

## *Supplemental Data Report*

*Three Months Ended December 31, 2002*

*Dollars in thousands, except per share data, unless otherwise disclosed*

*Updated as of February 12, 2003*

1) RECONCILIATION OF FUNDS FROM OPERATIONS (1) - Unaudited

	For the Three Months Ended Dec. 31,		For the Twelve Months Ended Dec. 31,	
	2002	2001	2002	2001
Net Income before net gain (loss) on sale of real estate properties	\$ 6,982	\$ 19,936	\$ 66,703	\$ 78,677
Certain debt-related charges (2)	0	0	0	607
Accelerated non-cash stock vesting and related charges (2)	11,824	0	11,824	0
Elimination of the recognition of rental revenues on a straight line basis (2)	(895)	(1,268)	(3,143)	(5,748)
Preferred Stock Dividend (2)	0	(1,664)	(4,992)	(6,656)
Real Estate Depreciation	9,907	10,093	40,317	40,042
Total Adjustments	20,836	7,161	44,006	28,245
<b>Funds From Operations - Basic</b>	<b>\$ 27,818</b>	<b>\$ 27,097</b>	<b>\$ 110,709</b>	<b>\$ 106,922</b>
Convertible Subordinated Debenture Interest	0	0	0	0
<b>Funds From Operations - Diluted</b>	<b>\$ 27,818</b>	<b>\$ 27,097</b>	<b>\$ 110,709</b>	<b>\$ 106,922</b>
<b>Funds From Operations Per Common Share - Basic</b>	<b>\$ 0.68</b>	<b>\$ 0.68</b>	<b>\$ 2.70</b>	<b>\$ 2.68</b>
<b>Funds From Operations Per Common Share - Diluted</b>	<b>\$ 0.67</b>	<b>\$ 0.67</b>	<b>\$ 2.66</b>	<b>\$ 2.64</b>
<b>Wtd Average Common Shares Outstanding - Basic</b>	<b>41,147,227</b>	<b>40,112,222</b>	<b>40,974,532</b>	<b>39,840,285</b>
<b>Wtd Average Common Shares Outstanding - Diluted</b>	<b>41,747,036</b>	<b>40,693,569</b>	<b>41,606,068</b>	<b>40,463,158</b>

- (1) Funds From Operations ("FFO") does not represent cash generated from operating activities in accordance with accounting principles generally accepted in the United States, is not necessarily indicative of cash available to fund cash needs and should not be considered as an alternative to net income as an indicator of the Company's operating performance or as an alternative to cash flow as a measure of liquidity.

Management believes the Company's FFO is not directly comparable to other healthcare REITs, which own a portfolio of triple net leased properties or mortgages, as the Company develops projects through a development and lease-up phase before they reach their targeted cash flow returns. Furthermore, the Company eliminates, in consolidation, fee income for developing, leasing and managing owned properties and expenses or capitalizes, whichever the case may be, related internal costs.

- (2) The Company calculates its FFO using a modified version of National Association of Real Estate Investment Trust's ("NAREIT") October 1999 definition of funds from operations. The Company eliminates straight-line rental revenue in computing FFO although NAREIT's definition of funds from operations requires the inclusion of straight-line rental revenue. In 2001, the Company excluded certain debt-related charges in computing FFO although NAREIT's definition of funds from operations requires its inclusion. In 2002, the Company included only nine months of preferred stock dividends in computing FFO although an additional amount was paid upon redemption of the preferred stock on September 30, 2002. Also, in 2002, the Company excluded a one-time charge in the fourth quarter of \$11.8 million which is comprised of the accelerated non-cash stock amortization relating to the retirement of an executive officer as well as severance-related, project and other costs associated with the elimination of other officer and employee positions.

Quarterly Supplemental Data Report is also available on the Company's website — [www.healthcarerealty.com](http://www.healthcarerealty.com)  
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## 2) CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	(Unaudited) Dec. 31, 2002	(1) Dec. 31, 2001
Real estate properties (2):		
Land	\$ 135,791	\$ 149,522
Buildings and improvements	1,332,872	1,348,031
Personal property	5,730	5,405
Construction in progress	10,546	18,255
	<u>1,484,939</u>	<u>1,521,213</u>
Less accumulated depreciation	(192,293)	(159,989)
Total real estate properties, net	1,292,646	1,361,224
Cash and cash equivalents	402	2,930
Mortgage notes receivable	102,792	122,074
Other assets, net	93,706	69,253
Total assets	<u>\$ 1,489,546</u>	<u>\$ 1,555,481</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Liabilities:		
Notes and bonds payable	\$ 545,063	\$ 505,222
Accounts payable and accrued liabilities	24,960	12,203
Other liabilities	11,324	25,969
Total liabilities	<u>581,347</u>	<u>543,394</u>
Commitments and contingencies	-	-
Stockholders' equity:		
Preferred stock, \$.01 par value; 50,000,000 shares authorized; issued and outstanding, 2002 — none; and 2001 — 3,000,000	0	30
Common stock, \$.01 par value; 150,000,000 shares authorized; issued and outstanding, 2002 — 41,823,564; 2001 — 41,465,919	418	414
Additional paid-in capital	1,024,467	1,089,127
Deferred compensation	(16,251)	(12,852)
Cumulative net income	445,152	375,061
Cumulative dividends	(545,587)	(439,693)
Total stockholders' equity	<u>908,199</u>	<u>1,012,087</u>
Total liabilities and stockholders' equity	<u>\$ 1,489,546</u>	<u>\$ 1,555,481</u>

(1) The balance sheet at December 31, 2001 has been derived from audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

(2) Total weighted average depreciable life is 34.5 years. (see schedule 5)

3) CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	For the Three Months Ended Dec. 31,		For the Twelve Months Ended Dec. 31,	
	2002	2001	2002	2001
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>REVENUES</b>				
Master lease rental income	\$ 23,212	\$ 24,909	\$ 98,067	\$ 99,962
Property operating income	18,963	17,928	76,590	67,750
Straight line rent	895	1,268	3,143	5,749
Mortgage interest income	2,694	3,540	13,308	17,254
Management fees	240	414	1,090	1,533
Interest and other income	742	938	2,329	2,290
	<u>46,746</u>	<u>48,997</u>	<u>194,527</u>	<u>194,538</u>
<b>EXPENSES</b>				
General and administrative	13,854	2,544	22,228	10,110
Property operating expenses	7,454	7,365	29,803	26,515
Interest	8,229	8,751	34,195	38,110
Depreciation	10,201	10,327	41,467	40,823
Amortization	26	74	131	303
	<u>39,764</u>	<u>29,061</u>	<u>127,824</u>	<u>115,861</u>
<b>NET INCOME BEFORE NET GAIN (LOSS) ON SALE OF REAL ESTATE PROPERTIES</b>				
	6,982	19,936	66,703	78,677
Net gain (loss) on sale of real estate properties	<u>515</u>	<u>211</u>	<u>3,388</u>	<u>1,210</u>
<b>NET INCOME</b>	<u>\$ 7,497</u>	<u>\$ 20,147</u>	<u>\$ 70,091</u>	<u>\$ 79,887</u>
<b>NET INCOME PER COMMON SHARE - BASIC</b>	<u>\$ 0.18</u>	<u>\$ 0.46</u>	<u>\$ 1.57</u>	<u>\$ 1.84</u>
<b>NET INCOME PER COMMON SHARE - DILUTED</b>	<u>\$ 0.18</u>	<u>\$ 0.45</u>	<u>\$ 1.55</u>	<u>\$ 1.81</u>
<b>COMMON SHARES OUTSTANDING - BASIC</b>	<u>41,147,227</u>	<u>40,112,222</u>	<u>40,974,532</u>	<u>39,840,285</u>
<b>COMMON SHARES OUTSTANDING - DILUTED</b>	<u>41,747,036</u>	<u>40,693,569</u>	<u>41,606,068</u>	<u>40,463,158</u>

NOTE: The income statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

**RECONCILIATION OF NET INCOME TO TAXABLE INCOME (unaudited)**

	For the Three Months Ended Dec. 31,		For the Twelve Months Ended Dec. 31,	
	2002	2001	2002	2001
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net income	\$ 7,497	\$ 20,147	\$ 70,091	\$ 79,887
Depreciation and amortization (1)	10,227	10,401	41,598	41,126
Depreciation and amortization (2)	(9,009)	(8,407)	(33,796)	(33,625)
Gain or Loss on disposition of depreciable assets	1,743	652	13,394	767
Straight line rent	(1,018)	(1,268)	(3,143)	(5,748)
Other	9,607	201	11,551	801
	<u>11,550</u>	<u>1,579</u>	<u>29,604</u>	<u>3,321</u>
<b>Taxable Income (3)</b>	<u>\$ 19,047</u>	<u>\$ 21,726</u>	<u>\$ 99,695</u>	<u>\$ 83,208</u>

- (1) Per Statement of Income
- (2) Tax basis
- (3) Before REIT dividend paid deduction

NOTE: The differences between financial statement net income and REIT taxable income arise from income and expenses included in net income that are nontaxable or nondeductible, respectively, for federal income tax purposes, or that are taxable or deductible, respectively, in another period or periods due to timing differences between the methods of accounting appropriate under generally accepted accounting principles and those required for federal income tax purposes. Such differences for the Company include those listed above in detail and other differences, which are attributable to deferred rents, reserves for doubtful accounts and other contingencies, prepaid expenses, deferred compensation, nondeductible expenses, nontaxable income, purchase accounting differences arising from tax-free reorganizations, and other differences between GAAP and federal income tax accounting methods.

#### 4) INVESTMENT PROGRESSION

##### A) Construction in Progress

	Number of Properties	For the Three Months Ended 12/31/02	Number of Properties	For the Twelve Months Ended 12/31/02
Balance at beginning of period	2	\$9,911	4	\$18,255
Fundings on projects in existence at the beginning of the period	0	93	0	6,124
New Projects started during the period (1)	1	542	1	542
Completions	0	0	(2)	(14,375)
Balance at end of period	<u>3</u>	<u>\$10,546</u>	<u>3</u>	<u>\$10,546</u>

##### B) Real Estate Properties

	Number of Properties	For the Three Months Ended 12/31/02	Number of Properties	For the Twelve Months Ended 12/31/02
Balance at beginning of period	196	\$1,462,630	205	\$1,502,958
Acquisitions (1)	1	19,118	1	19,118
Additions/Improvements	0	8,644	0	23,404
Completions (CIP)	0	0	2	14,375
Sales (1)	(2)	(15,999)	(13)	(85,462)
Balance at end of period	<u>195</u>	<u>\$1,474,393</u>	<u>195</u>	<u>\$1,474,393</u>

##### C) Mortgage Notes Receivable

	Number of Properties	For the Three Months Ended 12/31/02	Number of Properties	For the Twelve Months Ended 12/31/02
Balance at beginning of period	25	\$107,940	36	\$122,074
Funding of Mortgages	0	57	0	3,978
Repayments (1)	(2)	(4,822)	(13)	(21,592)
Purchase Price Adjustment Amortization	0	(159)	0	(636)
Scheduled Principal Payments	0	(224)	0	(1,032)
Balance at end of period	<u>23</u>	<u>\$102,792</u>	<u>23</u>	<u>\$102,792</u>

(1) During the fourth quarter of 2002, the Company began construction of a \$10.9 million medical office building in Collierville, TN; acquired a medical office building in Houston, TX for \$19.1 million; sold an ancillary hospital facility in Atlanta, GA and an assisted living facility in St. Petersburg, FL for proceeds totaling \$16.0 million. Also, mortgage notes receivable on two assisted living facilities, one in Albuquerque, NM and one in Newhall, CA were repaid totaling \$4.8 million in net proceeds.

