CARETRUST REIT, INC.

SECOND QUARTER 2017 FINANCIAL SUPPLEMENT

The Rio at Cabezon (Rio Rancho, NM)

INVESTING IN THE FUTURE OF HEALTHCARE

Disclaimers

This supplement 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 our intent, belief or expectations, including, but not limited to, statements regarding future financial and financing positions, business and acquisition strategies, growth prospects, operating and financial performance, expectations regarding the making of distributions, payment of dividends, compliance with and changes in governmental regulations, and the performance of our operators and their respective facilities.

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. Our forward-looking statements are based on our 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 we believe that the assumptions underlying these forward-looking statements are reasonable, they are not guarantees and we can give no assurance that our expectations will be attained. Factors which could have a material adverse effect on our operations and future prospects or which could cause actual results to differ materially from expectations include, but are not limited to: (i) the ability to achieve some or all of the expected benefits from the completed spin-off from The Ensign Group, Inc. (“Ensign”); (ii) 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 and the ability and willingness of Ensign to meet and/or perform its obligations under the contractual arrangements that it entered into with us in connection with such spin-off, including its triple-net long-term leases with us, and any of its obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities; (iii) the ability and willingness of our tenants to comply with laws, rules and regulations in the operation of the properties we lease to them; (iv) the ability and willingness of our tenants, including Ensign, to renew their leases with us upon 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, and obligations, including indemnification obligations, that we may incur in connection with the replacement of an existing tenant; (v) the availability of and the ability to identify suitable acquisition opportunities and the ability to acquire and lease the respective properties on favorable terms; (vi) the ability to generate sufficient cash flows to service our outstanding indebtedness; (vii) access to debt and equity capital markets; (viii) fluctuating interest rates; (ix) the ability to retain our key management personnel; (x) the ability to maintain our status as a real estate investment trust (“REIT”); (xi) changes in the U.S. tax laws and other state, federal or local laws, whether or not specific to REITs; (xii) other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and (xiii) any additional factors identified in our filings with the Securities and Exchange Commission (“SEC”), including those in our Annual Report on Form 10-K for the year ended December 31, 2016 under the heading entitled “Risk Factors,” as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the SEC.

This supplement contains certain non-GAAP financial information relating to CareTrust REIT including EBITDA, Normalized EBITDA, FFO, Normalized FFO, FAD, Normalized FAD, and certain related ratios. Explanatory footnotes and a glossary explaining this non-GAAP information are included in this supplement. Reconciliations of these non-GAAP measures are also included in this supplement. Other financial information, including GAAP financial information, is also available on our website. Non-GAAP financial information does not represent financial performance under GAAP and should not be considered in insolation, as a measure of liquidity, as an alternative to net income, or as an indicator of any other performance measure determined in accordance with GAAP. You should not rely on non-GAAP financial information as a substitute for GAAP financial information, and should recognize that non-GAAP information presented herein may not compare to similarly-termed non-GAAP information of other companies (i.e., because they do not use the same definitions for determining any such non-GAAP information).

This supplement also includes certain information regarding operators of our properties (such as EBITDARM Coverage, EBITDAR Coverage, and Occupancy), most of which are not subject to audit or SEC reporting requirements. The operator information provided in this supplement has been provided by the operators. We have not independently verified this information, but have no reason to believe that such information is inaccurate in any material respect. We are providing this information for informational purposes only. Ensign is subject to the registration and reporting requirements of the SEC and is required to file with the SEC annual reports containing audited financial information and quarterly reports containing unaudited financial information. Ensign’s financial statements, as filed with the SEC, can be found at Ensign’s website http://www.ensigngroup.net.

Information in this supplement is provided as of June 30, 2017, unless specifically stated otherwise. We expressly disclaim any obligation to update or revise any information in this supplement (including forward-looking statements), whether to reflect any change in our expectations, any change in events, conditions or circumstances, or otherwise.

As used in this supplement, unless the context requires otherwise, references to “CTRE,” “CareTrust REIT” or the “Company” refer to CareTrust REIT, Inc. and its consolidated subsidiaries. GAAP refers to generally accepted accounting principles in the United States of America.

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Contact Information

CareTrust REIT, Inc.
905 Calle Amanecer, Suite 300
San Clemente, CA 92673
(949) 542-3130 | ir@caretrustreit.com
www.caretrustreit.com

Transfer Agent
Broadridge Corporate Issuer Solutions
P.O. Box 1342
Brentwood, NY 11717
(800) 733-1121 | shareholder@broadridge.com

Company Profile

CareTrust REIT is a self-administered, publicly-traded real estate investment trust engaged in the ownership, acquisition and leasing of seniors housing and healthcare-related properties. CareTrust REIT generates revenues primarily by leasing properties to a diverse group of local, regional and national seniors housing operators, healthcare services providers, and other healthcare-related businesses.

Since its debut as a standalone public company on June 1, 2014, and as of July 31, 2017, CareTrust REIT has expanded its tenant roster to 18 operators, and has grown its portfolio real estate portfolio to 164 net-leased healthcare properties and three operated seniors housing properties across 23 states, consisting of 16,342 operating beds/units.

Management

Greg Stapley
Chairman and Chief Executive Officer

Bill Wagner
Chief Financial Officer

Dave Sedgwick
Vice President of Operations

Mark Lamb
Director of Investments

Board of Directors

Greg Stapley
Chairman

David Lindahl

Jon Kline

Allen Barbieri

Spencer Plumb

Analyst Coverage

KeyBanc Capital Markets
Jordan Sadler | (917) 318-2280

Raymond James
Jonathan Hughes | (727) 567-2438

Wells Fargo Securities
Todd Stender | (562) 637-1371

RBC Capital Markets
Michael Carroll | (440) 715-2649

Stifel, Nicolaus & Company
Chad Vanacore | (518) 587-2581

BMO Capital Markets
John Kim | (212) 885-4115

Canaccord Genuity
Paul Morgan | (415) 229-7181

JMP Research
Peter Martin | (415) 835-8904

Stephens
Dana Hambly, CFA | (615) 279-4329

At a Glance

CareTrust REIT, Inc.
NASDAQ: CTRE

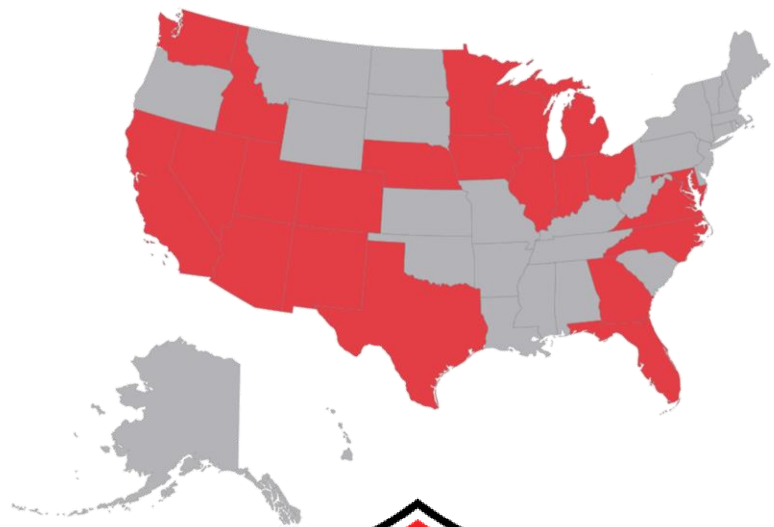
Market Data
(as of June 30, 2017)

