



August 2, 2011

To our Stockholders,

On behalf of your board of directors and management team, I am pleased to provide you with an update on our company, Healthcare Trust of America, Inc. (HTA).

Strong Sector Dynamics

With the continued uncertainty around an economic recovery, HTA remains strong. Our company is one of the largest healthcare REITs focused on high-quality medical office buildings in the United States and has a strong track record of growth. We currently own an approximately \$2.3 billion healthcare real estate portfolio, based on purchase price, comprised of 11.1 million square feet of gross leasable area in 25 states, consisting predominately of Class A medical office buildings. We believe that medical office buildings strategically located on-campus will capture an increasing share of demand for healthcare services over the next 20 to 30 years. We believe the continued aging population of Americans requiring increased medical services, combined with the strong employment demands required by the healthcare industry, will continue to drive medical office demand. We also believe this real estate sector provides attractive yields, stable income, and growth opportunities given its direct linkage to the steady and fast growing healthcare industry. We will continue to focus our company and our acquisition philosophy on the ownership of medical office buildings in strategic geographic locations associated with high quality healthcare systems.

Attached, HTA has presented certain supplemental portfolio, healthcare sector, and corporate information detailing the composition and financial status of our company as of March 31, 2011.

Balance Sheet Strength and Investment Grade Credit Rating

Our conservative investment philosophy, the strength of our portfolio, and our low leveraged balance sheet provides us with substantial flexibility and ample liquidity to grow cash flows through acquisitions of medical office buildings. Today, we have \$668 million of debt outstanding, equating to a leverage ratio of approximately 28% on our total assets, with \$54.6 million and \$48.7 million coming due in 2011 and 2012, respectively. As of March 31, 2011, we had a cash position of approximately \$207 million. In May 2011, we increased our unsecured credit facility, led by JP Morgan, Wells Fargo and Deutsche Bank, to \$575 million. With our strong cash position, strong balance sheet, and low leverage we have the borrowing capacity to acquire over \$1 billion of medical office buildings. Additionally, HTA achieved and was assigned a credit rating of BBB- by Standard & Poor's Rating Services and Baa3 from Moody's Investors Service on July 21 and July 26, respectively, both with stable outlook. Our ongoing business plan is to achieve the most competitive cost of capital, as we continue to grow.

Opportunities

We appreciate the fact that many of our stockholders have continued to reinvest their distributions. We believe this demonstrates continued confidence in our company. As we move forward, we will continue to focus on the fundamentals of growing our business and creating value in every aspect of our business. We have a business model, high quality employees and an organization that actively identifies and

pursues value opportunities for our stockholders. Our strategy has been, and remains, that we position ourselves to have options, and the flexibility and capacity to advance our company, long-term through economic cycles.

Going Forward

In closing, we recognize the inherent volatility of the marketplace over the last 6-9 months and the need to be realistic, innovative and strategic in our decisions. We are very proud of the sustained growth of our company, aligning management's interests, and the value we have created with our stockholders. As a public non-traded REIT, we provide our stockholders with the potential for income and growth through a non-liquid investment in a diversified portfolio of real estate assets, with targeted liquidity by September 2013. We continue to take steps to position our company to maximize stockholder value and achieve these goals. Thank you for your confidence and support.

Sincerely,

/s/ Scott D. Peters

Scott D. Peters
Chairman, CEO, and President



SUPPLEMENTAL FINANCIAL INFORMATION: FIRST QUARTER 2011

Partnering with Healthcare Systems and Physicians



Contact Us

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Company Information

Senior Management

Scott D. Peters

Chairman, Chief Executive Officer,
& President

Kellie S. Pruitt

Chief Financial Officer,
Secretary and Treasurer

Mark D. Engstrom

Executive Vice President
Acquisitions

Amanda L. Houghton, CFA

Senior Vice President
Asset Management & Finance

Katherine E. Black, CPA

Controller and
Assistant Secretary

Sean D. Leahy

Vice President
Regional Asset Management

Dawna H. Powell

Vice President
Regional Asset Management

Brendan R. Magee

Vice President
Regional Asset Management

Board of Directors

Scott D. Peters

Chairman, Chief Executive Officer,
& President

W. Brad Blair, II

Director and Chairman of
Investment Committee

Maurice J. DeWald

Director and Chairman of
Audit Committee

Warren D. Fix

Director and Chairman of
Nominating and Corporate
Governance Committee

Larry L. Mathis

Director and Chairman of
Risk Management Committee

Gary T. Wescombe

Director and Chairman of
Compensation Committee

Other Information

Corporate Headquarters

16435 North Scottsdale Road, Suite 320
Scottsdale, AZ 85254
(480) 998-3478

Midwest Regional Office

201 N. Pennsylvania Parkway, Suite 201
Indianapolis, IN 46280

Southeast Regional Office

3690 Bohicket Rd., Suite 2-D
Johns Island, SC 29455

Forward-Looking Statements

This supplemental information contains certain forward-looking statements with respect to HTA. Forward-looking statements are statements that are not descriptions of historical facts and include statements regarding management's intentions, beliefs, expectations, plans or predictions of the future, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks, uncertainties and contingencies include, but are not limited to, the following: uncertainties relating to changes in general economic and real estate conditions; uncertainties relating to the implementation of recent healthcare legislation; uncertainties regarding changes in the healthcare industry; the uncertainties relating to the implementation of HTA's real estate investment strategy; and other risk factors as outlined in HTA's periodic reports, as filed with the Securities and Exchange Commission.



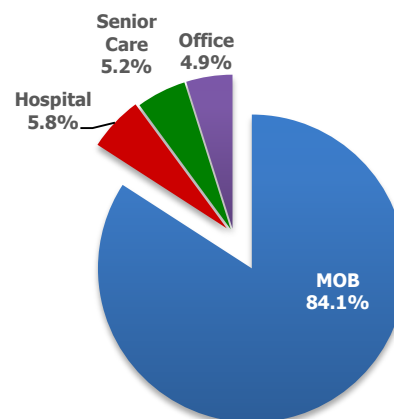
HTA Corporate Profile

Data as of:	March 31, 2011	Investment Concentration:
Distribution Rate:	7.25%	Top 5 Tenants (based on gross GLA) 18%
Gross Real Estate Assets:	\$2.30 billion	Top 5 States (based on gross GLA) 52%
Gross Leasable Area:	11,107,000 square feet	
Weighted Average Shares		
Outstanding (basic and diluted):	215 million	

Healthcare Trust of America, Inc., or HTA, was incorporated on April 20, 2006. HTA is a fully integrated, self-administered, and self-managed real estate investment trust, or REIT. HTA's internal management team employs a hands-on approach to its operations. HTA has over 50 employees focused on acquiring, owning and operating high-quality medical office buildings that are predominantly located on the campuses of nationally recognized healthcare systems in U.S. major metropolitan areas. HTA is a full-service real estate company with acquisitions and asset management services performed in-house, with certain monitored services provided by third parties at market rates. Since its formation in 2006, HTA has made 78 portfolio acquisitions valued at \$2.3 billion based on purchase price, which includes 242 buildings and two other real estate-related assets. HTA's portfolio totals 11.1 million square feet and includes 218 medical office buildings, ten hospitals, nine skilled nursing and assisted living facilities and five healthcare-related office buildings located in 25 states.

Partnering with Healthcare Systems & Physicians. Through management's experience and our portfolio acquisitions, we have developed extensive long-term relationships with healthcare systems, physician groups, developers, lenders, brokers and other real estate professionals. In 2010, over 50% of our acquisitions were identified and made available to us through off-market sources where there was no formal sales process. We believe these strong relationships with our hospital systems and physician tenants drive incremental demand for our medical office building ("MOB") space, increased tenant retention rates and provide us with further investment opportunities.

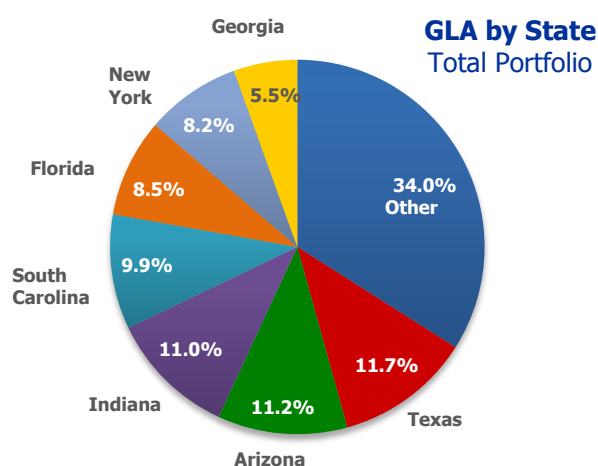
Portfolio Fundamentals. Our portfolio of 11.1 million square feet of gross leasable area (GLA) is focused on strategically located on-campus medical office buildings in locations with high barriers to entry. Our existing lease fundamentals provide for stable in-place revenue and rent growth. With approximately 91% occupancy and minimal near-term rollover, our portfolio allows for a good balance of growth through increased occupancy and stability with existing tenant base. Ninety-four percent of our portfolio is strategically located on-campus, aligned with or adjacent to recognized healthcare systems, situated in locations with high barriers to entry. By acquiring high quality buildings with stabilized occupancy in key strategically located on-campus locations associated with dominant healthcare systems, we are able to enter into stable leases that generate attractive annual rental revenue.



