



Financial Supplement

Third Quarter 2022



CARETRUST

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 plans, business and acquisition strategies, growth prospects, operating and financial performance, expectations regarding the making of distributions, payment of dividends, 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 impact of possible additional surges of COVID-19 infections or the risk of other pandemics, epidemics or infectious disease outbreaks, measures taken to prevent the spread of such outbreaks and the related impact on our business or the businesses of our tenants; (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, including, without limitation, their respective obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities; (iii) the risk that we may have to incur additional impairment charges related to our assets held for sale if we are unable to sell such assets at the prices we expect; (iv) the ability of our tenants to comply with applicable laws, rules and regulations in the operation of the properties we lease to

them; (v) 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; (vi) 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; (vii) the ability to generate sufficient cash flows to service our outstanding indebtedness; (viii) access to debt and equity capital markets; (ix) fluctuating interest rates; (x) the ability to retain our key management personnel; (xi) the ability to maintain our status as a real estate investment trust (“REIT”); (xii) changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; (xiii) other risks inherent in the real estate business, including potential liability relating to environmental matters and illiquidity of real estate investments; and (xiv) any additional factors included in our Annual Report on Form 10-K for the year ended December 31, 2021, 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 or on our website. See “Financials and Filings – Quarterly Results” on the Investors section of our website at investor.caretrustreit.com. 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. The Ensign Group, Inc. (“Ensign”) and The Pennant Group, Inc. (“Pennant”) are subject to the registration and reporting requirements of the SEC and are required to file with the SEC annual reports containing audited financial information and quarterly reports containing unaudited financial information. Ensign’s and Pennant’s financial statements, as filed with the SEC, can be found at the SEC’s website at www.sec.gov.

This supplement provides information about our financial results as of and for the quarter ended September 30, 2022 and is provided as of the date hereof, 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, development 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 September 30, 2022, CareTrust REIT has expanded its tenant roster to 18 operators, and has grown its real estate portfolio to 198 net-leased healthcare properties across 21 states, consisting of 21,505 operating beds/units, excluding 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational. As of September 30, 2022, CareTrust REIT also had three secured loans receivable and two mezzanine loans receivable.

MANAGEMENT

Dave Sedgwick – President & Chief Executive Officer
Bill Wagner - Chief Financial Officer
Mark Lamb - Chief Investment Officer
James Callister - Executive Vice President

BOARD OF DIRECTORS

Diana Laing - Chair
Anne Olson
Spencer Plumb
Careina Williams
Dave Sedgwick

ANALYST COVERAGE*

Baird - David Rogers | (216) 737-7341
Barclays - Steve Valiquette | (212) 526-5496
BMO Capital Markets - Juan Sanabria | (312) 845-4074
CapitalOne Securities - Dan Bernstein | (571) 835-7202
Credit Suisse - Tayo Okusanya | (212) 325-1402
KeyBanc Capital Markets - Austin Wurschmidt | (917) 368-2311
Raymond James - Jonathan Hughes | (727) 567-2438
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* This information is provided as of November 8, 2022. This list may be incomplete and is subject to change as firms initiate or discontinue coverage of CareTrust. Please note that any opinions, estimates, or forecasts regarding our historical or predicted performance made by these analysts are theirs alone and do not represent opinions, estimates, or forecasts of CareTrust or our management. CareTrust does not by our reference or distribution of the information above imply our endorsement of or concurrence with any opinions, estimates, or forecasts of these analysts. Interested persons may obtain copies of analysts' reports on their own as we do not distribute these reports. Several of these firms may, from time to time, own our stock and/or hold other long or short positions in our stock and may provide compensated services to us.



Snapshot

CARETRUST REIT, INC.

NYSE: CTRE

Market Data (as of September 30, 2022)

- Closing Price: \$18.11
- 52 Week Range: \$23.59 – \$15.90
- Market Cap: \$1,757M
- Enterprise Value: \$2,532M
- Outstanding Shares: 97.029M

