



# Financial Supplement

First Quarter 2024



# Disclaimers

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This supplement contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and statements regarding the following: future financial and financing plans; strategies related to the Company's business and its portfolio, including acquisition opportunities and disposition plans; growth prospects, operating and financial performance, expectations regarding the making of distributions, payment of dividends, and the performance of our operators and their respective facilities.

Words such as "anticipate," "believe," "could," "expect," "estimate," "intend," "may," "plan," "seek," "should," "will," "would," and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements, though not all forward-looking statements contain these identifying words. Our forward-looking statements are based on our current expectations and beliefs, and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying these forward-looking statements are reasonable, they are not guarantees and we can give no assurance that our expectations will be attained. Factors which could have a material adverse effect on our operations and future prospects or which could cause actual results to differ materially from expectations include, but are not limited to: (i) the ability and willingness of our tenants to meet and/or perform their obligations under the triple-net leases we have entered into with them, including, without limitation, their respective obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities; (ii) the risk that we may have to incur additional impairment charges related to our assets held for sale if we are unable to sell such assets at the prices we expect; (iii) the impact of healthcare reform legislation, including minimum staffing level requirements, on the operating results and financial conditions of our tenants; (iv) the ability of our tenants to comply with applicable laws, rules and regulations in the operation of the properties we lease to them; (v) the ability and willingness of our tenants to renew their leases with us upon their expiration, and the ability to reposition our properties on the same or better terms in the event of

nonrenewal or in the event we replace an existing tenant, as well as any obligations, including indemnification obligations, we may incur in connection with the replacement of an existing tenant; (vi) the availability of and the ability to identify (a) tenants who meet our credit and operating standards, and (b) suitable acquisition opportunities, and the ability to acquire and lease the respective properties to such tenants on favorable terms; (vii) the ability to generate sufficient cash flows to service our outstanding indebtedness; (viii) access to debt and equity capital markets; (ix) fluctuating interest rates; (x) the impact of public health crises, including significant COVID-19 outbreaks as well as other pandemics or epidemics; (xi) the ability to retain our key management personnel; (xii) the ability to maintain our status as a real estate investment trust ("REIT"); (xiii) changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; (xiv) other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and (xv) any additional factors included in our Annual Report on Form 10-K for the year ended December 31, 2023 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, including in the sections entitled "Risk Factors" in Item 1A of such reports, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the Securities and Exchange Commission (the "SEC").

This supplement contains certain non-GAAP financial information relating to CareTrust REIT including EBITDA, Normalized EBITDA, FFO, Normalized FFO, FAD, Normalized FAD, and certain related ratios. Explanatory footnotes and a glossary explaining this non-GAAP information are included in this supplement. Reconciliations of these non-GAAP measures are also included in this supplement or on our website. See "Financials and Filings – Quarterly Results" on the Investors section of our website at [investor.caretrustreit.com](http://investor.caretrustreit.com). Non-GAAP financial information does not represent financial performance under GAAP and should not be considered in isolation, as a measure of liquidity, as an alternative to net income, or as an indicator of any other performance measure determined in accordance with GAAP. You should not rely on non-GAAP financial information as a substitute for GAAP financial information, and should recognize

that non-GAAP information presented herein may not compare to similarly-termed non-GAAP information of other companies (i.e., because they do not use the same definitions for determining any such non-GAAP information).

This supplement also includes certain information regarding operators of our properties (such as EBITDARM Coverage, EBITDAR Coverage, and Occupancy), most of which are not subject to audit or SEC reporting requirements. The operator information provided in this supplement has been provided by the operators. We have not independently verified this information, but have no reason to believe that such information is inaccurate in any material respect. We are providing this information for informational purposes only. The Ensign Group, Inc. ("Ensign"), The Pennant Group, Inc. ("Pennant") and PACS Group, Inc. ("PACS") are subject to the registration and reporting requirements of the SEC and are required to file with the SEC annual reports containing audited financial information and quarterly reports containing unaudited financial information. Ensign's, Pennant's and PACS' financial statements, as filed with the SEC, can be found at the SEC's website at [www.sec.gov](http://www.sec.gov).

This supplement provides information about our financial results as of and for the quarter ended March 31, 2024 and is provided as of the date hereof, unless specifically stated otherwise. We expressly disclaim any obligation to update or revise any information in this supplement (including forward-looking statements), whether to reflect any change in our expectations, any change in events, conditions or circumstances, or otherwise.

As used in this supplement, unless the context requires otherwise, references to "CTRE," "CareTrust," "CareTrust REIT" or the "Company" refer to CareTrust REIT, Inc. and its consolidated subsidiaries. GAAP refers to generally accepted accounting principles in the United States of America.

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Bayshire Carlsbad (Carlsbad, CA)

## CONTACT INFORMATION

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# Company Profile

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CareTrust REIT is a self-administered, publicly-traded real estate investment trust engaged in the ownership, acquisition, development and leasing of seniors housing and healthcare-related properties. CareTrust REIT generates revenues primarily by leasing properties to a diverse group of local, regional and national seniors housing operators, healthcare services providers, and other healthcare-related businesses.

Since its debut as a standalone public company on June 1, 2014, and as of March 31, 2024, CareTrust REIT has expanded its tenant roster to 23 operators, and has grown its real estate portfolio to 211 net-leased healthcare properties across 26 states, consisting of 22,925 operating beds/units, excluding 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational. As of March 31, 2024, CareTrust REIT also had 12 other real estate related investments related to 62 healthcare properties across 6 states, consisting of 7,323 operating beds/units.

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## MANAGEMENT

Dave Sedgwick – Chief Executive Officer  
Bill Wagner - Chief Financial Officer  
James Callister - Chief Investment Officer

## BOARD OF DIRECTORS

Diana Laing - Chair  
Anne Olson  
Spencer Plumb  
Dave Sedgwick  
Careina Williams

## EQUITY ANALYST COVERAGE\*

Baird - Wes Golladay | (216) 737-7510  
BMO Capital Markets - Juan Sanabria | (312) 845-4074  
Deutsche Bank - Omotayo Okusanya | (212) 250-9284  
Jefferies - Joe Dickstein | (212) 778-8771  
KeyBanc Capital Markets - Austin Wurschmidt | (917) 368-2311  
Raymond James - Jonathan Hughes | (727) 567-2438  
RBC Capital Markets - Michael Carroll | (440) 715-2649  
Wells Fargo - Connor Siversky | (646) 949-9037

\* This information is provided as of May 2, 2024. This list may be incomplete and is subject to change as firms initiate or discontinue coverage of CareTrust. Please note that any opinions, estimates, or forecasts regarding our historical or predicted performance made by these analysts are theirs alone and do not represent opinions, estimates, or forecasts of CareTrust or our management. CareTrust does not by our reference or distribution of the information above imply our endorsement of or concurrence with any opinions, estimates, or forecasts of these analysts. Interested persons may obtain copies of analysts' reports on their own as we do not distribute these reports. Several of these firms may, from time to time, own our stock and/or hold other long or short positions in our stock and may provide compensated services to us.



