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CareTrust REIT Acquires Colorado Skilled Nursing Facility

SAN CLEMENTE, Calif., Feb. 3, 2015 (GLOBE NEWSWIRE) -- CareTrust REIT, Inc. (Nasdaq:CTRE) today announced that it has acquired Bethany Rehabilitation Center, a 170-bed skilled nursing facility in Lakewood, Colorado, for \$17.95 million. In conjunction with the purchase, CareTrust entered into a triple-net lease with Eduro Healthcare, LLC, which took over operations effective February 1, 2015.

"Partnering with CareTrust REIT to acquire Bethany Rehabilitation Center has created a unique and efficient pipeline to growth capital, and also gives us access to CareTrust's extensive expertise and contacts in the skilled nursing world," said Michael Bewsey, Eduro's Managing Partner. "CareTrust and Eduro share a common passion to find dynamic, proven and affordable ways to serve rehabilitation patients," he added.

Eduro Healthcare, LLC is a post-acute provider who operates facilities in Utah and Wisconsin. "We have known and admired the Eduro team for a long time," said Greg Stapley, CareTrust's Chairman and CEO. "They are experienced operators who fit our 'high-quality growth story' model, with a current footprint in the Mountain West and Great Lakes regions, two areas where we can expand together," he noted.

Institutional Property Advisors brokered the transaction. "The transaction was challenging on multiple levels, but the CareTrust team worked closely with the existing owner/operator and IPA to close the deal and ensure a smooth and successful transition to the Eduro team," said Josh Jandris, Senior Director for IPA.

The investment is CareTrust's fifth announced transaction and first skilled nursing acquisition since its June 2014 spinoff from former parent The Ensign Group, Inc. (Nasdaq:ENSG). It provides an initial cash yield of 9.65% on EBITDAR lease coverage of 1.30x, producing initial annual lease revenue of \$1.7 million. The lease has an initial term of 15 years with two five-year extensions and CPI-based rent escalators.

About Eduro Healthcare LLC

Eduro Healthcare, LLC is a privately-held post-acute care provider, subsidiaries of which operate skilled nursing facilities in Utah and Wisconsin. Eduro also owns home health and hospice companies in Utah, Wisconsin and California. More information about Eduro is available at www.edurohc.com.

About CareTrust REIT™

CareTrust REIT, Inc. is a real estate investment company that is engaged in the ownership, acquisition and leasing of seniors housing and healthcare-related properties. CareTrust is organized and conducts its operations to qualify as a REIT for U.S. federal income tax purposes. With 100 net-leased healthcare properties and three operated seniors housing properties in twelve states, CareTrust is pursuing opportunities nationwide to acquire additional properties that will be leased to a diverse group of local, regional and national seniors housing operators, healthcare services providers, and other healthcare-related businesses. More information about CareTrust is available at www.caretrustreit.com.

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