Credit Ratings

S&P

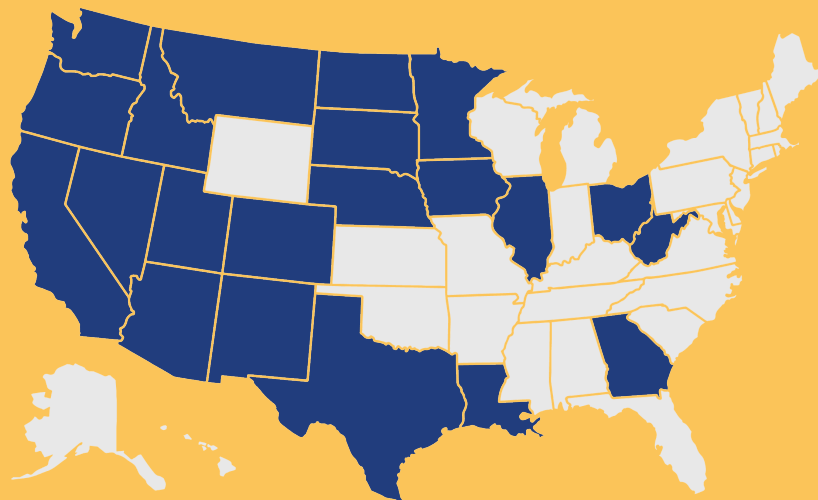
- Corporate Rating: BB (stable)
- Senior Unsecured Notes: BB+

Fitch

- Corporate Rating: BB+ (stable)
- Senior Unsecured Notes: BB+

Moody's

- Corporate Rating: Ba2 (stable)
- Senior Unsecured Notes: Ba2



\$1,752.3M
INVESTMENTS

198
PROPERTIES

21,505
OPERATING
BEDS/UNITS

18
OPERATORS

21
STATES

Note:

Portfolio amounts presented above are as of September 30, 2022 and exclude our three secured loans receivable and two mezzanine loans receivable. Additionally, amounts exclude 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.

General Note:

Totals may not add due to rounding.



Investments (dollars in thousands)

Date	Operator	Property Type	Location	Facilities	Initial Investment ^[1]	Operating Beds/Units ^[2]	Initial Rent ^[3]	Initial Yield ^[4]
6/1/2014	The Ensign Group	ALF, SNF, Campus	Various	94	\$ 501,673	10,053	\$ 56,000	N/A
2014 Investments				6	33,609	157	3,076	9.2 %
2015 Investments				20	233,028	1,840	22,263	9.6 %
2016 Investments				35	288,023	2,800	26,084	9.1 %
2017 Investments				36	309,805	3,324	28,000	9.0 %
2018 Investments				12	111,950	1,103	9,955	8.9 %
2019 Investments				27	340,884	3,348	30,168	8.8 %
2020 Investments				17	105,267	961	9,398	8.9 %
2021 Investments				10	196,576	1,247	13,103	7.3 %
2/1/2022	Eduro Healthcare, LLC	SNF	TX	1	8,918	135	815	9.1 %
3/1/2022	WLC Management Firm, LLC	SNF Campus	IL	1	13,095	130	1,235	9.4 %
6/30/2022	Senior Secured Loan	SNF, SNF Campus	Mid-Atlantic	18	75,000	1,796	6,281	8.4 % ^[6]
6/30/2022	Mezzanine Loan	SNF, SNF Campus	Mid-Atlantic	N/A	25,000	N/A	2,750	11.0 %
8/1/2022	Secured Loan	SNF	CA	5	22,250	600	1,891	8.5 % ^[7]
9/8/2022	Secured Loan	SNF	GA	4	24,900	690	2,241	9.0 % ^[8]
2022 Investments				29	169,163	3,351	15,213	9.0 %
Total Post Spin-off Investments ^[5]				192	1,788,305	18,131	157,260	8.9 %
Total Investments ^[5]				286	\$ 2,289,978	28,184	\$ 213,260	

Notes:

[1] Initial Investment for pre-spin properties represents Ensign's and Pennant's gross book value. Initial Investment for post-spin properties represents CareTrust REIT's purchase price and transaction costs and includes commitments for capital expenditures that are not rent producing.

[2] Initial Operating Beds/Units as of the acquisition date.

[3] Initial Rent represents the annualized acquisition-date cash rent, deferred interest income on any preferred equity investments and interest income on any mortgage loans receivable, secured loans receivable and mezzanine loans. Initial Rent excludes ground lease income.

[4] Initial Yield represents Initial Rent divided by Initial Investment and excludes properties not under a long-term master lease.

[5] All amounts, except as otherwise indicated, include any preferred equity investments, mortgage loans receivable and mezzanine loans receivable.

[6] Initial yield on the senior secured term loan is 8.5% less a 0.125% subservicing fee.

[7] Initial yield based on term secured overnight financing rate, with a floor of approximately 8.5% less a subservicing fee of 50% over 8.25%.

