover over-allotments, if any, within 30 days from the date of this prospectus supplement. If the underwriters exercise the option in full, the total underwriting discounts and commissions will be approximately $6,799,375 and the total proceeds, before estimated expenses, discounts and commissions, to us will be approximately $135,987,500.

The underwriters are offering the shares of our common stock as set forth under Underwriting. Delivery of the shares of common stock will be made on or about March 26, 2008.

Sole Book-Runner

UBS Investment Bank

Co-Lead Managers

KeyBanc Capital Markets **RBC Capital Markets**

Co-Manager

JPMorgan

The date of this prospectus supplement is March 19, 2008.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and 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. You should not assume that the information appearing 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, and incorporated herein by reference, is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. These documents do not constitute an offer to sell or solicitation of any offer to buy these shares of common stock in any circumstances under which the offer or solicitation is unlawful.

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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 the prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference. In the event that the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in this prospectus supplement.

This prospectus supplement and the accompanying prospectus contain, or incorporate by reference, forward-looking statements. Such forward-looking statements should be considered together with the cautionary statements and important factors included or referred to in this prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference. Please see Cautionary language regarding forward-looking statements in this prospectus supplement and A warning about forward-looking statements in the accompanying prospectus.

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

Unless otherwise stated in this prospectus supplement, we have assumed throughout this prospectus supplement that the underwriters over-allotment option is not exercised.

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Prospectus supplement summary

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

OUR COMPANY

We are a self-advised real estate investment trust, or REIT, that acquires, develops, leases and makes other investments in healthcare facilities providing state-of-the-art healthcare services. We lease our facilities to healthcare operators pursuant to long-term net-leases, which require the tenant to bear most of the costs associated with the property. We also make long-term, interest only mortgage loans to healthcare operators, and from time to time, we also make operating, working capital and acquisition loans to our tenants. As of December 31, 2007, our healthcare portfolio consisted of 28 properties, of which 25 were facilities that we owned and leased to eight tenants, and of which the remaining were represented by mortgage loans to two operators. In addition, as of December 31, 2007, our healthcare portfolio comprised a total investment of approximately $923.7 million, with an aggregate of approximately 3.3 million square feet and 3,453 licensed beds in ten states.

We focus on acquiring and developing regional and community hospitals, rehabilitation hospitals, long-term acute care hospitals, or LTACHs, women s and children s hospitals and other specialized single-discipline and ancillary facilities. We believe that our strategy for acquisition and development of these types of net-leased facilities, which generally require a physician s order for patient admission, distinguishes us as a unique investment alternative among REITs.

We were formed as a Maryland corporation on August 27, 2003 to succeed to the business of Medical Properties Trust, LLC, a Delaware limited liability company, which was formed by one of our founders in December 2002. We conduct substantially all of our business through our subsidiaries, MPT Operating Partnership, L.P. and MPT Development Services, Inc. We have made an election to be taxed as a REIT, under the Internal Revenue Code of 1986, as amended, or the Code, commencing with our taxable year that began on April 6, 2004 and each taxable year thereafter.

RECENT DEVELOPMENTS

Acquisition of Healthcare Property Portfolio from HCP, Inc.

On March 13, 2008, MPT Operating Partnership, L.P., our operating partnership and subsidiary, entered into a definitive purchase and sale agreement with HCP, Inc., or HCP, for the acquisition from HCP of a portfolio of 21 healthcare facilities across 15 states, including seven acute care hospitals, three LTACHs, five inpatient rehabilitation hospitals and six wellness centers, for an aggregate purchase price of $370.9 million. We will acquire the facilities subject to their existing leases. The 21 facilities are leased to eight unaffiliated operators under 14 separate long-term net-leases. These leases have terms expiring between 2009 and 2027, plus renewal options, and provide for initial aggregate annualized cash rent of approximately $33.4 million, plus consumer price index-based and other increases. In addition, all of these facilities are subject to cross-defaults, master leases, parent guarantees, or individual guarantees.