# Snapshot

## CARETRUST REIT, INC.

NYSE: CTRE

### Market Data (as of March 31, 2024)

- Closing Price: \$24.37
- 52 Week Range: \$24.57 – \$18.18
- Market Cap: \$3,462M
- Enterprise Value: \$3,610M
- Outstanding Shares: 142.043M

### Credit Ratings

#### S&P

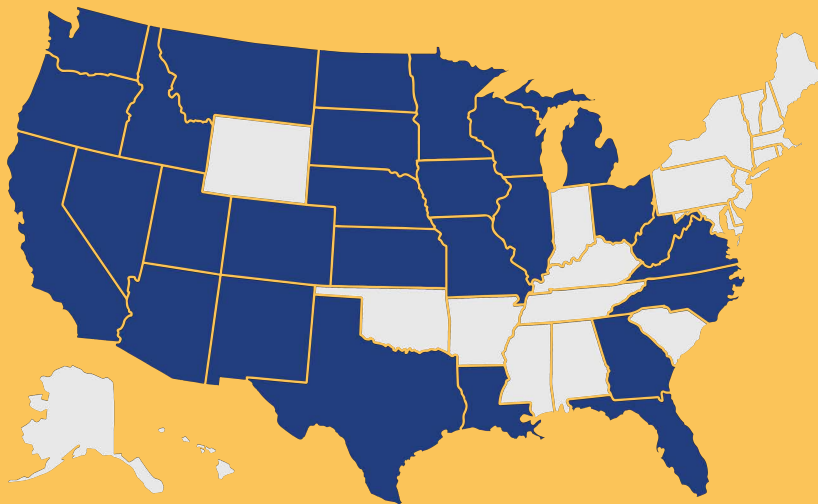
- Corporate Rating: BB (positive)
- Senior Unsecured Notes: BB+

#### Fitch

- Corporate Rating: BB+ (stable)
- Senior Unsecured Notes: BB+

#### Moody's

- Corporate Rating: Ba2 (stable)
- Senior Unsecured Notes: Ba2



**\$2,279M**  
INVESTMENTS

**273**  
PROPERTIES

**30,248**  
OPERATING  
BEDS/UNITS

**29**  
OPERATORS

**28**  
STATES

Note: Portfolio amounts presented above are as of March 31, 2024 and include other real estate related investments. Portfolio amounts exclude 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational.  
General Note: Totals may not add due to rounding.



# Investments (dollars in thousands)

Date	Operator	Property Type	Location	Facilities	Initial Investment <sup>[1]</sup>	Initial Operating Beds/Units <sup>[2]</sup>	Rent/Interest <sup>[3]</sup>	Yield <sup>[4]</sup>
6/1/2014	The Ensign Group	ALF, SNF, Campus	Various	94	\$ 501,673	10,053	\$ 56,000	N/A
2014 Investments				6	33,609	157	3,076	9.2 %
2015 Investments				20	233,028	1,840	22,263	9.6 %
2016 Investments				35	288,023	2,800	26,084	9.1 %
2017 Investments				36	309,805	3,324	28,000	9.0 %
2018 Investments				12	111,950	1,103	9,955	8.9 %
2019 Investments				27	340,884	3,348	30,168	8.8 %
2020 Investments				17	105,267	961	9,398	8.9 %
2021 Investments				10	196,576	1,247	13,103	7.7 %
2022 Investments				29	169,163	3,351	15,213	9.0 %
2023 Investments				24	288,141	2,437	28,311	9.8 %
01/03/2024	Oxford Health Group	ALF	CA	1	11,036	86	1,022	9.3 % <sup>[6]</sup>
01/25/2024	Mezzanine Loan	SNF	MO	10	9,800	1,397	1,372	14.0 %
02/01/2024	Mezzanine Loan	SNF	CA	1	7,365	130	847	11.5 %
02/02/2024	Mezzanine Loan	SNF	VA	15	35,000	1,675	4,900	14.0 %
03/05/2024	PACS	SNF / Campus	MO, TX	3	55,588	234	5,003	9.0 %
04/01/2024	Bayshire	Campus	CA	2	28,755	316	3,060	10.6 % <sup>[7]</sup>
04/01/2024	Bayshire	Campus	CA	1	32,312	159	2,964	9.2 % <sup>[8]</sup>
05/01/2024	Mortgage Loan	SNF	TN	2	26,675	271	2,427	9.1 % <sup>[9]</sup>
2024 Investments				35	206,531	4,268	21,595	10.5 %
Average annual investments (2015-2023) <sup>[5]</sup>				23	225,049	1,999	20,351	9.0 %

[1] Initial Investment for properties acquired in connection with the Company becoming public represents Ensign's and Pennant's gross book value. Initial Investment for properties acquired since inception as a public company represents CareTrust REIT's purchase price and transaction costs and includes commitments for capital expenditures that are not rent producing.

[2] Initial Operating Beds/Units as of the acquisition date.

[3] Rent represents the initial annualized acquisition-date cash rent, deferred interest income on any preferred equity investments and interest income on any mortgage loans receivable, secured loans receivable and mezzanine loans, unless otherwise noted. Rent excludes ground lease income.

[4] Yield represents Rent or Interest divided by Initial Investment and excludes properties not under a long-term master lease.

[5] All amounts, except as otherwise indicated, include any preferred equity investments, mortgage loans receivable and mezzanine loans receivable.

[6] We contributed \$10.8 million to a \$11.0 million JV for the purchase of one ALF. The initial yield to CareTrust REIT is 9.3%.

[7] We contributed \$28.0 million to a \$28.8 million JV for the purchase of two Campuses. The initial yield to CareTrust REIT is 9.1%, with annual increases to base rent and to CareTrust's preferred rate of return increasing CareTrust's yield to 9.7% and 10.2% in years 2 and 3, respectively. The Bayshire master lease provides for annual fixed increases from \$2.7 million in year one, to \$2.9 million in year two and \$3.1 million in year three, with fixed 2% annual escalators thereafter. The master lease provides for deferred rent in the first year of approximately \$0.8 million to be repaid over 18 months beginning January 2025.

[8] The lease provides for annual fixed increases from \$2.6 million in year one (8.2% yield) to \$3.0 million in year two (9.2% yield) with CPI-based annual escalators thereafter.

[9] The mortgage loan provides for a purchase option. The first option period opens May 1, 2027 for three months, with two additional three month option windows. The purchase option price for the facilities will be calculated by dividing the amount of the then annual base rent by an agreed upon lease yield.



# Portfolio Repositioning (dollars in thousands)

(As of May 1, 2024)

Retained Facilities						
Type	# of Properties	Property Type	# of Beds	Year 1 Contractual Rent	Estimated Rent Commencement	
Re-Tenant	2	ALF	98	—	Q2 2025 <sup>[1]</sup>	
Re-Tenant/Conversion	1	ALF	80	621 <sup>[2]</sup>	Q4 2024	
Re-Tenant/Conversion	1	ALF	120	—	TBD	
	4		298	\$ 621		

On the Market						
Status	# of Properties	Property Type	# of Beds	2024 Collected Rent <sup>[3]</sup>	Estimated Net Proceeds	
PSA	11	SNF	721	\$ 2,004	\$	10,885
Marketing	1	ALF	135	—		1,818
Marketing	1	SNF	110	—		—
	13		966	\$ 2,004	\$	12,703

Notes:

[1] Estimated Rent Commencement date based on final Change Of Ownership approval and final licensing, estimated in Q2 2024. Annual cash rent under the new lease is approximately \$1.0 million beginning on the first day of the second lease year.

[2] Contractual Rent based on year 1 rent under new Master Lease.

[3] As of March 31, 2024.



# Top 10 Tenants Lease Coverage

	Twelve Months Ended September 30, 2023		Twelve Months Ended December 31, 2023	
	EBITDAR Coverage <sup>[1]</sup>	EBITDARM Coverage <sup>[1]</sup>	EBITDAR Coverage <sup>[1]</sup>	EBITDARM Coverage <sup>[1]</sup>
1 The Ensign Group	3.28x	4.14x	3.28x	4.14x
2 Priority Management Group	1.40x	1.70x	1.24x	1.54x
3 PACS Group	2.72x	3.32x	2.73x	3.33x
4 Cascadia Healthcare	1.69x	2.18x	1.81x	2.30x
5 Covenant Care	1.73x	2.43x	1.81x	2.52x
6 Bayshire Senior Communities <sup>[2]</sup>	1.46x	1.91x	1.48x	1.93x
7 The Pennant Group	0.78x	0.98x	0.84x	1.04x
8 Eduro Healthcare, LLC <sup>[3]</sup>	1.04x	1.50x	1.02x	1.48x
9 Links Healthcare Group <sup>[4]</sup>	—	—	—	—
10 WLC Management	1.68x	2.16x	1.26x	1.72x
<b>Total Top 10 Tenants</b>	<b>2.29x</b>	<b>2.91x</b>	<b>2.26x</b>	<b>2.88x</b>
<b>All Other Tenants</b>	<b>1.43x</b>	<b>1.86x</b>	<b>1.38x</b>	<b>1.81x</b>
<b>Total</b>	<b>2.21x</b>	<b>2.81x</b>	<b>2.18x</b>	<b>2.78x</b>

Notes:

[1] EBITDAR Coverage and EBITDARM Coverage are based on financial information provided by our tenants. We have not independently verified this information, but have no reason to believe that such information is inaccurate in any material respect. Coverage metrics are based on contractual cash rents in place during the period presented unless a lease has been entered into or amended since the end of the period, in which case the current contractual rent is used.

