

HUMC Holdco LLC
2000 Market Street, 20th Floor
Philadelphia, PA 19103

November 1, 2011

Mayor Dawn Zimmer
Hon. Theresa Castellano, Councilmember
Hon. Elizabeth Mason, Councilmember
Hon. Tim Occhipinti, Councilmember
Hon. Michael Russo, Councilmember
Hoboken City Hall
94 Washington Street
Hoboken, NJ 07030

Dear Mayor Zimmer and Council Members Castellano, Mason, Occhipinti and Russo:

Sunday night the City of Hoboken took a critical step forward to save the Hoboken University Medical Center. We are grateful for the leadership and determination exhibited by you all in the effort to protect this important asset in the community. As we stressed in our correspondence to the Council members, we are eager to rebuild this hospital and involve the entire Hoboken community in its renaissance.

As you might imagine, our lender in this transaction was pleased to hear that there is now unanimous support among the elected officials in the City for the transaction moving forward. However, in reviewing the letter we sent Sunday, our attorneys pointed out that the terminology used in the correspondence had technical flaws that may be construed as inconsistent with the governing documents of HUMC Opco, LLC, which is the legal entity that will be the operator of the Hospital.

HUMC Opco, LLC ("Opco") is a Delaware limited liability company. Under the Limited Liability Company Agreement of Opco that we agreed to in April 2011 with MPT Operating Partnership, L.P., and its various sub-entities, (collectively, the "MPT Parties"), the sole manager of Opco shall be HUMC Holdco, LLC ("Holdco").

We apologize for our error, but what we intended to offer was an appointment to the Hospital's advisory Board of Trustees, one by the Mayor's Office and then one appointee to be selected by the minority members of the City Council. The Board of Trustees will be maintained by Opco in accordance with the Certificate of Need approval received from the New Jersey Department of Health and Senior Services.

The functions of this Board of Trustees remain as outlined in Sunday's letter. It is the Board of Trustees that will be responsible for reviewing financial performance and advising management concerning issues related to hospital-wide policy, bylaws, quality of care, and planning, consistent with the HUMC organizational structure. In addition to the two designees allocated to you, the Board of Trustees is

anticipated to be comprised of other responsible community members and representatives from hospital leadership and HUMC Holdco ownership. We also need to make clear that the Board of Trustees will operate in an advisory capacity only, and will not hold any governance or managerial rights under Delaware law or the terms of the LLC Agreement.

We and the MPT Parties have had a long-standing agreement that the governance and management rights of Opco be as provided in the LLC Agreement, and any revision to it would cause extensive delays to the closing of the proposed sale. I believe you will recognize those are delays that the Hospital, in its current condition, cannot endure.

Your understanding of this clarification is much appreciated. Our desire and purpose is to ensure that all parties understand their roles as we begin this new venture. Again, we regret our lack of precision in our original letter and hope that you can recognize and understand that our underlying purpose and goal remains precisely the same: to restore the quality of HUMC for the Hoboken community by working honestly, directly, and candidly with the leaders, employees, and residents of the City.

If you have any issue with the foregoing clarification, please respond in writing by noon eastern time tomorrow. If we do not receive any written response from you, we will assume that you have no problems with the foregoing clarification and we and the MPT Parties will rely thereon and work toward an orderly closing.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey Mandler". The signature is fluid and cursive, written over a large, light blue watermark that says "Hotmail.com".

Jeffrey Mandler
Principal