

HEALTHCARE REALTY TRUST INC

Form 424B5

January 20, 2009

Table of Contents

Filed Pursuant to Rule 424b(5)
Registration File No. 333-150884

In connection with the offering of 2,600,000 shares of common stock from Registration Statement No. 333-150884 by means of this prospectus supplement and the accompanying prospectus, the proposed maximum aggregate offering price has been calculated as 2,600,000 shares multiplied by \$18.80 per share, the average of the high and low sales prices of HR's common stock on the New York Stock Exchange on January 16, 2009. In accordance with Rule 457(p), the filing fee of \$1,921 payable in connection with this offering is being paid by offset against a portion of the fees of \$54,599 paid for \$439,937,000 of securities that were previously registered pursuant to Registration Statement No. 333-120595 filed by the registrant on November 18, 2004 and were not sold thereunder. This paragraph shall be deemed to update the Calculation of Registration Fee table in Registration Statement No. 333-150884.

Prospectus supplement

To prospectus dated May 13, 2008

Up to 2,600,000 Shares of Common Stock

This prospectus supplement relates to the issuance and sale of up to 2,600,000 shares of common stock of Healthcare Realty Trust Incorporated, or HR, from time to time through HR's sales agent, Cantor Fitzgerald & Co. These sales, if any, will be made pursuant to the terms of a sales agreement between HR and the sales agent.

HR's common stock trades on the New York Stock Exchange (NYSE) under the symbol HR. Sales of shares of HR common stock under this prospectus supplement, if any, may be made in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an at the market offering as defined in Rule 415 under the Securities Act of 1933, as amended, which includes sales made directly on the NYSE, the existing trading market for HR's common stock, or sales made to or through a market maker other than on an exchange. The sales agent will make all sales on a best efforts basis using commercially reasonable efforts consistent with its normal trading and sales practices, on mutually agreed terms between the sales agent and HR. On January 16, 2009, the last reported sales price of HR common stock on the NYSE was \$19.14 per share.

The compensation to the sales agent for sales of common stock sold pursuant to the sales agreement will be up to 2.0% of the gross proceeds of the sales price per share of common stock sold. The net proceeds from any sales under this prospectus supplement will be used as described under Use of Proceeds in this prospectus supplement.

In connection with the sale of common stock on HR's behalf, the sales agent may be deemed to be an underwriter within the meaning of the Securities Act of 1933, as amended, and the compensation of the sales agent may be deemed to be underwriting commissions or discounts. HR has agreed to provide indemnification and contribution to the sales agent against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

You should carefully read and consider the Forward-Looking Statements and Risk Factors beginning on page S-1 of this prospectus supplement and on page 4 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined that this prospectus supplement is accurate or complete. Any representation to the contrary is a criminal offense.

Cantor Fitzgerald & Co.

The date of this prospectus supplement is January 20, 2009.

Table of Contents

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. The Company has not authorized anyone to provide you with any other information. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date of this prospectus supplement or the accompanying prospectus, respectively, or that information contained in any document incorporated or deemed to be incorporated by reference is accurate as of any date other than the date of that document.

The distribution of this prospectus supplement and the accompanying prospectus in some jurisdictions may be restricted by law. Persons who receive this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

S-ii

Table of Contents

Table of Contents

Prospectus Supplement

<u>The Company</u>	S-1
<u>Use of Proceeds</u>	S-1
<u>Forward-Looking Statements and Risk Factors</u>	S-1
<u>Plan of Distribution</u>	S-2
<u>Legal Matters</u>	S-3
<u>Experts</u>	S-3
<u>Incorporation of Certain Information by Reference</u>	S-3

Prospectus

About This Prospectus	3
Special Note Regarding Forward-Looking Statements	3
Risk Factors	4
The Company	4
Selling Stockholders	4
Use of Proceeds	5
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	5
General Description of Securities the Company May Sell	5
Description of Common Stock	5
Description of Common Stock Warrants	8
Description of Preferred Stock	9
Description of Debt Securities	13
Federal Income Tax and ERISA Considerations	18
Plan of Distribution	19
Legal Matters	19
Experts	20
Where You Can Find More Information	20
Incorporation of Certain Documents by Reference	20

S-iii

Table of Contents

The Company

Healthcare Realty Trust Incorporated was incorporated in Maryland in 1993 and is a self-managed and self-administered real estate investment trust, or REIT, that owns, acquires, manages, finances and develops income-producing real estate properties associated with the delivery of healthcare services throughout the United States. Unless the context otherwise requires, as used in this prospectus supplement and the accompanying prospectus, the terms HR and the Company include Healthcare Realty Trust Incorporated, its subsidiaries and other entities in which Healthcare Realty Trust Incorporated or its subsidiaries own an interest.