[2] Coverage metrics exclude Employee Retention Tax Credits recognized in December 2023, which would have raised EBITDAR coverage to 2.25x. No coverage metrics are provided for the facility transferred to Bayshire April 1, 2024.

[3] Coverage metrics are recast as a result of the transfer of two facilities from Eduro to Ensign in March 2024.

[4] No coverage metrics are provided as the facilities are pre-stabilized.

See "Glossary" for additional information.



# Portfolio Performance

(dollars in thousands)

		As of March 31, 2024					
Asset Type	Facilities	Operating Beds/Units	Investment <sup>[1]</sup>	% of Total Investment	Rent / Interest <sup>[2],[3]</sup>	% of Total Rent / Interest	Current Yield
<b>Investment in Real Estate Properties</b>							
Skilled Nursing	152	16,658	\$ 1,446,148	63.5 %	\$ 150,334	64.7 %	10.4 %
Multi-Service Campus	26	3,687	405,838	17.8 %	36,509	15.7 %	9.0 %
Seniors Housing	33	2,580	184,666	8.1 %	20,616	8.9 %	11.2 %
<b>Total Net-Leased Assets<sup>[4]</sup></b>	<b>211</b>	<b>22,925</b>	<b>\$ 2,036,652</b>		<b>\$ 207,459</b>		<b>10.2 %</b>
<b>Other Real Estate Related Investments</b>	<b>62</b>	<b>7,323</b>	<b>242,144</b>	<b>10.6 %</b>	<b>25,062</b>	<b>10.8 %</b>	<b>10.4 %</b>
<b>Total Other Real Estate Related Investments</b>	<b>62</b>	<b>7,323</b>	<b>\$ 242,144</b>		<b>\$ 25,062</b>		<b>10.4 %</b>
<b>Total Investments</b>	<b>273</b>	<b>30,248</b>	<b>\$ 2,278,796</b>		<b>\$ 232,521</b>		<b>10.2 %</b>

		As of December 31, 2023					
Asset Type	Facilities	Operating Beds/Units	Investment <sup>[1]</sup>	% of Total Investment	Rent <sup>[5]</sup>	% of Total Rent	Current Yield
Skilled Nursing	150	16,535	\$ 1,407,774	71.5 %	\$ 147,363	73.0 %	10.5 %
Multi-Service Campus	25	3,593	388,582	19.7 %	34,822	17.3 %	9.0 %
Seniors Housing	32	2,497	173,560	8.8 %	19,554	9.7 %	11.3 %
<b>Total Net-Leased Assets<sup>[6]</sup></b>	<b>207</b>	<b>22,625</b>	<b>\$ 1,969,916</b>	<b>100.0 %</b>	<b>\$ 201,739</b>	<b>100.0 %</b>	<b>10.2 %</b>

		As of March 31, 2023					
Asset Type	Facilities	Operating Beds/Units	Investment <sup>[1]</sup>	% of Total Investment	Rent <sup>[5]</sup>	% of Total Rent	Current Yield
Skilled Nursing	153	16,134	\$ 1,294,652	72.3 %	\$ 136,419	74.0 %	10.5 %
Multi-Service Campus	24	3,464	363,306	20.3 %	32,204	17.5 %	8.9 %
Seniors Housing	28	2,235	132,912	7.4 %	15,665	8.5 %	11.8 %
<b>Total Net-Leased Assets<sup>[7]</sup></b>	<b>205</b>	<b>21,833</b>	<b>\$ 1,790,870</b>	<b>100.0 %</b>	<b>\$ 184,288</b>	<b>100.0 %</b>	<b>10.3 %</b>

Notes:

[1] Initial Investment for properties acquired in connection with the Company becoming public represents Ensign's and Pennant's gross book value. Initial Investment for properties acquired since inception as a public company represents CareTrust REIT's purchase price and transaction costs and includes commitments for capital expenditures that are not rent producing and impairment charges.

[2] Rent represents March 2024 contractual cash rent, annualized, and presented at 100% share for consolidated entities, and excludes ground lease income, if applicable. Additionally, if an existing lease was amended or restructured subsequent to March 31, 2024 but prior to our filing date for the respective period, the initial or amended contractual cash rent is used.

[3] Includes annualized interest from other real estate related loans and preferred equity investments.

[4] All amounts exclude 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational.

[5] Rent represents the respective periods contractual cash rent, annualized, and presented at 100% share for consolidated entities, and excludes ground lease income and the impact of any rent abatement for recent acquisitions, if applicable. Additionally, if an existing lease was amended or restructured subsequent to the period, but prior to our filing date for the respective period, the initial or amended contractual cash rent is used.

[6] All amounts exclude our eight secured loans receivable, one mezzanine loan receivable and one preferred equity investment as of December 31, 2023. Additionally, amounts exclude 14 properties classified as held for sale as of December 31, 2023, two facilities which are in the process of being repurposed and three that are non-operational.

[7] All amounts exclude our three secured loans receivable and one mezzanine loan receivable as of March 31, 2023. Additionally, amounts exclude six properties classified as held for sale as of March 31, 2023, two facilities which are or were in the process of being repurposed and two that are non-operational as of such date.



# Rent Diversification by Tenant

(dollars in thousands)

	As of March 31, 2024 <sup>[1]</sup>			
	Net Leased Assets	Operating Beds/Units	Rent <sup>[2]</sup>	% of Total Rent
1 The Ensign Group	100	10,682	\$ 69,956	33.7 %
2 Priority Management Group	15	2,144	31,142	15.0 %
3 PACS Group	10	1,228	16,258	7.8 %
4 Cascadia Healthcare	12	1,053	12,765	6.2 %
5 Covenant Care	9	1,133	11,078	5.3 %
<b>Total Top 5 Tenants</b>	<b>146</b>	<b>16,240</b>	<b>\$ 141,199</b>	<b>68.1 %</b>
6 Bayshire Senior Communities <sup>[3]</sup>	6	783	8,236	4.0 %
7 The Pennant Group	10	1,002	8,103	3.9 %
8 Eduro Healthcare, LLC	7	703	7,746	3.7 %
9 Links Healthcare Group	4	486	6,803	3.3 %
10 WLC Management	9	917	6,705	3.2 %
<b>Total Top 10 Tenants</b>	<b>182</b>	<b>20,131</b>	<b>\$ 178,792</b>	<b>86.2 %</b>
<b>All Other Tenants</b>	<b>29</b>	<b>2,794</b>	<b>\$ 28,667</b>	<b>13.8 %</b>
<b>Total</b>	<b>211</b>	<b>22,925</b>	<b>\$ 207,459</b>	<b>100.0 %</b>

Notes:

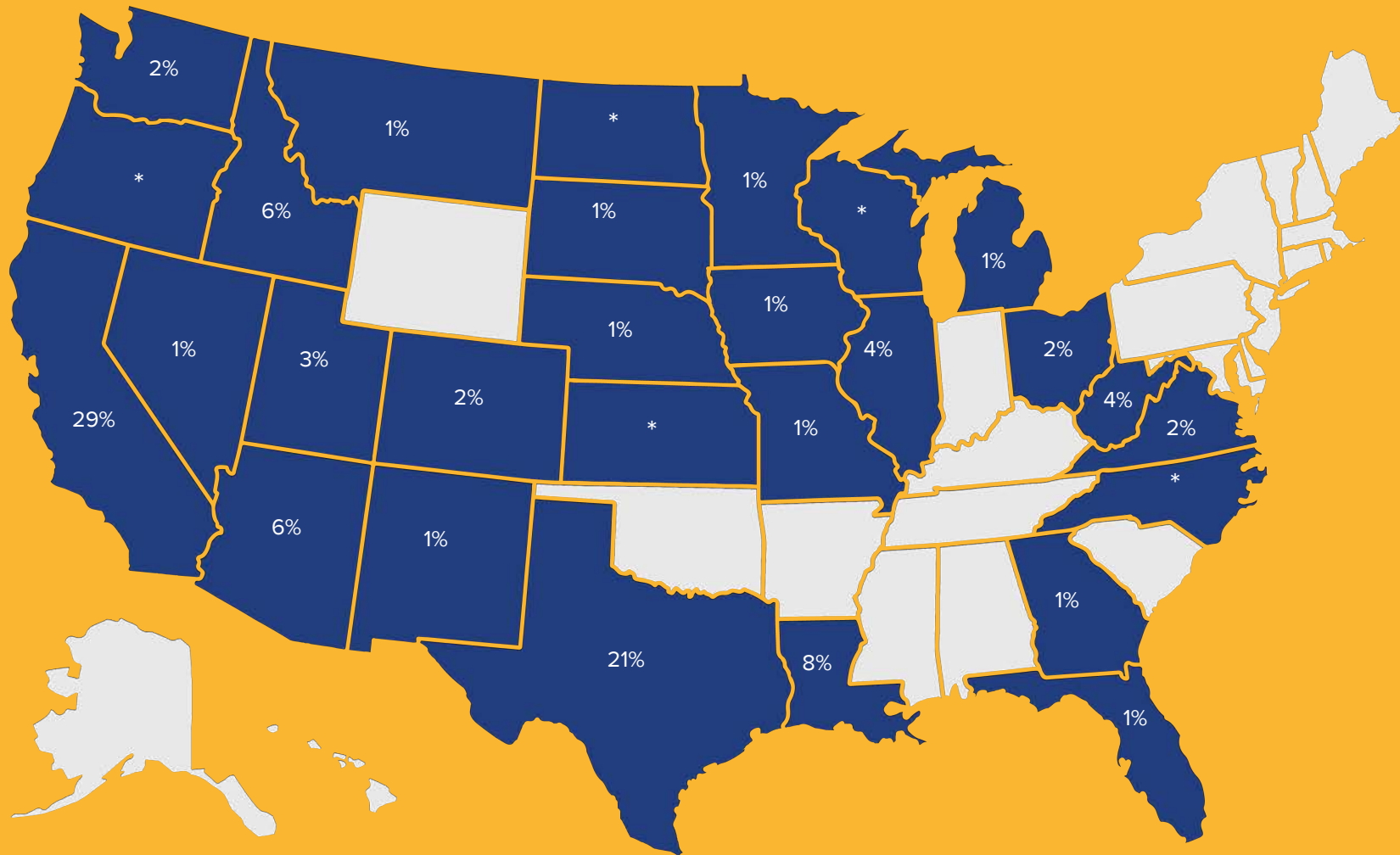
[1] All amounts exclude 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational.

[2] Represents March 2024 contractual cash rent, annualized, and presented at 100% share for consolidated entities, and excludes ground lease income, if applicable. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2024, the initial or amended contractual cash rent is used.

[3] Includes the transfer of one facility, which was previously under a short-term lease, to Bayshire effective April 1, 2024.



# Geographic Diversification (% of run-rate rent and interest)



\* Less than 1%.

Note: Numbers are as of March 31, 2024 and exclude 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational.



# Rent & Interest Diversification by State

(dollars in thousands)		As of March 31, 2024 <sup>[1]</sup>			
Investments by State	Facilities	Operating Beds/Units	Rent/Interest <sup>[2]</sup>	% of Total Rent/ Interest	
1 California	60	7,250	\$ 67,960	29.2 %	
2 Texas	47	6,035	48,107	20.7 %	
3 Louisiana	8	1,164	18,366	7.9 %	
4 Idaho	17	1,474	15,102	6.5 %	
5 Arizona	11	1,347	13,429	5.8 %	
<b>Top 5 States</b>	<b>143</b>	<b>17,270</b>	<b>\$ 162,964</b>	<b>70.1 %</b>	
6 West Virginia	19	1,973	9,926	4.3 %	
7 Illinois	11	1,053	8,415	3.6 %	
8 Utah	13	1,374	7,858	3.4 %	
9 Virginia	15	1,675	4,968	2.1 %	
10 Washington	10	913	4,943	2.1 %	
<b>Top 10 States</b>	<b>211</b>	<b>24,258</b>	<b>\$ 199,074</b>	<b>85.6 %</b>	
<b>All Other States</b>	<b>62</b>	<b>5,990</b>	<b>\$ 33,447</b>	<b>14.4 %</b>	
<b>Total</b>	<b>273</b>	<b>30,248</b>	<b>\$ 232,521</b>	<b>100.0 %</b>	

Notes:

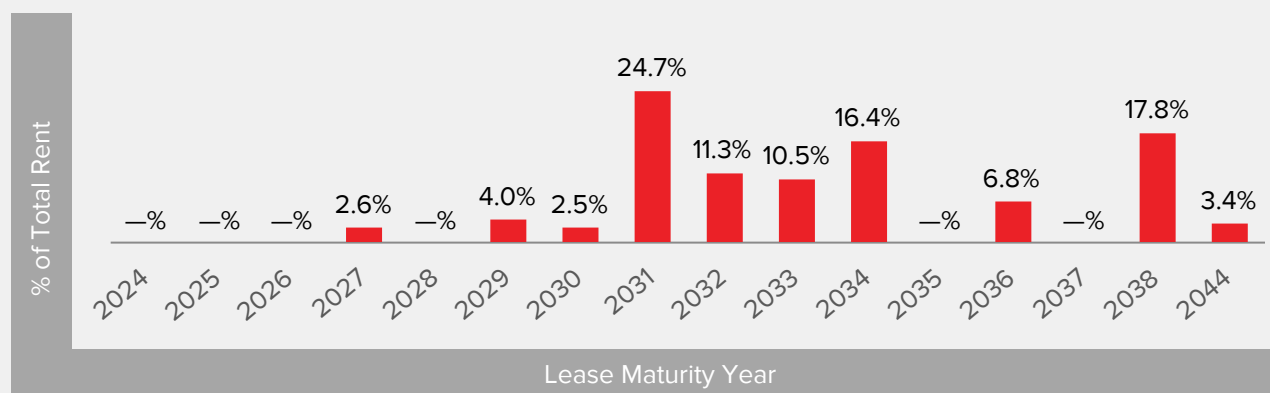
[1] All amounts exclude 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational.

[2] Represents March 2024 contractual cash rent or interest income, annualized, and presented at 100% share for consolidated entities, and excludes ground lease income, if applicable. Additionally, if a lease or loan receivable was entered into, amended or restructured subsequent to March 31, 2024, the initial or amended contractual cash rent or interest is used.



# Lease Maturities

(dollars in thousands)		As of March 31, 2024 <sup>[1]</sup>	
Lease Maturity Year <sup>[2]</sup>		Rent <sup>[3]</sup>	% of Total Rent
2027	\$	5,476	2.6 %
2029		8,358	4.0 %
2030		5,107	2.5 %
2031		51,151	24.7 %
2032		23,505	11.3 %
2033		21,826	10.5 %
2034		34,120	16.4 %
2036		14,209	6.8 %
2038		36,941	17.8 %
2044		6,766	3.4 %
<b>Total</b>	<b>\$</b>	<b>207,459</b>	<b>100.0 %</b>



**Notes:**

[1] All amounts exclude our secured and mezzanine loans receivable and preferred equity investment. Additionally, amounts exclude 13 properties classified as held for sale as of March 31, 2024, two facilities which are in the process of being repurposed and two that are non-operational.