[8] Initial yield based on term secured overnight financing rate, with a floor of approximately 9.0% less a subservicing fee of 100% over 9.00%.



Top 10 Tenants Lease Coverage^[1]

	Twelve Months Ended March 31, 2020		Twelve Months Ended June 30, 2022		Twelve Months Ended June 30, 2022	
	Pre COVID-19		Excludes Use of HHS Funds ^[4]		Includes Amortized HHS Funds ^[5]	
	EBITDAR Coverage ^[2]	EBITDARM Coverage ^[2]	EBITDAR Coverage ^[2]	EBITDARM Coverage ^[2]	EBITDAR Coverage ^[2]	EBITDARM Coverage ^[2]
1 The Ensign Group ^[3]	3.02x	3.79x	3.36x	4.17x	3.36x	4.17x
2 Priority Management Group	1.50x	1.81x	1.30x	1.60x	1.50x	1.81x
3 Cascadia Healthcare	1.61x	2.07x	1.92x	2.39x	2.08x	2.57x
4 Providence Group	1.03x	1.45x	1.70x	2.27x	1.83x	2.41x
5 Eduro Healthcare, LLC	1.17x	1.65x	1.66x	2.18x	1.93x	2.46x
6 Covenant Care	1.37x	1.94x	0.67x	1.23x	0.78x	1.34x
7 The Pennant Group ^[3]	1.27x	1.48x	0.72x	0.90x	0.72x	0.90x
8 Bayshire Senior Communities ^[6]	1.32x	1.60x	0.71x	1.07x	0.71x	1.08x
9 WLC Management	2.15x	2.59x	1.32x	1.77x	1.68x	2.14x
10 Aspen Senior Living ^[6]	—	—	0.44x	0.68x	0.44x	0.69x
Total Top 10 Tenants	2.12x	2.67x	2.13x	2.70x	2.22x	2.79x
All Other Tenants	1.01x	1.44x	1.11x	1.57x	1.36x	1.84x
Total	2.00x	2.54x	2.02x	2.58x	2.13x	2.70x

Notes:

[1] Lease Coverage excludes 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.

[2] EBITDAR Coverage and EBITDARM Coverage are based on financial 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. Coverage metrics are based on contractual cash rents in place during the period presented unless a lease has been entered into or amended since the end of the period, in which case the current contractual rent is used.

[3] Ensign and Pennant have announced that they have returned all or a portion of the provider relief funds issued to them by the U.S. Department of Health and Human Services ("HHS") pursuant to the CARES Act in connection with the COVID-19 pandemic ("HHS Relief Funds").

[4] Coverage metrics in this section exclude all HHS Relief Funds received and retained to date, if any.

[5] Coverage metrics in this section include all known HHS Relief Funds received and retained as reported to us through November 1, 2022, if any, and amortizes the retained HHS Relief Funds ratably over the period of availability based on when the HHS Relief Funds were received in accordance with HHS' current guidelines for using the HHS Relief Funds for allowable purposes, except for phase 4 funding which is amortized ratably from the date the funds are received through June 30, 2022. The calculations further assume that (i) none of the HHS Relief Funds retained to date will be returned to HHS, and (ii) no additional HHS Relief Funds will be distributed to providers in the future.

[6] No coverage metrics were received for the period prior to lease commencement for facilities acquired in March and April 2021.

See "Glossary" for additional information.



Portfolio Performance

(dollars in thousands)

As of September 30, 2022

Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[2]	% of Total Rent	Current Yield ^[3]
Skilled Nursing	154	16,193	\$ 1,299,763	74.2 %	\$ 135,363	75.5 %	10.4 %
Multi-Service Campus	24	3,466	363,306	20.7 %	31,833	17.7 %	8.8 %
Seniors Housing	20	1,846	89,218	5.1 %	12,194	6.8 %	13.7 %
Total Net-Leased Assets^[4]	198	21,505	\$ 1,752,287	100.0 %	\$ 179,390	100.0 %	10.2 %

(dollars in thousands)

As of June 30, 2022

Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[5]	% of Total Rent	Current Yield ^[3]
Skilled Nursing	154	16,208	\$ 1,301,148	74.2 %	\$ 135,041	75.5 %	10.4 %
Multi-Service Campus	24	3,466	363,306	20.7 %	31,729	17.7 %	8.7 %
Seniors Housing	20	1,863	89,218	5.1 %	12,194	6.8 %	13.7 %
Total Net-Leased Assets^[6]	198	21,537	\$ 1,753,672	100.0 %	\$ 178,964	100.0 %	10.2 %