The Company operates so as to qualify as a REIT for federal income tax purposes. As a REIT, the Company is not subject to corporate federal income tax with respect to net income distributed to its shareholders.

Use of Proceeds

HR will use the net proceeds from this offering for general corporate purposes, including the acquisition of healthcare facilities, funding of mortgage loans secured by healthcare facilities and the repayment of debt. Pending such investments, the Company will apply the net proceeds to outstanding indebtedness under its unsecured credit facility due 2010, which had a balance of \$332 million as of January 16, 2009. The balance on the credit facility fluctuates routinely in the ordinary course of the Company's business from various sources and uses of funds. Loans outstanding under the credit facility (other than swing line loans and competitive bid advances) bear interest at a rate equal to (x) LIBOR or the base rate (defined as the higher of the Bank of America prime rate and the Federal Funds Rate plus 0.50%), plus (y) a margin ranging from 0.60% to 1.20%, based on the Company's unsecured debt ratings.

Forward-Looking Statements and Risk Factors

Before making an investment in the common stock of HR, you should carefully consider, among other factors, the risks described below and elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. This prospectus supplement and the accompanying prospectus do not describe all of the risks of an investment in the common stock of HR. You should consult your own financial and legal advisors as to the risks entailed by an investment in these shares and the suitability of investing in such shares in light of your particular circumstances.

This prospectus supplement, the accompanying prospectus and other materials HR has filed or may file with the SEC, as well as information included in oral statements or other written statements made, or to be made, by senior management of HR, contain, or will contain, disclosures which are forward-looking statements. Forward-looking statements include all statements that do not relate solely to historical or current facts and can be identified by the use of words such as may, will, expect, anticipate, believe, intend, target, plan, estimate, project, and other comparable terms. These forward-looking statements are based on the current plans and expectations of management and are subject to a number of risks and uncertainties that could significantly affect HR's current plans and expectations and future financial condition and results.

Such risks and uncertainties include, among other things, the following:

The Company's ability to identify and acquire suitable properties;

The Company's ability to enter into and close acquisitions of new medical office and other outpatient-related facilities within the expected time periods;

Considerable competition in the Company's market for attractive investments;

The construction of properties generally requires various government and other approvals which may not be received;

Table of Contents

Unsuccessful development opportunities could result in the recognition of direct expenses which could impact the Company's results of operations;

Construction costs of a development property may exceed original estimates, which could impact its profitability to the Company;

Time required to lease up a completed development property may be greater than originally anticipated, thereby adversely affecting the Company's cash flow and liquidity;

Occupancy rates and rents of a completed development property may not be sufficient to make the property profitable to the Company;

Favorable sources to fund the Company's development activities may not be available when needed;

Changes in the financial condition or corporate strategy of the Company's tenants and sponsors;

Adverse trends in the healthcare service industry that could negatively affect the Company's lease revenues and the values of its investments; and

Changes in the Company's dividend policy.

Other risks, uncertainties and factors that could cause actual results to differ materially from those projected are detailed from time to time in reports filed by HR with the SEC, including Forms 8-K, 10-Q and 10-K (including those identified in HR's Annual Report on Form 10-K for the year ended December 31, 2007).

HR undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Investors are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this prospectus supplement and the accompanying prospectus or HR's filings and reports.

Plan of Distribution

Upon written instructions from HR, Cantor Fitzgerald & Co. will use its commercially reasonable efforts consistent with its sales and trading practices to solicit offers to purchase shares of the Company's common stock under the terms and subject to the conditions set forth in the sales agreement. Cantor Fitzgerald & Co.'s solicitation will continue until the earlier of: HR's instruction to Cantor Fitzgerald & Co. to suspend the solicitations and offers; or (ii) all shares subject to an instruction are sold. HR will instruct Cantor Fitzgerald & Co. as to the amount of common stock to be sold by Cantor Fitzgerald & Co. HR may instruct Cantor Fitzgerald & Co. not to sell common stock if the sales cannot be effected at or above the price designated by the Company in any instruction. HR or Cantor Fitzgerald & Co. may suspend the offering of common stock upon proper notice and subject to other conditions. Cantor Fitzgerald & Co. may, in its sole discretion, decline to accept placement orders.

Cantor Fitzgerald & Co. will provide written confirmation to the Company no later than the opening of the trading day on the New York Stock Exchange following the trading day in which shares of the Company's common stock are sold under the sales agreement. Each confirmation will include the number of shares sold on the preceding day, the net proceeds to the Company and the compensation payable by the Company to Cantor Fitzgerald & Co. in connection with the sales.

HR will pay Cantor Fitzgerald & Co. commissions for its services in acting as agent in the sale of common stock. Cantor Fitzgerald & Co. will be entitled to compensation of up to 2.0% of the gross sales price per share for any shares of common stock sold under the sales agreement. The Company estimates that the total expenses for the offering, excluding compensation payable to Cantor Fitzgerald & Co. under the terms of the sales agreement, will be approximately \$250,000.

