



CARETRUST REIT, INC.

FIRST QUARTER 2019 FINANCIAL SUPPLEMENT



Expertise. Partnership. Growth.

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 and willingness of our tenants to meet and/or perform their obligations under the triple-net leases we have entered into with them, including, without limitation, their respective obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities; (ii) the ability of our tenants to comply with applicable laws, rules and regulations in the operation of the properties we lease to them; (iii) the ability and willingness of our tenants to renew their leases with us upon their 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, as well as any obligations, including indemnification obligations, we may incur in connection with the replacement of an existing tenant; (iv) the availability of and the ability to identify (a) tenants who meet our credit and operating standards, and (b) suitable acquisition opportunities, and the ability to acquire and lease the respective properties to such tenants on favorable terms; (v) the ability to generate sufficient cash flows to service our outstanding indebtedness; (vi) access to debt and equity capital markets; (vii) fluctuating interest rates; (viii) the ability to retain our key management personnel; (ix) the ability to maintain our status as a real estate investment trust (“REIT”); (x) changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; (xi) other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and (xii) any additional factors included in our Annual Report on Form 10-K for the year ended December 31, 2018, including in the section entitled “Risk Factors” in Item 1A of Part I of such report, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the Securities and Exchange Commission (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 isolation, 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 the SEC’s website at www.sec.gov.

Information in this supplement is provided as of March 31, 2019, 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,” “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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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 May 7, 2019, CareTrust REIT has expanded its tenant roster to 22 operators, and has grown its real estate portfolio to 212 net-leased healthcare properties and three operated seniors housing properties across 28 states, consisting of 21,520 operating beds/units. As of May 7, 2019, we also had other real estate investments consisting of two preferred equity investments and two mortgage loans receivable.

Management

Greg Stapley
Chairman and Chief Executive Officer

Bill Wagner
Chief Financial Officer

Dave Sedgwick
Chief Operating Officer

Mark Lamb
Chief Investment Officer

Board of Directors

Greg Stapley
Chairman

Diana Laing

Jon Kline

Allen Barbieri

Spencer Plumb

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Jordan Sadler | (917) 318-2280

Raymond James
Jonathan Hughes | (727) 567-2438

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John Kim | (212) 885-4115

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Dan Bernstein | (571) 835-7202

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Brentwood, NY 11717
(800) 733-1121 | shareholder@broadridge.com

At a Glance

CareTrust REIT, Inc.

Nasdaq: CTRE

Market Data

(as of March 31, 2019)

Closing Price: \$23.46

52 Week Range: \$24.10– \$12.73

Market Cap: \$2,087M

Enterprise Value: \$2,557M

Outstanding Shares: 88.9M

Credit Ratings

S&P

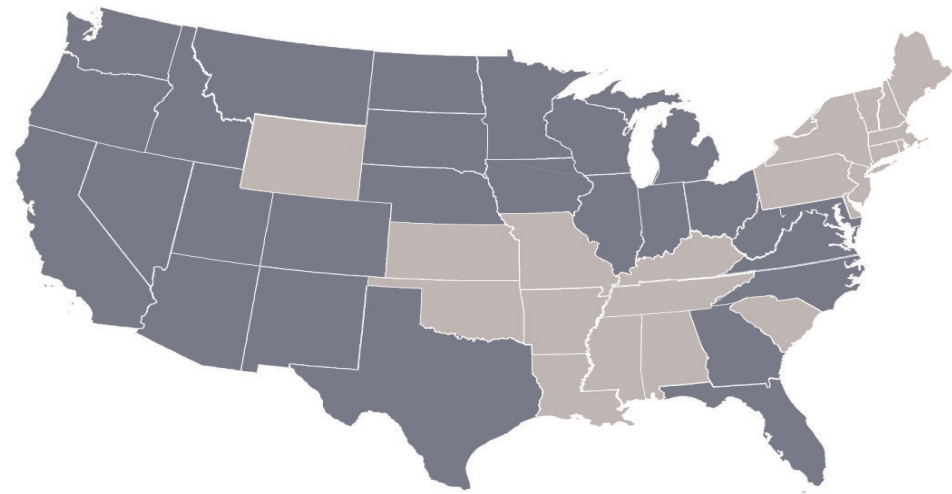
Corporate Rating: BB- (positive)

Senior Unsecured Notes: BB

Moody's

Corporate Rating: Ba2 (stable)

Senior Unsecured Notes: Ba2



199 Properties

27 States

20 Operators

19,668
Operating
Beds/Units

\$1,503.8 M
Investments

Note:

Amounts are as of March 31, 2019 and exclude our three operated seniors housing properties, two preferred equity investments and two mortgage loans receivable.