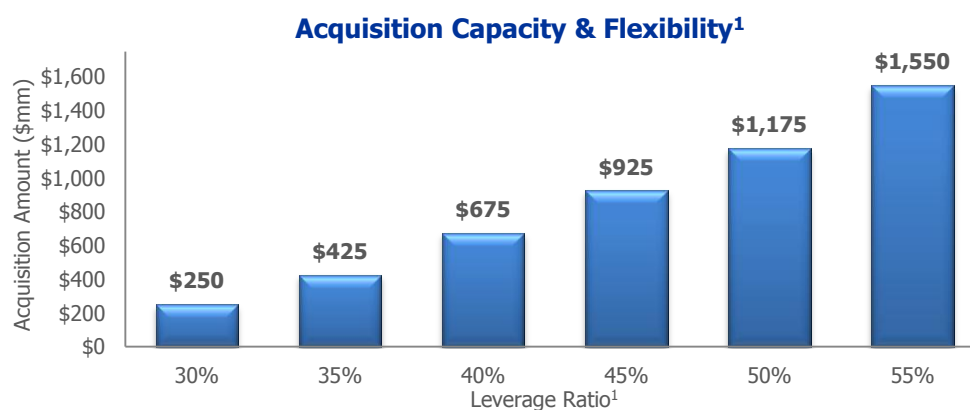
Building Type based on GLA
Total Portfolio

HTA Corporate Profile, continued

Diversification and Concentration. Our portfolio is geographically diverse, with properties in 25 states. We have strategically purchased properties in Texas, Arizona, South Carolina, Indiana, Georgia, New York and Florida. We believe that demographic trends, including an aging population, an increase in echo boomers moving to these regions for jobs, the decentralization and specialization of healthcare services, and high state healthcare spending forecasts will continue to fuel sustainable growth in these markets. No one state accounts for more than 12% of total portfolio GLA and no one state accounts for more than 16% of trailing twelve month revenues (TTM).



Balance Sheet Flexibility. Our conservative and low-leveraged balance sheet with modest intermediate debt maturities provides a strong degree of financial flexibility to grow the company with new acquisitions. We have a strong cash position and as of May 2011, an unused \$575 million unsecured credit facility. We recently received an investment grade rating from Moody's and Standard & Poor's which we believe will enhance our ability to access the public debt markets and achieve favorable pricing. Based on the current covenant requirements of our unsecured credit facility, and assuming that we utilize all of our cash, fully access our unsecured credit facility, and enter into new debt facilities on additional asset purchases, we have the borrowing capacity with increased leverage (see chart below) to acquire over \$1 billion of medical office buildings and healthcare-related facilities.



¹ Consistent with leverage ratios defined pursuant to our unsecured line of credit agreement.

Enterprise Strength and Execution. Growth opportunities are generated by our prudent and disciplined acquisition capability, focused asset management, high-quality and stable existing tenant base, and our experienced executive officers and senior management team. We have a proven track record of acquiring properties off-market at accretive cap rates. Our hands-on asset management, leasing and property management philosophy focuses on defined internal growth through increased rental rates and maximizing the occupancy of our properties.



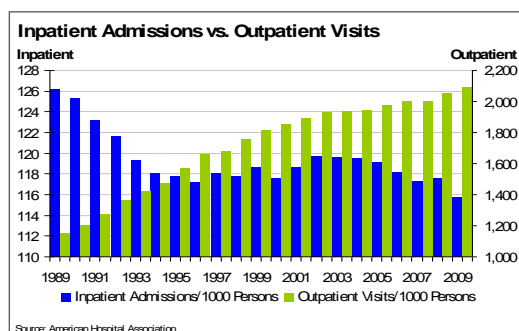
For more information about HTA please visit our website at www.htareit.com

Healthcare Sector Strengths & Fundamentals

Healthcare is one of the fastest growing segments of the US economy, driven by a continually expanding population and growth in the utilization of medical care as the baby boomer generation approaches retirement age. Advancements in medical technology and specialization have allowed physicians to perform lower cost procedures that have traditionally been performed in hospitals with limited space. As demand for medical services increases, physicians are moving into medical office facilities that are better suited to the needs of the profession and a shifting consumer preference for outpatient services. Medical office buildings provide stable, long-term growth within this market, and do not experience as much volatility as other healthcare asset classes during turbulent times.

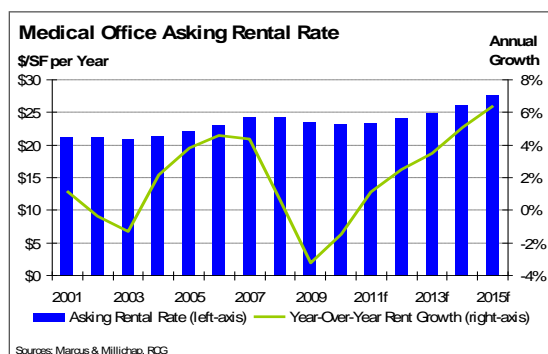
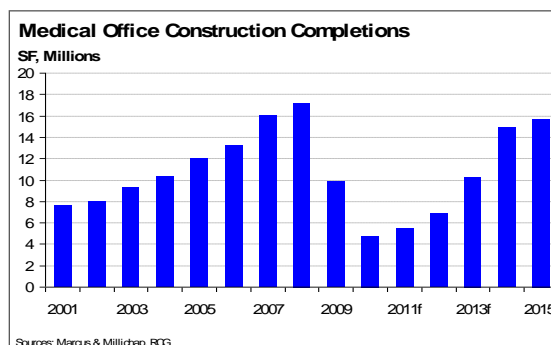
Impact of Healthcare Bill. While the full impact of the healthcare bill will not be realized in the near term, RCG's research suggests the increased demand for healthcare facilities will grow profitability for healthcare REITs over time. The Congressional Budget Office estimates that an additional 32 million Americans will have insurance coverage in 2016 as a result of the reform. Proponents of healthcare reform emphasize the importance of preventative care, which should increase the number of medical office visits.

Favorable MOB Fundamentals.



- Demand for healthcare in the United States has been steadily increasing, driven by a growing population with longer life expectancies, increased healthcare costs, and a rising number of annual physician office visits per person.
- Hospital systems have been facing limitations on expansions and, as a result, more procedures are being performed in outpatient facilities. An increased use of preventative care and specialized medicine also contributes to this trend.

- Construction of MOBs has been relatively constrained with little developable land and high cost barriers to development.
- This limited amount of new construction will limit tenants' relocation options, focusing occupancy demand on existing properties and driving accelerated rent growth.



- Strong rent growth is forecasted as market conditions tighten due to limited development, a decline in vacancy rates, growth in healthcare employment, a larger number of baby boomers entering retirement, and echo boomers beginning to start new families.
- Beginning in 2013, rent growth for medical office buildings is expected to outpace rent growth for traditional office properties as healthcare employment increases at a faster pace than traditional office-using industries.

Featured Key Market – Arizona

Arizona at a glance

- Phoenix is the sixth largest city in the US according to the US Census Bureau.
- Arizona was ranked #1 in the country for its workforce by CNBC.com based on the education level of its workforce and its number of available workers.
- Arizona has a current estimated population of 6.4 million and is the 14th most populous state in the US.



Estrella Medical Center, Phoenix AZ
Acquired December, 2010

Arizona Portfolio

Our Arizona portfolio currently includes 36 buildings located in the greater Phoenix metro area and Tucson. Our portfolio is comprised of approximately 1.2 million square feet of GLA with a total investment of \$233,070,000 based on purchase price. Our presence in the Arizona market dates back to 2007, the year in which we began acquiring assets. The largest tenant in our Arizona portfolio, Banner Health (Fitch AA-) occupies approximately 16% of our total Arizona portfolio. Our entire Arizona portfolio is strategically located on-campus or aligned with recognized healthcare systems, situated in locations with high barriers to entry.

Arizona Market

With a warm climate, low cost of living, and existing senior-friendly infrastructure, Arizona's reputation as a retirement destination is unlikely to change. As a result, the number of Arizona residents aged 65 years and over is projected to increase by more than 1.4 million, or 157%, during the next 20 years. This rapid growth of the elderly population, whose utilization of and spending on healthcare services outpaces every other age group, will drive the need for medical office space in Arizona through the long term.

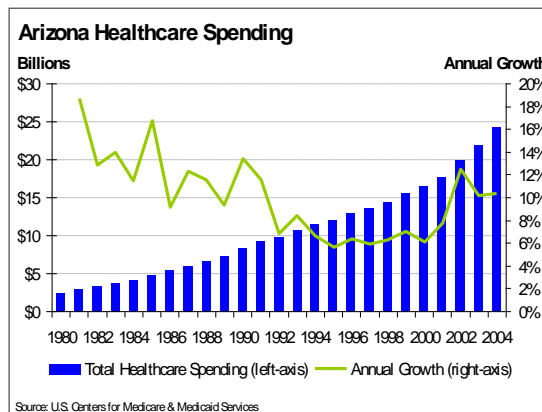
In Arizona, the number of outpatient visits per person per year increased to 1.2 in 2008 from a recent low of 0.9 in 2004.

A higher number of visits per person coupled with a rising population compounded the growth in demand for physician services in Arizona, leading to higher demand for medical office space. With more people using medical services more often, the amount of spending on healthcare in Arizona increased

accordingly. Even during the most recent recession, the healthcare industry continued to expand in Arizona. Rapid growth in the demand for medical services should continue to spur hiring in the Arizona healthcare industry, particularly in physician offices, which should drive demand for medical office space.

Arizona in the News

- June 17, 2011, The Phoenix Business Journal reported that Phoenix-area hospitals are looking to hire 4,000 positions.
- July 11, 2011, Forbes ranked Phoenix as the ninth city best positioned to grow and prosper in the coming decade.



Featured Key Market – South Carolina

South Carolina at a glance

- South Carolina was ranked #14 in the country for its low cost of doing business, according to CNBC.com in its 2011 America's Top States for Business report.
- Baby boomers made up the largest share of the total population of South Carolina at 25.1% in 2010, driving an increase in the demand for medical services (RCG).
- According to Forbes, South Carolina was 8th in the country for its favorable regulatory climate and government integrity.



