SETTING THE RECORD STRAIGHT

MEDICAL PROPERTIES TRUST AND NORWOOD HOSPITAL

MPT Built the Hospital with its own funds when it could have walked away.

Massachusetts Must Work with MPT to Finish the Job.

BOTTOM LINE UP FRONT

Medical Properties Trust (MPT) has already done what no other party has: committed hundreds of millions of dollars of its own money to rebuild Norwood Hospital, and positioned the campus for completion by a qualified operator. Three quarters of the project's construction is complete, including the hospital shell, core, and parking garage. MPT has invested more than $**350 million**, and, under the right set of circumstances, will consider funding even more—as much as the $**150 million** estimated to complete clinical construction.

What MPT cannot do is select and license an operator for the facility. MPT welcomes the input of the Department of Public Health (DPH) and local community leaders in expediting that process. Allowing MPT to continue on its current path can enable Norwood to reopen with a qualified hospital operator, saving Massachusetts taxpayers as much as **$500 million** and avoiding further delays.

The fastest and least costly way to reopen Norwood Hospital is to let MPT finish construction of the facility and find a qualified operator. The Commonwealth of Massachusetts should work collaboratively with MPT to ensure the chosen operator receives the determination of need (DoN) necessary to sustain operations at Norwood.

THE FACTS

MPT is the only party that has spent its own money, more than $350 million, to rebuild Norwood Hospital.

MPT's investment has ensured that, to date, three quarters of the cost of a full rebuilding of the hospital has been made and the structure is complete except for the clinical configuration of the new hospital's interior. Without these funds, the Norwood site would be a vacant lot where the new state-of-the-art hospital building now stands, taking far more than 18 months to reopen after a qualified operator is found.

MPT did not pause or abandon the project.

From the time immediately following the catastrophic storm that destroyed Norwood's hospital, MPT has funded the construction and development of a new hospital for Norwood. At the beginning of 2024, when Steward stopped paying vendors building the hospital, even before they entered bankruptcy, MPT paid roughly $40 million in major construction and architecture obligations to Massachusetts based companies, paid outstanding balances, and continued investing to rebuild the hospital campus. Construction has never been "paused."

MPT has finished the building as much as possible without having a new hospital operator in place.

MPT has enabled the building to be completed so it is "weather tight" and all major building equipment is installed, protected and ready for the buildout of a hospital's interior. However, the clinical construction for the hospital's interior cannot be finished until a new operator is identified and they outline how they wish that space to be configured. MPT is prepared, subject to the proper conditions, to finance that construction.

The successful completion of any negotiation between MPT and a qualified hospital operator will hinge on an operator's assessment of how best to reopen the facility for clinical care, and getting the necessary approvals from the Commonwealth.

THE BEST PATH FORWARD TO REOPEN THE HOSPITAL

Expedite a path to re-opening that minimizes delay.

The longer it takes to reopen Norwood the more expensive that process becomes. Over $350 million has been spent to date to finish the hospital, and completion of the interior clinical configuration is likely to exceed $150 million. But for each month that goes by without finding a new operator, the risk of higher costs increases due to inflation and potential supply chain demands.

State leadership needed in the very near term.

While the current negotiation with a prospective operator is not yet final, the Commonwealth can help by assisting MPT with closing the current negotiation or help identify other qualified candidate operators. In addition, they can work to expedite a determination of need once an acceptable operator is identified. Once an operator is identified and approved, final construction can commence and be completed in as soon as 18 months.

ADDITIONAL INFORMATION

OVERVIEW

The central facts are straightforward: MPT supplied the real estate and funds needed to rebuild Norwood Hospital; MPT has continued advancing the project; and reopening now depends on securing and obtaining regulatory approval for a qualified hospital operator.

MPT has funded the construction of a new, purpose-built hospital core and shell on the Norwood campus, with approximately 75% of the structure complete. The fastest and least costly path is to complete the last 25% of the hospital and transition to a qualified hospital operator coordinated with DPH.

MORE DETAIL ON THE FACTS

Norwood was a profitable hospital destroyed by a natural disaster and the region needs it to be reopened as soon as possible.