Table of Contents

Settlement for sales of common stock will occur on the third business day following the date on which any sales are made, or on some other date that is agreed upon by HR and Cantor Fitzgerald & Co. in connection with a particular transaction, in return for payment of the net proceeds to the Company. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

In connection with the sale of the common stock on HR's behalf, Cantor Fitzgerald & Co. may, and will with respect to sales effected in an at the market offering, be deemed to be an underwriter within the meaning of the Securities Act, and the compensation of Cantor Fitzgerald & Co. may be deemed to be underwriting commissions or discounts. The Company has agreed to provide indemnification and contribution to Cantor Fitzgerald & Co. against certain civil liabilities, including liabilities under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and other federal and state laws and regulations. The Company has also agreed to reimburse Cantor Fitzgerald & Co. for other specified expenses.

The offering of shares of HR's common stock pursuant to the sales agreement will terminate upon the earlier of (1) the sale of all common stock subject to the agreement, whether by Cantor Fitzgerald & Co. or any other agent pursuant to an at the market offering or (2) termination of the sales agreement. Either party may terminate the sales agreement at any time by giving ten days notice to the other party. Cantor Fitzgerald & Co. may also terminate the agreement under the circumstances specified in the sales agreement.

Legal Matters

The validity of the shares offered by this prospectus supplement and certain matters of United States federal income tax law will be passed upon for HR by Waller Lansden Dortch & Davis, LLP, Nashville, Tennessee. DLA Piper US LLP, New York, New York and Bryan Cave LLP, St. Louis, Missouri are acting as counsel for the sales agent in connection with this offering.

Experts

The financial statements and schedules as of December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007 and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2007 incorporated by reference in this Prospectus have been so incorporated in reliance on the reports of BDO Seidman, LLP, an independent registered public accounting firm, incorporated herein by reference given on authority of said firm as experts in auditing and accounting.

The Combined Historical Statement of Revenues and Certain Direct Operating Expenses for the year ended December 31, 2007 for The Charlotte-Mecklenburg Hospital Authority Properties incorporated by reference in this Prospectus have been so incorporated in reliance upon the report of BDO Seidman, LLP, an independent public accounting firm, incorporated herein by reference given on the authority of said firm as experts in auditing and accounting.

The Combined Historical Statements of Revenues and Certain Direct Operating Expenses for the years ended December 31, 2007 and 2006 and the period from April 6, 2005 to December 31, 2005 for the Unico Properties incorporated by reference in this prospectus have been so incorporated in reliance upon the report of BDO Seidman, LLP, an independent public accounting firm, incorporated herein by reference given on the authority of said firm as experts in auditing and accounting.

Incorporation of Certain Information by Reference

The Securities and Exchange Commission, or SEC, allows HR to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means that HR can disclose important information to you by referring you to another document that HR has filed separately with the SEC that contains that information. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. Information that HR files with the SEC after the date of this prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus to the extent that the subsequently filed information modifies or supersedes the existing information.

The following documents are incorporated by reference (other than any portions of any such documents that are not deemed filed under the Securities Exchange Act of 1934 in accordance with the Securities Exchange Act of 1934 and applicable SEC rules, except as expressly provided otherwise below):

Table of Contents

HR s Annual Report on Form 10-K for the fiscal year ended December 31, 2007;

HR s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2008, June 30, 2008 and September 30, 2008;

HR s Proxy Statement relating to its annual meeting of shareholders held on May 13, 2008;

HR s Current Reports on Form 8-K filed on March 5, 2008, April 21, 2008, July 30, 2008, September 18, 2008 (the furnished language in the Form 8-K filed on September 18, 2008 is incorporated herein by reference), September 22, 2008, September 24, 2008, September 29, 2008, October 22, 2008, December 31, 2008 and the two Current Reports on Form 8-K filed on January 20, 2009;

Any future filings HR makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until all of the securities offered by this prospectus supplement are sold; and

The description of the Company s common stock in its Registration Statement of Form 8-A, dated April 8, 1993, and any other amendment or report filed for the purpose of updating such description.

You may request a copy of any of these filings at no cost by writing to or telephoning HR at the following address and telephone number:

Healthcare Realty Trust Incorporated
3310 West End Avenue, Suite 700
Nashville, Tennessee 37203
Attention: Gabrielle M. Andrés
(615) 269-8175
Communications@healthcarerealty.com
S-4

Table of Contents

PROSPECTUS

HEALTHCARE REALTY TRUST INCORPORATED

**Common Stock
Common Stock Warrants
Preferred Stock
Debt Securities**

Healthcare Realty Trust Incorporated may from time to time offer, in one or more series, the following:

Shares of common stock;

Warrants to purchase shares of common stock;

Shares of preferred stock;

Debt securities, which may be either senior debt securities or subordinated debt securities, in each case consisting of notes or other evidence of indebtedness; or

Any combination of these securities, individually or as units.