(dollars in thousands)

As of September 30, 2021

Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[7]	% of Total Rent	Current Yield ^[3]
Skilled Nursing	160	16,614	\$ 1,351,596	68.6 %	\$ 134,139	70.6 %	9.9 %
Multi-Service Campus	24	3,608	376,933	19.1 %	30,917	16.3 %	8.2 %
Seniors Housing	40	3,199	241,147	12.3 %	24,925	13.1 %	10.3 %
Total Net-Leased Assets^[8]	224	23,421	\$ 1,969,676	100.0 %	\$ 189,981	100.0 %	9.6 %

Notes:

[1] Investment for pre-spin properties represents Ensign's and Pennant'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 September 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to September 30, 2022, the initial or amended contractual cash rent is used.

[3] Current Yield represents Rent divided by Investment.

[4] All amounts exclude our three secured loans receivable and two mezzanine loans receivable. Additionally, amounts exclude 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.

[5] Rent represents June 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to June 30, 2022, the initial or amended contractual cash rent is used.

[6] All amounts exclude our one senior secured loan receivable and two mezzanine loans receivable as of June 30, 2022. Additionally, amounts exclude 27 properties classified as held for sale as of June 30, 2022 and three facilities which are in the process of being repurposed.

[7] Rent represents September 2021 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to September 30, 2021, the initial or amended contractual cash rent is used.

[8] All amounts exclude our one mezzanine loan receivable as of September 30, 2021. Additionally, amounts exclude one property classified as held for sale as of September 30, 2021.

See "Glossary" for additional information.



Rent Diversification by Tenant

(dollars in thousands)

As of September 30, 2022^[1]

	Facilities	Operating Beds/Units	Rent ^[2]	% of Total Rent
1 The Ensign Group	98	10,399	\$ 66,078	36.8 %
2 Priority Management Group	15	2,144	29,214	16.3 %
3 Cascadia Healthcare	12	1,053	12,329	6.9 %
4 Providence Group	8	1,044	10,638	5.9 %
5 Eduro Healthcare, LLC	9	990	9,315	5.2 %
Total Top 5 Tenants	142	15,630	\$ 127,574	71.1 %
6 Covenant Care	7	935	8,555	4.8 %
7 The Pennant Group	8	913	7,098	4.0 %
8 Bayshire Senior Communities	5	596	6,462	3.6 %
9 WLC Management	9	919	6,293	3.5 %
10 Aspen Senior Living	2	319	5,640	3.1 %
Total Top 10 Tenants	173	19,312	\$ 161,622	90.1 %
All Other Tenants	25	2,193	\$ 17,768	9.9 %
Total	198	21,505	\$ 179,390	100.0 %