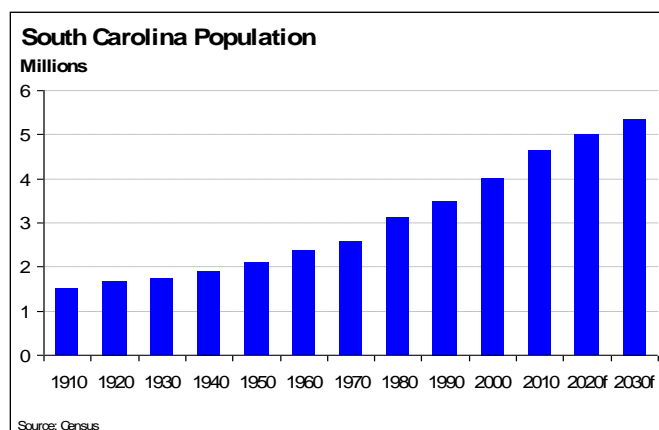
Greenville Hospital Medical Office Portfolio: Patewood Campus, Greenville, SC
Acquired September 2009

South Carolina Portfolio

Our South Carolina portfolio currently includes 22 buildings comprised of approximately 1.1 million square feet of GLA with a total investment of \$210,151,000 based on purchase price. With locations in Greenville, Charleston, Hilton Head, Mt. Pleasant, and Spartanburg, HTA entered the South Carolina market in September 2009. At the end of the first quarter 2011, our South Carolina portfolio had an overall occupancy of approximately 97%. Approximately 78% of our South Carolina assets (based on GLA) are located in Greenville, the second largest city by urban population in state. These assets are leased to Greenville Hospital System (Fitch AA- and Moody's A1), one of the largest employers in the region and the dominant provider of healthcare services in South Carolina with approximately 70% of the market share in Greenville.

South Carolina Market

South Carolina's total population grew at a relatively strong pace over the last decade. From 2000 to 2010, 613,000 additional residents were added to the population, representing a 15.3% growth. The Census forecasts that the total population of South Carolina will exceed 5 million residents by 2020. The 65 and older demographic will see the largest increase of any age group, increasing by 43.0%, or 261,000 people, over the next decade. As the elderly utilize medical services more than any other demographic, their growth will fuel the need for more physicians and medical office space.



Rosen Consulting Group believes that the projected demographic growth in South Carolina, which is estimated to be strongest among the elderly, will cause demand for medical services to accelerate. From 2000 to 2010, South Carolina healthcare employment has increased by a cumulative 38.8% while total employment decreased 2.6%. With utilization habits increasing across all demographic groups, this will further drive demand for medical services and the increased number of physicians and medical office facilities needed to provide the necessary care.

Featured Key Market – Texas

Texas at a glance

- The Texas economy is the 15th largest in the world, according to government figures.
- With a current estimated population of 22.8 million, Texas is the second most populous state in the US.
- The Lone Star State is home to 64 Fortune 500 companies, and in 2011, CNBC.com ranked Texas #2 in America's Top States for Business.
- For the seventh year in a row, CEOs ranked Texas as the No. 1 state in which to do business in May 2011, according to Chief Executive magazine and ChiefExecutive.net.



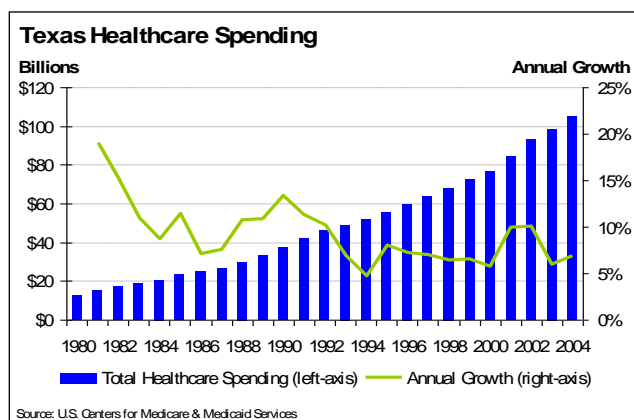
7900 Fannin, Houston, TX
Acquired June 2010

Texas Portfolio

We began investing in the Texas market in 2007 and today we own 26 buildings in 7 different cities. Texas was recently ranked #2 in CNBC's 2011 Top States for Business because of its infrastructure, access to capital, low cost of living, technology and innovation. The majority of our Texas portfolio (80% based on GLA) is located in and around the cities of Houston and Dallas/ Ft. Worth. With total gross leasable area of approximately 1.2 million, our Texas portfolio makes up 11.7% of our total portfolio and has an overall occupancy of approximately 97%. Our largest tenant in Texas, Kindred Healthcare (Moody's B1), is one of the nation's premier providers of rehabilitation and post-acute healthcare services and occupies approximately 21% of our Texas portfolio, based on GLA. Approximately 97% of our Texas portfolio is strategically located on-campus or aligned with recognized healthcare systems, situated in locations with high barriers to entry.

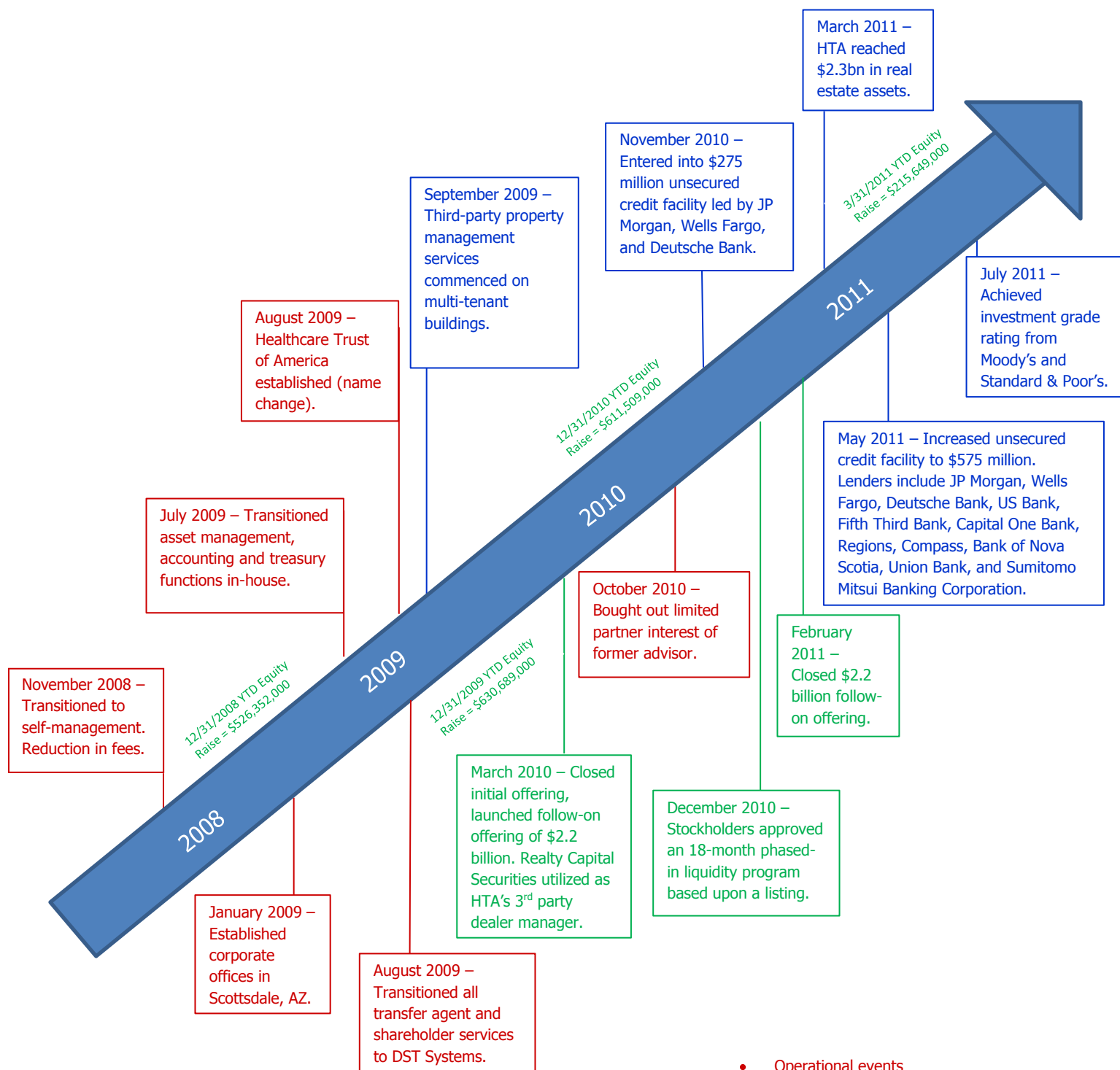
Texas Market

The Texas population has been growing at a rapid pace for decades, a trend that is expected to continue in the future. As the state's large number of baby boomers reaches retirement age and echo boomers migrate to the region for jobs, RCG believes that the combination should drive a sharp increase in the need for healthcare services, employment and medical office space in Texas. Driven by the combination of a fast growing population, increased utilization and rising healthcare costs, both healthcare spending and healthcare employment have grown rapidly in recent years.



The total amount of healthcare spending in Texas increased by 104% from 1994 to 2004 to more than \$105 billion, according to the latest data available. Growth in the healthcare sector outpaced total employment growth in the past decade, expanding by a cumulative 40.4% from 2000 to 2010 as compared with a 9.3% increase in Texas total employment. With demographic growth and higher healthcare utilization projected to drive demand for medical services going forward, Rosen Consulting Group expects this trend to accelerate going forward, resulting in an increased need for Texas medical office space.