Healthcare Realty will offer such securities on terms determined at the time such securities are offered. Healthcare Realty may offer its common stock and warrants, preferred stock and debt securities separately or together, in separate classes or series, in amounts, at prices and on terms set forth in an applicable prospectus supplement to this prospectus. In addition, selling stockholders to be named in a prospectus supplement may offer and sell from time to time shares of Healthcare Realty common stock in such amounts as set forth in a prospectus supplement. The applicable prospectus supplement will also contain information, where applicable, about certain federal income tax considerations relating to, and any listing on a securities exchange of, the securities covered by such prospectus supplement.

The securities may be sold directly through agents designated from time to time by Healthcare Realty, or to or through underwriters or dealers, or through a combination of these methods. Healthcare Realty reserves the sole right to accept, and together with its agents, dealers and underwriters reserve the right to reject, in whole or in part, any proposed purchase of securities to be made directly or through agents, dealers or underwriters. If any agents, dealers or underwriters are involved in the sale of any of the securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement. See PLAN OF DISTRIBUTION. Healthcare Realty's net proceeds from the sale of securities also will be set forth in the relevant prospectus supplement. No securities may be sold without delivery of the applicable prospectus supplement describing the method and terms of the offering of such series of securities.

Healthcare Realty's common stock is listed on the New York Stock Exchange under the symbol HR. On May 9, 2008, the last reported sale price of its common stock was \$27.59 per share.

Investing in these securities involves risks. You should carefully review the discussion under the heading **RISK FACTORS on page 4 regarding information included and incorporated by reference in this prospectus and the applicable prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is May 13, 2008

Table of Contents

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS	3
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	3
RISK FACTORS	4
THE COMPANY	4
SELLING STOCKHOLDERS	4
USE OF PROCEEDS	5
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	5
GENERAL DESCRIPTION OF SECURITIES THE COMPANY MAY SELL	5
DESCRIPTION OF COMMON STOCK	5
DESCRIPTION OF COMMON STOCK WARRANTS	8
DESCRIPTION OF PREFERRED STOCK	9
DESCRIPTION OF DEBT SECURITIES	13
FEDERAL INCOME TAX AND ERISA CONSIDERATIONS	18
PLAN OF DISTRIBUTION	19
LEGAL MATTERS	19
EXPERTS	20
WHERE YOU CAN FIND MORE INFORMATION	20
INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE	20

You should rely only on the information contained or incorporated by reference in this prospectus and the applicable prospectus supplement. Healthcare Realty has not authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Healthcare Realty is not making an offer to sell, or a solicitation of an offer to purchase, these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus or any other documents incorporated by reference is accurate only as of the date on the front cover of the applicable document. Healthcare Realty's business, financial condition, results of operations and prospects may have changed since that date.

References in this prospectus to Healthcare Realty Trust, Healthcare Realty, and the Company refer to Healthcare Realty Trust Incorporated, a self-managed and self-administered real estate investment trust (REIT) incorporated in Maryland, and its subsidiaries, unless the context otherwise requires.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of an automatic shelf registration statement that Healthcare Realty filed with the Securities and Exchange Commission, or SEC, as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended. Under the automatic shelf registration process, Healthcare Realty may, over time, sell any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities that the Company may offer. As allowed by SEC rules, this prospectus does not contain all the information you can find in the registration statement or the exhibits to the registration statement. Each time Healthcare Realty sells securities, it will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement and/or a free writing prospectus may also add to or update other information contained in this prospectus. See PLAN OF DISTRIBUTION on page 19 of this prospectus. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both the prospectus and any prospectus supplement together with the additional information described under the heading WHERE YOU CAN FIND MORE INFORMATION on page 20 of this prospectus.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information included or incorporated by reference in this prospectus may be deemed to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or Exchange Act. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as may, will, expect, believe, anticipate, intend, plan, estimate, project, continue, should, comparable terms. These forward-looking statements are based on the current plans and expectations of Company management and are subject to a number of risks and uncertainties, including those set forth below, which could significantly affect the Company's current plans and expectations and future financial condition and results.

