



NEWS RELEASE

CareTrust REIT Funds Mortgage Financing on Southeast SNFs; 96% of Year-to-Date \$215.4 Million Investments Funded with Equity

2023-07-20

SAN CLEMENTE, Calif.--(BUSINESS WIRE)-- CareTrust REIT, Inc. (NYSE:CTRE) announced today that it has funded a \$15.7 million mortgage loan on a 2-asset, 115-bed skilled nursing portfolio located in the State of Florida. The borrowers under the loan are affiliates of Elevation Group, LLC, a Florida-based skilled nursing operator led by industry veterans Ken and Dan Funk. Elevation is an existing tenant of CareTrust.

Proceeds of the loan were used to refinance Elevation's existing loan on its Athens Post Acute facility, as well as to partially fund Elevation's acquisition of Blue Lake Post Acute, both located in Deland, Florida. Prior to loan closing, Elevation had been operating the Blue Lake facility under a lease agreement with a third-party landlord. Elevation elected to exercise its purchase option and acquire the facility. The loan is secured by a first priority lien on the borrowers' ownership interest in the real estate and carries a five-year maturity with one, 5-year extension and an annual interest rate of 9.00%. During the extension term, the annual interest rate escalates by .25% each year.

"Elevation has done a great job of operating these two facilities and we are excited to be a part of their continuing growth and to expand our relationship with them through this loan," said James Callister, CareTrust's Chief Investment Officer. Mr. Callister went on to say that, "Extending this loan to Elevation further promotes our strategy of providing loans as a means to strengthen relationships with select operators in an effort to foster future growth and investment opportunities."

Ken Funk, Elevation Group's CEO, stated that "CareTrust and Elevation work well together and we are thrilled to have worked together to close this loan. This transaction will help facilitate future growth opportunities with CareTrust and the closing process has reinforced our positive, strategic working relationship." CareTrust currently

leases to Elevation one skilled nursing facility in Georgia.

The investments were funded using proceeds from the Company's \$600 million unsecured revolving credit facility as well as cash on hand. As of July 18, 2023, the Company had \$310 million outstanding on the unsecured revolving credit facility. However, during the second quarter and through July 13, 2023, the Company utilized the forward provisions under its at-the-market (ATM) equity offering program and expects to fully physically settle shares sold under equity forward contracts on one or more settlement dates prior to final settlement in the second quarter of 2024. Expected net proceeds of approximately \$206 million represent approximately 96% of year-to-date investments completed of \$215.4 million.

About:

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.

CareTrust REIT, Inc.

(949) 542-3130

ir@caretrustreit.com

Source: CareTrust REIT, Inc.