5) INVESTMENT BY TYPE AND GEOGRAPHIC LOCATION

	Outpatient Facilities					Inpatient Facilities				Total	% of Total
	Ancillary Hospital Facilities	Physician Clinics	Comp. Ambulatory Care Centers	Medical Office Buildings	Other Outpatient Facilities(1)	Assisted Living Facilities	Skilled Nursing Facilities	Inpatient Rehab Facilities	Other Inpatient Facilities(2)		
<b>Operating Properties</b>											
1 Arizona	3,612		13,482							17,094	1.08%
2 California	47,801		32,412							80,213	5.05%
3 Florida	30,795	10,311	55,168	8,475						104,749	6.60%
4 Georgia	6,874									6,874	0.43%
5 Kansas	10,993									10,993	0.69%
6 Mississippi	6,491				4,290					10,781	0.68%
7 Missouri		5,617	12,081							17,698	1.11%
8 Nevada	44,858									44,858	2.83%
9 Pennsylvania	14,362	4,960						2,904		22,226	1.40%
10 Tennessee	55,203	8,726		11,547						75,476	4.75%
11 Texas	25,030			27,860						52,890	3.33%
12 Virginia	29,109	3,289		12,473						44,871	2.83%
13 Wyoming	19,456									19,456	1.23%
<b>Total Oper. Properties</b>	<b>294,584</b>	<b>32,903</b>	<b>113,143</b>	<b>60,355</b>	<b>4,290</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,904</b>	<b>508,179</b>	<b>32.01%</b>
<b>Same facility NOI growth:</b>	<b>2.5%</b>	<b>118.3%</b>	<b>6.2%</b>	<b>9.9%</b>	<b>0.0%</b>				<b>0.0%</b>	<b>6.4%</b>	
<b>Master Leases</b>											
1 Alabama	43,917				11,488	4,370		17,722		77,497	4.88%
2 Arizona	5,274						2,874			8,148	0.51%
3 Arkansas									3,055	0.19%	
4 California	29,291	8,363			1,046				12,688	51,388	3.24%
5 Colorado						4,967	21,441			26,408	1.66%
6 Connecticut						12,189				12,189	0.77%
7 Florida	39,799	45,858	3,271	1,448	9,555	21,869	10,206	11,703		143,709	9.05%
8 Georgia		5,427			1,595	10,078				17,100	1.08%
9 Illinois		11,939			1,486					13,425	0.85%
10 Indiana							3,640			3,640	0.23%
11 Kansas							7,593			7,593	0.48%
12 Massachusetts		19,839								19,839	1.25%
13 Michigan							12,715		13,859	26,574	1.67%
14 Mississippi						3,474				3,474	0.22%
15 Missouri			16,370		4,570	6,250	11,139			38,329	2.41%
16 Nevada	7,034				3,801					10,835	0.68%
17 New Jersey						19,047				19,047	1.20%
18 North Carolina						3,904				3,904	0.25%
19 Ohio						4,490				4,490	0.28%
20 Oklahoma							13,341			13,341	0.84%
21 Pennsylvania						31,070	21,075	113,867		166,012	10.46%
22 Tennessee	3,139	2,611				7,492	8,335			21,577	1.36%
23 Texas	39,695	17,314	22,222	1,976		72,574	19,466	13,203	6,023	192,473	12.12%
24 Virginia	22,994			1,941	2,166	17,397	37,218			81,716	5.15%
25 Wyoming						6,990				6,990	0.44%
<b>Total Master Leases</b>	<b>191,143</b>	<b>111,351</b>	<b>41,863</b>	<b>5,365</b>	<b>38,762</b>	<b>226,161</b>	<b>169,043</b>	<b>156,495</b>	<b>32,570</b>	<b>972,753</b>	<b>61.27%</b>
<b>Same facility NOI growth:</b>	<b>0.5%</b>	<b>3.7%</b>	<b>-0.3%</b>	<b>2.9%</b>	<b>4.3%</b>	<b>2.4%</b>	<b>0.9%</b>	<b>1.9%</b>	<b>1.5%</b>	<b>1.8%</b>	
Corporate Property										4,007	0.25%
<b>Total Equity Investments</b>	<b>\$ 485,727</b>	<b>\$ 144,254</b>	<b>\$ 155,006</b>	<b>\$ 65,720</b>	<b>\$ 43,052</b>	<b>\$ 226,161</b>	<b>\$ 169,043</b>	<b>\$ 156,495</b>	<b>\$ 35,474</b>	<b>\$ 1,484,939</b>	<b>93.53%</b>
Wtd Avg Depreciable Life (yrs):	36.3	33.4	33.1	34.8	35.4	32.3	35.2	34.8	34.6	34.5	
Wtd Avg Period Held (yrs):	5.9	5.2	5.0	5.9	5.8	3.7	5.9	4.2	5.6	5.2	
<b>Mortgages</b>											
1 Arizona						6,026			17,078	23,104	1.46%
2 California						12,653			7,687	20,340	1.28%
3 Florida		9,398				11,708				21,106	1.33%
4 Georgia						1,115				1,115	0.07%
5 Idaho						4,756				4,756	0.30%
6 Michigan							10,814			10,814	0.68%
7 Ohio						1,560	585			2,145	0.14%
8 Oregon						2,817				2,817	0.18%
9 South Carolina						2,975				2,975	0.19%
10 Tennessee						736	11,688			12,424	0.78%
11 Texas		581				615				1,196	0.08%
<b>Total Mtg. Investments</b>	<b>\$ -</b>	<b>\$ 9,979</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,961</b>	<b>\$ 23,087</b>	<b>\$ -</b>	<b>\$ 24,765</b>	<b>\$ 102,792</b>	<b>6.47%</b>
<b>Same facility NOI growth:</b>		<b>-5.8%</b>				<b>5.3%</b>	<b>4.1%</b>		<b>1.3%</b>	<b>4.2%</b>	
<b>Total Investments</b>	<b>\$ 485,727</b>	<b>\$ 154,233</b>	<b>\$ 155,006</b>	<b>\$ 65,720</b>	<b>\$ 43,052</b>	<b>\$ 271,122</b>	<b>\$ 192,130</b>	<b>\$ 156,495</b>	<b>\$ 60,239</b>	<b>\$ 1,587,731</b>	<b>100.00%</b>
<b>Percent of \$ Invested</b>	<b>30.670%</b>	<b>9.739%</b>	<b>9.787%</b>	<b>4.150%</b>	<b>2.718%</b>	<b>17.119%</b>	<b>12.132%</b>	<b>9.882%</b>	<b>3.804%</b>	<b>100.00%</b>	
<b>Number of Properties</b>	<b>54</b>	<b>29</b>	<b>13</b>	<b>12</b>	<b>12</b>	<b>50</b>	<b>36</b>	<b>9</b>	<b>6</b>	<b>221</b>	
<b>Number of Beds</b>						<b>4,500</b>	<b>3,667</b>	<b>759</b>	<b>488</b>	<b>9,414</b>	

(1) 3 facility types <2% each.