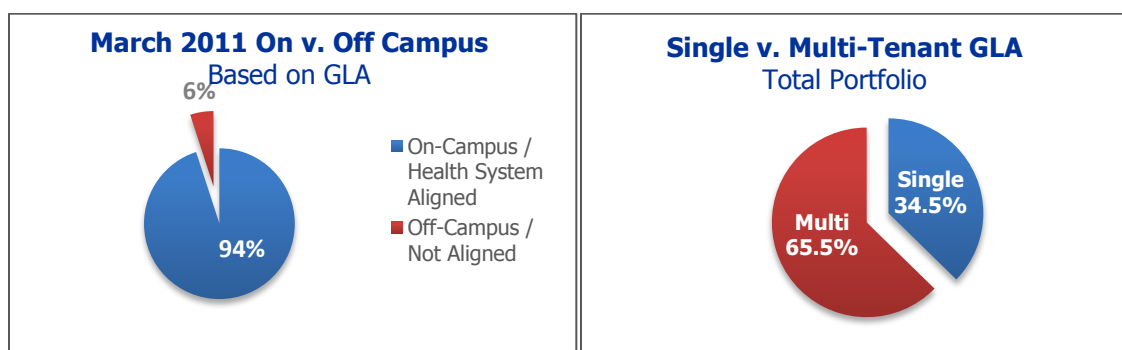
Achievements as a Self-Managed REIT



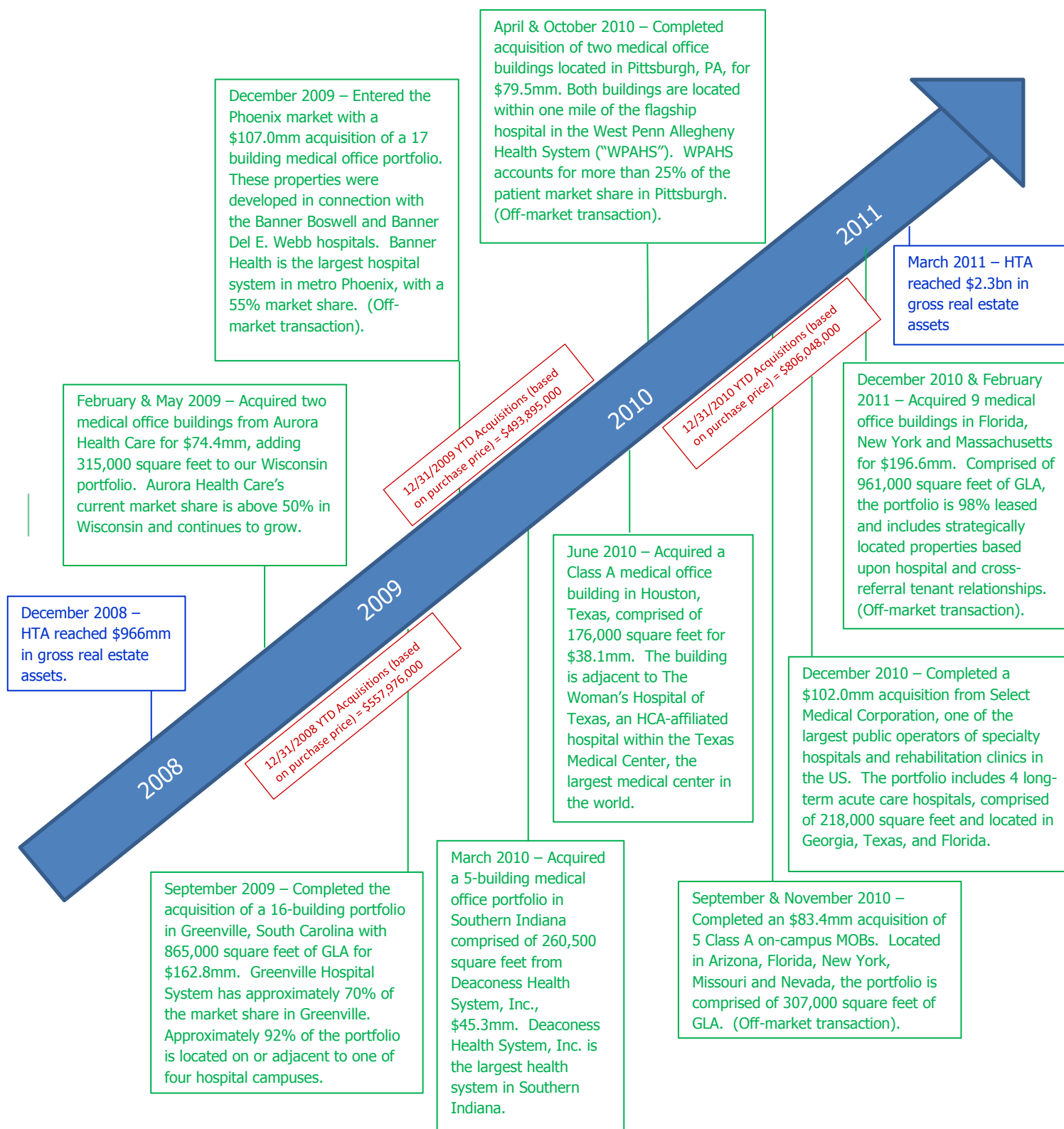
- Operational events
- Events related to our equity offering
- Financial events

HTA Overview as of March 31, 2011

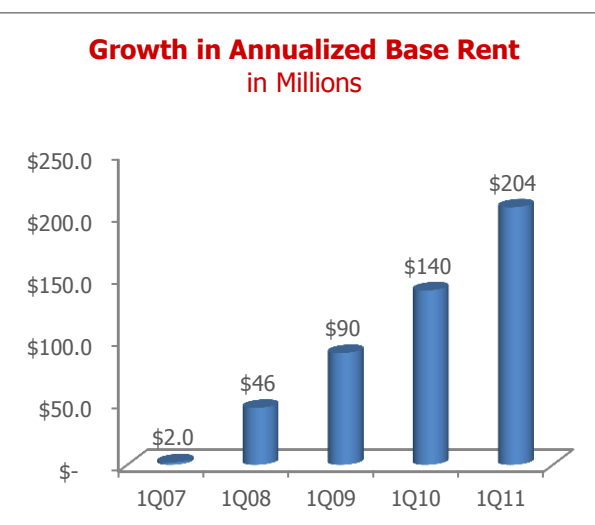
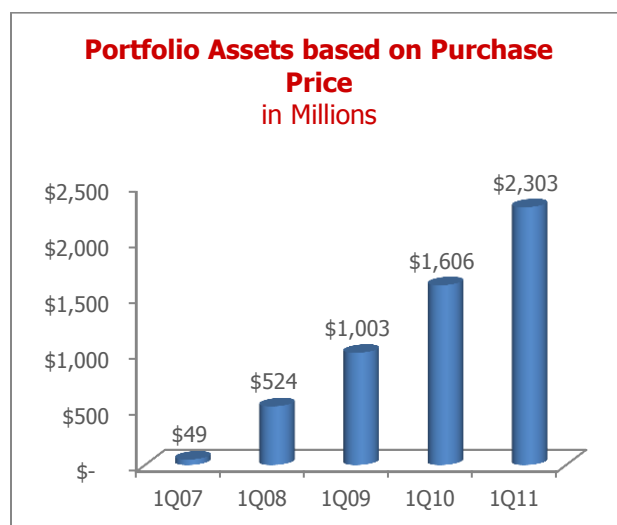
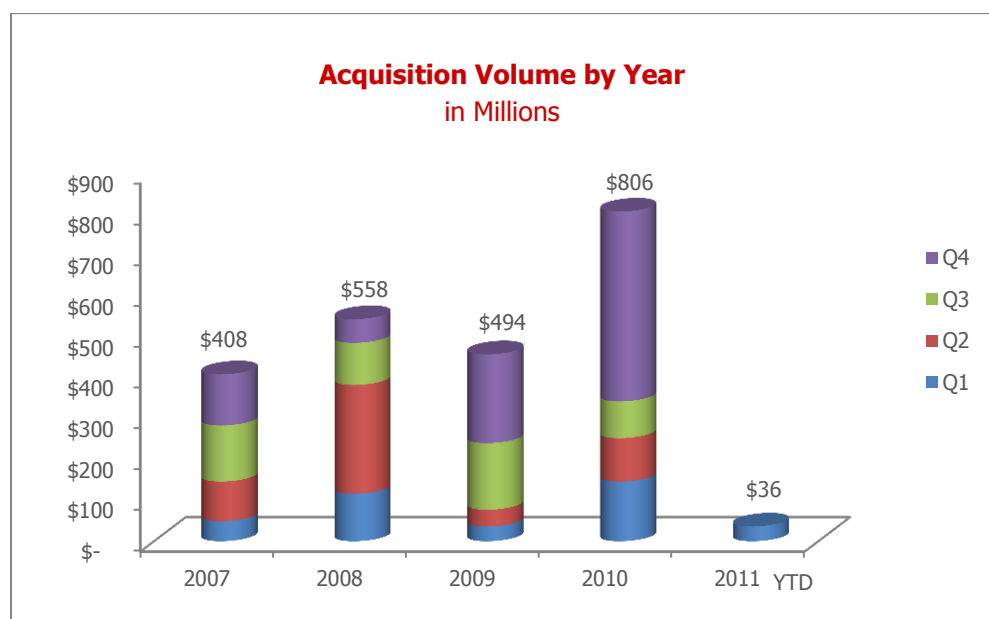
Gross real estate assets (\$bn)	\$2.30
Total invested real estate related assets (\$bn)	\$1.87
Total real estate related portfolios / buildings	78 / 242
Total GLA	11.1mm
Total debt to invested real estate related asset ratio	39.0%
Financial leverage (based on gross real estate assets)	31.6%
Debt/LTM EBITDA	5.5x
Weighted average fixed interest rate on portfolio	6.02%
Weighted average variable interest rate on portfolio	2.42%
Cash on hand (\$mm)	\$207.4
QTD Total revenues (\$mm)	\$70.1
QTD NOI (\$mm)	\$47.0
QTD EBITDA (\$mm)	\$38.7
QTD Funds from operations (FFO) (\$mm)	\$28.8
QTD Modified funds from operations (MFFO) (\$mm)	\$29.9
QTD Normalized funds from operations (Normalized FFO) (\$mm)	\$28.1
QTD Adjusted funds from operations (AFFO) (\$mm)	\$21.7
Total equity raised since inception (\$bn)	\$2.2
Distribution rate on \$10/share	7.25%
Average remaining lease term for all buildings (years)	6.9
Average remaining lease term for single-tenant buildings (years) (34.5% of total portfolio GLA)	8.7
Average remaining lease term for multi-tenant buildings (years) (65.5% of total portfolio GLA)	5.7
Weighted average age of properties based on GLA (years)	17
Occupancy	91%
Investment Grade Tenants (based on leased GLA)	36%



