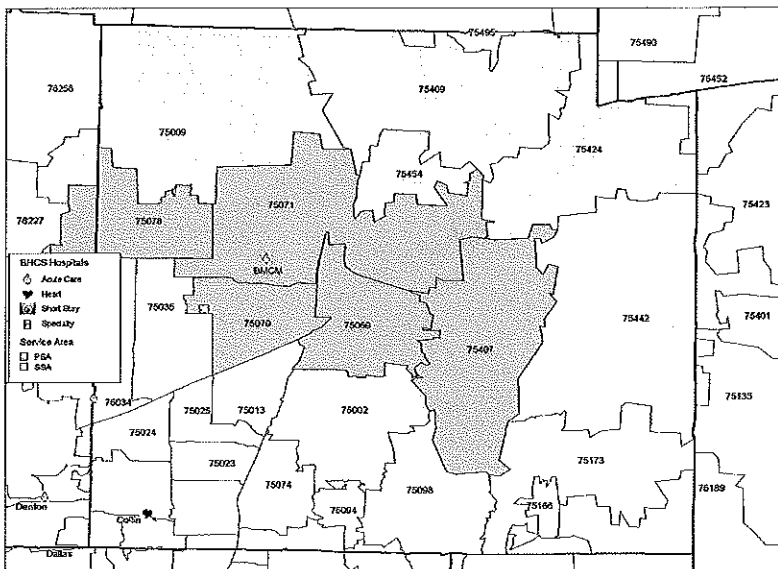


Market Overview
Baylor Medical Center at McKinney



- PSA
(Primary Service Area):
McKinney
Prosper
Princeton
- SSA
(Secondary Service Area):
Celina
Melissa
Anna
Blue Ridge
Farmersville
Allen

Market Demographics

Demographic Snapshot

| Demographic Characteristics | HOSP TSA | USA |
|-----------------------------|----------|-------------|
| 2000 Total Population | 135,496 | 281,421,906 |
| 2011 Total Population | 284,528 | 310,650,750 |
| 2016 Total Population | 340,853 | 323,031,618 |
| % Change 2011 – 2016 | 19.8% | 4.0% |
| Average Household Income | \$98,808 | \$67,529 |

| | 2011 | 2016 | % Change |
|------------------------------------|---------|---------|----------|
| Total Male Population | 143,042 | 171,048 | 19.6% |
| Total Female Population | 141,486 | 169,805 | 20.0% |
| Females, Child Bearing Age (15-44) | 59,088 | 66,454 | 12.5% |

| Age Distribution | 2011 | % TTL | 2016 | % TTL | USA 2010 % of Total |
|------------------|---------|--------|---------|--------|---------------------|
| 0-14 | 71,450 | 25.1% | 82,852 | 24.3% | 20.2% |
| 15-17 | 13,917 | 4.9% | 17,618 | 5.2% | 4.2% |
| 18-24 | 23,296 | 8.2% | 31,318 | 9.2% | 9.7% |
| 25-34 | 34,618 | 12.2% | 36,942 | 10.5% | 13.3% |
| 35-54 | 89,395 | 31.4% | 100,944 | 29.6% | 27.6% |
| 55-64 | 26,135 | 9.2% | 36,883 | 10.8% | 11.7% |
| 65+ | 25,717 | 9.0% | 35,496 | 10.4% | 13.3% |
| Total | 284,528 | 100.0% | 340,853 | 100.0% | 100.0% |

Source: Medstat, Thomson Reuters



Demographic Snapshot (Continued)

| Race/Ethnicity Distribution | | | |
|----------------------------------|----------------|---------------|----------------|
| | 2011 Pop | % TTL | USA % of Total |
| White Non-Hispanic | 202,529 | 71.2% | 64.2% |
| Black Non-Hispanic | 19,077 | 6.7% | 12.1% |
| Hispanic | 46,676 | 16.4% | 16.1% |
| Asian & Pacific Is. Non-Hispanic | 9,205 | 3.2% | 4.6% |
| All Others | 7,041 | 2.5% | 3.0% |
| Total | 284,528 | 100.0% | 100.0% |