While it is not possible to identify all these factors, the Company continues to face many risks and uncertainties that could cause actual results to differ from those forward-looking statements, including:

- the ability of the Company to timely complete and fully lease development properties;
- the Company is exposed to risks associated with entering new geographic markets;
- the Company may be unsuccessful in operating completed real estate development properties;
- the ability of the Company to renew long-term master leases and financial support agreements;
- changes in the Company's dividend policy;
- the ability of the Company to invest its capital on a timely basis;
- the availability of debt and equity capital;
- changes in the financial condition or business strategy of the Company's tenants;
- the federal, state and local healthcare regulatory environment;

the ability of the Company to attract new healthcare providers;

the possibility of underinsured or uninsured property and casualty losses;

the Company's tenants or sponsors may have experienced regulatory and legal problems;

the ability of the Company to maintain its qualification as a REIT; and

those risks and uncertainties described from time to time in the Company's filings with the SEC.

Healthcare Realty cautions you that the factors listed above, as well as the risk factors included or incorporated by reference in this prospectus or any prospectus supplement, may not be exhaustive. The

Table of Contents

Company operates in a continually changing business environment, and new risk factors emerge from time to time. Healthcare Realty cannot predict such new risk factors, nor can it assess the impact, if any, of such new risk factors on its businesses or the extent to which any factor or combination of factors may cause actual results to differ materially from those expressed or implied by any forward-looking statements.

All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this prospectus and are expressly qualified in their entirety by the cautionary statements included in this prospectus. Healthcare Realty undertakes no obligation to publicly update or revise forward-looking statements, which may be made to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events, except as required by applicable securities laws. Stockholders and investors are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this prospectus.

RISK FACTORS

An investment in the Company's securities involves a high degree of risk. In addition to the other information included and incorporated by reference in this prospectus, you should carefully review the risk factors and other information included and incorporated by reference in the applicable prospectus supplement when determining whether or not to purchase the securities offered under this prospectus and the applicable prospectus supplement.

THE COMPANY

Healthcare Realty is a self-managed and self-administered REIT that integrates owning, acquiring, managing and developing income-producing real estate properties and mortgages associated primarily with the delivery of outpatient healthcare services.

Healthcare Realty was formed as an independent, unaffiliated healthcare REIT. Management believes that the Company has a strategic advantage in providing its services to a more diverse group of healthcare providers because it is not affiliated with any of its clients and does not expect to become affiliated with potential clients. Management also believes that its strategic focus on the outpatient service and medical office segments of the healthcare industry allows the Company to take advantage of the continued shift in healthcare services toward outpatient settings.

Healthcare Realty's principal executive offices are located at 3310 West End Avenue, Suite 700, Nashville, Tennessee 37203, and its telephone number is (615) 269-8175. Unless the context indicates otherwise, references herein to Healthcare Realty and the Company include its subsidiaries.

SELLING STOCKHOLDERS

Healthcare Realty may register shares of common stock covered by this prospectus for re-offers and resales by any selling stockholders named in a prospectus supplement. Because the Company is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act, it may add secondary sales of shares of its common stock by any selling stockholders by filing a prospectus supplement with the SEC. Healthcare Realty may register these shares to permit selling stockholders to resell their shares when they deem appropriate. Selling stockholders may resell all, a portion or none of their shares at any time and from time to time. Selling stockholders may also sell, transfer or otherwise dispose of some or all of their shares of the Company's common stock in transactions exempt from the registration requirements of the Securities Act. Healthcare Realty does not know when or in what amounts the selling stockholders may offer shares for sale under this prospectus and any prospectus supplement. Healthcare Realty may pay all expenses incurred with respect to the registration of the shares of common stock owned by the selling stockholders, other than underwriting fees, discounts or commissions, which will be borne by the selling stockholders. Healthcare Realty will provide you with a prospectus supplement naming the selling stockholder(s), the amount of shares to be

registered and sold and any other terms of the shares of common stock being sold by the selling stockholder(s).

Table of Contents**USE OF PROCEEDS**

Unless otherwise specified in the prospectus supplement accompanying this prospectus, Healthcare Realty intends to use the net proceeds from the sale of the securities for general corporate purposes, which may include the repayment of indebtedness and investment in healthcare related properties.

RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table sets forth Healthcare Realty's consolidated ratio of earnings to combined fixed charges and preferred stock dividends for the periods indicated:

	Year Ended December 31,					Three Months Ended March 31, 2008
	2003	2004	2005	2006	2007	
Ratio of earnings to combined fixed charges and preferred stock dividends(1)	2.03	1.59	1.37	1.26	1.23	1.30

- (1) For the purpose of calculating the ratio of earnings to fixed charges, net income from continuing operations has been added to fixed charges, net of capitalized interest, and that sum has been divided by such fixed charges. Fixed charges consist of interest expense, which includes amortization of debt issue cost, plus one-third (the proportion deemed to be representative of the interest factor) of rent expense, and capitalized interest.

GENERAL DESCRIPTION OF SECURITIES THE COMPANY MAY SELL

Healthcare Realty, directly or through agents, dealers or underwriters that it may designate, may offer and sell, from time to time, an unspecified amount of:

Shares of its common stock;

Warrants to purchase shares of its common stock;

Shares of its preferred stock; or

Its debt securities, which may be either senior debt securities or subordinated debt securities.