[2] Lease Maturity Year represents the scheduled expiration year of the primary term of the lease and does not include tenant extension options or purchase options, if any.

[3] Rent represents March 2024 contractual cash rent, annualized, and presented at 100% share for consolidated entities, and excludes ground lease income and the impact of any rent abatement for recent acquisitions, if applicable. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2024, the initial or amended contractual cash rent is used.



# Tenant Purchase Options

(dollars in thousands)

As of March 31, 2024<sup>[1]</sup>

Asset Type	Properties	Lease Expiration	Option Period Open Date <sup>[2]</sup>	Option Type <sup>[3]</sup>	Current Cash Rent <sup>[4]</sup>	% of Total Rent <sup>[4]</sup>
SNF	1	March 2029	4/1/2022 <sup>[6]</sup>	A / B <sup>[7]</sup>	832	0.39 %
SNF / Campus	1	October 2032	1/1/2024 <sup>[5]</sup>	A	1,031	0.48 %
SNF	4	November 2034	12/1/2024 <sup>[6]</sup>	A	3,988	1.87 %
SNF / Campus	2	October 2032	11/1/2026 <sup>[5]</sup>	B	3,314 <sup>[8]</sup>	1.50 %
						4.24 %

Notes:

[1] Excludes a purchase option on an 11 building SNF portfolio representing 2.4% of total rent. Tenant is currently not eligible to elect the option.

[2] The Company has not received notice of exercise for the option periods that are currently open.

[3] Option type includes:

A - Fixed base price.

B- Fixed capitalization rate on lease revenue.

[4] Rent represents March 2024 contractual cash rent, annualized at 100% share for consolidated entities, and excludes ground lease income and the impact of any rent abatement for recent acquisitions, if applicable. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2024, the initial or amended contractual cash rent is used.

[5] Option window is only open for six months from the option period open date.

[6] Option window is open until the expiration of the lease term.

[7] Purchase option reflects two option types.

[8] Purchase option provides for purchase of any two of the three facilities. The current cash rent shown is an average of the range of \$3.2 million to \$3.4 million.



# Other Real Estate Investments

(dollars in thousands)

As of March 31, 2024

Mortgage Loans						
Investment	Property Type	Location	Investment	Contractual Interest Rate	Interest	Maturity Date <sup>[1]</sup>
Mortgage loan	SNF	CA	\$ 11,713	10.7 % <sup>[2]</sup>	\$ 1,272	8/1/2025
Mortgage loan	SNF	GA	24,900	9.0 % <sup>[2]</sup>	2,272	9/8/2025
Mortgage loan	ALF	CA	6,300	9.9 %	632	6/1/2026
Mortgage loan	SNF	CA	3,564	12.0 %	434	9/29/2026
Mortgage loan	SNF / Campus	Mid-Atlantic	75,000	8.4 % <sup>[2]</sup>	6,368	6/30/2027
Mortgage loan	SNF	FL	15,727	9.0 %	1,435	8/1/2028
Mortgage loan	SNF Campus / ILF	CA	25,993	9.0 %	2,372	6/29/2033
<b>Total Mortgage Loans</b>			<b>\$ 163,197</b>	<b>9.1 %</b>	<b>\$ 14,785</b>	
Mezzanine Loans						
Investment	Property Type	Location	Investment	Contractual Interest Rate	Interest	Maturity Date <sup>[1]</sup>
Mezzanine loan	SNF	MO	\$ 9,800	14.0 % <sup>[2]</sup>	\$ 1,391	7/25/2027
Mezzanine loan	SNF	VA	35,000	14.0 % <sup>[2]</sup>	4,968	7/31/2027
Mezzanine loan	SNF	CA	7,365	11.5 %	859	1/31/2029
Mezzanine loan	SNF / Campus	Mid-Atlantic	25,000	11.0 %	2,788	6/30/2032
<b>Total Mezzanine Loans</b>			<b>\$ 77,165</b>	<b>13.0 %</b>	<b>\$ 10,006</b>	
Preferred Equity Investment						
Investment	Property Type	Location	Investment	Return Rate	Return	
Preferred Equity	SNF	CA	\$ 1,782	15.0 %	\$ 271	
<b>Total Preferred Equity Investment</b>			<b>\$ 1,782</b>		<b>\$ 271</b>	
<b>Total</b>			<b>\$ 242,144</b>		<b>\$ 25,062</b>	

Notes:

[1] Maturity Date represents the scheduled maturity date of the loan agreement and does not include extension options, purchase options or prepayment options, if any.

[2] Rate is net of subservicing fee.

See "Glossary" for additional information.



# Consolidated Income Statements

(amounts in thousands, except per share data)

	For the Three Months Ended March 31,	
	2024	2023
Revenues:		
Rental income	\$ 53,502	\$ 46,163
Interest and other income	9,568	4,443
Total revenues	<u>63,070</u>	<u>50,606</u>
Expenses:		
Depreciation and amortization	13,448	12,238
Interest expense	8,228	9,827
Property taxes	1,801	880
Impairment of real estate investments	2,744	1,886
Property operating expenses	660	963
General and administrative	6,838	5,061
Total expenses	<u>33,719</u>	<u>30,855</u>
Other (loss) income:		
Gain (loss) on sale of real estate, net	11	(70)
Unrealized loss on other real estate related investments, net	(612)	(454)
Total other (loss) income	<u>(601)</u>	<u>(524)</u>
Net income	28,750	19,227
Net income attributable to noncontrolling interests	4	—
Net income attributable to CareTrust REIT, Inc.	<u>\$ 28,746</u>	<u>\$ 19,227</u>
Earnings available to common stockholders per common share:		
Basic	\$ 0.22	\$ 0.19
Diluted	<u>\$ 0.22</u>	<u>\$ 0.19</u>
Weighted-average number of common shares:		
Basic	<u>132,836</u>	<u>99,063</u>
Diluted	<u>133,202</u>	<u>99,087</u>
Dividends declared per common share	<u>\$ 0.29</u>	<u>\$ 0.28</u>



# Reconciliation of EBITDA, FFO and FAD

(amounts in thousands)	Quarter Ended March 31, 2023	Quarter Ended June 30, 2023	Quarter Ended September 30, 2023	Quarter Ended December 31, 2023	Quarter Ended March 31, 2024
Net income (loss) attributable to CareTrust REIT, Inc.	\$ 19,227	\$ (484)	\$ 8,696	\$ 26,296	\$ 28,746
Depreciation and amortization	12,238	12,716	13,034	13,211	13,448
Interest expense	9,827	11,040	11,750	8,266	8,228
Amortization of stock-based compensation	936	924	1,519	1,774	2,120
EBITDA attributable to CareTrust REIT, Inc.	<u>42,228</u>	<u>24,196</u>	<u>34,999</u>	<u>49,547</u>	<u>52,542</u>
Impairment of real estate investments	1,886	21,392	8,232	4,791	2,744
Property operating expenses	1,134	831	1,416	714	972
Loss (gain) on sale of real estate	70	(2,028)	—	(260)	(11)
Unrealized loss (gain) on other real estate related investments, net	454	2,151	5,251	(1,371)	612
Normalized EBITDA attributable to CareTrust REIT, Inc.	<u>\$ 45,772</u>	<u>\$ 46,542</u>	<u>\$ 49,898</u>	<u>\$ 53,421</u>	<u>\$ 56,859</u>
Net income (loss) attributable to CareTrust REIT, Inc.	\$ 19,227	\$ (484)	\$ 8,696	\$ 26,296	\$ 28,746
Real estate related depreciation and amortization	12,233	12,712	13,028	13,206	13,442
Impairment of real estate investments	1,886	21,392	8,232	4,791	2,744
Loss (gain) on sale of real estate	70	(2,028)	—	(260)	(11)
Funds from Operations (FFO) attributable to CareTrust REIT, Inc.	<u>33,416</u>	<u>31,592</u>	<u>29,956</u>	<u>44,033</u>	<u>44,921</u>
Property operating expenses	1,134	831	1,416	714	972
Unrealized loss (gain) on other real estate related investments, net	454	2,151	5,251	(1,371)	612
Normalized FFO attributable to CareTrust REIT, Inc.	<u>\$ 35,004</u>	<u>\$ 34,574</u>	<u>\$ 36,623</u>	<u>\$ 43,376</u>	<u>\$ 46,505</u>



