



NEWS RELEASE

# CareTrust REIT Grows in Texas and Expands into Kansas with New Operator

2023-04-03

SAN CLEMENTE, Calif.--(BUSINESS WIRE)-- CareTrust REIT, Inc. (NYSE:CTRE) announced today that it has acquired two skilled nursing facilities: AdventHealth Care Center Burleson, a 178-bed facility located in Burleson, Texas, and AdventHealth Care Center Overland Park, a 102-bed facility located in Overland Park, Kansas. The Overland Park facility represents CareTrust's entry into the Kansas market.

The acquisition of the Burleson facility will be a "tack-on" to CareTrust's existing lease with Austin, Texas-based operator Momentum Skilled Services, which will replace the outgoing operator. The Burleson acquisition increases CareTrust's relationship with Momentum to two facilities. "We are excited to expand our relationship with Momentum," said James Callister, CareTrust's Chief Investment Officer. "They are a top-quality operator that we hope to continue to grow with," he added. One of Momentum's principals, Sharlyn Threadgill, remarked, "We have looked forward to growing our portfolio with CareTrust and hope there will be more opportunities to come. We look forward to building on Advent's legacy of care for the good residents and patients in Burleson."

In connection with the acquisition of the Overland Park facility, CareTrust has entered into a new tenant relationship with an affiliate of Summit Healthcare Management, LLC, a new Kansas-based skilled nursing operator owned by Ben Bryant, an experienced operator of skilled nursing and seniors housing facilities in the Midwest. "Ben's experience and well-established relationships in the Midwest help make him and the Summit Healthcare team an excellent fit to operate the Overland Park facility and we are excited to add them to our portfolio and hope to grow together from here," said Eric Gillis, CareTrust SVP Investments.

Summit Healthcare's founder, Ben Bryant, remarked, "CareTrust's expertise in handling this transaction allowed our team to focus on a seamless transition of operations at the facility and we are extremely grateful for the CareTrust

team and their trust in us and guidance throughout this process.”

CareTrust’s initial investment in the facilities, inclusive of capex commitments and transaction costs, was approximately \$17.2 million. Initial annual cash rent for the facilities will be approximately \$1.63 million. The initial term of Momentum’s master lease with CareTrust was also extended by four years in connection with the transaction. The lease with Summit Healthcare provides for an initial term of fifteen years with two, five-year renewal options and includes annual, CPI-based escalators. The acquisition was funded using cash-on-hand.

## 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](http://www.caretrustreit.com).

CareTrust REIT, Inc., (949) 542-3130, [ir@caretrustreit.com](mailto:ir@caretrustreit.com)

Source: CareTrust REIT, Inc.