Our acquisition of the HCP facilities is subject to customary real estate, regulatory and other closing conditions and we anticipate closing our acquisition of these facilities on a property-by-property basis, beginning at the end of the first quarter of 2008 and continuing through the second quarter of 2008. We have the option of excluding certain properties from the acquisition if we are not satisfied with our due diligence review with respect to these properties. In addition, more than half of the HCP properties are subject to certain preemptive purchase rights and purchase options held by existing tenants, which may delay our purchase of these properties and which, if exercised, would prevent us from acquiring the relevant properties at all. See Risk factors Risks related to the HCP acquisition and the Vibra transactions Certain of the HCP properties remain subject to preemptive purchase rights and purchase options held by their tenants.

The table below sets forth pertinent details with respect to the 21 HCP properties as of December 31, 2007:

Property	State	Number of licensed beds	Estimated number of square feet		Annualized rent(1)	Lease expiration	Remaining lease renewal options
HealthSouth:							
HealthSouth Rehabilitation Center	AR	60	59,838	$	1,676,979	June 30, 2011	1, 5-year
HealthSouth Rehabilitation Hospital of Petersburg	VA	40	48,600		941,708	May 1, 2020	2, 10-year
Wesley Rehabilitation Hospital	KS	65	91,700		1,715,662	March 14, 2012	1, 5-year
Sunrise Rehabilitation Hospital	FL	126	95,445		2,250,000	November 30, 2011	2, 5-year
Mountain View Rehabilitation Hospital	WV	80	70,000		1,879,269	February 28, 2011	(2)
Community Health Systems:							
Cleveland Regional Medical Center	TX	104	74,800		1,932,588	December 31, 2019	3, 10-year
Chesterfield General Hospital	SC	59	57,384		1,934,790	April 30, 2015	2, 10-year
Marlboro Park Hospital	SC	102	80,593		1,583,010	April 30, 2015	2, 10-year
Cornerstone Health Care:							
Cornerstone Hospital of Houston Clear Lake	TX	74	84,673		678,307	July 31, 2012	2, 10-year
Cornerstone Hospital of Bossier City	LA	102	64,488		1,725,763	January 31, 2018	1, 10-year
Cornerstone Hospital of Southeast Arizona	AZ	34	39,000		477,117	August 31, 2012	2, 10-year
Health Management Associates:							
Poplar Bluff Regional Medical Center	MO	213	115,039		3,694,669	February 19, 2009	6, 5-year
Mountain View:							
Mountain View Hospital	ID	24	122,383		3,636,776	October 31, 2027	2, 10-year
IASIS Healthcare:							
Pioneer Valley Hospital	UT	139	239,922		5,657,781	January 31, 2019	2, 10-year
Shiloh Health Services:							
River West Medical Center	LA	80	78,095		1,260,000	November 1, 2017	2, 5-year
Healthtrax Wellness Centers:							
Bristol, Connecticut	CT	N/A	52,392		421,188	June 1, 2018	2, 5-year

East Providence, Rhode Island	RI	N/A	35,595	214,468	June 1, 2018	2, 5-year
Newington, Connecticut	CT	N/A	34,599	288,156	June 1, 2018	2, 5-year
Warwick, Rhode Island	RI	N/A	38,888	305,629	June 1, 2018	2, 5-year
West Springfield, Massachusetts	MA	N/A	39,414	603,018	June 1, 2018	2, 5-year
Enfield, Connecticut	CT	N/A	50,325	478,765	June 1, 2018	2, 5-year

(1) Calculated by multiplying the December 2007 monthly cash rent by 12 months.

(2) Remaining lease renewal options for the Mountain View Rehabilitation Hospital property consist of one 10-year renewal option followed by a renewal option of not more than 15 years.

We intend to fund a portion of the purchase price for these facilities with the net proceeds of this offering of common stock, along with (i) the net proceeds of a concurrent private placement to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended, or the Securities Act, of $75.0 million in aggregate principal amount of exchangeable notes issued by our operating partnership (or $86.3 million in aggregate principal amount if the initial purchasers exercise their over-allotment option in full), (ii) the net proceeds we receive from our transactions with Vibra Healthcare, LLC, or Vibra, as described below, (iii) borrowings under our existing credit facilities, and (iv) borrowings under a new $300 million interim loan facility for which we have commitments from a syndicate of lenders. See Use of proceeds, Description of concurrent offering of exchangeable senior notes and Description of interim loan facility for further details on our expected sources of financing.

