



October 27, 2014

CareTrust REIT Announces NASDAQ Due Bill Trading Requirements for Special Dividend

MISSION VIEJO, Calif., Oct. 27, 2014 (GLOBE NEWSWIRE) -- CareTrust REIT, Inc. (Nasdaq:CTRE) (the "Company" or "CareTrust") today announced that NASDAQ has determined that, in connection with the Company's recently announced Special Dividend of approximately \$5.88 per share, CareTrust common stock will trade with "due bills" during the period from October 29, 2014 through and including December 10, 2014.

As previously announced, the special dividend of \$132.0 million, or approximately \$5.88 per share, will be paid on December 10, 2014 (the "Payment Date"), to stockholders of record on October 31, 2014 (the "Record Date") in a combination of cash and shares of CareTrust common stock. The amount of the special dividend represents accumulated earnings and profits allocated to the Company in connection with its recent spin-off from The Ensign Group, Inc. (Nasdaq:ENSG).

The amount of cash distributed will be \$33.0 million, with the remainder paid in shares. Stockholders of record on the Record Date will receive an election form providing for a choice of all cash or all shares, which must be completed and returned by the close of business on the election deadline of December 1, 2014. Stockholder elections are subject to proration to the extent needed to ensure the distribution of \$33.0 million in cash and the remainder in shares. The number of shares to be distributed in the special dividend will be determined based on the trading price of CareTrust's common stock during the two trading days immediately following the election deadline, with an appropriate adjustment to reflect the value of the dividend.

NASDAQ has informed CareTrust that the special dividend will be subject to NASDAQ's due bill trading requirements because the amount of the dividend represents a distribution of greater than 25% of the stock price on the declaration date. Due bills obligate sellers to deliver the dividend to buyers. The due bill obligations are settled customarily between the brokers representing the buyers and sellers of stock. The Company has no obligation for the amount of the due bill or the processing of the due bill. NASDAQ will require that CareTrust common stock trade with due bills from October 29, 2014 until the close of trading on the Payment Date of December 10, 2014. For CareTrust stockholders, this means that if they sell shares through NASDAQ on or after October 29, 2014, and on or before the Payment Date, they will also sell their entitlement to the special dividend to the respective purchasers of the shares.

CareTrust common stock will begin trading on an ex-distribution basis, without due bills attached (i.e., without the entitlement to receive the special dividend), from the opening of trading on December 11, 2014 (i.e. the first trading day after the Payment Date).

Broadridge Corporate Issuer Solutions, Inc. will serve as the Company's Election and Disbursing Agent.

About CareTrust™

CareTrust REIT, Inc. is a real estate investment company that is engaged in the ownership, acquisition and leasing of seniors housing and healthcare-related properties. CareTrust is organized and conducts its operations to qualify as a REIT for U.S. federal income tax purposes. With 94 net-leased healthcare properties and three operated seniors housing properties in ten states, CareTrust is pursuing opportunities nationwide to acquire additional 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 <http://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 Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. These statements can be identified by the use of forward looking terminology such as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. These forward-looking statements include, but are not limited to, statements regarding operational strategies, growth prospects and operating and financial performance. They are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking

statement.

Risks and uncertainties related to the Company's business, its industry and its common stock and include: expected benefits from the spin-off; the ability to make, on a timely or cost-effective basis, the changes necessary to operate as a separate and independent publicly traded company primarily focused on owning a portfolio of healthcare properties; the ability to qualify as a REIT or maintain status as a REIT; the ability and willingness of the Company's tenants, operators or other third parties to meet and/or perform their obligations under their respective contractual arrangements with the Company, including the Company's dependence upon The Ensign Group, Inc. ("Ensign") to make payments to the Company under master leases; the ability of the Company's tenants and operators, including Ensign, to comply with federal, state and local licensure, certification and inspections laws and regulations; reduction of reimbursement rates from government and other third-party payors, upon which the Company's tenants depend; the Company's ability to retain its key management personnel; the Company's level of indebtedness and covenants in the Company's debt agreements, which may limit operational flexibility; fluctuating interest rates; the impact of healthcare reform legislation on the Company and its tenants, which cannot be accurately predicted; and other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments. Readers should not place undue reliance on any forward-looking statements and are encouraged to review the reports filed by the Company with the Securities and Exchange Commission, including its Registration Statement on Form 10 and its Quarterly Report on Form 10-Q for a more complete discussion of the risks and other factors that could affect the Company's business, prospects and any forward-looking statements. Except as required by the federal securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release.

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