Closing Price: $18.54
52 Week Range: $19.86 – $12.70
Market Cap: $1,407M
Enterprise Value: $1,807M
Outstanding Shares: 75.9M

Credit Ratings

S&P
Corporate Rating: B+ (positive)
Senior Unsecured Notes: BB-

Moody's
Corporate Rating: B1 (positive)
Senior Unsecured Notes: B1



161 Properties

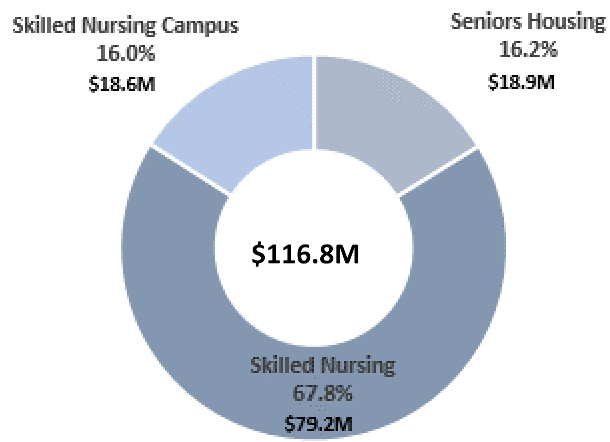
18 Operators

22 States

15,894 Operating Beds/Units

$1,136.0M Investments

Annualized Rent



Note:
Amounts are as of June 30, 2017 and exclude our three operated seniors housing properties and our two preferred equity investments.

Investments

(dollars in thousands)

Date	Operator	Property Type	Location	Facilities		Initial Investment[1]	Initial Operating Beds/Units[2]		Cost per Bed/Unit [3]		Initial Rent [4]	Initial Yield [5]
06/01/14	**The Ensign Group**	**ALF, SNF, Campus**	**Various**	**94**	**$**	**498,052**	**10,053**	**$**	**50**	**$**	**56,000**	**N/A**
2014 Investments				**6**		**33,609**	**157**		**166**		**3,076**	**9.2%**
2015 Investments				**20**		**233,028**	**1,840**		**127**		**22,263**	**9.6%**
2016 Investments				**35**		**288,023**	**2,800**		**101**		**26,084**	**9.1%**
02/01/17	Premier Senior Living	ALF	WI	2		26,111	88		297		2,160	8.3%
03/01/17	WLC Management	SNF	IL	5		29,204	455		64		2,915	10.0%
05/01/17	Better Senior Living Consulting	ALF	FL	1		2,033	89		23		290	14.3%
06/01/17	Cascadia Healthcare	SNF	ID	1		6,475	119		54		588	9.1%
06/01/17	OnPointe Health	SNF	TX, NM	2		27,316	262		104		2,455	9.0%
07/01/17	WLC Management	SNF	IL	1		3,670	99		37		372	10.1%
07/01/17	Cascadia Healthcare	SNF	OR	1		4,009	53		76		362	9.0%
07/21/17	Prelude Healthcare	ALF	MN	1		7,842	30		261		641	8.2%
2017 Year to Date Investments				**14**		**106,659**	**1,195**		**89**		**9,785**	**9.2%**
Total Post Spin-off Investments				**75**		**661,319**	**5,992**		**108**		**61,208**	**9.3%**
Total All Investments [6]				**169**	**$**	**1,159,371**	**16,045**	**$**	**71**	**$**	**117,208**	

Notes:
[1] Initial Investment for pre-spin properties represents Ensign's gross book value. Initial Investment for post-spin properties represents CareTrust REIT's purchase price and transaction costs.
[2] Initial Operating Beds/Units as of the acquisition date.
[3] Total Cost per Bed/Unit excludes preferred equity investments.
[4] Initial Rent represents the annualized acquisition-date cash rent or deferred interest income on preferred equity investments.
[5] Initial Yield represents Initial Rent divided by Initial Investment.
[6] All amounts exclude our three operated seniors housing properties.

Portfolio Performance

(dollars in thousands)

	As of June 30, 2017							For the period ended March 31, 2017 [5]		
Asset Type	Facilities	Operating Beds/Units	Investment[1]	% of Total Investment	Rent[2]	% of Total Rent	Current Yield[3]	EBITDAR Coverage	EBITDARM Coverage	Occupancy
Skilled Nursing	110	10,675	$ 752,051	66.2%	$ 79,240	67.8%	10.5%	1.75x	2.30x	77.9%
Skilled Nursing Campus	16	2,218	177,510	15.6%	18,631	16.0%	10.5%	1.53x	1.91x	77.7%
Seniors Housing	35	3,001	206,437	18.2%	18,887	16.2%	9.1%	1.42x	1.65x	84.6%
Total Net-Leased Assets[4]	**161**	**15,894**	**$ 1,135,998**	**100.0%**	**$ 116,758**	**100.0%**	**10.3%**	**1.66x**	**2.13x**	**79.1%**

Notes:

[1] Investment for pre-spin properties represents Ensign's gross book value. Investment for post-spin properties represents CareTrust REIT's cumulative capital investment. Capital investment includes purchase price, transaction costs and landlord-funded capital expenditures, if any.

[2] Rent represents June 2017 rent, annualized.

[3] Current Yield represents Rent divided by Investment.

[4] All amounts exclude our three operated seniors housing properties and our two preferred equity investments.

[5] EBITDAR Coverage, EBITDARM Coverage and Occupancy include information provided by our tenants. We have not independently verified this information, but have no reason to believe that such information is inaccurate in any material respect.

See "Glossary" for additional information.

Applewood of New Berlin (New Berlin, WI)

Tenant Summary

Top Five Tenants by Rent

The Ensign Group (NASDAQ: ENSG) is a publicly-traded, nationwide operator of 226 skilled nursing and assisted living facilities, 92 of which are owned by CareTrust REIT. In addition to being a blue-chip operator, Ensign also operates 20 hospice agencies, 18 home health agencies, and three home care businesses.

www.ensigngroup.com

Pristine Senior Living is a privately-held, Indiana-based operator of over 1,500 beds across 17 seniors housing and skilled nursing facilities throughout Ohio, 16 of which are owned by CareTrust REIT.

www.pristinesenior.com

Priority Management Group is a privately-held, Louisiana-based healthcare company which operates eight post-acute facilities in Texas and Louisiana, four of which are owned by CareTrust REIT.

www.prioritymgt.com

Premier Senior Living Group, LLC is a privately-held, New York-based assisted living and memory care operator with 20 facilities in New York, Florida, Michigan, North Carolina, Wisconsin, Pennsylvania, and Ohio, eight of which are owned by CareTrust REIT.