# Reconciliation of EBITDA, FFO and FAD (continued)

(amounts in thousands, except per share data)	Quarter Ended March 31, 2023	Quarter Ended June 30, 2023	Quarter Ended September 30, 2023	Quarter Ended December 31, 2023	Quarter Ended March 31, 2024
Net income (loss) attributable to CareTrust REIT, Inc.	\$ 19,227	\$ (484)	\$ 8,696	\$ 26,296	\$ 28,746
Real estate related depreciation and amortization	12,233	12,712	13,028	13,206	13,442
Amortization of deferred financing fees	609	608	609	610	614
Amortization of stock-based compensation	936	924	1,519	1,774	2,120
Straight-line rental income	7	7	7	8	7
Amortization of below market leases	—	—	—	(384)	(575)
Impairment of real estate investments	1,886	21,392	8,232	4,791	2,744
Loss (gain) on sale of real estate	70	(2,028)	—	(260)	(11)
Funds Available for Distribution (FAD) attributable to CareTrust REIT, Inc.	34,968	33,131	32,091	46,041	47,087
Property operating expenses	1,134	831	1,416	714	972
Unrealized loss (gain) on other real estate related investments, net	454	2,151	5,251	(1,371)	612
Normalized FAD attributable to CareTrust REIT, Inc.	\$ 36,556	\$ 36,113	\$ 38,758	\$ 45,384	\$ 48,671
FFO per share attributable to CareTrust REIT, Inc.	\$ 0.34	\$ 0.32	\$ 0.29	\$ 0.36	\$ 0.34
Normalized FFO per share attributable to CareTrust REIT, Inc.	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.36	\$ 0.35
FAD per share attributable to CareTrust REIT, Inc.	\$ 0.35	\$ 0.33	\$ 0.31	\$ 0.38	\$ 0.35
Normalized FAD per share attributable to CareTrust REIT, Inc.	\$ 0.37	\$ 0.36	\$ 0.37	\$ 0.37	\$ 0.37
Diluted weighted average shares outstanding [1]	99,195	99,360	104,422	121,854	133,328

[1] For the periods presented, the diluted weighted average shares have been calculated using the treasury stock method. See "Glossary" for additional information.



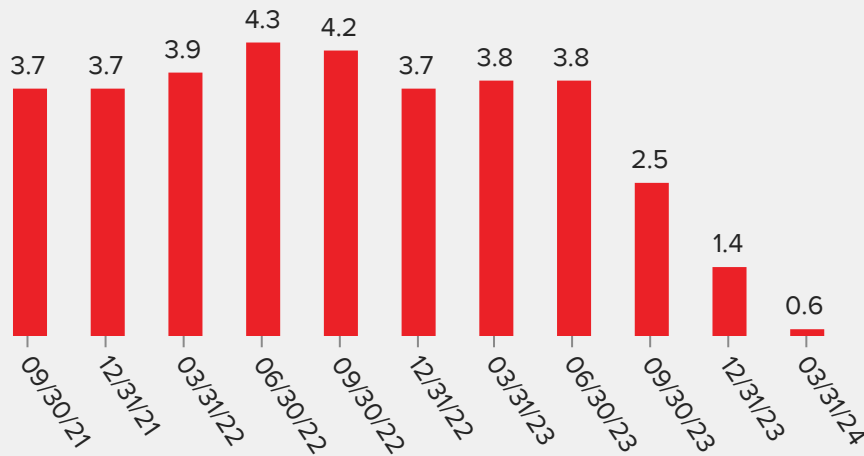
# Consolidated Balance Sheets

(amounts in thousands)	March 31, 2024	December 31, 2023
Assets:		
Real estate investments, net	\$ 1,619,438	\$ 1,567,119
Other real estate related investments	233,346	180,368
Assets held for sale	12,483	15,011
Cash and cash equivalents	451,173	294,448
Accounts and other receivables	402	395
Prepaid expenses and other assets, net	27,749	23,337
Deferred financing costs, net	3,845	4,160
Total assets	\$ 2,348,436	\$ 2,084,838
Liabilities and Equity:		
Senior unsecured notes payable, net	\$ 396,261	\$ 396,039
Senior unsecured term loan, net	199,612	199,559
Accounts payable, accrued liabilities and deferred rent liabilities	35,275	33,992
Dividends payable	41,192	36,531
Total liabilities	672,340	666,121
Equity:		
Common stock	1,417	1,300
Additional paid-in capital	2,152,454	1,883,147
Cumulative distributions in excess of earnings	(480,074)	(467,628)
Total stockholders' equity	1,673,797	1,416,819
Noncontrolling interests	2,299	1,898
Total equity	1,676,096	1,418,717
Total liabilities and equity	\$ 2,348,436	\$ 2,084,838

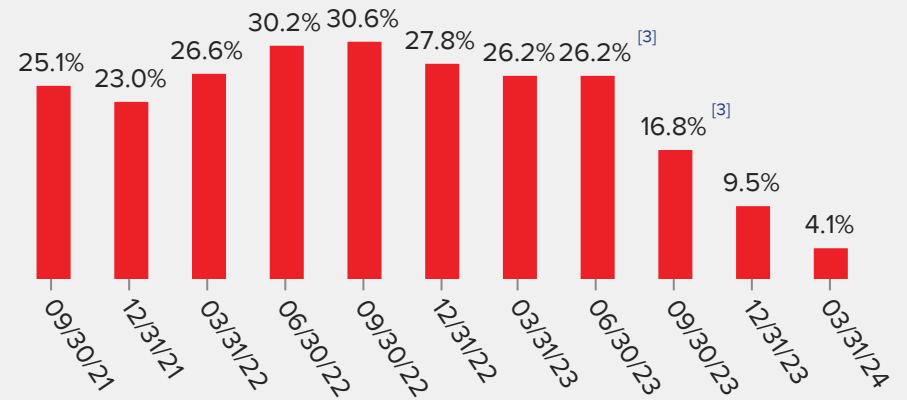


# Key Debt Metrics

## Net Debt to Annualized Normalized Run Rate EBITDA <sup>[1]</sup>



## Net Debt to Enterprise Value <sup>[2]</sup>



**Notes:**

[1] Net Debt to Annualized Normalized Run Rate EBITDA compares net debt as of the last day of the quarter to Annualized Normalized Run Rate EBITDA for the quarter which assumes investments closed during the quarter occurred on the first day of the quarter. Net debt is adjusted to include the net proceeds from future expected settlement of shares sold under equity forward contracts through the Company's ATM program during the applicable quarter. See "Financials – Quarterly Results" on the Investors section of our website at <http://investor.caretrustreit.com> for reconciliations of Normalized EBITDA and Normalized Run Rate EBITDA to the most directly comparable GAAP measure for the periods presented.

[2] Net Debt to Enterprise Value compares net debt as of the last day of the quarter to CareTrust REIT's Enterprise Value as of the last day of the quarter.

[3] Assumes the net proceeds from the future expected settlement of shares sold under equity forward contracts through the Company's ATM program during the quarter reduces outstanding debt and assumes the shares were issued.

See "Glossary" for additional information.



# Debt Summary

(dollars in thousands)

March 31, 2024

Debt	Interest Rate	Maturity Date	Principal	% of Principal	Deferred Loan Costs	Net Carrying Value
<b>Fixed Rate Debt</b>						
Senior unsecured notes payable	3.875 %	2028	\$ 400,000	66.7 %	\$ (3,739)	\$ 396,261
<b>Floating Rate Debt</b>						
Senior unsecured term loan	6.929 % <sup>[1]</sup>	2026	200,000	33.3 %	(388)	199,612
Unsecured revolving credit facility	— % <sup>[2]</sup>	2027 <sup>[3]</sup>	—	— %	— <sup>[4]</sup>	—
	6.929 %		200,000	33.3 %	(388)	199,612
<b>Total Debt</b>	<b>4.893 %</b>		<b>\$ 600,000</b>	<b>100.0 %</b>	<b>\$ (4,127)</b>	<b>\$ 595,873</b>

## Debt Maturity Schedule



Notes:

[1] Funds can be borrowed at applicable SOFR plus 1.50% to 2.20% or at the Base Rate (as defined) plus 0.50% to 1.20%.