Investments

(dollars in thousands)

Date	Operator	Property Type	Location	Facilities	Initial Investment ^[1]	Initial Operating Bed/Unit ^[2]	Cost per Bed/Unit ^[3]	Initial Rent ^[4]	Initial Yield ^[5]
6/1/2014	The Ensign Group	ALF, SNF, Campus	Various	94	\$ 501,673	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%
2017 Investments				36	309,805	3,324	92	28,000	9.0%
2018 Investments				12	111,950	1,103	101	9,955	8.9%
01/31/2019	WLC Management	Campus	IL	1	8,940	128	70	854	9.6%
02/11/2019	Covenant Care	SNF	CA	4	43,938	492	89	3,983	9.1%
02/11/2019	Covenant Care ^[7]	SNF	IL	5	11,389	440	26	1,025	9.0%
04/01/2019	PMG and Southwest LTC ("Project Gulf Coast")	SNF, Campus	LA/TX	12	214,958	1,734	124	19,030	8.9%
05/01/2019	Next Gen P, LLC	SNF	TX	1	10,019	118	85	900	9.0%
2019 Investments				23	289,244	2,912	112	25,792	8.9%
Total Post Spin-off Investments ^[6]				132	1,265,659	12,136	107	115,170	9.1%
Total Investments ^[6]				226	\$ 1,767,332	22,189	\$ 80	\$ 171,170	

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 and two mortgage loans receivable.

[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 and, except as otherwise indicated, include the preferred equity investments and two mortgage loans receivable.

[7] Term loan secured by first mortgages on five skilled nursing facilities owned and operated by Covenant Care subsidiaries.

Portfolio Performance

(dollars in thousands)

As of March 31, 2019

Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[2]	% of Total Rent	Current Yield ^[3]
Skilled Nursing	144	14,190	\$1,069,094	71.1%	\$109,743	72.7%	10.3%
Multi-Service Campus	19	2,662	212,789	14.1%	21,215	14.0%	10.0%
Seniors Housing	36	2,816	221,929	14.8%	20,063	13.3%	9.0%
Total Net-Leased Assets ^[4]	199	19,668	\$1,503,812	100.0%	\$151,021	100.0%	10.0%

Asset Type	Total Portfolio For the twelve-month period ended December 31, 2018 ^[5]			Total Portfolio less The Ensign Group & Transitioned Facilities ^[6] For the twelve-month period ended December 31, 2018 ^[5]		
	EBITDAR Coverage	EBITDARM Coverage	Occupancy	EBITDAR Coverage	EBITDARM Coverage	Occupancy
Skilled Nursing	1.81x	2.37x	77.0%	1.44x	1.93x	77.6%
Multi-Service Campus	1.72x	2.16x	77.5%	1.54x	1.91x	76.9%
Seniors Housing	1.30x	1.53x	83.4%	1.04x	1.22x	87.2%
Total	1.73x	2.23x	78.1%	1.37x	1.78x	79.2%

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 March 2019 rent, annualized, or based on the initial cash rents 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 and two mortgage loans receivable.

[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.

[6] Transitioned facilities include 16 Pristine Senior Living facilities transitioned in December 2017 & May 2018, 4 Better Senior Living facilities transitioned in December 2017 and 2 OnPointe Health facilities transitioned in May 2018.

See "Glossary" for additional information.

Tenant Summary

Top Five Tenants by Rent



The Ensign Group (Nasdaq: ENSG) is a publicly-traded, nationwide operator of 245 skilled nursing and assisted living facilities, 93 of which are owned by CareTrust REIT. In addition to being a blue-chip operator, Ensign also operates 46 hospice agencies, home health agencies, and home care businesses.

www.ensigngroup.net



Trillium Healthcare Group is a privately-held Florida-based post-acute healthcare company that operates 38 skilled nursing and seniors housing facilities in Ohio, Iowa, Nebraska, Florida, and Georgia, 18 of which are owned by CareTrust REIT.

www.trilliumhcg.com



Priority Management Group is a privately-held, Dallas-based healthcare company which operates 13 post-acute facilities in Texas and Louisiana, 7 of which are owned by CareTrust REIT.

www.prioritymgt.com



Trio Healthcare is a privately-held Georgia-based post-acute healthcare company which operates 21 post-acute facilities in Virginia and Ohio, 7 of which are owned by CareTrust REIT.

www.trio-healthcare.com

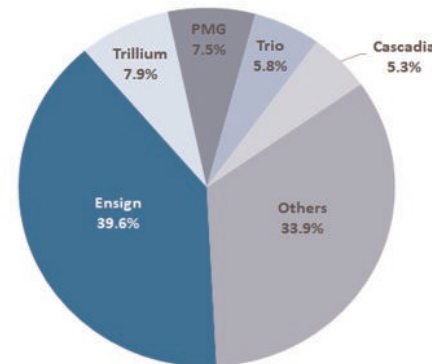


Cascadia Healthcare is a privately-held Idaho-based post-acute healthcare company which operates 16 post-acute facilities in Idaho, Oregon, Washington, and Montana, 11 of which are owned by CareTrust REIT.

