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## CareTrust REIT Makes Preferred Equity Investment

SAN CLEMENTE, Calif., Aug. 11, 2016 (GLOBE NEWSWIRE) -- CareTrust REIT, Inc. (NASDAQ:CTRE) today announced that it completed a \$2.2 million preferred equity investment with a development affiliate of existing CareTrust tenant Cascadia Healthcare, LLC. Cascadia will use the preferred equity funds to construct a new 99-bed transitional rehabilitation facility in Nampa, Idaho, just a block away from Nampa's 152-bed Saint Alphonsus Medical Center. The preferred equity arrangement is the first of three such development investments anticipated with Cascadia, and includes a purchase option that will allow CareTrust to own the newly completed facility upon stabilization.

"This project responds to a longstanding community need in Nampa with a state-of-the-art facility that will provide a template for the future of post-acute care in Idaho," said Matt Smith, a well-known local developer and one of Cascadia's founding principals. Owen Hammond, a post-acute care industry veteran and another of Cascadia's founding principals, added, "CareTrust's extensive operating experience makes them unique among capital providers in their ability to understand our ambitions and needs, and we are pleased to have them as a financing partner."

Standing on the development site in Nampa, Mark Lamb, CareTrust's Director of Investments, said, "The Cascadia team has continued to impress us in their operation of our recently-acquired Boise facility," referring to Shaw Mountain of Cascadia, a nearby CareTrust property operated by another Cascadia affiliate. "With their long and deep development and operating experience, we are confident in their ability to successfully launch this new Nampa facility," he added.

The approximately 52,000 square foot facility commenced construction on Wednesday at a groundbreaking ceremony attended by Nampa Mayor Bob Henry and Idaho Healthcare Association President Mark Maxfield, along with representatives of the medical community and others. The city of Nampa is part of the Boise metropolitan area, and the new facility is slated for completion in mid-2017.

The preferred equity investment delivers a variable annual preferred return of at least 12.0%. With the investment, CareTrust also obtained an option to purchase the facility upon stabilization at a fixed-formula price. If exercised, the facility will be added to CareTrust's existing triple-net master lease with Cascadia at an initial lease yield of at least 9.0%.

### About CareTrust™

CareTrust REIT, Inc. is a self-administered, publicly-traded real estate investment trust engaged in the ownership, acquisition and leasing of seniors housing and healthcare-related properties. With 149 net-leased healthcare properties and three operated seniors housing properties in 20 states, CareTrust is pursuing opportunities nationwide to acquire 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](http://www.caretrustreit.com).

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