[2] Funds can be borrowed at applicable SOFR plus 1.10% to 1.55% or at the Base Rate (as defined) plus 0.10% to 0.55%.

[3] Maturity date does not assume exercise of two, 6-month extension options.

[4] Deferred financing fees are not shown net for the unsecured revolving credit facility and are included in assets on the balance sheet.

[5] Represents the unsecured revolving credit facility if drawn in full and outstanding at maturity.



# Debt Covenants

Covenant	Minimum Requirement	Maximum Requirement	March 31, 2024	
			Actual	Status
<b>Credit Facility Covenants</b>				
Consolidated Leverage Ratio		60 %	19.7 %	In Compliance
Consolidated Fixed Charge Coverage Ratio	1.75x		5.61x	In Compliance
Consolidated Tangible Net Worth (\$ in thousands)	1,635,080		2,125,198	In Compliance
Distribution Limitation		95 %	73 %	In Compliance
Secured Debt Ratio		30 %	— %	In Compliance
Recourse (Secured) Debt Ratio		10 %	— %	In Compliance



# 2024 Guidance Updated

(shares in thousands)	Full Year 2024 Guidance <sup>[1]</sup>	
	Low	High
Net income attributable to CareTrust REIT, Inc.	\$ 1.01	\$ 1.03
Real estate related depreciation and amortization	0.38	0.38
Impairment of real estate investments	0.02	0.02
(Gain) loss on sale of real estate	—	—
Funds from Operations (FFO) attributable to CareTrust REIT, Inc.	1.41	1.43
Property operating expenses	0.01	0.01
Unrealized (gain) loss on other real estate related investments	—	—
Normalized FFO attributable to CareTrust REIT, Inc.	<u>\$ 1.42</u>	<u>\$ 1.44</u>
Net income attributable to CareTrust REIT, Inc.	\$ 1.01	\$ 1.03
Real estate related depreciation and amortization	0.38	0.38
Amortization of deferred financing fees	0.02	0.02
Amortization of stock-based compensation	0.04	0.04
Straight-line rental income	—	—
Amortization of below market lease intangible	(0.02)	(0.02)
Impairment of real estate investments	0.02	0.02
(Gain) loss on sale of real estate	—	—
Funds Available for Distribution (FAD) attributable to CareTrust REIT, Inc.	1.45	1.47
Property operating expenses	0.01	0.01
Unrealized (gain) loss on other real estate related investments	—	—
Normalized FAD attributable to CareTrust REIT, Inc.	<u>\$ 1.46</u>	<u>\$ 1.48</u>
Weighted average shares outstanding:		
Diluted	<u>140,010</u>	<u>140,010</u>

## Notes:

[1] This guidance assumes and includes (i) all investments, dispositions and loan repayments made to date, (ii) no new acquisitions, dispositions, new loans or loan repayments beyond those completed or announced to date, (iii) no new debt incurrences or new equity issuances, (iv) estimated 2.5% CPI-based rent escalators under CareTrust's long-term net leases, and (v) assumes 1.5% - 2% uncollected rents for the year.

See "Glossary" for additional information.



# Equity Capital Transactions

## Follow-On Equity Offering Activity

	2015	2016					2019
		Q1	Q2	Q3	Q4	Total	
Number of Shares (000s)	16,330	—	9,775	—	6,325	16,100	6,641
Public Offering Price per Share	\$ 10.50	\$ —	\$ 11.35	\$ —	\$ 13.35	\$ 12.14 <sup>[1]</sup>	\$ 23.35
Gross Proceeds (000s)	\$ 171,465	\$ —	\$ 110,946	\$ —	\$ 84,439	\$ 195,385	\$ 155,073

## At-the-Market Offering Activity

	2016	2017	2018	2019	2020	2021	2022	2023	2024 <sup>[2]</sup>
									Q1
Number of Shares (000s)	924	10,574	10,265	2,459	—	990	2,405	30,869	11,600
Average Price per Share	\$ 15.31	\$ 16.43	\$ 17.76	\$ 19.48	\$ —	\$ 23.74	\$ 20.00	\$ 20.86	\$ 23.55
Gross Proceeds (000s)	\$ 14,147	\$ 173,760	\$ 182,321	\$ 47,893	\$ —	\$ 23,505	\$ 48,100	\$ 643,802	\$ 273,233

Notes:

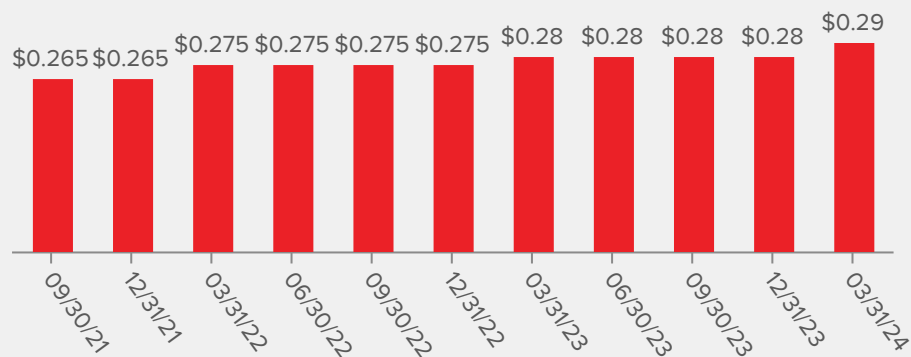
[1] Represents average offering price per share for follow-on equity offerings.

[2] As of March 31, 2024, CareTrust REIT had \$0.9 million available for future issuances under the ATM Program.

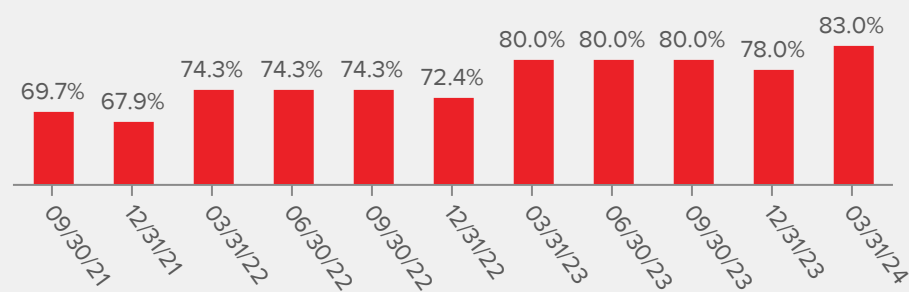


# Other Financial Highlights

Dividend History



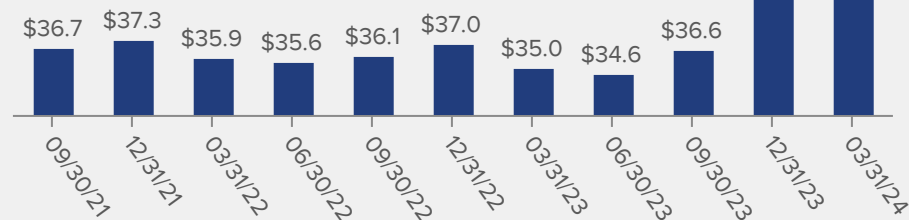
Normalized FFO Payout Ratio <sup>[1][2]</sup>



Normalized FFO per Share <sup>[2]</sup>



Normalized FFO <sup>[2]</sup> (in millions)



Notes:  
 [1] Normalized FFO Payout Ratio represents dividends declared divided by Normalized FFO, in each case for the applicable quarter.  
 [2] See "Financials - Quarterly Results" on the Investors section of our website at <http://investor.caretrustreit.com> for a reconciliation of Normalized FFO and Normalized FFO per Share to the most directly comparable GAAP measure for the periods presented.  
 See Glossary for additional information.