| Education Level Distribution | | | |
|------------------------------|----------------|---------------|----------------|
| | Pop Age 25+ | % TTL | USA % of Total |
| Less than High School | 9,058 | 5.2% | 6.3% |
| Some High School | 9,771 | 5.6% | 8.8% |
| High School Degree | 35,861 | 20.4% | 28.9% |
| Some College/Assoc. Degree | 51,894 | 26.5% | 28.3% |
| Bachelor's Degree or Greater | 69,281 | 38.4% | 27.7% |
| Total | 175,865 | 100.0% | 100.0% |

| Household Income Distribution | | | |
|-------------------------------|---------------|---------------|----------------|
| | HH Count | % TTL | USA % of Total |
| <\$15K | 5,221 | 5.5% | 12.9% |
| \$15-25K | 5,185 | 5.4% | 10.8% |
| \$25-50K | 17,146 | 17.9% | 28.6% |
| \$50-75K | 18,156 | 19.0% | 19.5% |
| \$75-100K | 15,694 | 16.4% | 11.9% |
| Over \$100K | 34,137 | 35.7% | 18.3% |
| Total | 95,539 | 100.0% | 100.0% |

Source: Medstat, Thomson Reuters



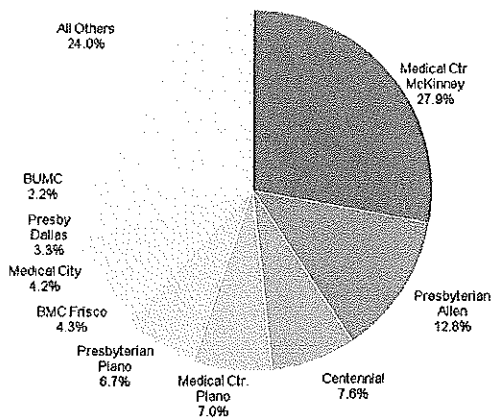
Market Demographics Key Observations/Questions

- Population growth for Baylor McKinney is expected to increase by 19.8% over the next five years; national average is 4%.
- Average HH income is \$99,000, well above the national average of \$67,500. In fact, 36% of all households have an average HH income of over \$100,000.
- Race/Ethnic distributions show that the TSA consists primarily of White Non-Hispanics (71%) followed by Hispanics (16%), Blacks (7 %) and Asians (3%).
- TSA education levels are higher than national averages. Moreover, 40% of all individuals hold a Bachelor's degree or higher.
- Overall health is average. While healthy eating habits are mixed, individuals in this TSA tend to exercise more and smoke less.

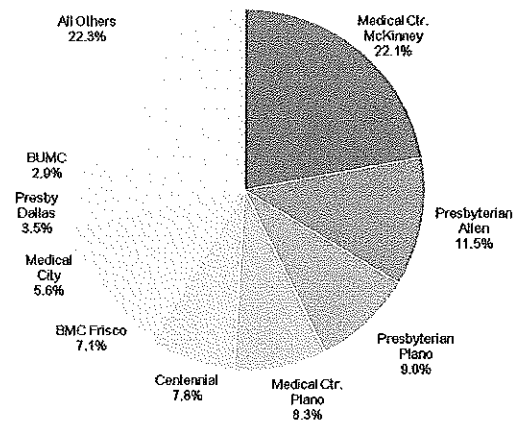
Facility and System Market Share

Total Service Area: Facility Market Share

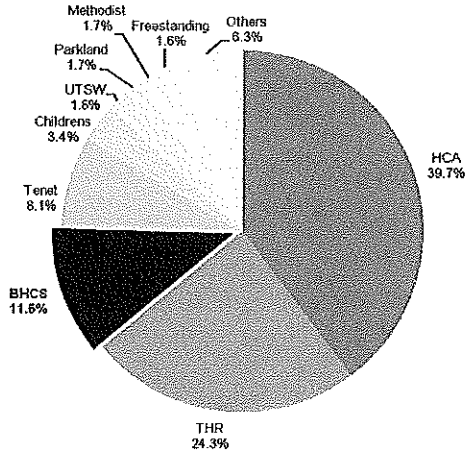
CY2010 Inpatient Market Share
20,348 Patients



CY2010 Insured Inpatient Market Share
10,419 Patients



CY2010 Inpatient Market Share
20,348 Patients



CY2010 Insured Inpatient Market Share
10,419 Patients

