



CareTrust REIT Grows Again in Southern California

May 4, 2021

SAN CLEMENTE, Calif., May 04, 2021 (GLOBE NEWSWIRE) -- CareTrust REIT, Inc. (NASDAQ:CTRE) announced today that it acquired El Centro Post-Acute Center, a 123-bed skilled nursing facility located adjacent to the El Centro Regional Medical Center in El Centro, California. The facility has been added to CareTrust's existing master lease with San Diego-based Bayshire Senior Communities, which sourced the off-market transaction and turned to CareTrust to finance and close the deal.

Bayshire's Chief Executive Officer, Scott Kirby, scooped up the El Centro opportunity after the facility had fallen out of contract with a previous buyer. "The seller had aggressive timing expectations after suffering through significant turnover within their management team, a recent COVID outbreak, the general fatigue of operating the facility for 20+ years and a sale transaction that went south," said Mr. Kirby. "I immediately called CareTrust because their experience as former operators made them the only financing source that could navigate such a complex situation within the short time frame we had," he said. From start to finish, CareTrust and Bayshire successfully closed the unusually complicated transaction in only 45 days.

CareTrust officials called the transaction "a perfect example of the intersection of an outstanding operator and a tremendous opportunity." Dave Sedgwick, CareTrust's President and Chief Operating Officer, pointed out that Imperial County appears to be significantly under-bedded, with only 250 skilled nursing beds to absorb the 9,500 annual discharges from its two hospitals and over 25% of local Medicare referrals being sent more than an hour away to Yuma and San Diego. "The combination of Bayshire's people-centered operating philosophy and superior clinical outcomes with the planned renovations to the facility should allow El Centro Post-Acute to quickly become the provider of choice in the Imperial Valley," he added.

Care Trust has committed \$150,000 for initial capital improvements to the facility. With the addition of the El Centro facility, annual cash rent under the Bayshire master lease will increase by approximately \$804,000 in the first year and \$940,000 in the second, with CPI-based increases thereafter. The remaining lease term is 13 years, plus two five-year renewal options. CareTrust funded the acquisition using cash on hand. El Centro Post-Acute is the fifth facility to be added to the growing CareTrust/Bayshire relationship.

About CareTrust REIT

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.

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