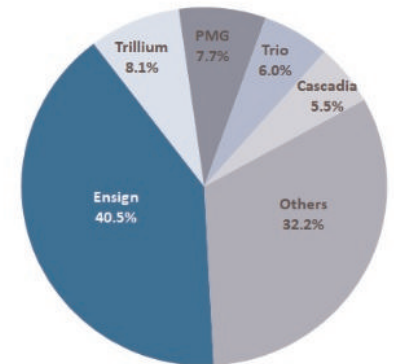
www.cascadiahc.com

Run-Rate Rent Concentration

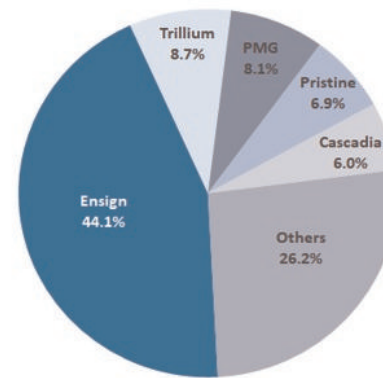
March 31, 2019



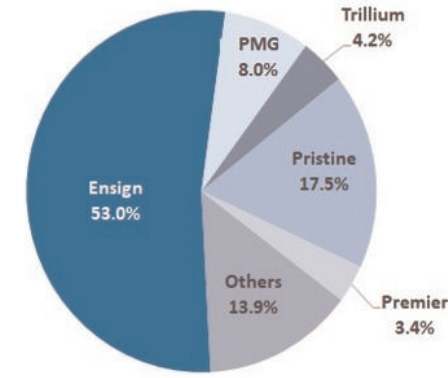
December 31, 2018



December 31, 2017



December 31, 2016



Rent Diversification by Tenant

(dollars in thousands)

As of March 31, 2019

	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[2]	% of Total Rent
1 The Ensign Group	93	9,860	510,121	33.9%	59,842	39.6%
2 Trillium Healthcare Group	18	1,362	128,778	8.6%	11,879	7.9%
3 Priority Management Group	7	981	121,285	8.1%	11,297	7.5%
4 Trio Healthcare	7	672	89,358	5.9%	8,785	5.8%
5 Cascadia Healthcare	11	914	86,168	5.7%	8,035	5.3%
Total Top 5 Tenants	136	13,789	935,710	62.2%	99,838	66.1%
6 Providence Group	4	654	83,743	5.6%	7,760	5.1%
7 Covenant Care	6	789	69,478	4.6%	6,523	4.3%
8 Eduro Healthcare, LLC	6	752	70,760	4.7%	6,456	4.3%
9 Premier Senior Living Group	8	385	68,564	4.6%	6,181	4.1%
10 WLC Management	8	772	46,363	3.1%	4,725	3.1%
Total Top 10 Tenants	168	17,141	1,274,618	84.8%	131,483	87.0%
All Other Tenants	31	2,527	229,194	15.2%	19,538	13.0%
Total ^[3]	199	19,668	\$ 1,503,812	100.0%	\$ 151,021	100.0%

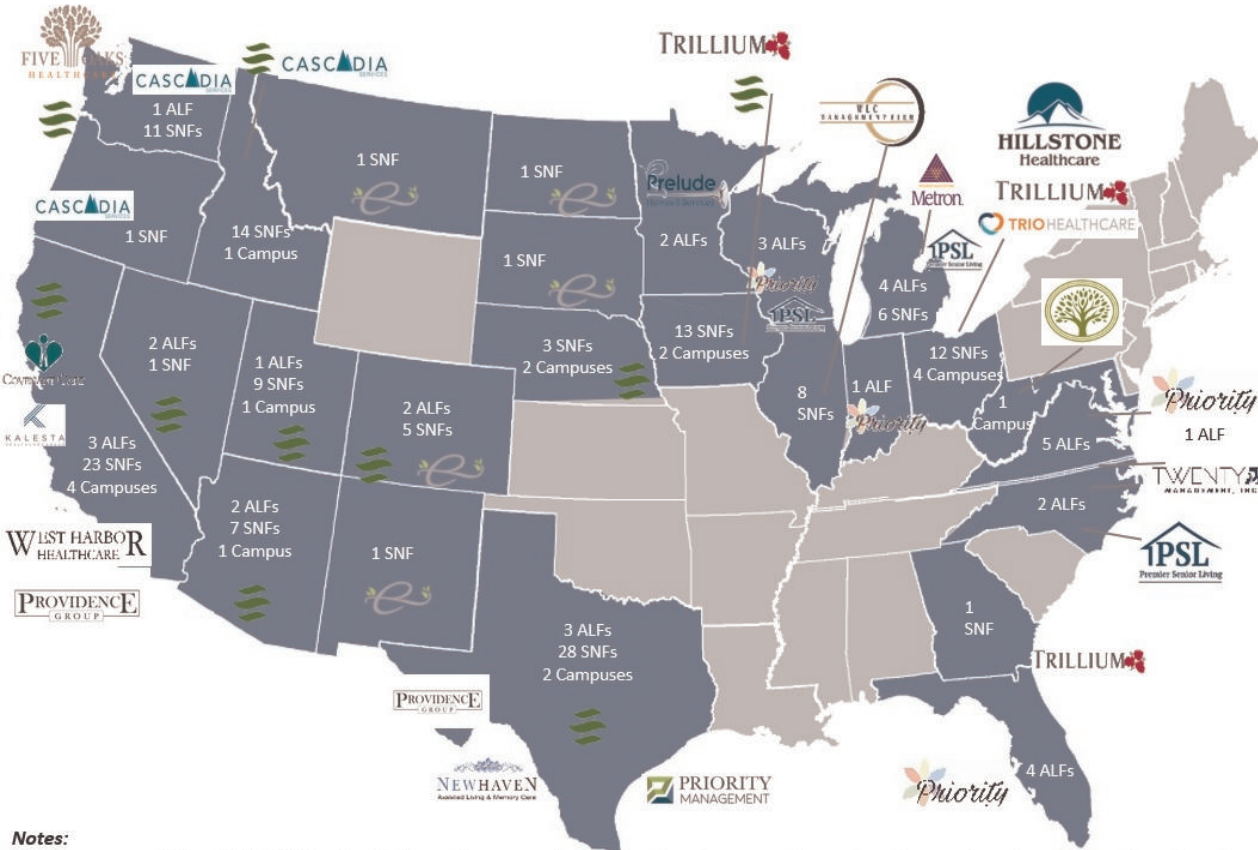
Notes:

[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 landlord-funded capital expenditures, if any.

[2] Rent represents March 2019 rent, annualized, or based on the initial cash rents annualized.

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

Geographic Diversification



Notes:
Numbers are as of March 31, 2019 and exclude our three operated seniors housing properties and our two preferred equity investments and two mortgage loans receivable.

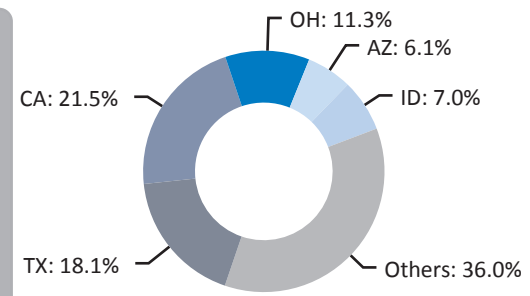
199 NNN Facilities

20 Operator Relationships

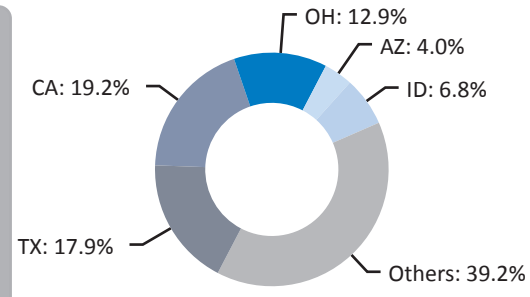
27 States

Top Five States

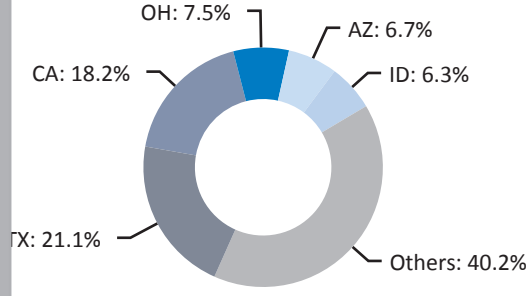
Run-Rate Rent



Investment



Beds/Units



Rent Diversification by State

(dollars in thousands)

As of March 31, 2019

Net-Leased Assets by State	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[2]	% of Total Rent
1 California	30	3,584	\$ 289,365	19.2%	\$ 32,438	21.5%
2 Texas	34	4,145	268,791	17.9%	27,370	18.1%
3 Ohio	16	1,484	194,378	12.9%	17,098	11.3%
4 Idaho	15	1,241	101,602	6.8%	10,596	7.0%
5 Arizona	10	1,327	60,753	4.0%	9,219	6.1%
Top 5 States	105	11,781	914,889	60.8%	96,721	64.0%
6 Michigan	10	669	76,624	5.1%	7,065	4.7%
7 Washington	12	1,015	61,730	4.1%	6,405	4.2%
8 Utah	12	1,306	77,322	5.1%	6,188	4.1%
9 Colorado	7	770	60,435	4.0%	5,945	3.9%
10 Iowa	15	986	53,488	3.6%	5,665	3.8%
Top 10 States	161	16,527	1,244,488	82.7%	127,989	84.7%
All Other States	38	3,141	259,324	17.3%	23,032	15.3%
Total^[3]	199	19,668	\$ 1,503,812	100.0%	\$ 151,021	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 landlord-funded capital expenditures, if any.

[2] Rent represents March 2019 rent, annualized, or based on the initial cash rents annualized.

