

HEALTHSOUTH CORP  
Form 8-K  
January 23, 2008

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (date of earliest event reported): January 23, 2008**

**HealthSouth Corporation**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**001-10315**  
(Commission File Number)

**63-0860407**  
(I.R.S. Employer  
Identification No.)

**One HealthSouth Parkway, Birmingham, Alabama 35243**

(Address of Principal Executive Officers, Including Zip Code)

**(205) 967-7116**

(Registrant's telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.**

On January 23, 2008, HealthSouth Corporation, a Delaware corporation (the Company), entered into an agreement (the Agreement) with Daniel Corporation, a Birmingham, Alabama-based full-service real estate organization (the Buyer), pursuant to which the Buyer will acquire the Company's corporate campus for a purchase price of \$43.5 million in cash. The corporate campus is located in Birmingham, Alabama and consists of a 200,000 square-foot corporate headquarters building, the 85-acre corporate campus on which the headquarters sits, and a contiguous 19-acre tract of land that includes an incomplete 13-story building formerly called the Digital Hospital. As part of the Agreement, the Company will retain a 40% residual interest in the Digital Hospital. The transaction is scheduled to close by the end of the first quarter of 2008. Proceeds from this transaction will be used to pay down a portion of the Company's long-term debt.

On January 23, 2008, the Company also issued a press release, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference, announcing that the Company has entered into the Agreement referenced herein.

**Forward-Looking Statements**

Certain statements made in this Current Report on Form 8-K are forward looking, reflect the Company's current intent, belief or expectations, and involve certain risks and uncertainties. These forward-looking statements include, but are not limited to, statements regarding the likelihood and timing of the closing of the transaction contemplated by the Agreement. The Company's actual future results may not meet the Company's expectations. In addition to those factors identified in the Company's Annual Report on Form 10-K for the year ended December 31, 2006 and other filings with the SEC, factors that may cause future results to differ materially from the Company's current expectations include, but are not limited to, the possibility that the Company's sale of its corporate campus will not close and the risk of a significant adjustment to the purchase price. The Company undertakes no obligation to publicly update any forward-looking statements whether as a result of new information, future events, or otherwise.

**ITEM 9.01. Financial Statements and Exhibits.**

(d) Exhibits.  
See Exhibit Index

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

HEALTHSOUTH CORPORATION

By: /s/ John P. Whittington  
Name: John P. Whittington  
Title: Executive Vice President, General Counsel, and Corporate Secretary

Dated: January 23, 2008

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**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release of HealthSouth Corporation dated January 23, 2008.