Healthcare Realty may offer and sell these securities either individually or as units consisting of one or more of these securities, each on terms to be determined at the time of the offering. The Company may issue debt securities and/or preferred stock that are exchangeable for and/or convertible into common stock or any of the other securities that may be sold under this prospectus. When particular securities are offered, a supplement to this prospectus will be delivered with this prospectus, which will describe the terms of the offering and sale of the offered securities.

DESCRIPTION OF COMMON STOCK

Healthcare Realty is authorized to issue an aggregate of 200,000,000 shares of capital stock, which may include 150,000,000 shares of common stock and 50,000,000 shares of preferred stock. The following description of the common stock sets forth the general terms and provisions of the common stock to which any prospectus supplement may relate, including a prospectus supplement providing that common stock will be issuable upon conversion of debt securities or preferred stock or upon the exercise of common stock warrants. The statements below describing the common stock are in all respects subject to and qualified in their entirety by reference to the applicable provisions of the Company's charter and bylaws.

Holders of common stock are entitled to receive such dividends as the board of directors may declare out of funds legally available for the payment of dividends. Upon issuance, the shares of common stock will be fully paid and nonassessable and have no preferences or conversion, exchange or preemptive rights. In the event of any liquidation, dissolution or winding-up, the holders of common stock are entitled to share ratably in any of the Company's assets remaining after the satisfaction of all obligations and liabilities and after

Table of Contents

required distributions to holders of preferred stock, if any. The common stock is subject to restrictions on transfer under certain circumstances described under **Restrictions on Transfer** below. Each share is entitled to one vote on all matters voted upon by the stockholders. Holders of shares of common stock have no cumulative voting rights.

Transfer Agent and Exchange Listing

Computershare Trust Company, N.A. is the transfer agent and registrar for the common stock. The common stock is listed on the New York Stock Exchange under the symbol HR.

Restrictions on Transfer

For Healthcare Realty to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the **Code**):

1. Not more than 50% in value of its outstanding capital stock may be owned, directly or indirectly (after application of certain attribution rules), by five or fewer individuals at any time during the last half of its taxable year; and
2. Its stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year.

In order to ensure that requirement (1) above is satisfied, the board of directors has the power to refuse to transfer shares of its capital stock to any person whose acquisition of such shares would result in the direct or indirect ownership of more than 9.9% in value of the outstanding capital stock.

In connection with the foregoing, if the board of directors, at any time and in good faith, believes that direct or indirect ownership (as determined under applicable federal tax attribution rules) in excess of this ownership limit has or may become concentrated in the hands of one beneficial owner, the board of directors has the power to refuse to transfer or issue these excess shares to a person whose acquisition of such excess shares would cause a beneficial holder to exceed the ownership limit. Further, any transfer of excess shares that would cause a beneficial owner to hold shares of capital stock in excess of the ownership limit shall be deemed void, and the intended transferee shall be deemed never to have had an interest therein.

If at any time there is a transfer in violation of these restrictions, the excess shares shall be deemed to have been transferred to the Company, as trustee for the benefit of such persons to whom the excess shares are later transferred. Subject to Healthcare Realty's right to purchase the excess shares, the interest in the trust representing the excess shares shall be freely transferable by the intended transferee at a price that does not exceed the price paid by the intended transferee of the excess shares. Excess shares do not have voting rights, and will not be considered for the purpose of any shareholder vote or determining a quorum, but will continue to be reflected as issued and outstanding stock. The Company will not pay dividends with respect to excess shares. The Company may purchase excess shares for the lesser of the amount paid for the excess shares by the intended transferee or the market price. The market price for any stock so purchased shall be equal to the fair market value of such shares reflected in:

The closing sales price for the stock, if then listed on a national securities exchange;

The average closing sales price of such stock, if then listed on more than one national securities exchange; or

If the stock is not then listed on a national securities exchange, the latest bid quotation for the stock if then traded over-the-counter, as of the day immediately preceding the date on which notices of such purchase are sent by the Company.

If no such closing sales prices or quotations are available, the purchase price shall equal the net asset value of such stock as determined by the board of directors in accordance with applicable law.

Table of Contents

All certificates representing shares of common stock bear a legend referring to the restrictions described above. These restrictions may have the effect of preventing an acquisition of control of Healthcare Realty by a third party.