HTA Acquisition Timeline



Gross Investment Activity



Investment Activity – Last Twelve Months (through March 31, 2011)

	Gross Leasable Area	\$ Investment based on Purchase Price
Q2 2010	490,000	\$ 106,219,000
Q3 2010	376,000	89,806,000
Q4 2010	1,976,000	464,133,000
Q1 2011	<u>188,000</u>	<u>36,314,000</u>
Total last twelve months*	<u>3,030,000</u>	<u>\$ 696,472,000</u>

*On June 10, 2011, we entered into a purchase and sale agreement to acquire two Class A, three-story, multi-tenant medical office buildings and a two-level parking structure located in Phoenix, Arizona for approximately \$32.75 million. The closing of the acquisition is subject to the satisfaction of a number of conditions.

Condensed Consolidated Statements of Operations

For the Three Months Ended March 31, 2011 and 2010
(Unaudited)

	Three months ended March 31,	
	2011	2010
Revenues:		
Rental income	\$ 68,413,000	\$ 42,309,000
Interest income from mortgage notes receivable and other income	<u>1,649,000</u>	<u>2,639,000</u>
Total revenues	70,062,000	44,948,000
Expenses:		
Rental expenses	23,772,000	14,585,000
General and administrative expenses	7,308,000	3,605,000
Acquisition expenses	1,062,000	3,224,000
Depreciation and amortization	<u>26,750,000</u>	<u>17,006,000</u>
Total expenses	<u>58,892,000</u>	<u>38,420,000</u>
Income (loss) before other income (expense)	11,170,000	6,528,000
Other income (expense):		
Interest expense (including amortization of deferred financing costs and debt discount):		
Interest expense related to mortgage loans payable, credit facility, and derivative financial instruments	(10,346,000)	(8,876,000)
Net gain on change in fair value of derivative financial instruments	504,000	1,561,000
Interest and dividend income	<u>118,000</u>	<u>16,000</u>
Income (loss) from continuing operations	<u>1,446,000</u>	<u>(771,000)</u>
Discontinued operations:		
Income (loss) from discontinued operations	<u>744,000</u>	<u>289,000</u>
Net income (loss)	<u>2,190,000</u>	<u>(482,000)</u>
Less: Net (income) loss attributable to noncontrolling interest of limited partners	<u>(40,000)</u>	<u>(64,000)</u>
Net income (loss) attributable to controlling interest	<u>2,150,000</u>	<u>(546,000)</u>
Net income (loss) per share attributable to controlling interest on distributed and undistributed earnings — basic and diluted:		
Continuing operations	\$ 0.01	\$ (0.00)
Discontinued operations	\$ 0.00	\$ (0.00)
Net income (loss) per share attributable to controlling interest	\$ 0.01	\$ (0.00)
Weighted average number of shares outstanding		
— basic	214,797,450	145,335,661
— diluted	<u>214,996,502</u>	<u>145,335,661</u>
Additional financial information		
Normalized capital expenditures, tenant improvements, lease commissions	7,014,000	14,579,000
Straight-line rent revenues	3,804,000	2,256,000

Condensed Consolidated Balance Sheets

As of March 31, 2011 and December 31, 2010
(Unaudited)

	March 31, 2011	December 31, 2010
ASSETS		
Real estate investments, net:		
Operating properties, net	\$ 1,786,767,000	\$ 1,772,923,000
Properties classified as held for sale, net	<u>24,540,000</u>	<u>24,540,000</u>
Total real estate investments, net	<u>1,811,307,000</u>	<u>1,797,463,000</u>
Real estate notes receivable, net	57,677,000	57,091,000
Cash and cash equivalents	207,405,000	29,270,000
Accounts and other receivables, net	15,221,000	16,385,000
Restricted cash and escrow deposits	25,370,000	26,679,000
Identified intangible assets, net	298,330,000	300,587,000
Non-real estate assets of properties held for sale	3,768,000	3,768,000
Other assets, net	<u>44,992,000</u>	<u>40,552,000</u>
Total assets	<u>\$ 2,464,070,000</u>	<u>\$ 2,271,795,000</u>
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage and secured term loans payable, net	\$ 728,101,000	\$ 699,526,000
Outstanding balance on unsecured revolving credit facility	—	7,000,000
Accounts payable and accrued liabilities	44,555,000	43,033,000
Derivative financial instruments — interest rate swaps	1,211,000	1,527,000
Security deposits, prepaid rent and other liabilities	16,498,000	16,168,000
Identified intangible liabilities, net	12,742,000	13,059,000
Liabilities of properties held for sale	<u>369,000</u>	<u>369,000</u>
Total liabilities	803,476,000	780,682,000
Commitments and contingencies		
Redeemable noncontrolling interest of limited partners	3,889,000	3,867,000
Equity:		
Stockholders' equity:		
Preferred stock, \$0.01 par value; 200,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$0.01 par value; 1,000,000,000 shares authorized; 225,679,179 and 202,643,705 shares issued and outstanding as of March 31, 2011 and December 31, 2010, respectively	2,251,000	2,026,000
Additional paid-in capital	2,001,028,000	1,795,413,000
Accumulated deficit	<u>(346,574,000)</u>	<u>(310,193,000)</u>
Total stockholders' equity	<u>1,656,705,000</u>	<u>1,487,246,000</u>
Total liabilities and equity	<u>\$ 2,464,070,000</u>	<u>\$ 2,271,795,000</u>

Consolidated Funds from Operations, Modified Funds from Operations, Normalized Funds from Operations and Adjusted Funds from Operations

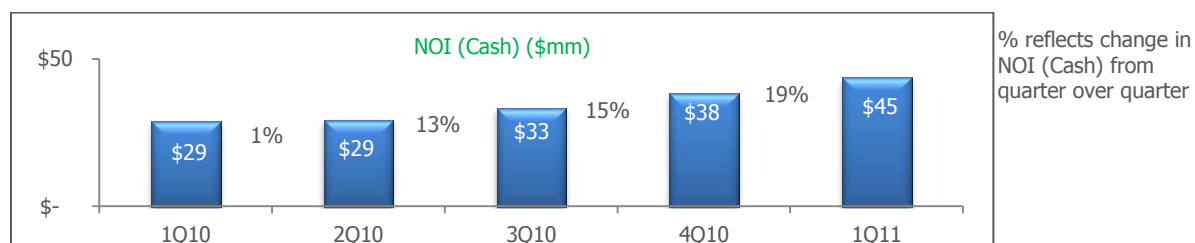
	Three months ended March 31,	
	2011	2010
Net income (loss)	\$ 2,190,000	\$ (482,000)
Add:		
Depreciation and amortization — consolidated properties	26,750,000	17,311,000
Less:		
Net income attributable to noncontrolling interest of limited partners	(40,000)	(64,000)
Depreciation and amortization related to noncontrolling interests	(64,000)	(51,000)
FFO attributable to controlling interest	<u>28,836,000</u>	<u>16,714,000</u>
FFO per share – basic and diluted	<u>0.13</u>	<u>0.12</u>
Add:		
Acquisition-related expenses	1,062,000	3,224,000
Transition-related charges	-	195,000
MFFO attributable to controlling interest	<u>29,898,000</u>	<u>20,133,000</u>
MFFO per share – basic and diluted	<u>0.14</u>	<u>0.14</u>
Less:		
Termination fee revenue	(1,307,000)	-
Net gain on change in fair value of derivative financial instruments	(504,000)	(1,561,000)
Normalized FFO attributable to controlling interest	<u>28,087,000</u>	<u>18,572,000</u>
Normalized FFO per share – basic and diluted	<u>0.13</u>	<u>0.13</u>
MFFO attributable to controlling interest	29,898,000	20,133,000
Add:		
Above/Below market lease revenue (FAS 141)	501,000	158,000
Stock compensation	897,000	156,000
Less:		
Amortization of above/below market ground rent	(27,000)	0
Net gain on change in fair value of derivative financial instruments	(504,000)	(1,561,000)
Effect of straight-line rents	(2,090,000)	(2,256,000)
Normalized capital expenditures, tenant improvements, lease commissions	(7,014,000)	(14,579,000)
AFFO attributable to controlling interest	<u>21,661,000</u>	<u>2,051,000</u>
AFFO per share – basic and diluted	<u>0.10</u>	<u>0.01</u>
Weighted average common shares outstanding – basic	214,797,450	145,335,661
Weighted average common shares outstanding – diluted	214,996,502	145,335,661

Reconciliation of Net Income to Net Operating Income, EBITDA and Debt Ratios

The following is the reconciliation of NOI (Cash) to net income (loss), EBITDA to net income (loss) and net debt to EBITDA ratio generated from our total portfolio of properties (including both our operating properties and those classified as held for sale) for the three months ended March 31, 2011 and 2010:

NOI (Cash)

