

NAV	Warr. Price	Current Price
\$27.50	\$23.19	\$24.59
Recommendation		
SELL		

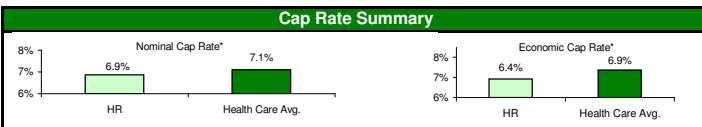
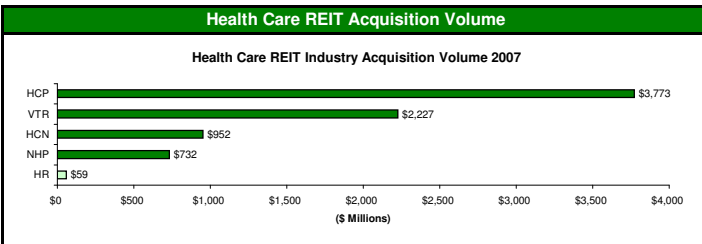
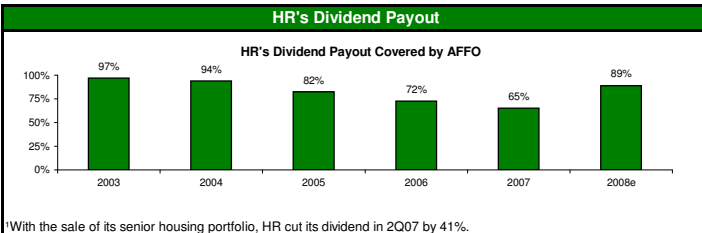
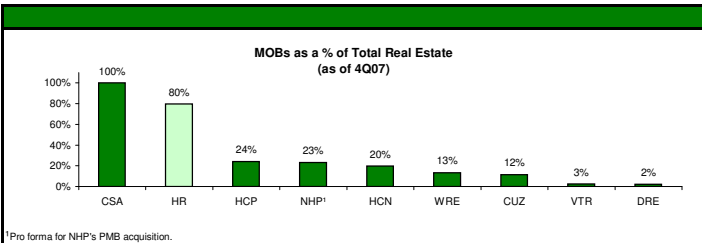
CEO	CFO	Chairman
David R. Emery	Scott W. Holmes	David R. Emery

Health Care Segments				
Market	% of NOI ¹	Nom Cap Rate	Size	Implied Value
Medical office	74%	6.50%	8,466,012 Sq. Ft.	
Office	58%	6.50%	6,853,996 Sq. Ft.	\$177 per sq. ft.
Physician Clinics	8%	6.50%	1,045,808 Sq. Ft.	\$168 per sq. ft.
Ambulatory Care/Surgery	7%	6.50%	448,080 Sq. Ft.	\$315 per sq. ft.
Specialty Outpatient	2%	6.50%	118,128 Sq. Ft.	\$326 per sq. ft.
Specialty Inpatient	20%	8.25%	757 Beds	\$419,152 per bed
Other	6%	7.00%	498,293 Sq. Ft.	\$196 per sq. ft.
	100%	6.81%		

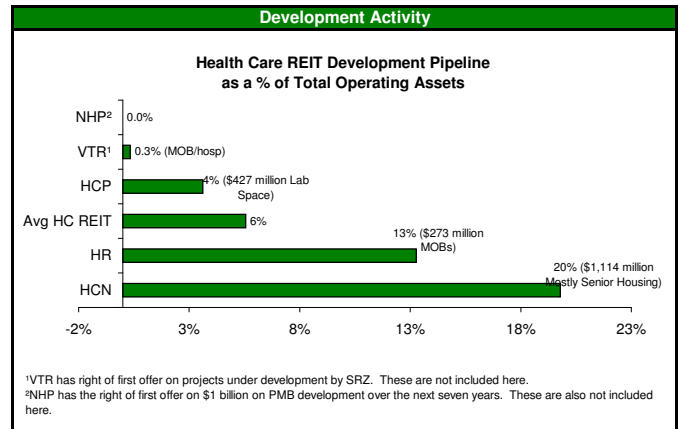
¹NOI breakout reported in 1Q07 supplemental.

Top Three Tenants and States			
Top Three Tenants as % of Total Forward Revenue			Top States as a % of Investment
1	HealthSouth	13%	Texas 26%
2	Tenet	8%	Florida 13%
3	Baylor ¹	8%	Tennessee 10%
	Sub-Total	29%	Sub-Total 49%

¹Estimate based upon disclosure of rent paid in prior years and the size of investment and projected completions in 2007

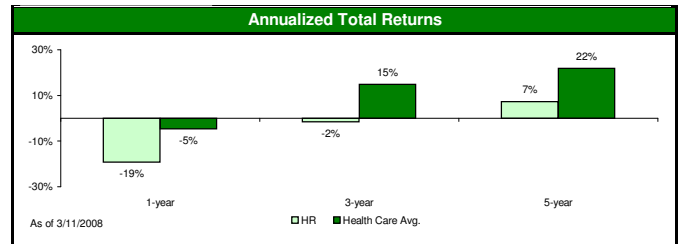
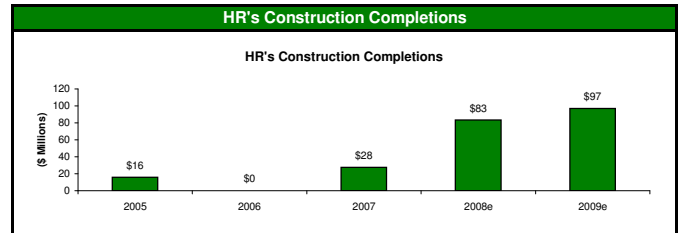