(2) 4 facility types <2% each.

6) INVESTMENT BY OPERATOR/SIGNIFICANT TENANT

	Number of Real Estate Properties	(1) Real Estate Investment	Number of Mortgage Properties	Mortgage Investment	Total Number of Properties	(1) Total Investment	Commitments	Total	Percent
<b>Public or Investment Grade Operators/Significant Tenants</b>									
1 Healthsouth	27	276,322			27	276,322		276,322	17.29%
2 HCA - The Healthcare Company	26	219,260			26	219,260	428	219,688	13.74%
3 Tenet	12	100,367	1	7,687	13	108,054		108,054	6.76%
4 Baptist Memorial Hospital	5	50,898			5	50,898		50,898	3.18%
5 Integrated Health	3	37,133			3	37,133	10,378	47,511	2.97%
6 Methodist	4	26,485			4	26,485		26,485	1.66%
7 Triad	4	24,694			4	24,694		24,694	1.55%
8 MedCath	1	3,612	1	17,078	2	20,690		20,690	1.29%
9 Ramsay	2	19,881			2	19,881		19,881	1.24%
10 United Medical Center	1	19,456			1	19,456		19,456	1.22%
11 Ephrata Community Hospital	3	19,322			3	19,322		19,322	1.21%
12 KS Management Services	1	17,314			1	17,314		17,314	1.08%
13-24 12 Operators With Less than 1% Each	14	92,979	1	7,638	15	100,617	-	100,617	6.29%
	106	920,822	3	32,403	109	953,225	10,806	964,031	60.31%
<b>Other Operators/Significant Tenants</b>									
25 Life Care Centers	12	82,998	2	9,283	14	92,281		92,281	5.77%
26 Balanced Care	14	64,985			14	64,985		64,985	4.07%
27 Summerville	5	53,105			5	53,105		53,105	3.32%
28 Lewis-Gale Clinic, LLC	8	44,871			8	44,871		44,871	2.81%
29 Senior Lifestyles	4	43,680			4	43,680		43,680	2.73%
30 HRT Multi-tenant	4	39,207			4	39,207		39,207	2.45%
31 Kerlan Jobe Orthopedic	1	32,412			1	32,412		32,412	2.03%
32 Emeritus	4	28,895			4	28,895		28,895	1.81%
33 Melbourne Internal Medicine	4	28,554			4	28,554		28,554	1.79%
34 Centennial	6	16,355	1	9,242	7	25,597		25,597	1.60%
35 Wellington	5	19,389			5	19,389		19,389	1.21%
36-60 25 Operators With Less than 1% Each	30	125,048	17	51,864	47	176,912	-	176,912	11.07%
	92	560,110	20	70,389	112	630,499	-	630,499	39.44%
Corporate Property		4,007				4,007		4,007	0.25%
	198	\$ 1,484,939	23	\$ 102,792	221	\$ 1,587,731	\$ 10,806	\$ 1,598,537	100.00%

(1) Includes construction in progress.

7) SQUARE FEET OWNED AND/OR MANAGED BY GEOGRAPHIC LOCATION

	Number of Properties				Owned			Third Party Property Management	Mortgages	Total	Percent
	Owned	Third Party	Mortgages	Total	Not Managed	Construction In Progress	Managed				
1 Alabama	10			10	507,530				507,530	3.96%	
2 Arizona	4		4	8	74,507		75,621	142,487	292,615	2.28%	
3 Arkansas	1			1	11,963				11,963	0.09%	
4 California	12	1	3	16	256,144		367,016	29,504	1,055,450	8.23%	
5 Colorado	3			3	225,764				225,764	1.76%	
6 Connecticut	1	20		21	59,387			242,704	302,091	2.35%	
7 Florida	33	75	3	111	771,896	34,716	581,997	1,479,633	3,040,302	23.70%	
8 Georgia	6		1	7	138,599		58,123		40,000	236,722	1.84%
9 Idaho			1	1				29,118	29,118	0.23%	
10 Illinois	2			2	115,100				115,100	0.90%	
11 Indiana	1			1	29,500				29,500	0.23%	
12 Kansas	2			2	57,035		70,627		127,662	0.99%	
13 Massachusetts	3			3	141,027				141,027	1.10%	
14 Michigan	6		2	8	235,227			129,408	364,635	2.84%	
15 Mississippi	3	3		6	25,000		97,471	78,091	200,562	1.56%	
16 Missouri	10			10	201,167		114,195		315,362	2.46%	
17 Nevada	3			3	43,579		196,538		240,117	1.87%	
18 New Jersey	2			2	110,844				110,844	0.86%	
19 North Carolina	1			1	33,181				33,181	0.26%	
20 Ohio	1		2	3	33,181			124,411	157,592	1.23%	
21 Oklahoma	5			5	139,216				139,216	1.09%	
22 Oregon			1	1				80,429	80,429	0.63%	
23 Pennsylvania	20			20	722,053		116,501		838,554	6.54%	
24 South Carolina			1	1				23,000	23,000	0.18%	
25 Tennessee	16	5	3	24	161,366	60,000	499,238	291,244	1,196,039	9.32%	
26 Texas	27		2	29	1,097,527		544,223	66,665	1,708,415	13.32%	
27 Virginia	24	1		25	527,705		461,904	111,998	1,101,607	8.59%	
28 Wyoming	2			2	29,851		176,427		206,278	1.61%	
<b>Total Square Feet</b>					<b>5,748,349</b>	<b>94,716</b>	<b>3,359,881</b>	<b>2,233,174</b>	<b>1,394,555</b>	<b>12,830,675</b>	<b>100.00%</b>
<b>Total Properties</b>	<b>198</b>	<b>105</b>	<b>23</b>	<b>326</b>							