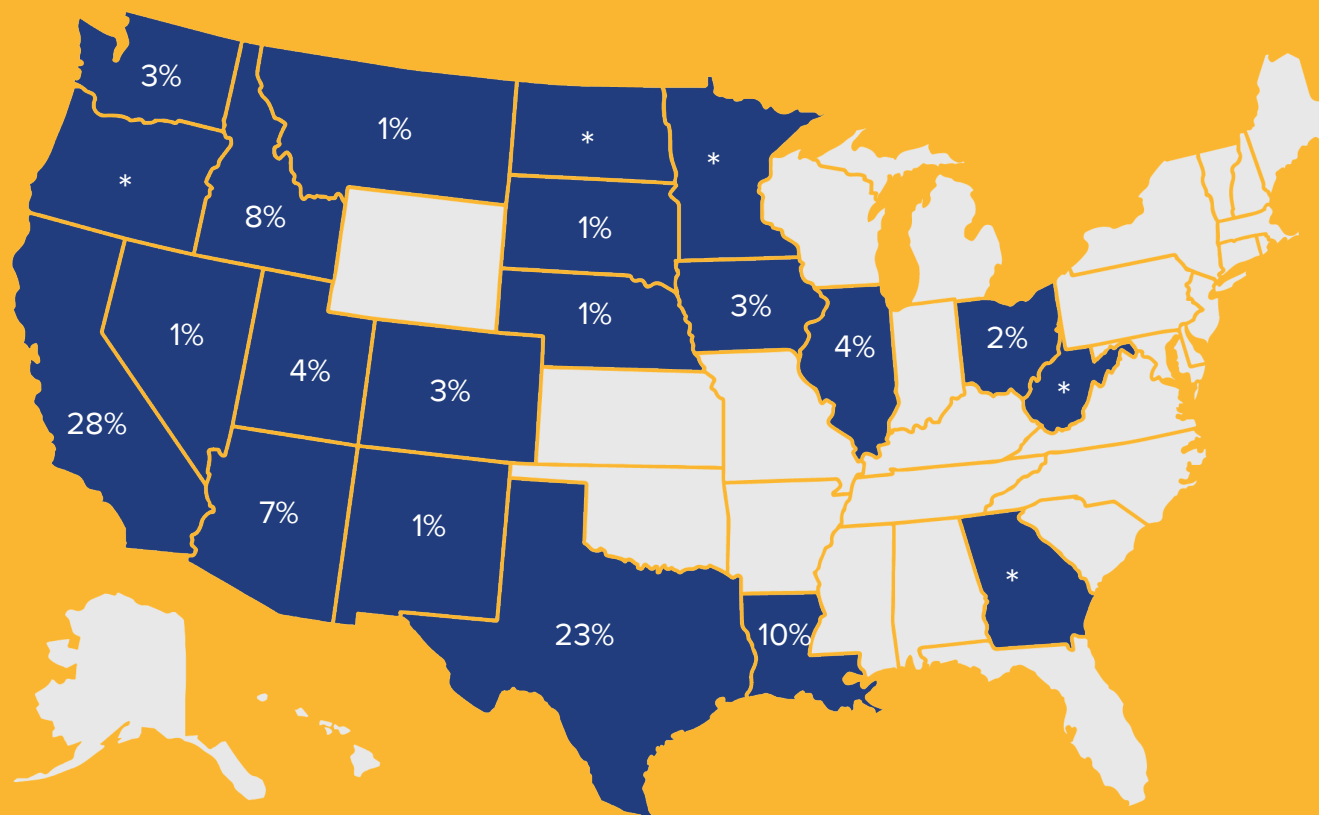
Notes:

[1] All amounts exclude our three secured loans receivable and two mezzanine loans receivable. Additionally, amounts exclude 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.

[2] Rent represents September 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to September 30, 2022, the initial or amended contractual cash rent is used.



Geographic Diversification (% of run-rate rent)



* Less than 1%.

Note: Numbers are as of September 30, 2022 and exclude our three secured loans receivable and two mezzanine loans receivable. Additionally, amounts exclude 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.



Rent Diversification by State

(dollars in thousands)		As of September 30, 2022 ^[1]			
Net-Leased Assets by State	Facilities	Operating Beds/Units	Rent ^[2]	% of Total Rent	
1 California	40	4,844	\$ 49,655	27.7 %	
2 Texas	43	5,597	40,733	22.7 %	
3 Louisiana	8	1,164	17,172	9.6 %	
4 Idaho	17	1,474	14,611	8.1 %	
5 Arizona	11	1,340	13,102	7.3 %	
Top 5 States	119	14,419	\$ 135,273	75.4 %	
6 Utah	13	1,374	7,662	4.3 %	
7 Illinois	9	919	6,293	3.5 %	
8 Colorado	7	779	5,826	3.2 %	
9 Iowa	15	970	5,151	2.9 %	
10 Washington	10	936	4,823	2.7 %	
Top 10 States	173	19,397	\$ 165,028	92.0 %	
All Other States	25	2,108	\$ 14,362	8.0 %	
Total	198	21,505	\$ 179,390	100.0 %	

Notes:

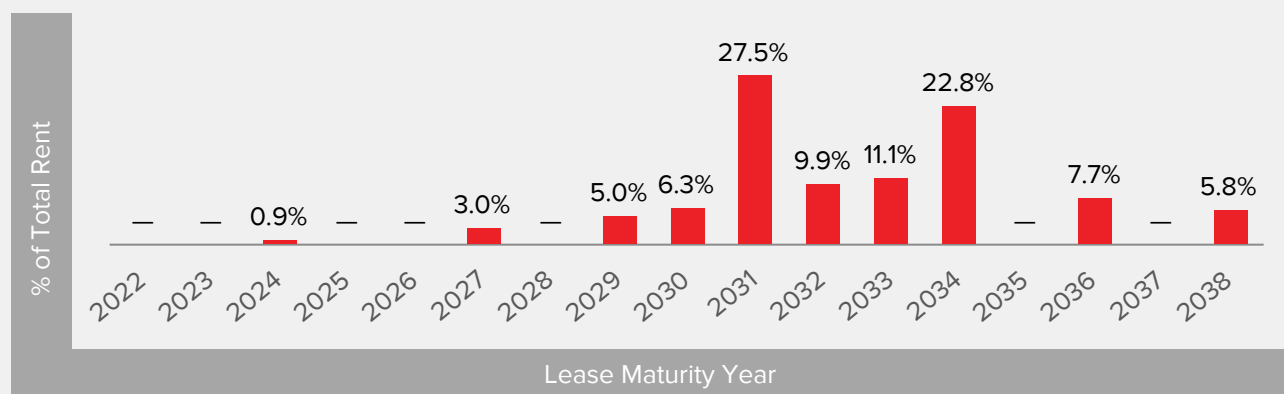
[1] All amounts exclude our three secured loans receivable and two mezzanine loans receivable. Additionally, amounts exclude 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.