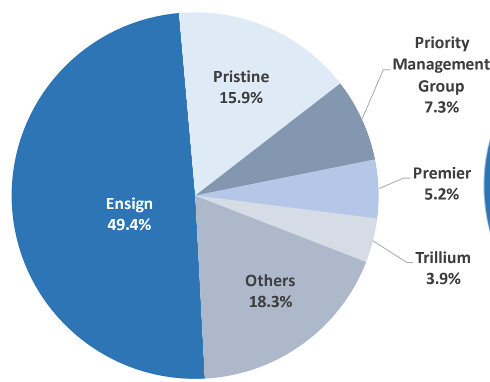
www.pslgroupllc.com

Trillium Healthcare Group is a privately-held Florida-based post-acute healthcare company which operates 29 post-acute and seniors housing facilities in Iowa, Nebraska, Florida, and Georgia, 11 of which are owned by CareTrust REIT.

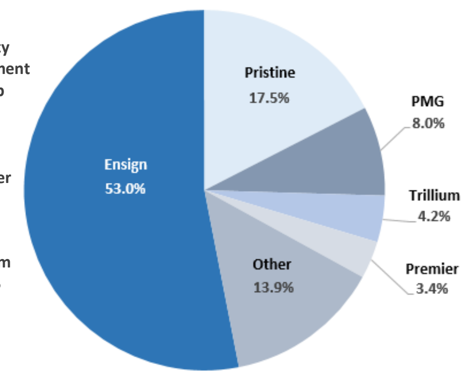
www.trilliumhcg.com

Run-Rate Rent Concentration

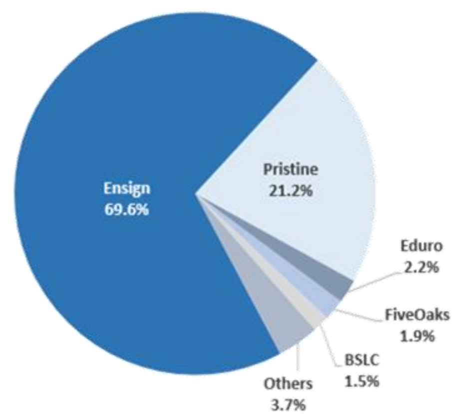
June 30, 2017



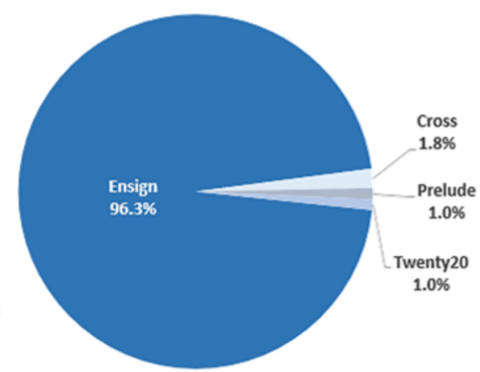
December 31, 2016



December 31, 2015



December 31, 2014



Rent Diversification by Tenant

(dollars in thousands)

	As of June 30, 2017					
	Facilities	Operating Beds/Units	Investment[1]	% of Total Investment	Rent[2]	% of Total Rent
1 The Ensign Group	92	9,754	$ 501,246	44.1%	$ 57,672	49.4%
2 Pristine Senior Living	16	1,488	192,143	16.9%	18,588	15.9%
3 Priority Management Group	4	576	95,944	8.4%	8,550	7.3%
4 Premier Senior Living Group	8	379	68,564	6.0%	6,034	5.2%
5 Trillium Healthcare Group	11	735	46,025	4.1%	4,544	3.9%
Total Top 5 Tenants	**131**	**12,932**	**903,922**	**79.6%**	**95,387**	**81.7%**
6 Covenant Care	3	393	34,415	3.0%	3,131	2.7%
7 WLC Management	5	455	29,204	2.6%	2,915	2.5%
8 OnPointe Healthcare	2	262	27,316	2.4%	2,455	2.1%
9 Better Senior Living Consulting	4	461	21,663	1.9%	2,025	1.7%
10 Priority Life Care	3	392	21,157	1.9%	1,800	1.5%
Total Top 10 Tenants	**148**	**14,895**	**1,037,676**	**91.3%**	**107,714**	**92.3%**
All Other Tenants	**13**	**999**	**98,322**	**8.7%**	**9,045**	**7.7%**
Total[3]	**161**	**15,894**	**$ 1,135,998**	**100.0%**	**$ 116,758**	**100.0%**

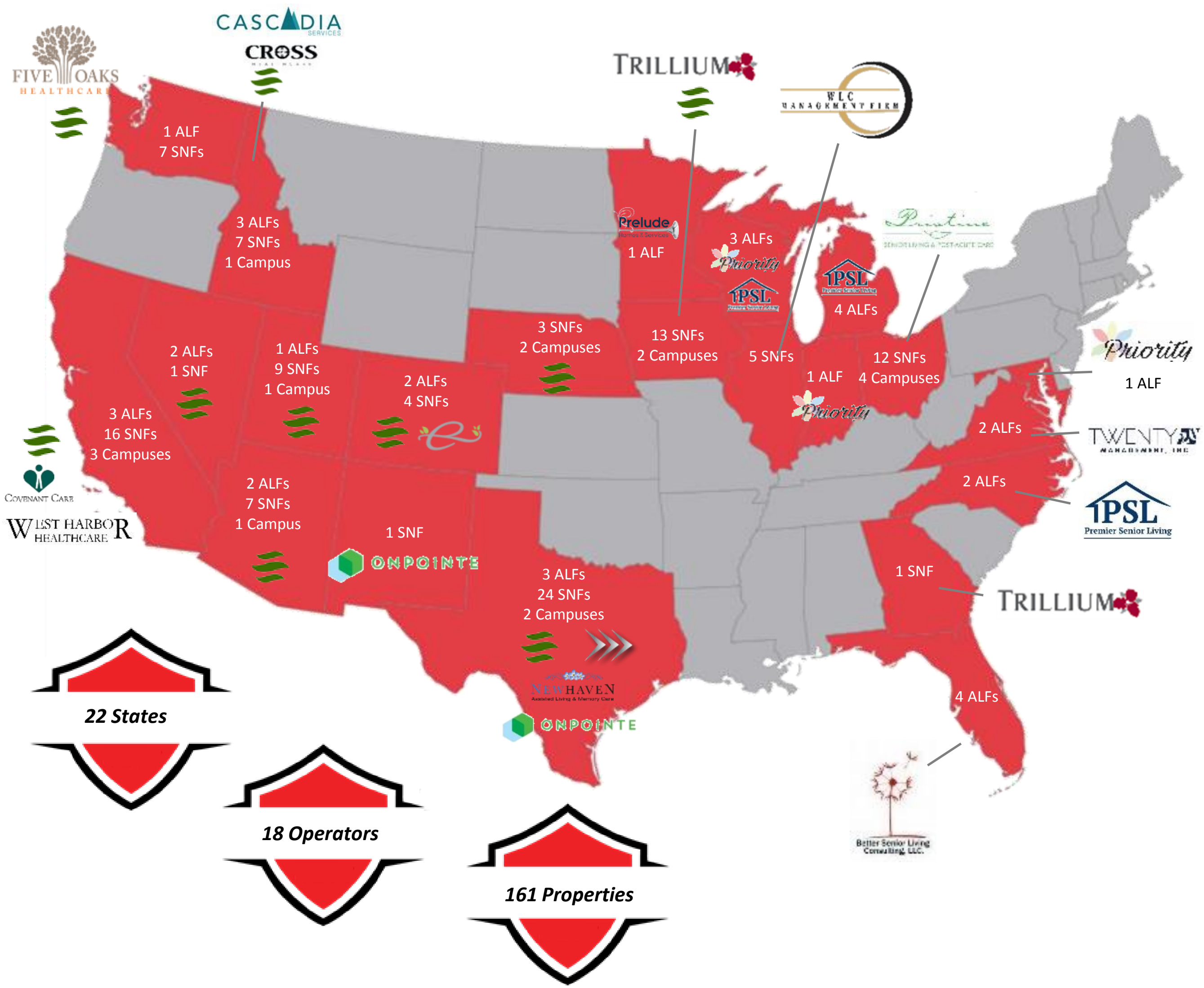
Notes:

[1] Investment for pre-spin properties represents Ensign's gross book value. Investment for post-spin properties represents CareTrust REIT's cumulative capital investment. Capital investment includes purchase price, transaction costs and capital expenditures, if any.

[2] Rent represents June 2017 rent, annualized.

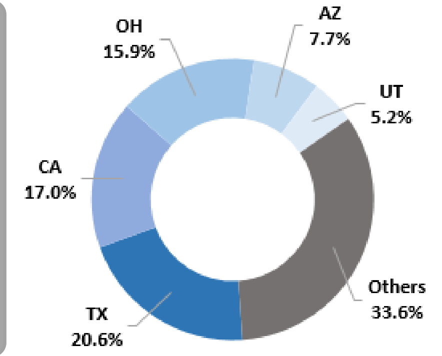
[3] All amounts exclude our three operated seniors housing properties and our two preferred equity investments.

Geographic Diversification

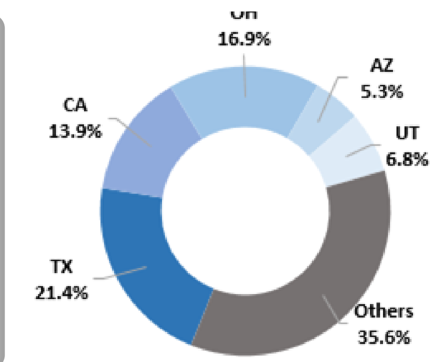


Top Five States

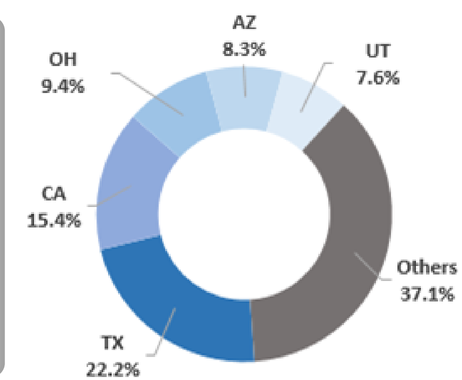
Run-Rate Rent



Investment



Beds/Units



Notes:
Amounts are as of June 30, 2017 and exclude our three operated seniors housing properties and our two preferred equity investments.

Rent Diversification by State

(dollars in thousands)

Net-Leased Assets by State	Facilities	Operating Beds/Units	Investment[1]	Rent[2]	% of Total Rent
	As of June 30, 2017				
1 Texas	29	3,534	$ 243,450	$ 24,033	20.6%
2 California	22	2,443	157,378	19,889	17.0%
3 Ohio	16	1,488	192,143	18,588	15.9%
4 Arizona	10	1,327	60,753	8,994	7.7%
5 Utah	11	1,201	77,322	6,036	5.2%
Top 5 States	**88**	**9,993**	**731,045**	**77,540**	**66.4%**
6 Iowa	15	986	53,488	5,455	4.7%
7 Idaho	11	765	48,234	5,514	4.7%
8 Washington	8	671	48,741	4,995	4.3%
9 Colorado	6	633	40,819	4,062	3.5%
10 Illinois	5	455	29,204	2,915	2.5%
Top 10 States	**133**	**13,503**	**951,531**	**100,481**	**86.1%**
All Other States	**28**	**2,391**	**184,467**	**16,277**	**13.9%**
TOTAL[3]	**161**	**15,894**	**$ 1,135,998**	**$ 116,758**	**100.0%**

Notes:

[1] Investment for pre-spin properties represents Ensign's gross book value. For post-spin properties, Investment represents CareTrust REIT's cumulative capital investment. Capital investment includes purchase price, transaction costs and capital expenditures, if any.

[2] Rent represents June 2017 rent, annualized.

[3] All amounts exclude our three operated seniors housing properties and our two preferred equity investments.