Business Combinations

Under Maryland law, some business combinations (including a merger, consolidation, share exchange, or, in certain circumstances, an asset transfer or issuance of equity securities) between a Maryland corporation and any person who beneficially owns 10% or more of the voting power of the corporation's outstanding voting stock (an interested shareholder) must be: (1) recommended by the corporation's board of directors; and (2) approved by the affirmative vote of at least (a) 80% of the corporation's outstanding shares entitled to vote and (b) two-thirds of the outstanding shares entitled to vote which are not held by the interested shareholder with whom the business combination is to be effected, unless, among other things, the corporation's common shareholders receive a minimum price (as defined in the statute) for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for his or her shares. In addition, an interested shareholder or any affiliate thereof may not engage in a business combination with the corporation for a period of five years following the date he or she becomes an interested shareholder. These provisions of Maryland law do not apply, however, to business combinations that are approved by the board of directors of a Maryland corporation prior to such person becoming an interested shareholder.

Control Share Acquisitions

Maryland law also provides that control shares of a Maryland corporation acquired in a control share acquisition may not be voted except to the extent approved by a vote of two-thirds of all the votes entitled to be cast on the matter by shareholders excluding voting shares owned by the acquirer, and officers and directors who are also employees of the corporation. Control shares are voting shares which, if aggregated with all other shares owned by a person or in respect of which that person is entitled to exercise or direct the exercise of voting power, would entitle the acquirer to vote: (1) 10% or more but less than one-third; (2) one-third or more but less than a majority; or (3) a majority or more of the outstanding voting shares. Control shares do not include shares the acquiring person is entitled to vote because shareholder approval has previously been obtained. A control share acquisition means the acquisition of control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition and who has obtained a definitive financing agreement with a responsible financial institution providing for any amount of financing not to be provided by the acquiring person may compel the corporation's board of directors to call a special meeting of shareholders to be held within 50 days of demand to consider the voting rights of the shares. If no request for a meeting is made, the corporation may itself present the question at any shareholders' meeting.

Subject to certain conditions and limitations, the corporation may redeem any or all of the control shares, except those for which voting rights have previously been approved, for fair value determined, without regard to voting rights, as of the date of the last control share acquisition or as of the date of any meeting of shareholders at which the voting rights of such shares are considered and not approved. If the shareholders approve voting rights for control shares and the acquirer is entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share in the control share acquisition, and certain limitations and restrictions otherwise applicable to the exercise of dissenter's rights do not apply in the context of a control share acquisition.

The control share acquisition statute does not apply to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction, or to acquisitions approved or exempted by the articles of incorporation or bylaws of the corporation prior to a control share acquisition.

The limitation on ownership of common stock set forth in the Company's charter, as well as the provisions of Maryland law described above, could have the effect of discouraging offers to acquire HR and of increasing the difficulty of consummating any such offer.

Table of Contents

Dividend Reinvestment Plan and Employee Stock Purchase Plan

Healthcare Realty has adopted and implemented a dividend reinvestment plan to provide registered owners of its common stock with a method of investing dividends and other distributions paid in cash in additional shares of the common stock. Healthcare Realty has also adopted an employee stock purchase plan to allow employees to purchase common stock on terms and conditions set forth in such plan. Since such additional common stock will be purchased from the Company, the Company will receive additional funds which will be used for its general corporate purposes.

DESCRIPTION OF COMMON STOCK WARRANTS

Healthcare Realty may issue warrants for the purchase of common stock. Common stock warrants may be issued independently or together with any other securities pursuant to any prospectus supplement and may be attached to or separate from such securities. Each series of common stock warrants will be issued under a separate warrant agreement to be entered into between the Company and the warrant recipient or, if the recipients are numerous, a warrant agent identified in the applicable prospectus supplement. The warrant agent, if engaged, will act solely as the Company's agent in connection with the common stock warrants of such series and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of common stock warrants. Further terms of the common stock warrants and the applicable warrant agreements will be set forth in the applicable prospectus supplement.

The applicable prospectus supplement will describe the terms of any common stock warrants in respect of which this prospectus is being delivered, including, where applicable, the following:

The title of such common stock warrants;

The aggregate number of such common stock warrants;

The price or prices at which such common stock warrants will be issued;

The designation, number and terms of the shares of common stock purchasable upon exercise of such common stock warrants;

The designation and terms of the other securities with which such common stock warrants are issued and the number of such common stock warrants issued with each such offered security;

The date, if any, on and after which such common stock warrants and the related common stock will be separately transferable;

The price at which each share of common stock purchasable upon exercise of such common stock warrants may be purchased;

The date on which the right to exercise such common stock warrants shall commence and the date on which such right shall expire;

The minimum or maximum amount of such common stock warrants that may be exercised at any one time;

Information with respect to book-entry procedures, if any;

A discussion of certain federal income tax considerations; and

Any other terms of such common stock warrants, including terms, procedures and limitations relating to the exchange and exercise of such common stock warrants.

You should review the section captioned DESCRIPTION OF COMMON STOCK for a general description of the common stock which would be acquired upon the exercise of the common stock warrants.