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

Lease Maturities

(dollars in thousands)

As of March 31, 2019

Lease Maturity Year ^[1]	Investment ^[2]	% of Total Investment	Rent ^[3]	% of Total Rent
2026	58,157	3.9%	6,606	4.4%
2027	55,929	3.7%	5,861	3.9%
2028	79,914	5.3%	7,977	5.3%
2029	115,381	7.7%	10,086	6.7%
2030	283,398	18.8%	25,512	16.9%
2031	343,442	22.8%	33,049	21.9%
2032	216,919	14.4%	23,014	15.2%
2033	234,830	15.6%	27,668	18.3%
2034	115,842	7.8%	11,248	7.4%
Total^[4]	\$ 1,503,812	100.0%	\$ 151,021	100.0%



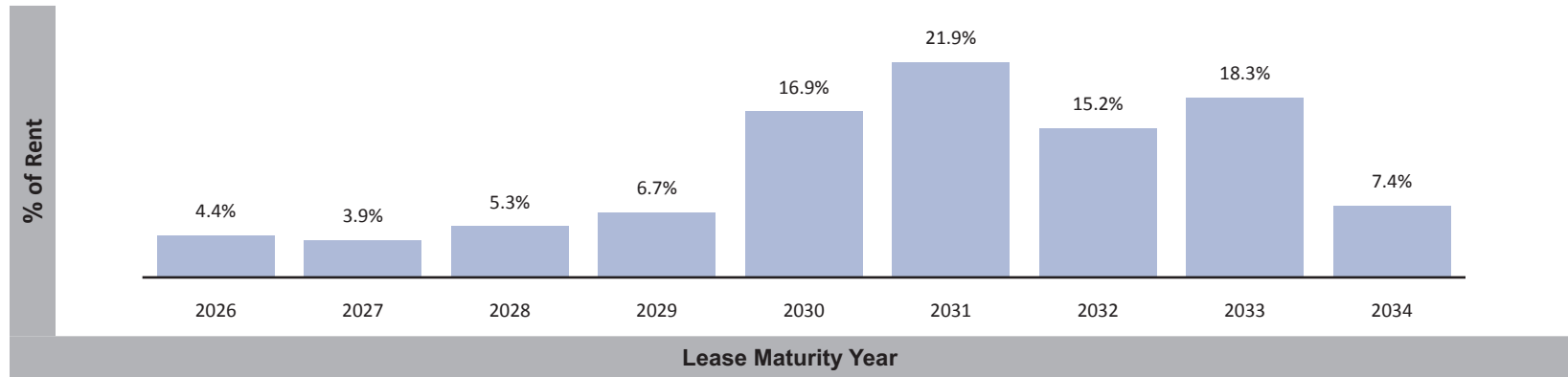
Notes:

[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. Capital investment includes purchase price, transaction costs and landlord-funded capital expenditures, if any.

[3] Rent represents March 2019 rent, annualized.

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





Financial Overview



Consolidated Income Statements

(amounts in thousands, except per share data)

Revenues:

Rental income

Tenant reimbursements^[1]

Independent living facilities

Interest and other income

Total revenues

Expenses:

Depreciation and amortization

Interest expense

Property taxes

Independent living facilities

General and administrative

Total expenses

Other income:

Gain on sale of real estate

Net income

Earnings per common share:

Basic

Diluted

Weighted-average number of common shares:

Basic

Diluted

Dividends declared per common share

Three Months Ended March 31,			
2019		2018	
\$	38,347	\$	33,816
	—		2,968
	860		799
	451		518
	39,658		38,101
	11,902		11,577
	6,860		7,092
	826		2,968
	707		716
	3,310		3,192
	23,605		25,545
	—		2,051
\$	16,053	\$	14,607
\$	0.18	\$	0.19
\$	0.18	\$	0.19
	88,010		75,504
	88,010		75,504
\$	0.225	\$	0.205

Notes:

[1] Prior to the adoption of the ASU 842, we recognized tenant recoveries as tenant reimbursement revenues regardless of whether the third party was paid by the lessor or lessee. In the three months ended March 31, 2019, we recognized real estate taxes of \$0.8 million, which were paid by us directly to third parties and classified as rental income on our condensed consolidated income statement.

Reconciliation of EBITDA, FFO and FAD

(amounts in thousands, except per share data)

	Quarter Ended March 31, 2018	Quarter Ended June 30, 2018	Quarter Ended September 30, 2018	Quarter Ended December 31, 2018	Quarter Ended March 31, 2019
Net income	\$ 14,607	\$ 13,267	\$ 14,510	\$ 15,539	\$ 16,053
Depreciation and amortization	11,577	11,299	11,351	11,539	11,902
Interest expense	7,092	7,285	6,805	6,678	6,860
Amortization of stock-based compensation	904	924	988	1,032	994
EBITDA	34,180	32,775	33,654	34,788	35,809
Gain on sale of real estate	(2,051)	—	—	—	—
Normalized EBITDA	\$ 32,129	\$ 32,775	\$ 33,654	\$ 34,788	\$ 35,809
Net income	\$ 14,607	\$ 13,267	\$ 14,510	\$ 15,539	\$ 16,053
Real estate related depreciation and amortization	11,549	11,265	11,330	11,520	11,884
Gain on sale of real estate	(2,051)	—	—	—	—
Funds from Operations (FFO)	24,105	24,532	25,840	27,059	27,937
Normalized FFO	\$ 24,105	\$ 24,532	\$ 25,840	\$ 27,059	\$ 27,937

See Glossary for additional information.