8) SQUARE FEET OWNED AND/OR MANAGED BY FACILITY TYPE

	Owned			Third Party Property			
	Not Managed	Construction In Progress	Managed	Management	Mortgages	Total	Percent
Ancillary Hospital Facility	1,163,704		1,978,595			3,142,299	24.49%
Medical Office Buildings	42,932	60,000	508,056	2,233,174		2,844,162	22.17%
Assisted Living Facilities	1,418,210				884,052	2,302,262	17.94%
Skilled Nursing Facilities	1,186,751				306,010	1,492,761	11.63%
Physician's Clinics	707,733		168,969		105,915	982,617	7.66%
Comprehensive Ambulatory Care Centers	115,857	34,716	667,310			817,883	6.37%
Inpatient Rehab Hospitals	643,383					643,383	5.01%
Other Outpatient Facilities	253,438		36,951			290,389	2.26%
Other Inpatient Facilities	216,341				98,578	314,919	2.45%
<b>Total Square Feet</b>	<b>5,748,349</b>	<b>94,716</b>	<b>3,359,881</b>	<b>2,233,174</b>	<b>1,394,555</b>	<b>12,830,675</b>	<b>100.00%</b>
<b>Percent of Total Square Footage</b>	<b>44.80%</b>	<b>0.74%</b>	<b>26.19%</b>	<b>17.40%</b>	<b>10.87%</b>	<b>100.00%</b>	
<b>Total Number of Properties</b>	<b>140</b>	<b>3</b>	<b>55</b>	<b>105</b>	<b>23</b>	<b>326</b>	

9) SQUARE FEET OWNED AND/OR MANAGED BY OPERATOR/SIGNIFICANT TENANT

	Owned			Third Party Property			
	Not Managed	Construction In Progress	Managed	Management	Mortgages	Total	Percent
<b>Public or Investment Grade Operator/Significant Tenant</b>							
1 HCA - The Healthcare Company	622,220	34,716	688,163	1,421,810		2,766,909	21.56%
2 Healthsouth	1,124,390		147,639			1,272,029	9.91%
3 Tenet Healthcare Corporation	258,485		344,198	61,227	89,000	752,910	5.87%
4 Baptist Memorial Hospital		60,000	365,785	369,335		795,120	6.20%
5 Brookdale Communities					263,786	263,786	2.06%
6 Stamford Health Systems				242,704		242,704	1.89%
7 Methodist			221,375			221,375	1.73%
8 United Medical Center			176,427			176,427	1.38%
9 Integrated Health	153,660					153,660	1.20%
10 Ramsay	153,341					153,341	1.20%
11 Labcorp of America	129,294					129,294	1.01%
12 Triad	129,442					129,442	1.01%
13-27 15 Operators with Square Feet Less Than 1%	423,583	-	366,529	-	9,578	799,690	6.23%
<b>Total</b>	<b>2,994,415</b>	<b>94,716</b>	<b>2,426,617</b>	<b>2,095,076</b>	<b>362,364</b>	<b>7,973,188</b>	<b>62.14%</b>
<b>Other Operator/Significant Tenant</b>							
28 Life Care Centers of America	620,527				131,813	752,340	5.86%
29 Lewis-Gale Clinic, LLC			461,904			461,904	3.60%
30 Balanced Care	400,370					400,370	3.12%
31 Senior Lifestyles	308,742					308,742	2.41%
32 Summerville	292,231					292,231	2.28%
33 Centennial Healthcare	151,172				80,000	231,172	1.80%
34 HRT Multi-tenant			210,511			210,511	1.64%
35 Emeritus	209,747					209,747	1.63%
36 Hearthstone					149,559	149,559	1.17%
37 Melbourne Internal Medicine	140,125					140,125	1.09%
38 HSI	139,216					139,216	1.09%
39 Wellington	130,790					130,790	1.02%
40 Prestige Care					129,618	129,618	1.01%
41-63 23 Operators with Square Feet Less Than 1%	361,014	-	260,849	138,098	670,819	1,430,780	11.15%
<b>Total</b>	<b>2,753,934</b>	<b>-</b>	<b>933,264</b>	<b>138,098</b>	<b>1,032,191</b>	<b>4,857,487</b>	<b>37.86%</b>
<b>Total Square Feet</b>	<b>5,748,349</b>	<b>94,716</b>	<b>3,359,881</b>	<b>2,233,174</b>	<b>1,394,555</b>	<b>12,830,675</b>	<b>100.00%</b>

10) ASSISTED LIVING FACILITY OCCUPANCY

Occupancy	Number of Facilities	ALF Revenue For the Three Months Ended 12/31/02	% of ALF Revenue to Total Revenue
0% to 24.9%	0	0	0.0%
25% to 49.9%	1	93	0.2%
50% to 69.9%	2	225	0.5%
70% to 84.9%	16	1,890	4.0%
85% to 100.0%	31	4,471	9.6%
	<b>50</b>	<b>\$6,679</b>	<b>14.3%</b>

NOTE: Occupancy rates are generally as of September 30, 2002 and revenues are for the three months ended December 31, 2002.

11) LEASE/MORTGAGE MATURITY SCHEDULE

A) Leases

	Number of Master Leases	Number of Operating Property Leases	Estimated Annualized Net Revenue	Percent of Annualized Net Revenue	Weighted Average Remaining Lease Term (Years)
2003	6	54	6,801	4.57%	0.03
2004	11	37	10,402	6.98%	0.10
2005	3	77	6,954	4.67%	0.11
2006	3	63	6,659	4.47%	0.14
2007	10	29	7,233	4.86%	0.23
2008	20	20	19,696	13.22%	0.72
2009	24	9	23,312	15.65%	1.07
2010	9	7	6,255	4.20%	0.37
2011	10	8	15,068	10.12%	0.84
2012	18	4	14,391	9.66%	1.04
2013	15	2	18,698	12.55%	1.14
2014	1	6	1,865	1.25%	0.08
2015	5	0	2,307	1.55%	0.04
After 2015	5	8	9,314	6.25%	1.32
<b>Total</b>	<b>140</b>	<b>324</b>	<b>\$ 148,955</b>	<b>100.00%</b>	<b>7.23</b>

