

Strategic Merits of an Investment in American Medical Properties

| Driver | Potential Result | Current Yield | Long-term Value |
|---|---|---------------|-----------------|
| Presence in markets with limited buyers | <ul style="list-style-type: none"> – AMP identifies and invests in off-market opportunities through deep industry relationships with limited competition for assets – Avoids engaging in competitive bidding process and overpaying for assets | ✓ | ✓ |
| Non-standard sellers | <ul style="list-style-type: none"> – Many of the assets AMP targets may be sourced from non-institutional owners, often healthcare operators – AMP can take advantage of undermanaged assets – Potential for revenue enhancement, expense reduction and increased cash flow | ✓ | ✓ |
| High cap rates increase yield | <ul style="list-style-type: none"> – High initial yields should provide strong cash flow and support current dividends – On exit, better managed assets in a larger portfolio should benefit from incremental value appreciation | ✓ | ✓ |
| Active property management | <ul style="list-style-type: none"> – Enhance underlying tenant profile, increase real estate values and negotiate attractive rents by providing unique operational expertise, assisting with physician recruitment and the addition of new specialty service lines – Increased cash flow can be monetized in the future upon exit at tighter cap rates in the public market | ✓ | ✓ |