	Three months ended March 31,	
	2011	2010
Net income (loss)	\$ 2,190,000	\$ (482,000)
Add:		
General and administrative expense	7,308,000	3,605,000
Acquisition-related expenses	1,062,000	3,224,000
Depreciation and amortization – consolidated properties	26,750,000	17,311,000
Interest expense and net gain on derivative financial instruments	9,842,000	7,440,000
Less:		
Interest and dividend income	(118,000)	(16,000)
Net operating income	<u>47,034,000</u>	<u>31,082,000</u>
Add:		
Above/Below market lease revenue (FAS 141)	501,000	158,000
Less:		
Amortization of above/below market ground rent	(27,000)	-
Effect of straight-line rents	(2,090,000)	(2,256,000)
Net operating income (Cash)	<u>\$ 45,418,000</u>	<u>\$ 28,983,000</u>



Net Income to EBITDA Reconciliation

	Three months ended March 31,	
	2011	2010
Net income (loss)	\$ 2,190,000	\$ (482,000)
Add:		
Depreciation and amortization – consolidated properties	26,750,000	17,311,000
Interest expense and net gain on derivative financial instruments	9,842,000	7,440,000
Less:		
Interest and dividend income	(118,000)	(16,000)
EBITDA	<u>\$ 38,664,000</u>	<u>\$ 24,253,000</u>

Net Debt to EBITDA

Total debt	\$ 728,101,000	\$ 533,339,000
Less: cash and cash equivalents	(207,405,000)	(128,404,000)
Net debt	<u>520,696,000</u>	<u>404,935,000</u>
EBITDA (annualized)	\$154,656,000	\$ 97,012,000
Net debt to EBITDA ratio	3.37x	4.17x

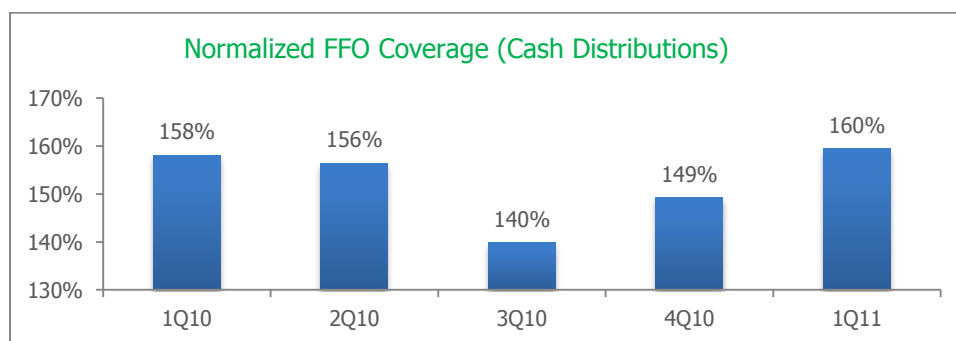
Covenant Requirements

The following ratios are generated from our total portfolio of properties (including both our operating properties and those classified as held for sale) for the three months ended March 31, 2011 and 2010:

	Three months ended March 31,	
	2011	2010
Fixed Charge Coverage Ratio ⁽¹⁾		
EBITDA	\$ 38,664,000	\$ 24,253,000
Fixed charges		
Interest expense and net gain on derivative financial instruments	9,842,000	7,440,000
Scheduled principal payments	2,584,000	1,405,000
Amortization - financing fees	1,013,000	482,000
Total fixed charges	<u>13,439,000</u>	<u>9,327,000</u>
Fixed charge coverage ratio	2.88x	2.60x

Total Leverage Ratio ⁽²⁾		
Total assets	\$2,464,070,000	\$1,728,997,000
Debt		
Secured indebtedness	728,101,000	533,339,000
Outstanding balance on unsecured revolving credit facility	0	0
Total indebtedness	<u>728,101,000</u>	<u>533,339,000</u>
Total debt ratio	29.5%	30.8%

Distribution Coverage ⁽³⁾		
MFFO	29,898,000	20,133,000
Add: Stock compensation	<u>897,000</u>	<u>156,000</u>
Normalized FFO (as defined by credit agreement)	<u>30,795,000</u>	<u>20,289,000</u>
Distributions paid in cash	19,320,000	12,838,000
Total Coverage	<u>160%</u>	<u>158%</u>

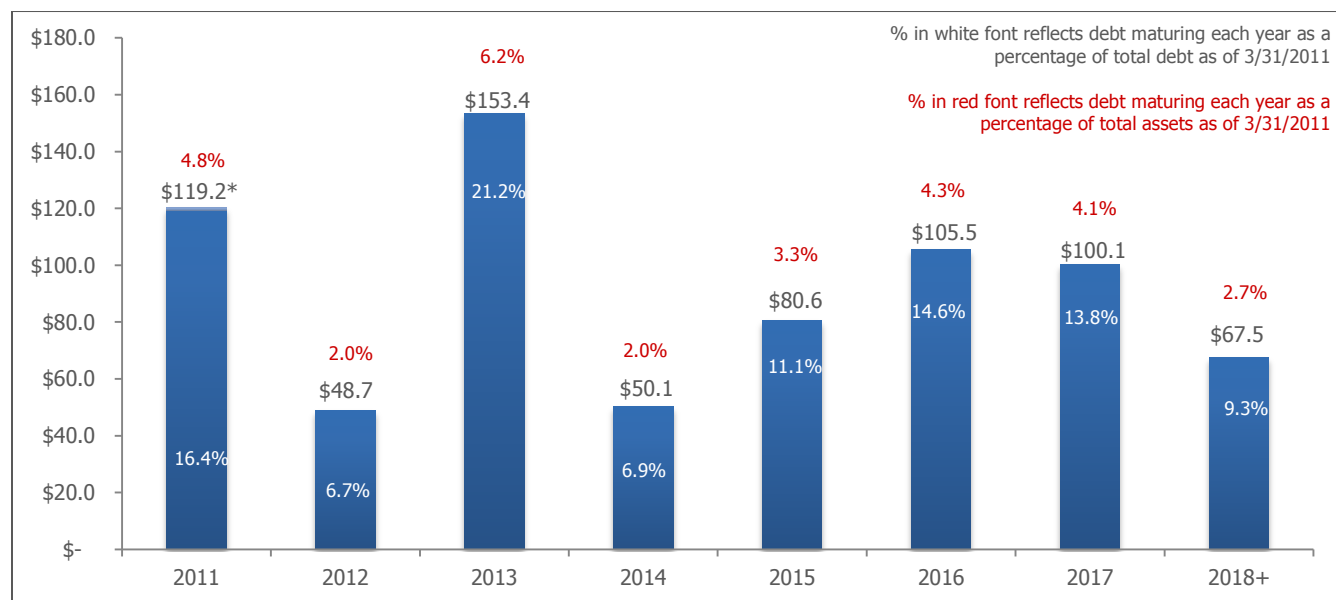


- (1) A comparable covenant in our unsecured line of credit arrangement is a minimum of 1.75x times.
- (2) A comparable covenant in our unsecured line of credit arrangement is a maximum of 55%.
- (3) A comparable covenant in our unsecured line of credit arrangement is 100% coverage of cash distributions by normalized FFO, defined as MFFO plus stock compensation. For the quarter ended March 31, 2011, we paid total distributions of \$36,971,000, including \$19,320,000 in cash and \$17,651,000 in shares of our common stock pursuant to the DRIP.

Schedule of Consolidated Debt

	March 31, 2011	December 31, 2010
Debt:		
Total fixed rate debt	\$ 475,399,000	\$ 470,815,000
Total variable rate debt	<u>249,744,000</u>	<u>225,743,000</u>
Total fixed and variable debt	725,143,000	696,558,000
Add: Net premium	2,958,000	2,968,000
Mortgage loans payable, net	<u>\$ 728,101,000</u>	<u>\$ 699,526,000</u>
Interest:		
Weighted average interest rate of fixed rate debt	6.02%	6.02%
Weighted average interest rate of variable rate debt	2.42%	2.72%

Debt Maturity Summary (\$mm)



* Of this total amount outstanding at 3/31/2011, a loan balance of \$58 million, or 8.0% of the total maturing debt balance, was paid off on May 3, 2011.

Note that debt maturity summary does not reflect available renewal options.

Portfolio Summary

Portfolio by Building Type

Properties	Building Count	Investment based on Purchase Price	Total Revenue (TTM)	GLA	Occupancy
Medical Office Building	218	\$ 1,807,516,000	\$ 182,960,000	9,346,000	90%
Hospital	10	238,675,000	19,006,000	641,000	100%
Senior Care	9	91,600,000	10,341,000	580,000	100%
Office	5	109,900,000	9,453,000	540,000	100%
Mortgage Notes Receivable & Other	N/A	55,180,000	6,461,000	N/A	N/A
<i>Grand Total</i>	<i>242</i>	<i>2,302,871,000</i>	<i>228,221,000</i>	<i>11,107,000</i>	<i>91%</i>

Portfolio by Lease Type

Portfolio by Type	Building Count	Investment based on Purchase Price	Total Revenue (TTM)	GLA	Occupancy
Single-Tenant Buildings					
Triple Net (MOB)	54	\$ 453,732,000	\$ 46,301,000	2,136,000	100%
Gross Lease (MOB)	5	25,304,000	3,651,000	160,000	99%
Triple Net (Hospital)	10	238,675,000	19,006,000	641,000	100%
Triple Net (Sen Care)	9	91,600,000	10,341,000	580,000	100%
Triple Net /Gross Lease (Office)	4	70,900,000	7,112,000	312,000	100%
<i>Single-Tenant subtotals</i>	<i>82</i>	<i>880,211,000</i>	<i>86,411,000</i>	<i>3,829,000</i>	<i>100%</i>
Multi-Tenant Buildings					
Triple Net (MOB)	70	630,560,000	64,274,000	3,139,000	88%
Gross Lease (MOB)	89	697,920,000	68,734,000	3,911,000	85%
Gross Lease (Office)	1	39,000,000	2,341,000	228,000	100%
<i>Multi-Tenant subtotals</i>	<i>160</i>	<i>1,367,480,000</i>	<i>135,349,000</i>	<i>7,278,000</i>	<i>87%</i>
Other real estate-related assets					
Mortgage Notes Receivable & Other	N/A	55,180,000	6,461,000	N/A	N/A
<i>TOTALS</i>	<i>242</i>	<i>2,302,871,000</i>	<i>228,221,000</i>	<i>11,107,000</i>	<i>91%</i>