[2] Rent represents September 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to September 30, 2022, the initial or amended contractual cash rent is used.



Lease Maturities

(dollars in thousands)		As of September 30, 2022 ^[1]	
Lease Maturity Year ^[2]		Rent ^[3]	% of Total Rent
2024	\$	1,537	0.9 %
2027		5,342	3.0 %
2029		9,051	5.0 %
2030		11,353	6.3 %
2031		49,368	27.5 %
2032		17,708	9.9 %
2033		19,823	11.1 %
2034		40,945	22.8 %
2036		13,862	7.7 %
2038		10,401	5.8 %
Total	\$	179,390	100.0 %



Notes:

[1] All amounts exclude our three secured loans receivable and two mezzanine loans receivable. Additionally, amounts exclude 19 properties classified as held for sale as of September 30, 2022, two facilities which are in the process of being repurposed and two that are non-operational.

[2] Lease Maturity Year represents the scheduled expiration year of the primary term of the lease and does not include tenant extension options or purchase options, if any.

[3] Rent represents September 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to September 30, 2022, the initial or amended contractual cash rent is used.



Tenant Purchase Options

(dollars in thousands)

As of September 30, 2022

Asset Type	Properties	Lease Expiration	Next Option Open Date	Option Type ^[1]	Current Cash Rent ^[2]	% of Total Rent ^[2]
ALF	5 ^[6]	October 2034	1/1/2023 ^[3]	A	\$ 2,287	1.19 %
SNF	11	November 2030	1/1/2023 ^[3]	C	5,092	2.65 %
SNF	1	March 2029	4/1/2022 ^[4]	B / C ^[5]	805	0.42 %
SNF / Campus	2	October 2032	1/1/2023 ^[3]	B	1,065	0.55 %
SNF	4	November 2034	12/1/2024 ^[4]	B	3,796	1.98 %
ALF	2 ^[6]	October 2034	1/1/2026 ^[3]	A	1,598	0.83 %
						7.62 %

Notes:

[1] Option type includes:

A - Fixed base price plus a specified share on any appreciation.

B - Fixed base price.

C - Fixed capitalization rate on lease revenue.

[2] Rent represents September 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to September 30, 2022, the initial or amended contractual cash rent is used.

[3] Option window is open for six months.

[4] Option window is open until the expiration of the lease term.

[5] Purchase option reflects two option types.

[6] Includes properties classified as held for sale at September 30, 2022.



Consolidated Statements of Operations

(amounts in thousands, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenues:				
Rental income	\$ 47,018	\$ 48,087	\$ 139,831	\$ 141,077
Interest and other income	3,275	518	4,491	1,537
Total revenues	50,293	48,605	144,322	142,614
Expenses:				
Depreciation and amortization	12,256	13,968	38,390	41,284
Interest expense	8,355	5,692	20,400	17,988
Property taxes	691	1,004	3,365	2,466
Impairment of real estate investments	12,322	—	73,706	—
Provision for loan losses, net	—	—	3,844	—
Property operating expenses	3,808	—	4,344	—
General and administrative	5,159	5,196	15,352	16,136
Total expenses	42,591	25,860	159,401	77,874
Other loss:				
Loss on extinguishment of debt	—	(10,827)	—	(10,827)
Loss on sale of real estate, net	(2,287)	—	(2,101)	(192)
Unrealized loss on other real estate related investments	(4,706)	—	(4,706)	—
Total other loss	(6,993)	(10,827)	(6,807)	(11,019)
Net income (loss)	\$ 709	\$ 11,918	\$ (21,886)	\$ 53,721
Earnings (loss) per common share:				
Basic	\$ 0.01	\$ 0.12	\$ (0.23)	\$ 0.56
Diluted	\$ 0.01	\$ 0.12	\$ (0.23)	\$ 0.56
Weighted-average number of common shares:				
Basic	96,605	96,297	96,527	95,922
Diluted	96,625	96,297	96,527	95,937
Dividends declared per common share	\$ 0.275	\$ 0.265	\$ 0.825	\$ 0.795