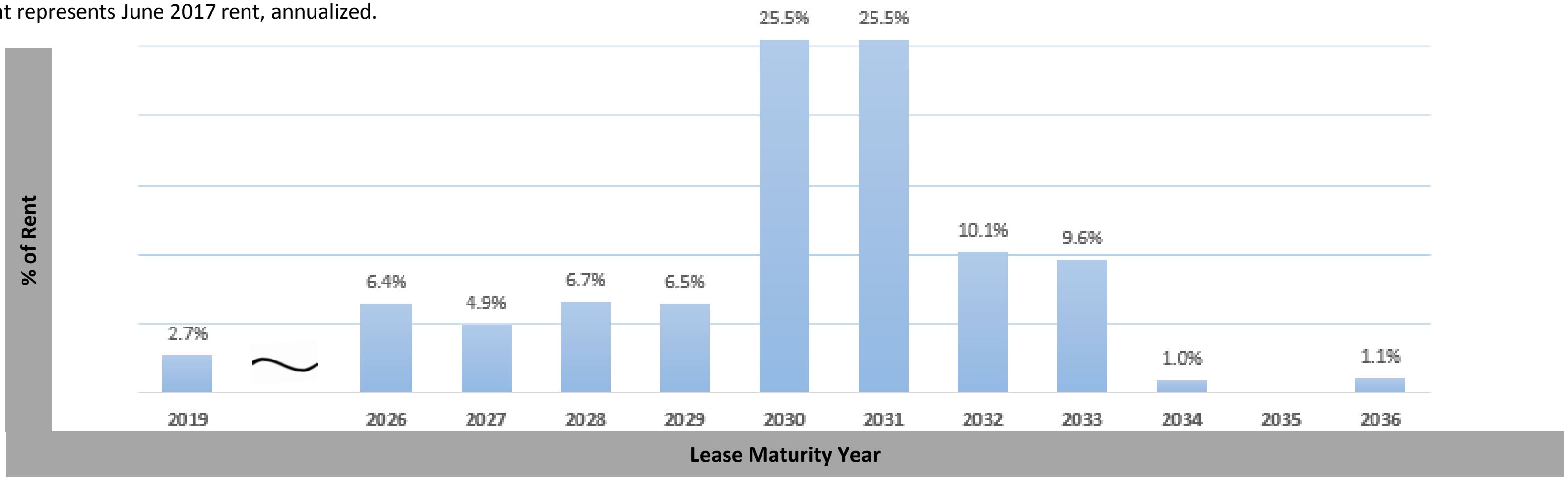
Lease Maturities

(dollars in thousands) **As of June 30, 2017**

Lease Maturity Year[1]	Investment [2]	% of Total Investment	Rent[3]	% of Total Rent
2019	$ 34,415	3.0%	$ 3,131	2.7%
~				
2026	70,272	6.2%	7,479	6.4%
2027	55,929	4.9%	5,718	4.9%
2028	79,914	7.0%	7,776	6.7%
2029	88,780	7.8%	7,543	6.5%
2030	309,662	27.3%	29,824	25.5%
2031	314,911	27.7%	29,767	25.5%
2032	90,308	7.9%	11,838	10.1%
2033	64,491	5.7%	11,225	9.6%
2034	12,733	1.1%	1,135	1.0%
2035				
2036	14,583	1.3%	1,320	1.1%
Total	**$ 1,135,998**	**100.0%**	**$ 116,758**	**100.0%**

Broadmoor Medical Lodge (Rockwall, TX)

Notes:
[1] Lease Maturity Year represents the scheduled expiration year of the primary term of the lease and does not include tenant extension options, if any.
[2] Investment for pre-spin properties represents Ensign's gross book value. For post-spin properties, Investment represents CareTrust REIT’s cumulative capital investment, excluding our three operated seniors housing properties and our two preferred equity investments. Capital investment includes purchase price, transaction costs and capital expenditures, if any.
[3] Rent represents June 2017 rent, annualized.



The Rio at Cabezon (Rio Rancho, NM)

Financial Overview

CareTrust REIT

Consolidated Income Statements

(amounts in thousands, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Revenues:				
Rental income	$ 28,511	$ 22,781	$ 55,850	$ 43,678
Tenant reimbursements	2,389	1,929	4,710	3,726
Independent living facilities	789	730	1,582	1,411
Interest and other income	1,140	261	1,295	515
Total revenues	32,829	25,701	63,437	49,330
Expenses:				
Depreciation and amortization	9,335	7,892	18,411	15,185
Interest expense	6,219	5,440	12,098	11,301
Loss on the extinguishment of debt	11,883	-	11,883	326
Property taxes	2,389	1,929	4,710	3,726
Independent living facilities	644	598	1,305	1,218
Impairment of real estate investment	890	-	890	-
General and administrative	2,977	2,211	5,367	4,441
Total expenses	34,337	18,070	54,664	36,197
Other income:				
Gain on disposition of other real estate investment	3,538	-	3,538	-
Net income	$ 2,030	$ 7,631	$ 12,311	$ 13,133
Earnings per common share:				
Basic	$ 0.03	$ 0.13	$ 0.17	$ 0.25
Diluted	$ 0.03	$ 0.13	$ 0.17	$ 0.25
Weighted average shares outstanding:				
Basic	72,564	57,478	69,773	52,789
Diluted	72,564	57,478	69,773	52,789
Dividends declared per common share	$ 0.185	$ 0.17	$ 0.37	$ 0.34

Reconciliation of EBITDA, FFO and FAD

(amounts in thousands, except per share data)

	Quarter Ended June 30, 2016	Quarter Ended September 30, 2016	Quarter Ended December 31, 2016	Quarter Ended March 31, 2017	Quarter Ended June 30, 2017
Net income	$ 7,631	$ 7,832	$ 8,388	$ 10,281	$ 2,030
Depreciation and amortization	7,892	8,248	8,532	9,076	9,335
Interest expense	5,440	5,743	5,829	5,879	6,219
Amortization of stock-based compensation	437	339	339	536	600
EBITDA	21,400	22,162	23,088	25,772	18,184
Acquisition costs	-	203	2	-	-
Loss on sale of real estate	-	-	265	-	-
Loss on the extinguishment of debt	-	-	-	-	11,883
Deferred preferred return	-	-	-	-	(544)
Impairment of real estate investment	-	-	-	-	890
Gain on disposition of other real estate investment	-	-	-	-	(3,538)
Normalized EBITDA	$ 21,400	$ 22,365	$ 23,355	$ 25,772	$ 26,875
Net income	$ 7,631	$ 7,832	$ 8,388	$ 10,281	$ 2,030
Real estate related depreciation and amortization	7,867	8,223	8,505	9,050	9,309
Loss on sale of real estate	-	-	265	-	-
Impairment of real estate investment	-	-	-	-	890
Gain on disposition of other real estate investment	-	-	-	-	(3,538)
Funds from Operations (FFO)	15,498	16,055	17,158	19,331	8,691
Acquisition costs	-	203	2	-	-
Deferred preferred return	-	-	-	-	(544)
Effect of the senior unsecured notes payable redemption	-	-	-	-	12,475
Normalized FFO	$ 15,498	$ 16,258	$ 17,160	$ 19,331	$ 20,622

Reconciliation of EBITDA, FFO and FAD (continued)

(amounts in thousands, except per share data)

	Quarter Ended June 30, 2016	Quarter Ended September 30, 2016	Quarter Ended December 31, 2016	Quarter Ended March 31, 2017	Quarter Ended June 30, 2017
Net income	$ 7,631	$ 7,832	$ 8,388	$ 10,281	$ 2,030
Real estate related depreciation and amortization	7,867	8,223	8,505	9,050	9,309
Amortization of deferred financing fees	561	561	561	561	529
Amortization of stock-based compensation	437	339	339	536	600
Straight-line rental income	-	(78)	(72)	(72)	(43)
Loss on sale of real estate	-	-	265	-	-
Impairment of real estate investment	-	-	-	-	890
Gain on disposition of other real estate investment	-	-	-	-	(3,538)
Funds Available for Distribution (FAD)	16,496	16,877	17,986	20,356	9,777
Acquisition costs	-	203	2	-	-
Deferred preferred return	-	-	-	-	(544)
Effect of the senior unsecured notes payable redemption	-	-	-	-	12,475
Normalized FAD	$ 16,496	$ 17,080	$ 17,988	$ 20,356	$ 21,708
FFO per share	$ 0.27	$ 0.28	$ 0.28	$ 0.29	$ 0.12
Normalized FFO per share	$ 0.27	$ 0.28	$ 0.28	$ 0.29	$ 0.28
FAD per share	$ 0.29	$ 0.29	$ 0.29	$ 0.30	$ 0.13
Normalized FAD per share	$ 0.29	$ 0.30	$ 0.29	$ 0.30	$ 0.30
Diluted weighted average shares outstanding [1]	57,667	57,739	61,028	67,133	72,803

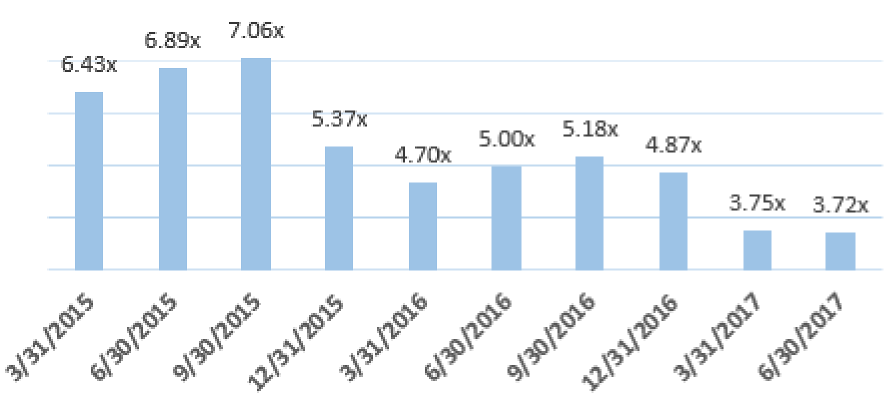
[1] For the periods presented, the diluted weighted average shares have been calculated using the treasury stock method.