- Before the June 28, 2020 flood, Norwood Hospital was a financially sound, operationally robust acute-care hospital serving 250,000 residents across ten communities in Norfolk County.
- Norwood closed because the 2020 catastrophic storm rendered the facility unusable.
- Norwood and the surrounding towns need the hospital to be re-opened as demand for services there remains high—just as it was before the storm.

MPT is the only entity who has invested money has built a new hospital core and shell and at no time did the company pause construction after taking control of the site in early 2024.

- The expenditures include payments to:
    - Suffolk Construction and construction subcontractors performing structural, building-envelope, garage, elevator, utility, and site work;
    - SmithGroup and other architects responsible for the replacement hospital design;
    - Engineering firms, including Briggs Engineering, Sanborn Head, and WSP;
    - Other vendor equipment and materials suppliers, specialized consultants, and local vendors supporting the project;
    - Related expenses: property taxes, insurance, utilities, security, maintenance, preservation, and security services; and
    - Professional, legal, and technical costs associated with regulatory work, construction administration, and transition planning.
    - Continued payment of local property taxes.

- A useful chronology of major related events:

Date / Event	Action / Amount
September 2016	MPT acquired Norwood Hospital as part of its Massachusetts portfolio for approximately $190 million.
June 28, 2020	A catastrophic flood forced an emergency evacuation and rendered the operating hospital unusable.
August 2021	Massachusetts DPH issued an Emergency Determination of Need authorizing construction of the replacement hospital.
2021-2023	The project advanced through foundation, structural frame, building-envelope, utility, and other core construction work.
March 14, 2024	MPT assumed the SmithGroup architecture contract and paid $1,975,228.30 in outstanding balances owed by Steward.
March 15, 2024	MPT assumed the Suffolk Construction contract and paid $14,697,688.18 in outstanding January and February 2024 pay applications owed by Steward.
March-June 2024	MPT paid an additional $331,053.01 to continuing project vendors, including Briggs Engineering, Sanborn Head, and WSP.
June 24, 2025	MPT executed a change order to erect and complete the parking-garage structure.
May 6, 2026	MPT executed a $6.6 million elevator-related change order, further demonstrating continued investment.

MPT cannot complete construction until an operator is selected.

- MPT is maintaining and protecting the current newly built structure.
- The unfinished interior—the remaining 25% of the project—is not evidence of abandonment or neglect. A hospital's clinical layout, equipment, information technology, patient-flow design, departmental configuration, and regulatory specifications depend heavily on the operator's care model and licensed service plan.
- MPT has brought the campus to the point where a qualified operator can complete an operator-specific interior rather than inherit a clinical layout designed for a different health system.

Current planning indicates that the remaining clinical fit-out will require more than $150 million, which MPT is prepared to finance for a qualified operator on commercial reasonable terms

- The success of selecting a qualified operator hinges on multiple factors not within MPT's control, including a prospective operator's ability to have the financial resources to run the new Norwood profitably.
- It also requires the Commonwealth to approve a Determination of Need (DoN) and work with the new operator on the formal process for obtaining State approval of the operator and its clinical license and a schedule for reopening.
- While the Massachusetts DPH issued an Emergency Determination of Need in 2021 for the replacement project associated with Steward, a successor operator must still obtain the approvals applicable to its own ownership, clinical plan, and operation of the new hospital.

THE PATH FORWARD

Allow MPT to remain on its current path.

- Allow them to negotiate an agreement with a qualified operator and put in place a plan to finish the clinical construction.
- Rather than putting Massachusetts taxpayers on the hook for $500 million, allow the current process to proceed forward with private capital.
- A lease with the new operator can include a clause that allows it to purchase the physical structure from MPT at some future point if it so desires.

The Commonwealth should be pro-active in helping to expedite Norwood's reopening.

- It should work with MPT to help close an agreement with a qualified operator.
- It should also help to expedite the clearance and approvals needed so that Norwood Hospital can reopen within 18 months of a new operator being selected.

Sources: Massachusetts Center for Health Information and Analysis, Steward Norwood Hospital profiles for FY2018 and FY2019; Massachusetts DPH Determination of Need materials; Norwood Hospital Task Force Interim Report (June 22, 2026); MPT project, construction, vendor-payment, and financial records; and public reporting cited in the prior version of this fact sheet.