Portfolio Summary, continued

Lease Maturity Summary – All Properties

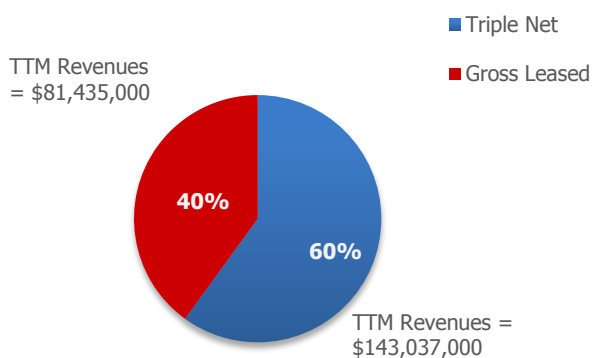
Total GLA	Leased GLA	Expiring GLA (amounts in thousands)								
		2011*	2012	2013	2014	2015	2016	2017	2018	2019+
11,107	10,153	529	812	959	863	836	909	710	586	3,949
% of total	91%	5%	7%	9%	8%	8%	8%	6%	5%	35%

* GLA expiring for the remainder of the year as of 3/31/2011

Year to Date Leasing Activity – All Properties

	GLA
Leased GLA December 31, 2010	9,950,000
Move outs, lease terminations, and expirations	(166,000)
Acquisitions	187,000
New leases and expansions	68,000
Lease renewals	114,000
Leased GLA March 31, 2011	10,153,000

Total Portfolio: Lease Structure (based on GLA)



- The majority of our leases have a triple-net structure and are leased to tenants with high credit ratings. Under this lease type, the tenant typically pays a monthly base rent to the landlord, and any operating expenses are either paid directly to the service provider or fully reimbursed to the landlord. Triple-net leases usually are a more conservative lease structure, resulting in stable cash flows with less exposure to short-term fluctuations in the operating costs of the property.
- Under a gross lease, the tenant pays a pre-determined base rent. Included in that rent is either a portion of or all of the tenant's share of operating expenses, including property taxes, insurance and maintenance.

Portfolio Summary, continued

Geographic Diversification

GLA by Region	Investment based on Acquisition Price	Building Count	Sum of GLA	GLA %	Leased %
MidWest	\$ 352,544,000	65	2,218,000	20.0%	82%
NorthEast	367,993,000	19	1,782,000	16.0%	98%
South	461,277,000	34	1,847,000	16.6%	96%
SouthEast	675,306,000	75	3,340,000	30.1%	94%
SouthWest	390,373,000	49	1,920,000	17.3%	87%
NorthWest	-	-	-	0.0%	0.0%
Grand Total	\$ 2,247,493,000	242	11,107,000	100%	91%

Leasing Activity: Our Third Party Providers

Property Management	Managed GLA as % of Total Portfolio
CB Richard Ellis	20.2%
Plaza Companies	11.2%
Hokanson	8.9%
BBL Management	6.8%
Transwestern	4.6%
PM Realty Group	4.4%
VERSA Property Management	2.2%
Madison Property Management	1.7%
Nath Companies	1.4%
Prime Property Management	1.4%
Health Connect Properties	1.3%
The Galesi Group	1.1%
CBRE The Furman Co.	1.0%
RJ King & Associates	0.9%
Craig Davis Properties	0.8%
Cassidy Turley	0.6%
Columbus Capital Management	0.5%
Crossgate	0.5%
Rossetti Management & Realty	0.4%
Grand Total*	69.9%

*The remaining 31.1% of our portfolio is managed in-house by HTA.

Medical Office Building Portfolio Summary

MOB Portfolio by Location

MOB Properties	Building Count	Investment based on Purchase Price	Total Revenue (TTM)	GLA	Occupancy
On-campus / Health System Aligned	199	\$ 1,681,730,000	\$168,035,000	8,815,000	90%
Off-campus	19	125,786,000	14,925,000	531,000	84%
<i>Grand Total</i>	<i>218</i>	<i>\$ 1,807,516,000</i>	<i>\$182,960,000</i>	<i>9,346,000</i>	<i>90%</i>

MOB Portfolio by Lease Type

MOB Properties by Lease Structure	Building Count	Investment based on Purchase Price	Total Revenue (TTM)	GLA	Occupancy
Single-Tenant Buildings					
Gross Lease	5	\$ 25,304,000	\$ 3,651,000	160,000	99%
Triple Net	54	453,732,000	46,301,000	2,136,000	100%
<i>Single-Tenant subtotals</i>	<i>59</i>	<i>479,036,000</i>	<i>49,952,000</i>	<i>2,296,000</i>	<i>100%</i>
Multi-Tenant Buildings					
Gross Lease	89	697,920,000	68,734,000	3,911,000	85%
Triple Net	70	630,560,000	64,274,000	3,139,000	88%
<i>Multi-Tenant subtotals</i>	<i>159</i>	<i>1,328,480,000</i>	<i>133,008,000</i>	<i>7,050,000</i>	<i>87%</i>
<i>TOTALS</i>	<i>218</i>	<i>\$ 1,807,516,000</i>	<i>\$ 182,960,000</i>	<i>9,346,000</i>	<i>90%</i>

Lease Maturity Summary – Medical Office Properties

		Expiring GLA (amounts in thousands)								
Total GLA	Leased GLA	2011*	2012	2013	2014	2015	2016	2017	2018	2019+
9,346	8,393	579	721	719	492	738	757	639	586	3,162
% of total	90%	6%	8%	8%	5%	8%	8%	7%	6%	34%

* GLA expiring for the remainder of the year as of 3/31/2011

Healthcare System Relationships and Quality Tenants

Partnering with dominant healthcare providers. Our strong relationships with our hospital systems drive incremental demand for our MOB space, increased tenant retention rates and provide us with further investment opportunities. The national network of medical advisor relationships that we have established and maintained provides us with early market intelligence and the opportunity to acquire prior to full market awareness. Our hospital system relationships include: Greenville Hospital System, Ascension Health, UNC Health Care, Mary Black Health System, Holston Medical Group, REX Health (UNC Health Care), Piedmont HealthCare, St. Vincent Health System, WakeMed Health & Hospitals, Henry Medical Center, Wellmont Health System, Florida Orthopaedic Institute, The Woman's Hospital of Texas, Deaconess Health System, Catholic Healthcare West, Texas Children's Hospital, St. John's Mercy Health Care, St. Rose Dominican Hospitals, Texas Health Resources, Banner Health, Christus St. Vincent, Baylor Health Care System, Northwest Medical Center, Carondelet Health Network, Vanguard Health Systems, Community Health Systems, St. Joseph Medical Center, Indiana University Health, Allina Hospitals & Clinics, MountainStar Healthcare, Aurora Health Care, HealthEast Care System, Swedish Medical Center, St. Rita's Medical Center, Banner Good Samaritan Medical Center, Community Health Network, Kettering Health Network, MedStar Health, Franciscan Alliance, Nationwide Children's Hospital, National Institutes of Health, West Penn Allegheny Health System, St. Francis Hospital and Health Centers, Adventist Health System, St. Peter's Health Care Services, CDPHP, Gwinnett Medical Center, Catholic Health East, East Cooper Medical Center, Putnam Hospital Center, Hilton Head Regional Healthcare, Medical University of South Carolina Health and WellStar Health System.

Top Twenty Credit Rated Tenants	Location	Rating	Annualized Base Rent	% of Annualized Base Rent	Leased GLA	% of Leased GLA
Greenville Hospital System	Greenville, SC	A1 (Moody's)	\$ 13,036,000	6.4%	762,000	7.5%
Select Med Corp	28 States	B (S&P)	9,789,000	4.8%	261,000	2.6%
Kindred Healthcare (KND)	46 States	B1 (Moody's)	7,419,000	3.6%	268,000	2.6%
Community Health Systems (CHS)	29 States	B1 (Moody's)	6,329,000	3.1%	304,000	3.0%
Aurora Health Care	Eastern Wisconsin	A (Fitch)	6,306,000	3.1%	315,000	3.1%
West Penn Allegheny Health System (WPAHS)	Western Pennsylvania	B2 (Moody's)	5,904,000	2.9%	266,000	2.6%
Indiana University Health	Indiana	A1 (Moody's)	5,421,000	2.7%	307,000	3.0%
Banner Health (AZ)	7 States	AA- (Fitch)	4,280,000	2.1%	213,000	2.1%
Hospital Corp of America (TN)	20 states and Great Britain	B1 (Moody's)	4,880,000	2.4%	228,000	2.2%
Deaconess Health	6 States	A+ (Fitch)	3,772,000	1.9%	261,000	2.6%
Sisters of Mercy Healthcare (MO)	AR, KS, LA, MO, OK, TX	Aa3 (Moody's)	3,512,000	1.7%	134,000	1.3%
Quest Diagnostics (NJ)	National	Baa2 (Moody's)	3,076,000	1.5%	118,000	1.2%
US Government	National	AAA (Moody's)	2,758,000	1.4%	113,000	1.1%
Wellmont Health System (TN)	TN, VA	BBB+ (Fitch)	2,581,000	1.3%	166,000	1.6%
Pfizer	National	AA- (Fitch)	2,261,000	1.1%	98,000	1.0%
United Health Group	National	A2 (Moody's)	2,154,000	1.1%	104,000	1.0%
Catholic Health Partners (OH)	KY, TN	A1 (Moody's)	2,006,000	1.0%	140,000	1.4%
UNC Health Care	NC	Aa3 (Moody's)	1,625,000	0.8%	68,000	0.7%
Texas Children's Hospital	TX	Aa2 (Moody's)	1,618,000	0.8%	58,000	0.6%
Health Quest Systems	NY	AA- (Fitch)	1,413,000	0.7%	52,000	0.5%
Top Twenty Credit Rated Tenants Totals			\$ 90,140,000	44.2%	4,236,000	41.7%
Other Credit Rated Tenants Totals			\$ 22,390,000	11.0%	1,091,000	10.7%
Credit Rated Tenants Totals			\$ 112,530,000	55.2%	5,327,000	52.5%
Total as of 3/31/11			\$ 203,867,000		10,153,000	

Glossary/Definitions

- Acquisition-related expenses: Prior to 2009, acquisition-related expenses were capitalized and have historically been added back to FFO over time through depreciation; however, beginning in 2009, acquisition-related expenses related to business combinations are expensed. These acquisition-related expenses have been and will continue to be funded from the proceeds of our offerings and our debt and not from operations. We believe by excluding expensed acquisition-related expenses, MFFO provides useful supplemental information that is comparable for our real estate investments.
- Adjusted Funds from Operations (AFFO): AFFO is calculated by deducting from MFFO non-incremental capital expenditures, tenant improvements, leasing commissions, amortization of below market ground rent and adding back non-cash items including stock compensation expense and adjusting for gains/losses on change in fair value of derivative financial instruments, the effect of straight-line rents and above/below market lease revenues.