Consolidated Balance Sheets

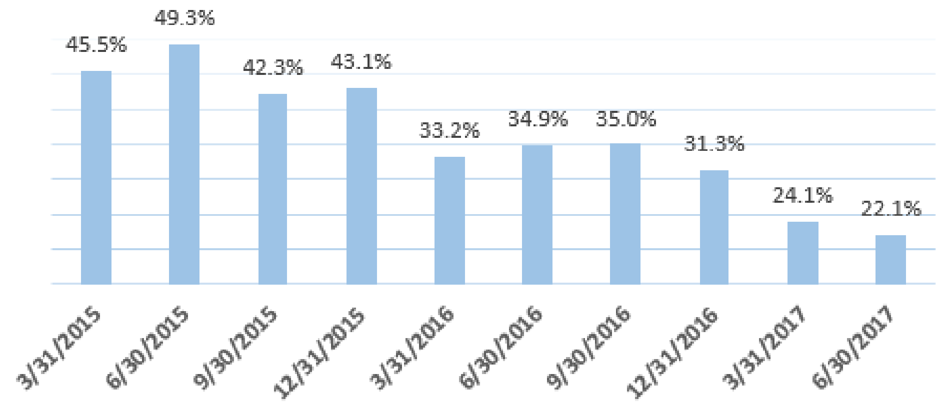
(dollars in thousands)	June 30, 2017 (unaudited)	December 31, 2016
Assets		
Real estate investments, net	$ 972,832	$ 893,918
Other real estate investments	5,192	13,872
Cash and cash equivalents	35,066	7,500
Accounts and other receivables	9,425	5,896
Prepaid expenses and other assets	5,282	1,369
Deferred financing costs, net	2,260	2,803
Total assets	$ 1,030,057	$ 925,358
Liabilities and Equity		
Senior unsecured notes payable, net	$ 294,043	$ 255,294
Senior unsecured term loan, net	99,469	99,422
Unsecured revolving credit facility	-	95,000
Accounts payable and accrued liabilities	14,521	12,137
Dividends payable	14,048	11,075
Total liabilities	422,081	472,928
Equity:		
Common stock	755	648
Additional paid-in capital	782,073	611,475
Cumulative distributions in excess of earnings	(174,852)	(159,693)
Total equity	607,976	452,430
Total liabilities and equity	$ 1,030,057	$ 925,358

Key Debt Metrics

Debt to Normalized EBITDA [1]



Debt to Enterprise Value [2]



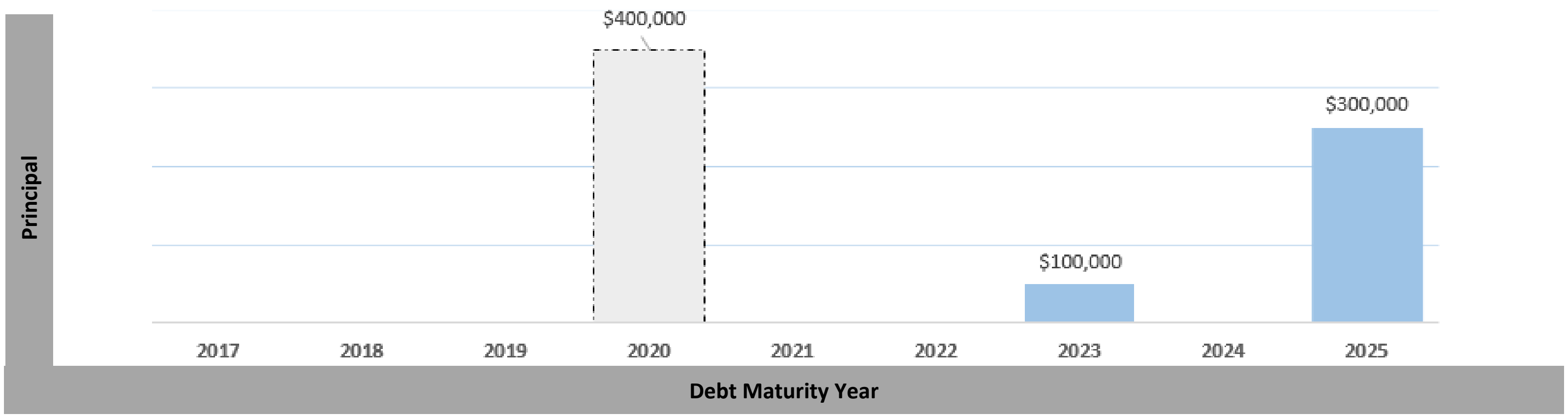
[1] Debt to Normalized EBITDA compares total debt as of the last day of the quarter to the annualized Normalized EBITDA for the quarter.
[2] Debt to Enterprise Value compares total debt as of the last day of the quarter to CareTrust REIT's Enterprise Value as of the last day of the quarter.
See "Glossary" for additional information.

The Rio at Fox Hollow (Brownsville, TX)

Debt Summary

(dollars in thousands)

Debt	Interest Rate		Maturity Date		June 30, 2017 Principal	% of Principal	Deferred Loan Costs		Net Carrying Value
Fixed Rate Debt									
Senior unsecured notes payable	5.250%		2025		$ 300,000	75.0%	$ (5,957)		$ 294,043
Floating Rate Debt									
Senior unsecured term loan	3.176%	[1]	2023		100,000	25.0%	(531)		99,469
Unsecured revolving credit facility	2.976%	[2]	2020	[3]	-	0.0%	-	[4]	-
	3.176%				100,000	25.0%	(531)		99,469
Total Debt	4.732%				$ 400,000	100.0%	$ (6,488)		$ 393,512



Notes:
[1] Funds can be borrowed at applicable LIBOR plus 1.95% to 2.60% or at the Base Rate (as defined) plus 0.95% to 1.6%.
[2] Funds can be borrowed at applicable LIBOR plus 1.75% to 2.40% or at the Base Rate (as defined) plus 0.75% to 1.4%.
[3] Maturity date assumes exercise of two, 6-month extension options.
[4] Deferred financing fees are not shown net for the unsecured revolving credit facility and are included in assets on the balance sheet.