Reconciliation of EBITDA, FFO and FAD

(amounts in thousands)	Quarter Ended September 30, 2021	Quarter Ended December 31, 2021	Quarter Ended March 31, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2022
Net income (loss)	\$ 11,918	\$ 18,261	\$ (43,264)	\$ 20,669	\$ 709
Depreciation and amortization	13,968	14,056	13,575	12,559	12,256
Interest expense	5,692	5,689	5,742	6,303	8,355
Amortization of stock-based compensation	1,802	5,635	1,521	1,394	1,380
EBITDA	33,380	43,641	(22,426)	40,925	22,700
Impairment of real estate investments	—	—	59,683	1,701	12,322
Provision for loan losses, net	—	—	3,844	—	—
Provision for doubtful accounts and lease restructuring	—	—	977	—	—
Property operating expenses	—	8	1,231	631	3,821
(Gain) loss on sale of real estate	—	(115)	(186)	—	2,287
Non-routine transaction costs	—	1,418	—	—	—
Loss on extinguishment of debt	10,827	—	—	—	—
Unrealized loss on other real estate related investments	—	—	—	—	4,706
Normalized EBITDA	\$ 44,207	\$ 44,952	\$ 43,123	\$ 43,257	\$ 45,836
Net income (loss)	\$ 11,918	\$ 18,261	\$ (43,264)	\$ 20,669	\$ 709
Real estate related depreciation and amortization	13,964	14,051	13,571	12,553	12,251
Impairment of real estate investments	—	—	59,683	1,701	12,322
(Gain) loss on sale of real estate	—	(115)	(186)	—	2,287
Funds from Operations (FFO)	25,882	32,197	29,804	34,923	27,569
Provision for loan losses, net	—	—	3,844	—	—
Provision for doubtful accounts and lease restructuring	—	—	977	—	—
Property operating expenses	—	8	1,231	631	3,821
Accelerated amortization of stock-based compensation	—	3,696	—	—	—
Non-routine transaction costs	—	1,418	—	—	—
Loss on extinguishment of debt	10,827	—	—	—	—
Unrealized loss on other real estate related investments	—	—	—	—	4,706
Normalized FFO	\$ 36,709	\$ 37,319	\$ 35,856	\$ 35,554	\$ 36,096



Reconciliation of EBITDA, FFO and FAD (continued)

(amounts in thousands, except per share data)	Quarter Ended September 30, 2021	Quarter Ended December 31, 2021	Quarter Ended March 31, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2022
Net income (loss)	\$ 11,918	\$ 18,261	\$ (43,264)	\$ 20,669	\$ 709
Real estate related depreciation and amortization	13,964	14,051	13,571	12,553	12,251
Amortization of deferred financing fees	519	521	520	520	520
Amortization of stock-based compensation	1,802	5,635	1,521	1,394	1,380
Straight-line rental income	(6)	(6)	(6)	(5)	(3)
Impairment of real estate investments	—	—	59,683	1,701	12,322
(Gain) loss on sale of real estate	—	(115)	(186)	—	2,287
Funds Available for Distribution (FAD)	28,197	38,347	31,839	36,832	29,466
Provision for loan losses, net	—	—	3,844	—	—
Provision for doubtful accounts and lease restructuring	—	—	977	—	—
Property operating expenses	—	8	1,231	631	3,821
Non-routine transaction costs	—	1,418	—	—	—
Loss on extinguishment of debt	10,827	—	—	—	—
Unrealized loss on other real estate related investments	—	—	—	—	4,706
Normalized FAD	\$ 39,024	\$ 39,773	\$ 37,891	\$ 37,463	\$ 37,993
FFO per share	\$ 0.27	\$ 0.33	\$ 0.31	\$ 0.36	\$ 0.28
Normalized FFO per share	\$ 0.38	\$ 0.39	\$ 0.37	\$ 0.37	\$ 0.37
FAD per share	\$ 0.29	\$ 0.40	\$ 0.33	\$ 0.38	\$ 0.30
Normalized FAD per share	\$ 0.40	\$ 0.41	\$ 0.39	\$ 0.39	\$ 0.39
Diluted weighted average shares outstanding [1]	96,592	96,646	96,701	96,672	96,752