AFFO should not be considered as an alternative to net income (loss) or to cash flows from operating activities and is not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs, including our ability to make distributions. AFFO should be reviewed in connection with other GAAP measurements.

- Annualized Base Rent: Based on contractual base rent from leases in effect as of the end of each year and does not reflect tenant concessions. Excludes notes receivable.
- Assets Held For Sale: Assets and liabilities of properties sold or to be sold are classified as held for sale, to the extent not sold, on the Company's Condensed Consolidated Balance Sheets, and the results of operations of such properties are included in discontinued operations on the Company's Condensed Consolidated Statements of Operations for all periods presented. Properties classified as held for sale at March 31, 2011 and December 31, 2010 include four buildings within our Senior Care 1 portfolio, which is a portfolio consisting of six total buildings located in various cities throughout Texas and California. Pursuant to a master lease agreement in effect at the time of our purchase of this portfolio, the lessee of the four buildings within the portfolio that are located in Texas was afforded the option to purchase these buildings at the June 30, 2011 anniversary of the first five years of the ten year lease term. On December 31, 2010, the lessee opened escrow with a deposit of 5% of the minimum repurchase price and provided us with timely notice, as required by the agreement, of its intent to exercise this option. As a result of these actions, in accordance with ASC 360-10-45-9, *Property, Plant, and Equipment — Overall — Other Presentation Matters — Long Lived Assets Classified as Held for Sale*, we determined that these four buildings met the criteria for held for sale designation as of December 31, 2010 and continue to meet such criteria as of March 31, 2011. We have therefore separately presented the assets and liabilities of these buildings on our interim condensed consolidated balance sheet.
- Capital Expenditures, Tenant Improvements, Leasing Commissions: Represents amounts paid in cash for 1) recurring and non-recurring capital expenditures required to maintain and re-tenant our properties, 2) second generation tenant improvements, and 3) leasing commissions paid to third party leasing agents to secure new tenants.
- Distribution Rate: Based on original share price of \$10 per share. Distributions are aggregated and paid monthly. It is our intent to continue to pay distributions. However, the amount of distributions we pay to our stockholders is determined by our board of directors, at its discretion,

and is dependent on a number of factors, including funds available for the payment of distributions, our financial condition, capital expenditure requirements and annual distribution requirements needed to maintain our status as a REIT under the Internal Revenue Code, as well as any liquidity alternative we may pursue in the future. Our board of directors may reduce its distribution rate and we cannot guarantee the amount of distributions paid in the future, if any.

- EBITDA: Earnings before interest, taxes, depreciation, and amortization. The real estate industry uses EBITDA, a non-GAAP financial measure, as a measure of both operating performance and liquidity.
- Financial Leverage: Total debt divided by gross real estate assets (based on acquisition price and includes two real estate notes receivable).
- Fixed Charges: Interest expense and net gain on derivative financial instruments, scheduled principal payments, and amortization - financing fees. We use fixed charges to measure our interest payments on outstanding debt for purposes of presenting fixed charge coverage.
- Funds from Operations: We define FFO, a non-GAAP measure, as net income or loss computed in accordance with GAAP, excluding gains or losses from sales of property but including asset impairment write downs, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect FFO.

FFO should not be considered as an alternative to net income (loss) or to cash flows from operating activities and is not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs, including our ability to make distributions. FFO should be reviewed in connection with other GAAP measurements. For more information on FFO, please see our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011 as filed with the Securities and Exchange Commission.

- Gross Leasable Area (GLA): Gross leasable area (in square feet).
- Gross Lease:
 - Full Service Gross (FSG): Under this type of lease, the tenant pays a pre-determined base rent and operating expenses are typically paid by the Landlord in year 1. In subsequent years, the tenant is responsible for their proportionate share of operating expense increases over the base year.
 - Modified Gross (MG): Similar to a FSG lease, however the tenant pays a pre-determined base rent and some of the operating expenses are typically paid by the tenant instead of the Landlord (i.e. electrical or janitorial).
- Gross real estate assets: Based on acquisition price and includes two real estate notes receivable.
- Modified Funds from Operations: We use modified funds from operations, or MFFO, which excludes from FFO transition charges and acquisition-related expenses, to further evaluate how our portfolio might perform after our acquisition stage is complete and the sustainability of our dividend in the future. MFFO should not be considered as an alternative to net income (loss) or to cash flows from operating activities and is not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs, including our ability to make distributions. MFFO should be reviewed in connection with other GAAP measurements.

Our calculation of MFFO may have limitations as an analytical tool because it reflects the costs unique to our transition to a self-management model, which may be different from that of other healthcare REITs. Additionally, MFFO reflects features of our ownership interests in our medical office buildings and healthcare-related facilities that are unique to us. Companies that are considered to be in our industry may not have similar ownership structures; and therefore those companies may not calculate MFFO in the same manner that we do, or at all, limiting its usefulness as a comparative measure. We compensate for these limitations by relying primarily on our GAAP and FFO results and using our MFFO as a supplemental measure.

MFFO should be reviewed in connection with other GAAP measurements. For more information on MFFO, please see our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011 as filed with the Securities and Exchange Commission.

- Mortgage Notes Receivable and Other: We have acquired two other real estate assets including five notes receivable for an aggregate purchase price of \$52,135,000. These assets also include ground leases. Please refer to our Form 10-Q for the quarter ended March 31, 2011 as filed with the Securities and Exchange Commission for more information.
- Net Operating Income (NOI): NOI is a non-GAAP financial measure that is defined as net income (loss), computed in accordance with GAAP, generated from our total portfolio of properties (including both our operating properties and those classified as held for sale as of March 31, 2011) before interest expense, general and administrative expenses, depreciation, amortization, acquisition-related expenses, and interest and dividend income. We believe that NOI provides an accurate measure of the operating performance of our operating assets because NOI excludes certain items that are not associated with management of the properties. Additionally, we believe that NOI is a widely accepted measure of comparative operating performance in the real estate community. However, our use of the term NOI may not be comparable to that of other real estate companies as they may have different methodologies for computing this amount.
- Net Operating Income (NOI) (Cash): NOI (Cash) is a non-GAAP financial measure that is defined as NOI excluding GAAP revenue items including straight line rent and adjustments recorded to reflect above and below market leases in accordance with FAS 141. We believe that NOI (Cash) provides an accurate measure of the operating performance of our operating assets because NOI (Cash) excludes certain items that are not associated with management of the properties. Additionally, we believe that NOI (Cash) is a widely accepted measure of comparative operating performance in the real estate community. However, our use of the term NOI (Cash) may not be comparable to that of other real estate companies as they may have different methodologies for computing this amount.
- Normalized Funds from Operations: Normalized FFO is calculated by deducting from MFFO termination fee revenue and adjusting for gains/losses on change in fair value of derivative financial instruments. Our internal definition of Normalized FFO differs from the definition per our unsecured line of credit agreement, defined as MFFO plus stock compensation.

Normalized FFO should not be considered as an alternative to net income (loss) or to cash flows from operating activities and is not intended to be used as a liquidity measure indicative of cash flow available to fund our cash needs, including our ability to make distributions. Normalized FFO should be reviewed in connection with other GAAP measurements.

- Occupancy: Occupancy represents the percentage of total gross leasable area that is leased and occupied, including month-to-month leases, as of the date reported. Occupancy is based on leases in place and in effect.
- Off-Campus: A building or portfolio that is not located on or in close proximity to key hospital based-campus and is not aligned with recognized healthcare systems.
- On-Campus / Health System Aligned: A building or portfolio that is either (1) located on or in close proximity to key hospital-based campuses or (2) aligned with recognized healthcare systems. Approximately 94% of our medical office portfolio includes buildings are considered to be on-campus or health system aligned.
- Total equity raised since inception: Excludes share issuance from Distribution Reinvestment Plan (DRIP)
- Total Revenue (TTM): Total revenue for the trailing twelve months
- Transition-related charges: FFO includes certain charges related to the cost of our transition to self-management. These items include, but are not limited to, additional legal expenses, system conversion costs (including updates to certain estimate development procedures) and non-recurring employment costs. Because MFFO excludes such costs, management believes MFFO provides useful supplemental information by focusing on the changes in our fundamental operations that will be comparable rather than on such transition charges. We do not believe such costs will recur now that our transition to a self-management infrastructure is complete.
- Triple Net (NNN): Under this lease, the tenant pays a monthly lump sum base rent as well as the property taxes, the property insurance, and the maintenance.