Updated 2017 Guidance

(shares in thousands)

	Low	High
Net income	$ 0.50	$ 0.52
Real estate related depreciation and amortization	0.51	0.51
Impairment of real estate investment	0.01	0.01
Gain on disposition of other real estate investment	(0.05)	(0.05)
Funds from Operations (FFO)	0.97	0.99
Deferred preferred return	(0.01)	(0.01)
Effect of the senior unsecured notes payable redemption	0.17	0.17
Normalized FFO	$ 1.13	$ 1.15
Net income	$ 0.50	$ 0.52
Real estate related depreciation and amortization	0.51	0.51
Amortization of deferred financing fees	0.03	0.03
Amortization of stock-based compensation	0.03	0.03
Straight-line rental income	(0.00)	(0.00)
Impairment of real estate investment	0.01	0.01
Gain on disposition of other real estate investment	(0.05)	(0.05)
Funds Available for Distribution (FAD)	1.03	1.05
Deferred preferred return	(0.01)	(0.01)
Effect of the senior unsecured notes payable redemption	0.17	0.17
Normalized FAD	$ 1.19	$ 1.21
Weighted average shares outstanding:		
Diluted	72,959	72,959

See "Glossary" for additional information.

Equity Capital Transactions

Follow-On Equity Offering Activity

	2015	2016				
		Q1	Q2	Q3	Q4	Total
Number of Shares (000s)	**16,330**	-	9,775	-	6,325	**16,100**
Public Offering Price per Share	**$ 10.50**	$ -	$ 11.35	$ -	$ 13.35	**$ 12.14** [1]
Gross Proceeds (000s)	**$ 171,465**	$ -	$ 110,946	$ -	$ 84,439	**$ 195,385**

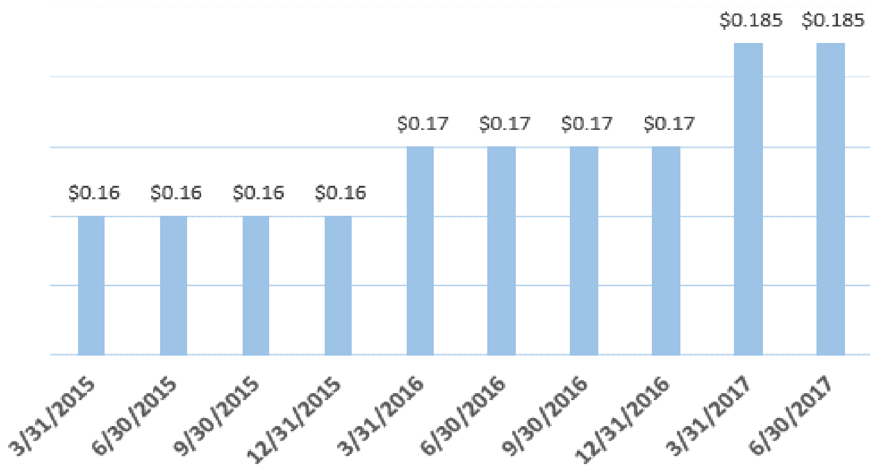
At-the-Market Offering Activity

	2016	2017		
		Q1	Q2	Total
Number of Shares (000s)	**924**	7,175	3,399	**10,574**
Average Price per Share	**$ 15.31**	$ 15.31	$ 18.82	**$ 16.43**
Gross Proceeds (000s)	**$ 14,147**	$ 109,813	$ 63,947	**$ 173,760**

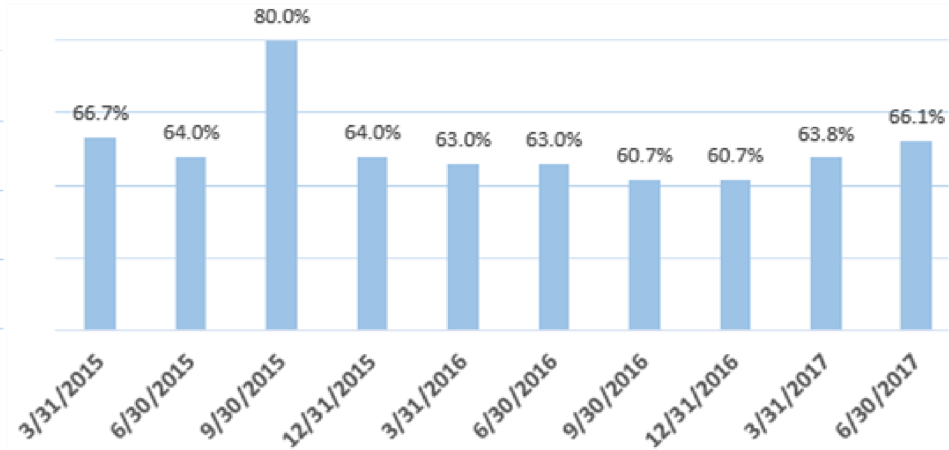
Notes:
[1] Represents average follow-on equity offerings per-share price.

Other Financial Highlights

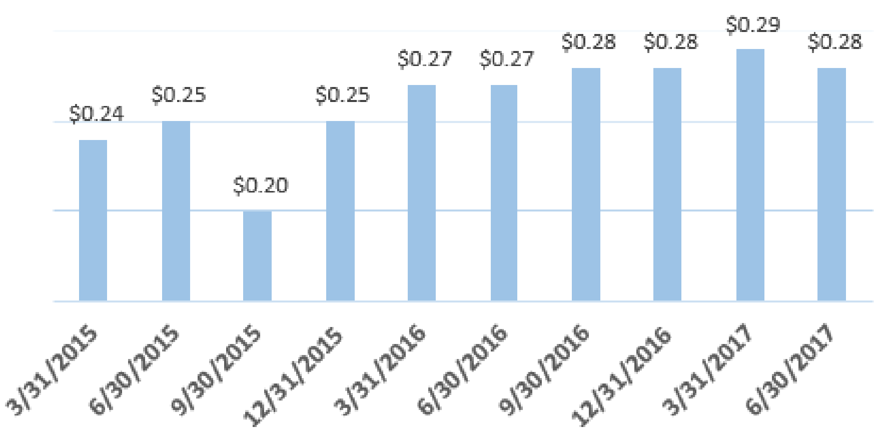
Dividend History



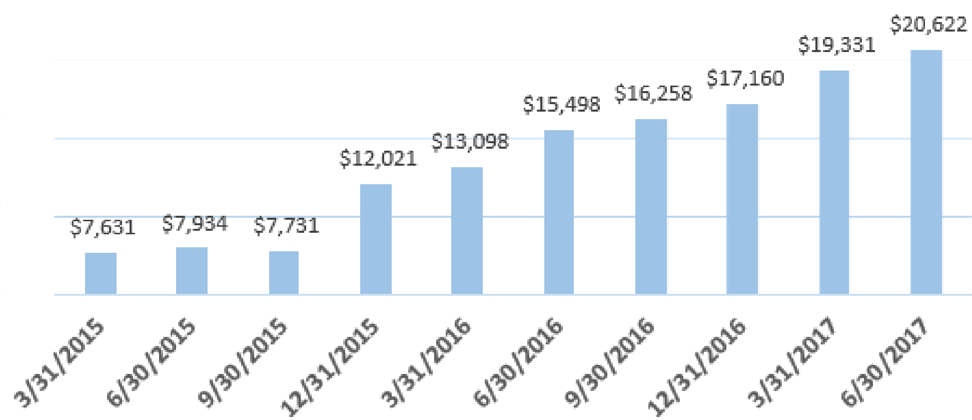
Normalized FFO Payout Ratio [1]



Normalized FFO per Share



Normalized FFO



Notes:
[1] Normalized FFO Payout Ratio represents dividends declared divided by Normalized FFO, in each case for the applicable quarter.
See "Glossary" for additional information.

