

Item 1 Business

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1. We note your disclosure in footnote (1) to the table that Steward operates \$1.86 billion of triple net leased gross assets. Please tell us whether properties leased to Steward represent more than 20% of your total assets as of December 31, 2017. To the extent you lease more than 20% of your total assets to Steward, please tell us what consideration you gave to providing audited financial statements of Steward.

Ms. Jennifer Monick
Securities and Exchange Commission

As of December 31, 2017, properties leased to Steward represented 21.2% of our total assets. We did not provide audited financial statements of Steward as part of our 2017 Form 10-K because we knew that this spike (above 20%) in lease concentration as of December 31, 2017 was short-term. In making the determination on whether to provide audited financial statements of Steward, we were assisted by oral guidance from the Staff to the effect that spikes in tenant concentration occurring as of a fiscal year-end may be looked past for purposes of Section 2340 of the Staff's Financial Reporting Manual if the registrant believes in good faith that such spike in concentration is short-term. As discussed in Note 13 to Item 8 of our Annual Report on Form 10-K, one of our properties leased to Steward, St. Joseph Medical Center in Houston, Texas, was designated as held for sale as of December 31, 2017. As further noted in such Note 13, this property was in fact sold on March 1, 2018. Pro forma for the impact of this subsequent event transaction, properties leased to Steward would have represented 19.5% of our total assets. As we have discussed previously on our earnings calls, we believe this lease concentration will continue to decrease based on our intent to sell certain additional Steward properties, including by way of a potential joint venture transaction.