Number of Properties Represented: 198

B) Mortgages

	Number of Mortgages	Estimated Annualized Net Revenue	Percent of Annualized Net Revenue	Weighted Average Remaining Mortgage Term (Years)
2003	7	2,185	19.05%	0.01
2004	4	2,044	17.83%	0.33
2005	3	771	6.72%	0.24
2006	1	512	4.46%	0.18
2007	1	1,073	9.36%	0.37
2008	3	1,750	15.26%	0.82
2009	2	1,460	12.73%	0.86
2010	1	714	6.23%	0.71
2011	0	-	0.00%	0.00
2012	0	-	0.00%	0.00
2013	1	958	8.35%	0.66
2014	0	-	0.00%	0.00
After 2014	0	-	0.00%	0.00
<b>Total</b>	<b>23</b>	<b>\$ 11,467</b>	<b>100.00%</b>	<b>4.18</b>

12) CONSTRUCTION IN PROGRESS - AS OF DECEMBER 31, 2002

Operator	Properties	Investment Balance	Remaining Commitment	Total Real Estate (1)
Baptist Collierville	1	542	10,378	10,920
Conemaugh Health Systems	1	2,904	-	2,904
Expansion of existing property	1	7,100	428	7,528
<b>Total</b>	<b>3</b>	<b>\$ 10,546</b>	<b>\$ 10,806</b>	<b>\$ 21,352</b>

Percentage of construction in progress to total investment portfolio: 0.66%

(1) Projected Timing of Conversion to Revenue Producing Assets:

2003				2004		Total
QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	
\$0	\$10,432	\$0	\$0	\$0	\$10,920	\$21,352

(2) During the three and twelve months ending December 31, 2002, the Company capitalized interest in the amount of \$499,842.37 and \$1,397,213.24, respectively.

### 13) LONG-TERM DEBT INFORMATION - AS OF DECEMBER 31, 2002

#### A) Breakdown Between Fixed and Variable Rate Debt:

	Balance	Effective Rate	
Fixed Rate Debt:			
Senior Notes due 2006	\$ 70,000	9.49%	
Senior Notes due 2011, net	315,225	8.202%	See Note (C)
Mortgage Notes Payable	72,338	Range from 7.22% to 7.76%	See Note (D)
Other Note Payable	3,500	7.53%	
	<u>461,063</u>		
Variable Rate Debt:			
Unsecured Credit Facility due 2004	84,000	1.15% over LIBOR	See Note (E)
	<u>84,000</u>		
<b>Total</b>	<u>\$ 545,063</u>		

#### B) Future Maturities:

	2003	2004	2005	2006	2007	2008 and After	Total
Fixed Rate Debt:							
Senior Notes due 2006	\$ -	\$ 20,300	\$ 20,300	\$ 29,400	\$ -	\$ -	\$ 70,000
Senior Notes due 2011, net	(114)	(132)	(144)	(142)	(142)	315,899	315,225
Mortgage Notes Payable	3,543	18,832	3,748	4,037	4,348	37,830	72,338
Other Note Payable	1,167	1,166	1,167	-	-	-	3,500
Variable Rate Debt:							
Unsecured Credit Facility due 2004	-	84,000	-	-	-	-	84,000
	<u>\$ 4,596</u>	<u>\$ 124,166</u>	<u>\$ 25,071</u>	<u>\$ 33,295</u>	<u>\$ 4,206</u>	<u>\$ 353,729</u>	<u>\$ 545,063</u>

C) In May 2001, the Company sold \$300 million principal amount of unsecured Senior Notes due May 2011. The notes were priced to yield 8.202%. The Company also entered into an interest rate swap agreement with two banks on \$125 million of these notes on which the Company will effectively pay interest at the equivalent rate of 1.99% over six month LIBOR. The fair value of the interest rate swap is combined with the principal balance of the Senior Notes due 2011.

D) In April 2001, the Company entered into six Mortgage Notes Payable with an aggregate principal balance of \$35 million related to collateral with a book value at March 31, 2001 of \$78.2 million. These Mortgage Notes Payable and related collateral are held by special purpose entities whose sole members are wholly owned subsidiaries of HR. These Mortgage Notes Payable bear interest at 7.22%, are payable in monthly installments of principal and interest and mature in May 2011.

E) In July 2001, the Company entered into a \$150 million Unsecured Credit Facility due 2004 with six banks. The Unsecured Credit Facility due 2004, matures in July 2004, is priced at 1.15% over LIBOR, and has a 0.2% facility fee.

#### F) Credit Rating:

Moody's Investors Service has assigned a "Baa3" credit rating to the Company's Senior Notes due 2006 and 2011.

Standard & Poor's Investors Service has assigned a "BBB-" credit rating to the Company's Senior Notes due 2006 and 2011.

Fitch Ratings has assigned a "BBB" credit rating to the Company's Senior Notes due 2006 and 2011.

14) DIVIDEND HISTORY (dollars not rounded to thousands)

A) Common Stock

Operating Period	Payment Date	Amount	Increase From Prior Quarter	Annualized
First Quarter 1997	May 15, 1997	0.495	0.005	1.98
Second Quarter 1997	Aug. 15, 1997	0.500	0.005	2.00
Third Quarter 1997	Nov. 17, 1997	0.505	0.005	2.02
Fourth Quarter 1997	Feb. 16, 1998	0.510	0.005	2.04
First Quarter 1998	May 18, 1998	0.515	0.005	2.06
Second Quarter 1998	Aug. 17, 1998	0.520	0.005	2.08
Third Quarter 1998	Nov. 16, 1998	0.525	0.005	2.10
Fourth Quarter 1998	Feb. 15, 1999	0.530	0.005	2.12
First Quarter 1999	May 17, 1999	0.535	0.005	2.14
Second Quarter 1999	Aug. 16, 1999	0.540	0.005	2.16
Third Quarter 1999	Nov. 16, 1999	0.545	0.005	2.18
Fourth Quarter 1999	Feb. 16, 2000	0.550	0.005	2.20
First Quarter 2000	May 17, 2000	0.555	0.005	2.22
Second Quarter 2000	Aug. 16, 2000	0.560	0.005	2.24
Third Quarter 2000	Dec. 6, 2000	0.565	0.005	2.26
Fourth Quarter 2000	Mar. 7, 2001	0.570	0.005	2.28
First Quarter 2001	June 7, 2001	0.575	0.005	2.30
Second Quarter 2001	Sept. 6, 2001	0.580	0.005	2.32
Third Quarter 2001	Dec. 6, 2001	0.585	0.005	2.34
Fourth Quarter 2001	Mar. 6, 2002	0.590	0.005	2.36
First Quarter 2002	June 6, 2002	0.595	0.005	2.38
Second Quarter 2002	Sept. 5, 2002	0.600	0.005	2.40
Third Quarter 2002	Dec. 5, 2002	0.605	0.005	2.42
Fourth Quarter 2002	Mar. 6, 2003	0.610	0.005	2.44