Source: Green Street estimates and Company filings.
*Cap rates are value weighted averages by sector property type. Nominal cap rate is pre cap-ex. Economic cap rate is after GSA's estimate of cap-ex.
** "Other" column includes scores for corporate governance, overhead, leverage, share liquidity, and other subjective adjustments.



HR's Development Pipeline						
		Total Cost	Investment 12/31/07	% Completed	Cost per sf	Est. Opening
Baylor All Saints	Fort Worth	\$24,914	\$17,476	70%	\$178	1Q08
Briargate MOB (2 Bldgs)	Colorado Springs	\$27,403	\$12,644	46%	\$162	3Q08
Pima Road MOB	Scottsdale, AZ	\$31,043	\$8,306	27%	\$172	4Q08
TX MOB	Texas	\$33,000	\$9,245	28%	\$264	2Q09
TX MOB (1)	Texas	\$25,958	\$6,119	24%	\$260	2Q09
TX Specialty Inpatient (1)	Texas	\$12,400	\$3,230	26%	\$276	2Q09
Illinois MOB (1)	Illinois	\$25,760	\$6,234	24%	\$308	3Q09
Hawaii MOB (1)	Honolulu	\$73,578	\$12,649	17%	\$608	4Q09
Total / Avg		\$254,056	\$75,903	30%	\$264	

(in \$ Thousands Except Cost per SF).
(1) Site preparation underway and building is in design phase.



NAV Based Pricing						
	Franchise Value	Other**	Total Score	Prob of Takeout	Warr. Premium	\$ Value of Warr. Premium (millions)
HR	14	13	27	10%	-16%	-\$218
Health Care Avg.	29	26	55	6%	8%	\$284

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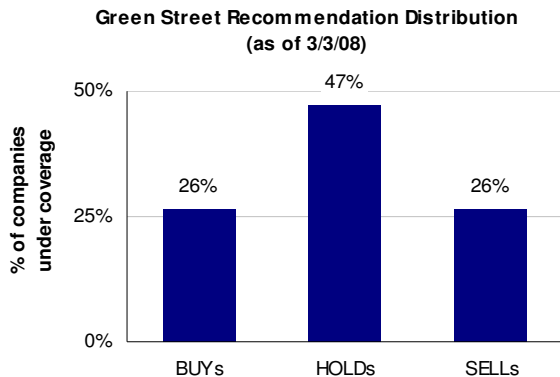
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Green Street's "BUYs" have historically achieved far higher total returns than its "HOLDs", which, in turn, have outperformed its "SELLs".^{1, 2}

Total Return of Green Street's Recommendations

Year	Buy	Hold	Sell	NAREIT Eqty ⁴
2008 YTD ³	0.8%	-1.6%	-0.5%	-4.5%
2007	-6.5%	-22.3%	-27.6%	-15.7%
2006	45.4%	29.9%	18.4%	35.1%
2005	26.3%	18.3%	-1.9%	12.2%
2004	42.3%	28.4%	15.6%	31.6%
2003	42.7%	37.2%	20.9%	37.1%
2002	17.7%	2.6%	1.9%	3.8%
2001	35.7%	19.1%	11.9%	13.9%
2000	53.6%	29.3%	4.4%	26.4%
1999	14.2%	-9.2%	-20.2%	-4.6%
1998	-0.6%	-15.1%	-16.4%	-17.5%
1997	37.1%	14.2%	5.8%	20.3%
1996	47.3%	30.2%	17.5%	35.3%
1995	23.6%	14.3%	-0.4%	15.3%
1994	20.5%	-0.7%	-9.3%	3.2%
1993 ³	29.4%	5.4%	6.7%	12.4%
Total Return³	3703.9%	347.9%	11.0%	462.7%
Annualized	27.3%	10.5%	0.7%	12.1%

1) Historical results through January 3, 2005 were independently verified by Ernst & Young, LLP. E&Y did not verify stated results subsequent to January 3, 2005. Past performance results cannot be used to predict future performance. For a complete explanation of study, see 5/9/03 report "How are We Doing?".
 2) Company inclusion in the calculation of total return has been based on whether the companies were listed in the primary exhibit of Green Street's "Real Estate Securities Monthly", pg. 13-16. Beginning with May 2000, Gaming C-Corps and Hotel C-Corps, with the exception of Starwood Hotels and Homestead Village, are not included in the primary exhibit and therefore not included in the calculation of total return. Beginning with March 2003, all Hotel companies are excluded.
 3) Study uses recommendations given in Green Street's "Real Estate Securities Monthly" from January 29, 1993 through March 3, 2008.
 4) Not directly comparable to Green Street's performance indices because NAREIT includes more companies and uses market-cap weightings. Green Street's returns are equally-weighted averages.