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This prospectus shall not be deemed to be an offer to sell or a solicitation of an offer to buy any exchangeable notes to be offered by our operating partnership in the private placement. The completion of this offering of common stock is not subject to the completion of the private placement and the completion of the private placement of exchangeable notes by our operating partnership is not subject to the completion of this offering. Neither this offering nor the private placement is conditioned upon the closing of the HCP acquisition.

Vibra transactions

On March 10, 2008, we entered into a definitive purchase and sale agreement with our tenant Vibra pursuant to which we agreed to sell to Vibra three of our inpatient rehabilitation hospitals currently leased to Vibra in a transaction valued at approximately $107.0 million, which includes an aggregate purchase price of approximately $90.0 million for the three facilities, a prepayment penalty of $7.0 million to compensate us for the premium rents that we would receive if we retained the ownership interests in these facilities, and a prepayment of $10 million on an existing promissory note made by Vibra to us. These facilities consist of an aggregate of approximately 221,000 square feet and 198 licensed beds. We initially acquired the three hospitals in 2004 for an aggregate purchase price of $89.4 million and thus expect to record a $9.2 million gain on the sale of these facilities. The sale of these facilities is expected to close as early as March 31, 2008 but not later than June 30, 2008, subject to the satisfaction of customary closing conditions.

In addition, we have reached a nonbinding agreement with Vibra relating to our acquisition of two inpatient rehabilitation hospitals and one LTACH to be operated by Vibra. Vibra is required to offer us the opportunity to purchase these properties under our existing agreements with Vibra. These three facilities, located in two states, consist of an aggregate of approximately 311,000 square feet and 282 licensed beds. While we have not yet entered into any definitive agreements with Vibra with respect to these acquisitions, we expect the aggregate purchase price will be approximately $55.0 million and we expect that the transactions will close on a property-by-property basis during April 2008 and May 2008. There can be no assurance that these transactions or the sale of the three properties will be consummated on the anticipated schedule or at all.

In this prospectus supplement, we refer to the sale of three properties to Vibra and acquisition of three properties to be operated by Vibra collectively as the Vibra transactions.

OPERATING FACILITIES

At December 31, 2007, our portfolio consisted of 28 properties, of which 25 were facilities that we owned and leased to eight tenants, and of which the remaining were represented by mortgage loans to two operators. In addition, at December 31, 2007, our healthcare portfolio comprised a total investment of approximately $923.7 million, with an aggregate of approximately 3.3 million square feet and 3,453 licensed beds in ten states. After giving effect to the HCP acquisition and the Vibra transactions, as described above, we will own 46 operating healthcare facilities operated by 17 tenants and hold mortgage loans to two operators secured by several other healthcare facilities, comprising a total investment of approximately $1.25 billion, with an aggregate of approximately 5.0 million square feet and 4,839 licensed beds in 21 states.

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The following table provides a summary of our operating facilities as of December 31, 2007 after giving effect to the HCP acquisition and the Vibra transactions:

Type of Property	Number of Properties	Number of Licensed Beds	Estimated number of Square Feet		Annualized Rent(1)		Investment	Weighted-Average Lease Expiration(2)
Community Hospital	22	3,344	3,151,650	$	84,268,722	$	877,703,282	12.98
LTACH	13	889	918,399		20,542,445		208,543,064	13.63
Rehabilitation Hospital	8	606	654,583		13,898,247		148,500,977	8.68
Wellness Center	6	N/A	251,213		2,311,225		15,500,000	10.10
Total:	49	4,839	4,975,845	$	121,020,639	$	1,250,247,323	

(1) *Calculated by multiplying the December 2007 monthly cash rent by 12 months.*

(2) *Based on annualized cash rent for the month of December 2007.*

We believe that our acquisition of the HCP facilities will enhance the size and quality of our healthcare portfolio, and add diversity by property type, operator and geographic location, as follows:

Ø *Increased Real Estate Assets and Rents.* Our total real estate investments as of December 31, 2007 were $923.7 million. For the year ended December 31, 2007, our total revenue received from real estate investments was $96.3 million under generally accepted accounting principles, or GAAP, and $84.7 million on a cash basis. The HCP facilities generated annualized cash rent of $33.4 million based on December 2007 rents. On a net basis, the Vibra transactions would have caused a decrease of our revenue on a GAAP basis of approximately $9.0 million and on a cash basis of approximately $7.4 million. (Note that following consummation of the HCP acquisition, we expect to report revenue from the HCP facilities on a GAAP basis, but we will not recalculate our 2007 rental revenue on a GAAP basis to include rent from the HCP facilities.)

As a result, after giving effect to the HCP acquisition, our total real estate assets as of December 31, 2007 would have been $1.29 billion, and after giving further effect to the Vibra transactions, would have been $1.25 billion. Assuming consummation of the HCP acquisition on January 1, 2007, our total revenues from real estate investments would have been $118.1 million on a cash basis for the year ended December 31, 2007 and, further assuming that the Vibra transactions were effected on January 1, 2007, our total revenues from real estate investments would have been $110.7 million on a cash basis for the year ended December 31, 2007.

Ø *Increased Diversification of Tenants/Operators.* Without giving effect to the HCP acquisition and the Vibra transactions, annualized cash rent paid to us by our current two largest tenants, Vibra and Prime Healthcare Services, Inc., or Prime, represented approximately 27.7% and 34.0% of our total annualized cash rents, respectively, based on December 2007 rents. After giving effect to the HCP acquisition and the Vibra transactions, annualized cash rent paid to us by Vibra and Prime would have represented approximately 14.9% and 27.0% of our total annualized cash rents, respectively. No other single tenant represented 10% or more of our total annualized cash rents. In addition, four of the eight operators of properties in the HCP portfolio are public reporting companies, 89.1% of the aggregate rent of the HCP portfolio is guaranteed by parent companies and 69.8% of the aggregate rent of the HCP portfolio is guaranteed by public reporting companies.

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Ø *Increased Geographic Diversification.* As of December 31, 2007, approximately 54% of our portfolio was concentrated in California, based on percentage of total investment. After giving effect to the HCP acquisition and the Vibra transactions, our geographic concentration in California will be reduced to 41%, based on percentage of total investment. The following table presents certain operating and financial data as of December 31, 2007 for our portfolio based on geographic location, after giving effect to the HCP acquisition and the Vibra transactions:

State	Total Investment	Percentage of Total Investment	Total Annualized Rents(1)	Percentage of Total Annualized Rents
California	$ 517,906,929	41.42%	$ 49,307,912	40.74%
Texas	190,332,416	15.22	18,688,071	15.44
Pennsylvania	45,515,767	3.64	5,879,118	4.86
Utah	66,087,154	5.29	5,657,781	4.68
Indiana	50,211,656	4.02	5,603,123	4.63
Louisiana	50,551,814	4.04	4,911,013	4.06
Massachusetts	45,881,222	3.67	4,381,634	3.62
Missouri	41,303,011	3.30	3,694,669	3.05
Idaho	41,610,656	3.33	3,636,776	3.01
South Carolina	37,768,421	3.02	3,517,800	2.91
Oregon	24,447,351	1.96	2,650,819	2.19
Florida	25,714,286	2.06	2,250,000	1.86
West Virginia	21,694,117	1.74	1,879,268	1.55
Kansas	19,494,827	1.56	1,715,662	1.42
Arkansas	18,869,371	1.51	1,676,979	1.39
Colorado	9,502,455	0.76	1,235,482	1.02
Michigan	14,000,000	1.12	1,207,500	1.00
Connecticut	7,775,000	0.62	1,188,109	0.98
Virginia	10,870,000	0.87	941,708	0.78
Rhode Island	3,700,000	0.30	520,098	0.43
Arizona	7,010,870	0.55	477,117	0.38
	$ 1,250,247,323	100.0%	$ 121,020,639	100.0%

(1) Calculated by multiplying the December 2007 cash rent by 12 months.

OUR OUTLOOK AND STRATEGY