



NEWS RELEASE

CareTrust REIT Announces \$62.1 Million Acquisition of Two Skilled Nursing Facilities in Separate Transactions; Pipeline Replenished

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SAN CLEMENTE, Calif.--(BUSINESS WIRE)-- CareTrust REIT, Inc. (NYSE:CTRE) announced today the acquisition of two skilled nursing facilities in separate transactions with a total investment amount of approximately \$62.1 million. On August 29th, 2024, the company acquired a 125-licensed bed skilled nursing facility in the Mid-Atlantic. Separately, on August 7th, 2024, the company closed an investment in a 134-licensed bed skilled nursing facility located on the West Coast.

CareTrust's investment in the 125-bed Mid-Atlantic facility, inclusive of transaction costs, was approximately \$37.7 million and will generate initial annual base rent of approximately \$3.4 million. The company has leased the facility pursuant to a new 15-year NNN lease that includes two, 5-year extension options and annual CPI-based escalators.

The company has also announced the acquisition of a 134-bed skilled nursing facility located on the West Coast for approximately \$24.5 million. The facility was acquired with a lease in place that expires in mid-2026. The facility covers its current rent of approximately \$868,000 by more than 3.0x. Assuming current performance is maintained, CareTrust's stabilized yield on its investment is projected to be reset to approximately 10% by no later than 2026.

The investments were funded using cash on hand. Subsequent to the quarter ended June 30, 2024, the company raised \$190.2 million at an average price of \$27.02 per share under its ATM program bringing its outstanding share count to 161.3 million shares. The company currently has approximately \$221 million of cash on hand. Also today, the company initiated a new \$750 million ATM program under its shelf registration statement on Form S-3 filed with the SEC.

"We are excited to add two additional, solidly-performing facilities to our portfolio," said James Callister, CareTrust's Chief Investment Officer. Mr. Callister went on to state that, "As of today, our year-to-date investment total equals approximately \$827 million at an average yield of 9.5%." Mr. Callister also announced a replenished investment pipeline of approximately \$230 million of near-term, actionable real estate acquisition opportunities, not including larger portfolio opportunities the company is reviewing.

About CareTrust™

CareTrust REIT, Inc. is a self-administered, publicly-traded real estate investment trust engaged in the ownership, acquisition, development and leasing of skilled nursing, seniors housing and other healthcare-related properties. With a nationwide portfolio of long-term net-leased properties, and a growing portfolio of quality operators leasing them, CareTrust REIT is pursuing both external and organic growth opportunities across the United States. More information about CareTrust REIT is available at www.caretrustreit.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

This press release 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 Company's intent, belief or expectations, including, but not limited to, statements regarding the Company's investment pipeline.

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. The Company's forward-looking statements are based on management's 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 the Company believes that the assumptions underlying these forward-looking statements are reasonable, they are not guarantees and the Company can give no assurance that its expectations will be attained. Factors which could have a material adverse effect on the Company's 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 ability and willingness of our borrowers to satisfy their obligations and service their outstanding indebtedness under the loans we have issued to them; (iii) 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; (iv) the impact of healthcare reform legislation, including minimum staffing level requirements, on the operating results and financial conditions of our tenants; (v) the ability of our tenants to

comply with applicable laws, rules and regulations in the operation of the properties we lease to them; (vi) 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; (vii) 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; (viii) the ability to generate sufficient cash flows to service our outstanding indebtedness; (ix) access to debt and equity capital markets; (x) fluctuating interest rates; (xi) the impact of public health crises, including significant COVID-19 outbreaks as well as other pandemics or epidemics; (xii) the ability to retain our key management personnel; (xiii) the ability to maintain our status as a real estate investment trust ("REIT"); (xiv) changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; (xv) other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and (xvi) any additional factors included in our Annual Report on Form 10-K for the year ended December 31, 2023 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2024 and June 30, 2024, including in the section 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 SEC.

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Source: CareTrust REIT, Inc.