Reconciliation of EBITDA, FFO and FAD

(continued)



	Quarter Ended March 31, 2018	Quarter Ended June 30, 2018	Quarter Ended September 30, 2018	Quarter Ended December 31, 2018	Quarter Ended March 31, 2019
(amounts in thousands, except per share data)					
Net income	\$ 14,607	\$ 13,267	\$ 14,510	\$ 15,539	\$ 16,053
Real estate related depreciation and amortization	11,549	11,265	11,330	11,520	11,884
Amortization of deferred financing fees	484	484	484	486	541
Amortization of stock-based compensation	904	924	988	1,032	994
Straight-line rental income	(591)	(342)	(698)	(702)	(463)
Gain on sale of real estate	(2,051)	—	—	—	—
Funds Available for Distribution (FAD)	24,902	25,598	26,614	27,875	29,009
Normalized FAD	\$ 24,902	\$ 25,598	\$ 26,614	\$ 27,875	\$ 29,009
FFO per share	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32
Normalized FFO per share	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32
FAD per share	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33
Normalized FAD per share	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33
Diluted weighted average shares outstanding [1]	75,657	76,545	81,687	84,324	88,266

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

Consolidated Balance Sheets



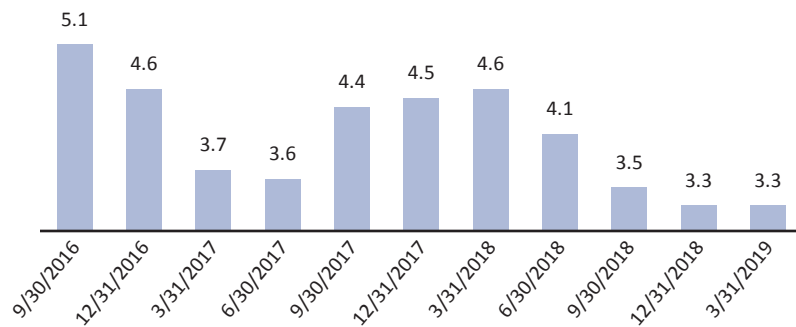
(dollars in thousands)

	March 31, 2019	December 31, 2018
Assets:		
Real estate investments, net	\$ 1,259,336	\$ 1,216,237
Other real estate investments, net	29,419	18,045
Cash and cash equivalents	214,354	36,792
Accounts and other receivables, net	8,360	11,387
Prepaid expenses and other assets	8,759	8,668
Deferred financing costs, net	3,758	633
Total assets	\$ 1,523,986	\$ 1,291,762
Liabilities and Equity:		
Senior unsecured notes payable, net	\$ 295,342	\$ 295,153
Senior unsecured term loan, net	198,555	99,612
Unsecured revolving credit facility	185,000	95,000
Accounts payable and accrued liabilities	13,972	15,967
Dividends payable	20,086	17,783
Total liabilities	712,955	523,515
Equity:		
Common stock	884	859
Additional paid-in capital	1,012,295	965,578
Cumulative distributions in excess of earnings	(202,148)	(198,190)
Total equity	811,031	768,247
Total liabilities and equity	\$ 1,523,986	\$ 1,291,762

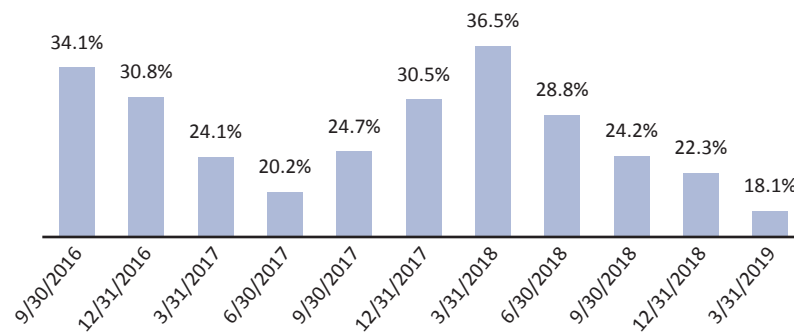
Key Debt Metrics



Net Debt to Normalized EBITDA ^{[1][2]}



Net Debt to Enterprise Value ^[3]



[1] Net Debt to Normalized EBITDA compares total debt as of the last day of the quarter to the annualized Normalized EBITDA for the quarter.

[2] See "Financials & Filings - Quarterly Results" on the Investors section of our website at <http://investor.caretrustreit.com> for reconciliations of Normalized EBITDA to the most directly comparable GAAP measure for the periods presented.

[3] Net 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.