# Glossary

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## **Assisted Living Facilities (“ALFs”)**

Licensed healthcare facilities that provide personal care services, support and housing for those who need help with daily living activities, such as bathing, eating and dressing, yet require limited medical care. The programs and services may include transportation, social activities, exercise and fitness programs, beauty or barber shop access, hobby and craft activities, community excursions, meals in a dining room setting and other activities sought by residents. These facilities are often in apartment-like buildings with private residences ranging from single rooms to large apartments. Certain ALFs may offer higher levels of personal assistance for residents requiring memory care as a result of Alzheimer’s disease or other forms of dementia. Levels of personal assistance are based in part on local regulations.

## **EBITDA**

Net income attributable to CareTrust REIT, Inc. before interest expense, income tax, depreciation and amortization and amortization of stock-based compensation.[1]

## **EBITDAR**

Net income before interest expense, income tax, depreciation, amortization and cash rent, after applying a standardized management fee (5% of facility operating revenues).

## **EBITDAR Coverage**

Aggregate EBITDAR produced by all facilities under a master lease (or other grouping) for the trailing twelve-month period ended December 31, 2023 divided by the base rent payable to CareTrust REIT under such master lease (or other grouping) for the same period; provided that if the master lease has been amended to change the base rent during or since such period, then the aggregate EBITDAR for such period is divided by the annualized monthly base rent currently in effect. "Rent" refers to the total monthly rent and interest due under the Company's lease and mortgage agreements. EBITDAR reflects the application of a standard 5% management fee. In addition, we may exclude from coverage disclosures those facilities which are (i) classified as Held for Sale, (ii) temporarily on Special

Focus Facility (SFF) status, (iii) undergoing significant renovations that necessarily result in a material reduction in occupancy, or (iv) have been acquired for or recently transferred to new operators for turnaround and are pre-stabilized.

## **EBITDARM**

Earnings before interest expense, income tax, depreciation, amortization, cash rent, and a standardized management fee (5% of facility operating revenues).

## **EBITDARM Coverage**

Aggregate EBITDARM produced by all facilities under a master lease (or other grouping) for the trailing twelve-month period ended December 31, 2023 divided by the base rent payable to CareTrust REIT under such master lease (or other grouping) for the same period; provided that if the master lease has been amended to change the base rent during or since such period, then the aggregate EBITDARM for such period is divided by the annualized monthly base rent currently in effect. In addition, we may exclude from coverage disclosures those facilities which are (i) classified as Held for Sale, (ii) temporarily on Special Focus Facility (SFF) status, (iii) undergoing significant renovations that necessarily result in a material reduction in occupancy, or (iv) have been acquired for or recently transferred to new operators for turnaround and are pre-stabilized.

## **Enterprise Value**

Share price multiplied by the number of outstanding shares, including assumed shares issued from the ATM program, plus total outstanding debt minus cash and assumed net proceeds from the ATM program, each as of a specified date.

## **Funds Available for Distribution (“FAD”)**

FFO attributable to CareTrust REIT, Inc, excluding straight-line rental income adjustments, amortization of deferred financing fees, below market lease intangibles and stock-based compensation expense.[2]

## **Funds from Operations (“FFO”)**

Net income attributable to CareTrust REIT, Inc, excluding gains and losses from dispositions of real estate or other real estate, before real estate depreciation and amortization and real estate impairment charges. CareTrust REIT calculates and reports FFO attributable to CareTrust REIT, Inc in accordance with the definition and interpretive guidelines issued by the National Association of Real Estate Investment Trusts.[2]

## **Employee Retention Tax Credit**

The Employee Retention Credit ("ERTC") is a fully refundable tax credit for employers equal to 50 percent of qualified wages (including allocable qualified health plan expenses) that eligible employers pay their employees.

## **Independent Living Facilities (“ILFs”)**

Also known as retirement communities or senior apartments, ILFs are not healthcare facilities. ILFs typically consist of entirely self-contained apartments, complete with their own kitchens, baths and individual living spaces, as well as parking for tenant vehicles. They are most often rented unfurnished, and generally can be personalized by the tenants, typically an individual or a couple over the age of 55. These facilities offer various services and amenities such as laundry, housekeeping, dining options/meal plans, exercise and wellness programs, transportation, social, cultural and recreational activities, and on-site security.

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# Glossary

## **Multi-Service Campus**

Facilities that include a combination of Skilled Nursing beds and Seniors Housing units, including Continuing Care Retirement Communities.

## **Normalized EBITDA**

EBITDA attributable to CareTrust REIT, Inc, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as real estate impairment charges, provision for loan losses, provision for doubtful accounts and lease restructuring, recovery of previously reversed rent, lease termination revenue, property operating expenses, non-routine transaction costs, loss on extinguishment of debt, unrealized gains or losses on other real estate related investments and gains or losses from dispositions of real estate or other real estate.[1]

## **Normalized FAD**

FAD attributable to CareTrust REIT, Inc, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as provision for loan losses, provision for doubtful accounts and lease restructuring, effect of the senior unsecured notes payable redemption, recovery of previously reversed rent, lease termination revenue, non-routine transaction costs, loss on extinguishment of debt, unrealized gains or losses on other real estate related investments and property operating expenses.[2]

## **Normalized FFO**

FFO attributable to CareTrust REIT, Inc, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as provision for loan losses, provision for doubtful accounts and lease restructuring, effect of the senior unsecured notes payable redemption, recovery of previously reversed rent, lease termination revenue, accelerated amortization of stock-based compensation, non-routine transaction costs, loss on extinguishment of debt, unrealized gains or losses on other real estate related investments and property operating expenses.[2]

## **Seniors Housing**

Includes ALFs, ILFs, dedicated memory care facilities and similar facilities.

## **Skilled Nursing or Skilled Nursing Facilities (“SNFs”)**

Licensed healthcare facilities that provide restorative, rehabilitative and nursing care for people not requiring the more extensive and sophisticated treatment available at an acute care hospital or long-term acute care hospital. Treatment programs include physical, occupational, speech, respiratory, ventilator, and wound therapy.

## **Notes:**

[1] EBITDA attributable to CareTrust REIT, Inc and Normalized EBITDA attributable to CareTrust REIT, Inc do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company's liquidity or operating performance. EBITDA attributable to CareTrust REIT, Inc and Normalized EBITDA attributable to CareTrust REIT, Inc do not purport to be indicative of cash available to fund future cash requirements, including the Company's ability to fund capital expenditures or make payments on its indebtedness. Further, the Company's computation of EBITDA attributable to CareTrust REIT, Inc and Normalized EBITDA attributable to CareTrust REIT, Inc may not be comparable to EBITDA and Normalized EBITDA reported by other REITs.

[2] CareTrust REIT believes FAD attributable to CareTrust REIT, Inc, FFO attributable to CareTrust REIT, Inc, Normalized FAD attributable to CareTrust REIT, Inc, and Normalized FFO attributable to CareTrust REIT, Inc (and their related per-share amounts) are important non-GAAP supplemental measures of its operating performance. Because the historical cost accounting convention used for real estate assets requires straight-line depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time, even though real estate values have historically risen or fallen

with market and other conditions. Moreover, by excluding items not indicative of ongoing results, Normalized FAD attributable to CareTrust REIT, Inc and Normalized FFO attributable to CareTrust REIT, Inc can facilitate meaningful comparisons of operating performance between periods and between other companies.

However, FAD attributable to CareTrust REIT, Inc, FFO attributable to CareTrust REIT, Inc, Normalized FAD attributable to CareTrust REIT, Inc, and Normalized FFO attributable to CareTrust REIT, Inc (and their related per-share amounts) do not represent cash flows from operations or net income attributable to shareholders as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company's liquidity or operating performance.





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