Table of Contents

DESCRIPTION OF PREFERRED STOCK

General

Healthcare Realty is authorized to issue 50,000,000 shares of preferred stock. The following description of the preferred stock sets forth certain anticipated general terms and provisions of the preferred stock to which any prospectus supplement may relate. Certain other terms of any series of preferred stock (which terms may be different than those stated below) will be described in the prospectus supplement to which such series relates. The statements below describing the preferred stock are in all respects subject to and qualified in their entirety by reference to the applicable provisions of the prospectus supplement, the Company's charter, (including the amendment describing the designations, rights, and preferences of each series of preferred stock) and bylaws.

Subject to limitations prescribed by Maryland law and the charter, the Company's board of directors is authorized to fix the number of shares constituting each series of preferred stock and the designations and powers, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof, including such provisions as may be desired concerning voting, redemption, dividends, dissolution or the distribution of assets, conversion or exchange, and such other subjects or matters as may be fixed by resolution of the board of directors or the duly authorized committee thereof. The preferred stock will, when issued, be fully paid and nonassessable and will have no preemptive rights.

The prospectus supplement relating to preferred stock will contain the specific terms, including:

The title and stated value of such preferred stock;

The number of shares of such preferred stock offered, the liquidation preference per share and the offering price of such preferred stock;

The dividend rate(s), period(s) and or payment date(s) or method(s) of calculation thereof applicable to such preferred stock;

The date from which dividends on such preferred stock shall accumulate, if applicable;

The provision for a sinking fund, if any, for such preferred stock;

The provisions for redemption, if applicable, of such preferred stock;

Any listing of such preferred stock on any securities exchange;

The terms and conditions, if applicable, upon which such preferred stock will be convertible into common stock, including the conversion price (or manner of calculation thereof);

A discussion of certain federal income tax considerations applicable to such preferred stock;

The relative ranking and preferences of such preferred stock as to dividend rights and rights upon the Company's liquidation, dissolution or winding up of its affairs;

Any limitations on issuance of any series of preferred stock ranking senior to or on a parity with such series of preferred stock as to dividend rights and rights upon liquidation, dissolution or winding up of affairs;

Any limitations on direct or beneficial ownership and restrictions on transfer, in each case as may be appropriate to preserve the Company's status as a REIT; and

Any other specific terms, preferences, rights, limitations or restrictions of such preferred stock.

Table of Contents

Rank

Unless otherwise specified in the prospectus supplement, the preferred stock will, with respect to dividend rights and rights upon the Company's liquidation, dissolution or winding up, rank:

Senior to all classes or series of common stock, and to all equity securities ranking junior to such preferred stock with respect to dividend rights or rights upon liquidation, dissolution or winding up;

On a parity with all equity securities the terms of which specifically provide that such equity securities rank on a parity with the preferred stock with respect to dividend rights or rights upon liquidation, dissolution or winding up; and

Junior to all equity securities the terms of which specifically provide that such equity securities rank senior to the preferred stock with respect to dividend rights or rights upon liquidation, dissolution or winding up.

Dividends

Holders of preferred stock of each series shall be entitled to receive, when, as and if declared by the board of directors, out of the Company's assets legally available for payment, cash dividends (or dividends in kind or in other property if expressly permitted and described in the applicable prospectus supplement) at such rates and on such dates as will be set forth in the applicable prospectus supplement. Each such dividend shall be payable to holders of record as they appear on the Company's stock transfer books on such record dates as shall be fixed by the board of directors.

Dividends on any series of preferred stock may be cumulative or non-cumulative, as provided in the applicable prospectus supplement. Dividends, if cumulative, will be cumulative from and after the date set forth in the prospectus supplement. If the board of directors fails to declare a dividend payable on a dividend payment date on any series of preferred stock for which dividends are non-cumulative, then the holders of such series of preferred stock will have no right to receive a dividend in respect of the dividend period ending on such dividend payment date, and Healthcare Realty will have no obligation to pay the dividend accrued for such period, whether or not dividends on such series are declared payable on any future dividend payment date.

Unless otherwise specified in the applicable prospectus supplement, if any preferred stock of any series is outstanding, no full dividends shall be declared or paid or set apart for payment on the preferred stock of any other series ranking, as to dividends, on a parity with or junior to the preferred stock of such series for any period unless full dividends (which include all unpaid dividends in the case of cumulative dividend preferred stock) have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payment on the preferred stock of such series.

When dividends are not paid in full (or a sum sufficient for such full payment is not so set apart) upon the preferred stock of any series and the shares of any other series of preferred stock ranking on a parity as to dividends with the preferred stock of such series, all dividends declared upon shares of preferred stock of such series and any other series of preferred stock ranking on a parity as to dividends with such preferred stock shall be declared pro rata among the holders of such series. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on preferred stock of such series which may be in arrears.