B) Preferred Stock

Operating Period	Payment Date	Amount	Increase From Prior Quarter	Annualized
September 1, 1998 - November 15, 1998	Nov. 26, 1998	0.46224	0.0	2.22
November 16, 1998 - February 15, 1999	Feb. 26, 1999	0.55469	0.0	2.22
February 16, 1999 - May 15, 1999	May 28, 1999	0.55469	0.0	2.22
May 16, 1999 - August 15, 1999	Aug. 27, 1999	0.55469	0.0	2.22
August 16, 1999 - November 15, 1999	Nov. 26, 1999	0.55469	0.0	2.22
November 16, 1999 - February 15, 2000	Feb. 29, 2000	0.55469	0.0	2.22
February 16, 2000 - May 15, 2000	May 31, 2000	0.55469	0.0	2.22
May 16, 2000 - August 15, 2000	Aug. 31, 2000	0.55469	0.0	2.22
August 16, 2000 - November 15, 2000	Nov. 30, 2000	0.55469	0.0	2.22
November 16, 2000 - February 15, 2001	Feb. 28, 2001	0.55469	0.0	2.22
February 16, 2001 - May 15, 2001	May 31, 2001	0.55469	0.0	2.22
May 16, 2001 - August 15, 2001	Aug. 31, 2001	0.55469	0.0	2.22
August 16, 2001 - November 15, 2001	Nov. 30, 2001	0.55469	0.0	2.22
November 16, 2001 - February 15, 2002	Feb. 28, 2002	0.55469	0.0	2.22
February 16, 2002 - May 15, 2002	May 31, 2002	0.55469	0.0	2.22
May 16, 2002 - August 15, 2002	Aug. 30, 2002	0.55469	0.0	2.22
August 16, 2002 - September 30, 2002	Sept. 30, 2002	0.18896	0.0	2.22

On September 30, 2002, the Company redeemed all of the 3,000,000 shares of Preferred Stock then outstanding, pursuant to the terms of issuance, at the redemption price of \$25.00 per share. Healthcare Realty Trust Incorporated is authorized to issue 50,000,000 shares of Preferred Stock.

C) Information Regarding Taxable Status of 2002 Cash Distributions

	Cash Distribution Per Share	Taxable Ordinary Dividend	Return of Capital	Total Capital Gain
HR COMMON CUSIP # 421946104	\$ 2.390000	\$ 1.996949	\$ 0.054659	\$ 0.338392
HR 8.875% SERIES A PREFERRED CUSIP # 421946203	\$ 1.853030	\$ 1.597600	\$ -	\$ 0.255430

## 15) COMMON SHARES INFORMATION

The share amounts below set forth the computation of basic and diluted shares (in accordance with FASB Statement No. 128) which will be used as the denominator in the computation of EPS and FFO per share amounts:

	<b>For the Three Months Ended Dec. 31,</b>		<b>For the Twelve Months Ended Dec. 31,</b>	
	<b>2002</b>	<b>2001</b>	<b>2002</b>	<b>2001</b>
<b>Total Common Shares Outstanding</b>	41,823,564	41,465,919	41,823,564	41,465,919
<b>Weighted Average Common Shares Outstanding</b>	42,092,529	40,950,006	41,919,834	40,678,069
Actual Restricted Stock Shares	(945,302)	(837,784)	(945,302)	(837,784)
<b>Denominator Shares for Basic Common Share EPS and FFO</b>	41,147,227	40,112,222	40,974,532	39,840,285
Restricted Shares - Treasury	537,197	469,189	539,516	508,737
Dilution for Convertible Debentures	0	0	0	0
Dilution for Employee Stock Purchase Plan	62,612	112,158	92,020	114,136
<b>Denominator Shares for Diluted Common Share EPS and FF</b>	41,747,036	40,693,569	41,606,068	40,463,158

Note 1: As of December 31, 2002, HR had approximately 1,756 shareholders of record.

Note 2: Common shares outstanding for 2003 will decrease by 308,959 shares due to the redemption of restricted shares following the retirement of Mr. Wallace, the Chief Financial Officer.

## 16) BENEFICIAL SECURITY OWNERSHIP BY MANAGEMENT AND DIRECTORS AS OF DECEMBER 31, 2002

<b>Officers</b>	Owned	Restricted (1)	Reserved (2)	Options	Total
David R. Emery	144,800 (3)	588,680	225,000	0	958,480
Roger O. West	4,656	310,735	110,000	0	425,391
Scott W. Holmes	1,418	2,900	0	0	4,318
J.D. Carter Steele	3,594	2,822	0	0	6,416
Other Officers as a group	17,516	34,319	0	0	51,835
Directors as a group	44,112	2,850	0	0	46,962
<b>Total</b>	<b>216,096</b>	<b>942,306</b>	<b>335,000</b>	<b>0</b>	<b>1,493,402</b>

(1) These shares are subject to long-term vesting requirements pursuant to the terms of the 1993 Employees Stock Incentive Plan and the HR Discretionary Bonus Program.

(2) These shares are specifically reserved for performance-based awards under the 1993 Employees Stock Incentive Plan. The issuance of "Reserved Stock" to eligible employees is contingent upon the achievement of specific performance criteria. When issued, these shares will be subject to long-term vesting requirements pursuant to the terms of the 1993 Employees Stock Incentive Plan.

(3) Includes 143,352 shares owned by the Emery Family Limited Partnership and 1,448 shares owned by the Emery Family 1993 Irrevocable Trust. Mr. Emery is a limited partner of the partnership and a beneficiary of the trust, but has no voting or investment power with respect to the shares owned by such partnership or trust.