Glossary

Assisted Living Facilities ("ALFs")
Licensed healthcare facilities that provide personal care services, support and housing for those who need help with daily living activities, such as bathing, eating and dressing, yet require limited medical care. The programs and services may include transportation, social activities, exercise and fitness programs, beauty or barber shop access, hobby and craft activities, community excursions, meals in a dining room setting and other activities sought by residents. These facilities are often in apartment-like buildings with private residences ranging from single rooms to large apartments. Certain ALFs may offer higher levels of personal assistance for residents requiring memory care as a result of Alzheimer's disease or other forms of dementia. Levels of personal assistance are based in part on local regulations.

EBITDA
Net income before interest expense, income tax, depreciation and amortization and amortization of stock-based compensation.[1]

EBITDAR
Net income before interest expense, income tax, depreciation, amortization and rent, after applying a standardized management fee (5% of facility operating revenues).

EBITDAR Coverage
Aggregate EBITDAR produced by all facilities under a master lease (or other grouping) divided by the base rent payable to CareTrust REIT under such master lease (or other grouping) for the same period. For this supplement, the reported period is the trailing twelve-month period ended March 31, 2017. Notwithstanding the foregoing, for any facility for which CareTrust REIT has not received four consecutive quarters of post-acquisition operating reports, the quarterly EBITDAR used in this calculation is the proforma EBITDAR utilized in CareTrust REIT's underwriting process, annualized. Beginning with the fifth quarter of reported post-acquisition operating performance, each reported quarter EBITDAR replaces the oldest underwriting proforma quarter EBITDAR, until all previously-used proforma quarters EBITDAR amounts are eliminated from the calculation.

EBITDARM
Earnings before interest expense, income tax, depreciation, amortization, cash rent, and a standardized management fee (5% of facility operating revenues).

EBITDARM Coverage
Aggregate EBITDARM produced by all facilities under a master lease (or other grouping) divided by the base rent payable to CareTrust REIT under such master lease (or other grouping) for the same period. For this supplement, the reported period is the trailing twelve-month period ended March 31, 2017. Notwithstanding the foregoing, for any facility for which CareTrust REIT has not received four consecutive quarters of post-acquisition operating reports, the quarterly EBITDARM used in this calculation is the proforma EBITDARM utilized in CareTrust REIT's underwriting process annualized. Beginning with the fifth quarter of reported post-acquisition operating performance, each reported quarter EBITDARM replaces the oldest underwriting proforma quarter EBITDARM, until all previously-used proforma quarters EBITDARM amounts are eliminated from the calculation.

Enterprise Value
Share price multiplied by the number of outstanding shares plus total outstanding debt, each as of a specified date.

Funds Available for Distribution ("FAD")
FFO, excluding straight-line rental income adjustments and amortization of deferred financing fees and stock-based compensation expense.[2]

Funds from Operations ("FFO")
Net income, excluding gains and losses from dispositions of real estate or other real estate, before real estate depreciation and amortization and real estate impairment charges. CareTrust REIT calculates and reports FFO in accordance with the definition and interpretive guidelines issued by the National Association of Real Estate Investment Trusts.[2]

Glossary

Independent Living Facilities (“ILFs”)
Also known as retirement communities or senior apartments, ILFs are not healthcare facilities. ILFs typically consist of entirely self-contained apartments, complete with their own kitchens, baths and individual living spaces, as well as parking for tenant vehicles. They are most often rented unfurnished, and generally can be personalized by the tenants, typically an individual or a couple over the age of 55. These facilities offer various services and amenities such as laundry, housekeeping, dining options/meal plans, exercise and wellness programs, transportation, social, cultural and recreational activities, and on-site security.

Normalized EBITDA
EBITDA, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as certain acquisition costs, real estate impairment charges, losses on the extinguishment of debt, certain deferred preferred returns, and gains or losses from dispositions of real estate or other real estate.[1]

Normalized FAD
FAD, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as certain acquisition costs, certain deferred preferred returns, and the effect of the senior unsecured notes payable redemption.[2]

Normalized FFO
FFO, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, and certain acquisition costs, certain deferred preferred returns, and the effect of the senior unsecured notes payable redemption.[2]

Occupancy
A facility’s occupied operating beds/units divided by the total available operating beds/units for that facility, in each case for the trailing twelve-months ended March 31, 2017; provided that Occupancy for any facility acquired during such twelve-months period may be normalized.

Seniors Housing
Includes ALFs, ILFs, dedicated memory care facilities and similar facilities.

Skilled Nursing Campus
Facilities that include a combination of Skilled Nursing beds and Seniors Housing units.

Skilled Nursing or Skilled Nursing Facilities (“SNFs”)
Licensed healthcare facilities that provide restorative, rehabilitative and nursing care for people not requiring the more extensive and sophisticated treatment available at an acute care hospital or long-term acute care hospital. Treatment programs include physical, occupational, speech, respiratory, ventilator, and wound therapy.

Notes:

[1] EBITDA and Normalized EBITDA do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company’s liquidity or operating performance. EBITDA and Normalized EBITDA do not purport to be indicative of cash available to fund future cash requirements, including the Company’s ability to fund capital expenditures or make payments on its indebtedness. Further, the Company’s computation of EBITDA and Normalized EBITDA may not be comparable to EBITDA and Normalized EBITDA reported by other REITs.

[2] CareTrust REIT believes FAD, FFO, Normalized FAD, and Normalized FFO (and their related per-share amounts) are important non-GAAP supplemental measures of its operating performance. Because the historical cost accounting convention used for real estate assets requires straight-line depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time, even though real estate values have historically risen or fallen with market and other conditions. Moreover, by excluding items not indicative of ongoing results, Normalized FAD and Normalized FFO can facilitate meaningful comparisons of operating performance between periods and between other companies. However, FAD, FFO, Normalized FAD, and Normalized FFO (and their per-share amounts) do not represent cash flows from operations or net income attributable to shareholders as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company’s liquidity or operating performance.

Bridgeport Health & Rehab - Lobby (Bridgeport, TX)

CareTrust REIT, Inc.
905 Calle Amanecer, Suite 300
San Clemente, CA 92673
NASDAQ: CTRE

www.caretrustreit.com

CareTrust REIT

INVESTING IN THE FUTURE OF HEALTHCARE