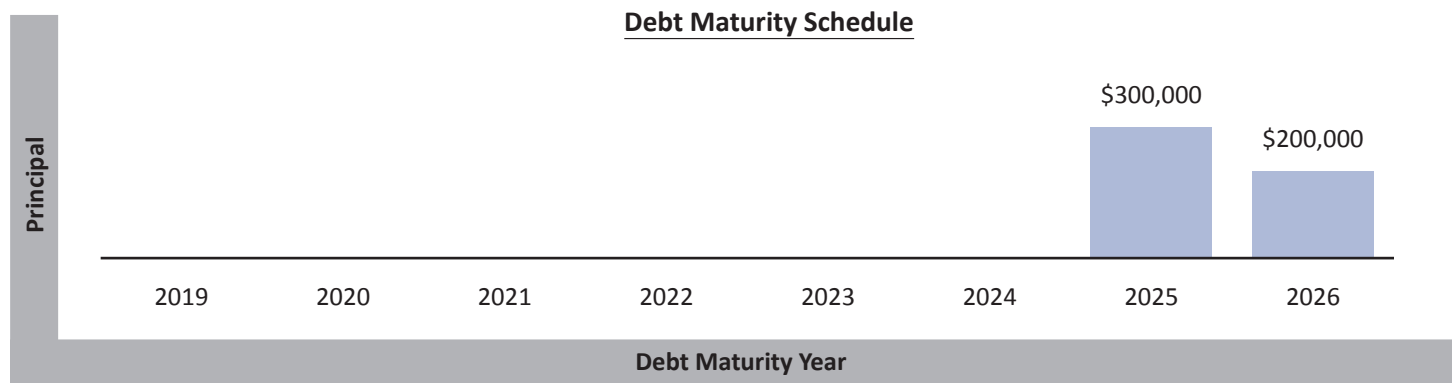


Cottages at White Bear Lake (White Bear Lake, MN)

Debt Summary

(dollars in thousands)

(dollars in thousands)			March 31, 2019			
Debt	Interest Rate	Maturity Date	Principal	% of Principal	Deferred Loan Costs	Net Carrying Value
Fixed Rate Debt						
Senior unsecured notes payable	5.250%	2025	\$ 300,000	43.8%	\$ (4,658)	\$ 295,342
Floating Rate Debt						
Senior unsecured term loan	3.989% ^[1]	2026	200,000	29.2%	(1,445)	198,555
Unsecured revolving credit facility	3.599% ^[2]	2024	^[3] 185,000	27.0%	— ^[4]	185,000
	3.802%		385,000	56.2%	(1,445)	383,555
Total Debt	4.436%		\$ 685,000	100.0%	\$ (6,103)	\$ 678,897



Notes:

[1] Funds can be borrowed at applicable LIBOR plus 1.50% to 2.20% or at the Base Rate (as defined) plus 0.50% to 1.20%.

[2] Funds can be borrowed at applicable LIBOR plus 1.10% to 1.55% or the Base Rate (as defined) plus 0.10% to 0.55%.

[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.

2019 Guidance



(shares in thousands)

Net income

Real estate related depreciation and amortization

Funds from Operations (FFO)

Normalized FFO

Net income

Real estate related depreciation and amortization

Amortization of deferred financing fees

Amortization of stock-based compensation

Straight-line rental income

Funds Available for Distribution (FAD)

Normalized FAD

Weighted average shares outstanding:

Diluted

Low		High	
\$	0.84	\$	0.86
	0.51		0.51
	1.35		1.37
\$	1.35	\$	1.37
\$	0.84	\$	0.86
	0.51		0.51
	0.02		0.02
	0.04		0.04
	(0.01)		(0.01)
	1.40		1.42
\$	1.40	\$	1.42
	93,498		93,498

See "Glossary" for additional information.

Equity Capital Transactions

Follow-On Equity Offering Activity^[1]

	2015	2016					2019 ^[2]	
		Q1	Q2	Q3	Q4	Total	Q1	Q2 ^[3]
Number of Shares (000s)	16,330	—	9,775	—	6,325	16,100	—	6,641
Public Offering Price per Share	\$ 10.50	\$ —	\$ 11.35	\$ —	\$ 13.35	\$ 12.14 ^[1]	\$ —	\$ 23.35
Gross Proceeds (000s)	\$ 171,465	\$ —	\$ 110,946	\$ —	\$ 84,439	\$ 195,385	\$ —	\$ 155,073

At-the-Market Offering Activity

	2016	2017	2018	2019
				Q1 ^[2]
Number of Shares (000s)	924	10,574	10,265	2,459
Average Price per Share	\$ 15.31	\$ 16.43	\$ 17.76	\$ 19.48
Gross Proceeds (000s)	\$ 14,147	\$ 173,760	\$ 182,321	\$ 47,893

Notes:

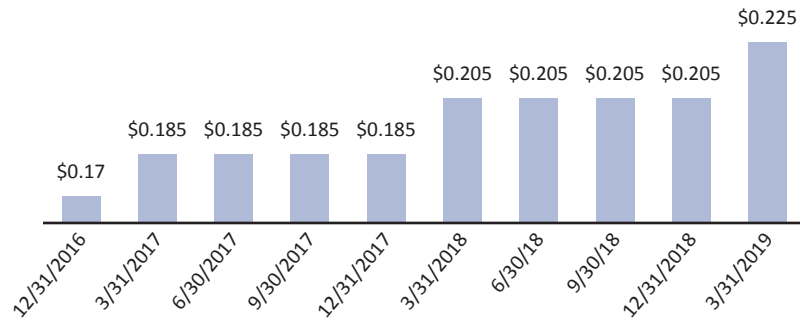
[1] Represents average offering price per share for follow-on equity offerings.