## 17) INSTITUTIONAL HOLDINGS AS OF SEPTEMBER 30, 2002

A) Institutional Shares Held:	<u>20,132,828</u>	(Source: Form 13F Filings)
B) Number of Institutions:	<u>172</u>	
C) Percentage of Common Shares Outstanding:	<u>47.97%</u>	

## 18) BOOK VALUE PER COMMON SHARE

Total Stockholders' Equity	\$ 908,199
Total Common Shares Outstanding	<u>41,823,564</u>
Book Value Per Common Share	<u>\$ 21.72</u>

## 19) OTHER CORPORATE INFORMATION

### A) Corporate Headquarters

**Healthcare Realty Trust Incorporated**  
**Healthcare Realty Services Incorporated**  
3310 West End Avenue, Suite 700  
Nashville, TN 37203  
Phone: 615-269-8175  
Fax: 615-269-8461  
E-mail: [hinfo@healthcarerealty.com](mailto:hinfo@healthcarerealty.com)

### Other Offices:

East Florida Regional Office  
Mid-America Regional Office  
Mid-Atlantic Regional Office  
Southern California Regional Office

### B) Stock Exchange, Symbol and CUSIP Number:

Security Description	Stock Exchange	Symbol	CUSIP Number
Common Stock	New York Stock Exchange	HR	421946104
Senior Notes due 2011	OTC	HR	421946AE4

### C) Web Site:

[www.healthcarerealty.com](http://www.healthcarerealty.com)

### D) Corporate Officers

#### Healthcare Realty Trust Incorporated

David R. Emery, Chairman of the Board and Chief Executive Officer  
Roger O. West, Executive Vice President and General Counsel  
Scott W. Holmes, Senior Vice President and Chief Financial Officer  
J. D. Carter Steele, Senior Vice President and Chief Operating Officer  
Eric W. Fischer, Senior Vice President / Real Estate Investments  
Fredrick M. Langreck, Senior Vice President / Treasurer  
John M. Bryant, Jr., Vice President/Assistant General Counsel  
Donald L. Husi, Vice President / Senior Living Asset Administration  
Leigh Ann Stach, Vice President / Financial Reporting and Controller  
B. Douglas Whitman, Associate Vice President / Real Estate Investments  
Brince R. Wilford, Associate Vice President / Real Estate Investments  
Rita H. Todd, Corporate Secretary

#### Healthcare Realty Services Incorporated

B. Bart Starr, Chairman of the Board  
Thomas M. Carnell, Vice President / Design & Construction  
Gilbert T. Irvin, Vice President / Operations  
Anne C. Sanborn, Associate Vice President / Project Development Services

### E) Board of Directors

David R. Emery, Chairman of the Board and Chief Executive Officer, Healthcare Realty Trust Incorporated  
Errol L. Biggs, Ph.D., Director - Center for Health Administration, University of Colorado (Healthcare Academician)  
C. Raymond Fernandez, M.D., Chief Executive Officer and Chief Medical Officer, Piedmont Clinic (Physician)  
Batey M. Gresham, Jr., A.I.A., Founder, Gresham Smith & Partners (Healthcare Architect)  
Marliese E. Mooney (Hospital Operations Consultant)  
Edwin B. Morris III, Managing Director, Morris & Morse (Real Estate Finance Executive)  
J. Knox Singleton, Chief Executive Officer, INOVA Health Systems (Healthcare Provider Executive)  
Dan S. Wilford, President and Chief Executive Officer, retired, Memorial Hermann Healthcare System (Healthcare Provider Executive)

19) OTHER CORPORATE INFORMATION (cont.)

F) Professional Affiliations:

**Independent Public Auditors**

Ernst & Young LLP  
Suntrust Center  
424 Church Street, Suite 1100  
Nashville, TN 37219

**Transfer Agent**

EquiServe  
P.O. Box 43010  
Providence, RI 02940-3010  
Phone: 781-575-3400

G) Dividend Reinvestment Plan:

Through the Company's transfer agent, EquiServe, named Shareholders of Record can re-invest dividends in shares at a 5% discount without a service or sales charge. In addition, up to \$5 thousand of HR common stock may be purchased per quarter through the transfer agent without a service or sales charge to the shareholder. For information, write EquiServe, Shareholder Services, P.O. Box 43010, Providence, RI 02940-3010, or call (781) 575-3400.

H) Direct Deposit of Dividends:

Direct deposit of dividends is offered as a convenience to stockholders of record. For information, write EquiServe, Shareholder Services, P.O. Box 43010, Providence, RI 02940-3010, or call (781) 575-3400

I) Analysts Providing Research Coverage on HR:

A.G. Edwards & Sons, Inc.	David AuBuchon (314) 955-5452
Banc of America Securities	Gary Taylor (212) 847-5174
Credit Suisse First Boston Corporation	Larry Raiman (212) 538-2380
Legg Mason Wood Walker Inc.	Jerry Doctrow (410) 454-5142
Prudential Securities, Inc.	Jim Sullivan (212) 778-2515
UBS Warburg	Howard Capek (212) 821-6369
Wachovia Securities, Inc.	Stephen Swett (212) 909-0954

J) Projected Dates for 2003 Dividend and Earnings Press Releases:

	<u>Dividend</u>	<u>Earnings</u>
First Quarter 2003	April 22, 2003	April 25, 2003
Second Quarter 2003	July 22, 2003	July 25, 2003
Third Quarter 2003	October 28, 2003	October 31, 2003
Fourth Quarter 2003	January 27, 2004	January 30, 2004

NOTE: A conference call will be scheduled at 9:00 AM CST the morning of the earnings press release.

K) Investor Relations:

Healthcare Realty Trust Incorporated  
3310 West End Avenue, Suite 700  
Nashville, TN 37203  
Attention: Bethany A. Mancini  
Phone: 615-269-8175  
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*In addition to the historical information contained within, this enclosed information may contain forward-looking statements that involve risks and uncertainties, including the development of transactions that may materially differ from the results of these projections. These risks are discussed in a 10-K filed with the SEC by Healthcare Realty Trust Incorporated for the year ended December 31, 2001. The 10-K is available via the Company's web site or by calling Investor Relations at (615) 269-8175. Forward-looking statements represent the Company's judgment as of the date of the release of this information. The Company disclaims any obligation to update this forward-looking material.*