[2] In connection with the entry into the equity distribution agreement and the commencement of the new \$300.0 million ATM Program in March 2019 (the "New ATM Program") our "at-the-market" equity offering program pursuant to our prior equity distribution agreement, dated as of May 17, 2017, was terminated. There was no New ATM Program activity for the three months ended March 31, 2019. As of March 31, 2019, CareTrust REIT had \$300.0 million available for future issuances under the New ATM Program.

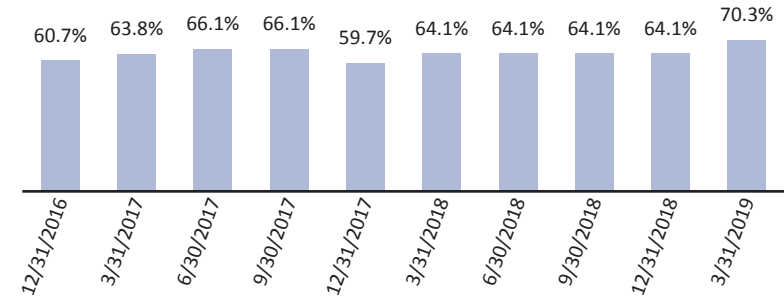
[3] On April 15, 2019, we completed an underwritten public offering pursuant to which we sold 6,641,250 shares of our common stock, par value \$0.01 per share, at an initial price to the public of \$23.35, including 866,250 shares of common stock sold pursuant to the full exercise of an option to purchase additional shares of common stock granted to the underwriters, resulting in approximately \$148.4 million in net proceeds, after deducting the underwriting discount and estimated gross offering expenses.

Other Financial Highlights

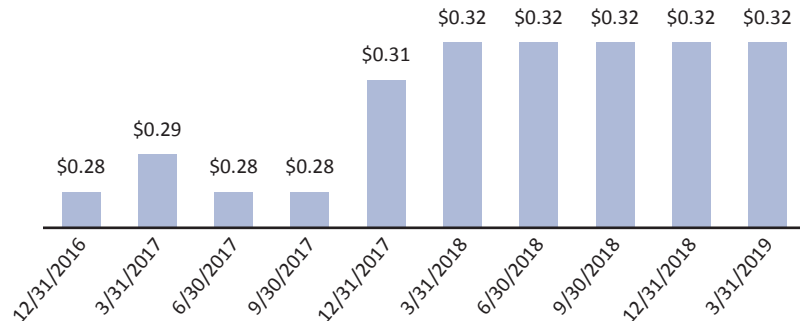
Dividend History



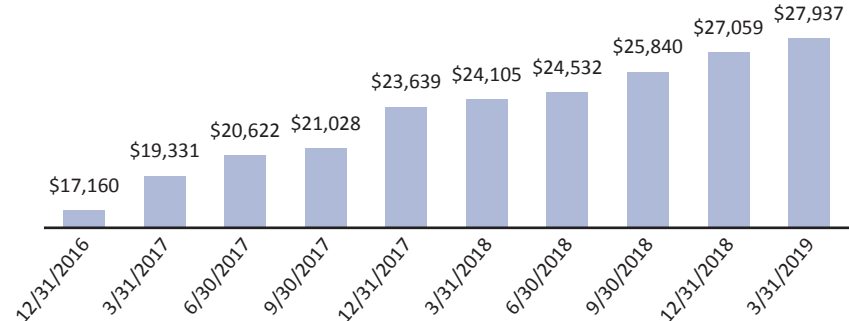
Normalized FFO Payout Ratio ^{[1][2]}



Normalized FFO per Share ^[2]



Normalized FFO ^[2]



Notes:

[1] Normalized FFO Payout Ratio represents dividends declared divided by Normalized FFO, in each case for the applicable quarter.

[2] See "Financials & Filings - Quarterly Results" on the Investors section of our website at <http://investor.caretrustreit.com> for a reconciliation of Normalized FFO and Normalized FFO per Share to the most directly comparable GAAP measure for the periods presented.

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 December 31, 2018. 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 December 31, 2018. 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]

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.

Glossary

Multi-Service Campus

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

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, reserve for advances and deferred rent 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 reserves for advances and deferred rent, 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 reserves for advances and deferred rent, 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 December 31, 2018; 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 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.



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*Expertise. Partnership.
Growth.*