[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

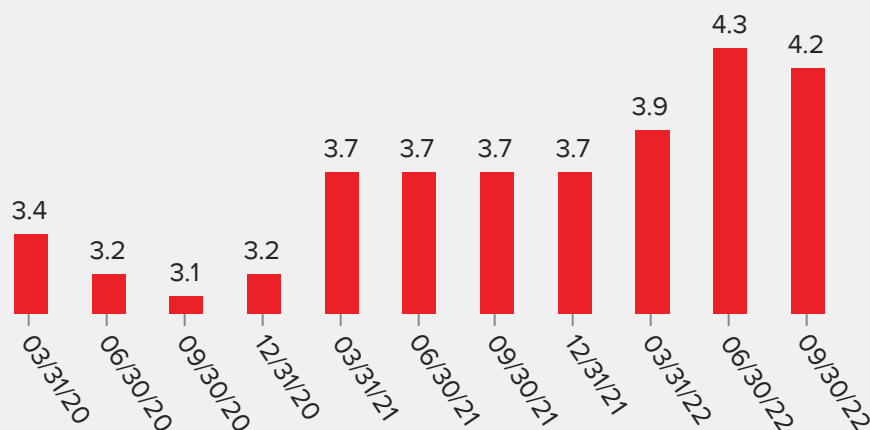
(amounts in thousands)

	September 30, 2022	December 31, 2021
Assets:		
Real estate investments, net	\$ 1,384,166	\$ 1,589,971
Other real estate related investments, at fair value	158,662	15,155
Assets held for sale, net	77,708	4,835
Cash and cash equivalents	4,861	19,895
Accounts and other receivables	808	2,418
Prepaid expenses and other assets, net	19,046	7,512
Deferred financing costs, net	327	1,062
Total assets	<u>\$ 1,645,578</u>	<u>\$ 1,640,848</u>
Liabilities and Equity:		
Senior unsecured notes payable, net	\$ 394,928	\$ 394,262
Senior unsecured term loan, net	199,295	199,136
Unsecured revolving credit facility	180,000	80,000
Accounts payable, accrued liabilities and deferred rent liabilities	30,851	25,408
Dividends payable	26,827	26,285
Total liabilities	<u>831,901</u>	<u>725,091</u>
Equity:		
Common stock	966	963
Additional paid-in capital	1,196,662	1,196,839
Cumulative distributions in excess of earnings	(383,951)	(282,045)
Total equity	<u>813,677</u>	<u>915,757</u>
Total liabilities and equity	<u>\$ 1,645,578</u>	<u>\$ 1,640,848</u>

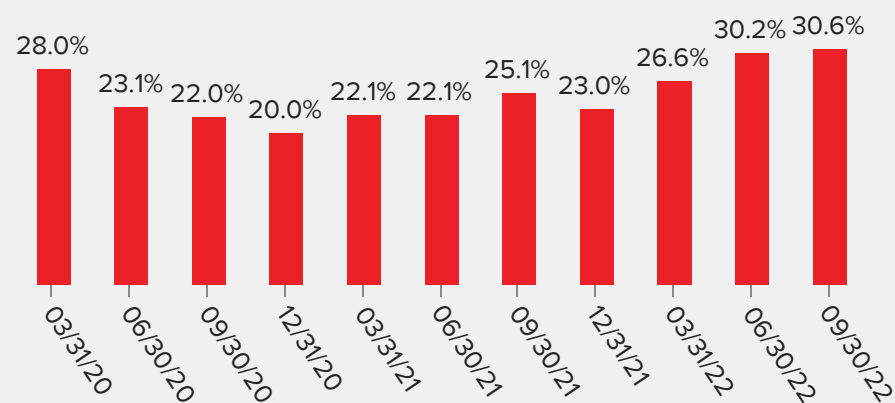


Key Debt Metrics

Net Debt to Annualized
Normalized Run Rate EBITDA ^[1]



Net Debt to Enterprise Value ^[2]



Notes:

[1] Net Debt to Annualized Normalized Run Rate EBITDA compares net debt as of the last day of the quarter to Annualized Normalized Run Rate EBITDA for the quarter which assumes investments closed during the quarter occurred on the first day of the quarter. See "Financials & Filings – Quarterly Results" on the Investors section of our website at <http://investor.caretrustreit.com> for reconciliations of Normalized EBITDA and Normalized Run Rate EBITDA to the most directly comparable GAAP measure for the periods presented.

[2] Net Debt to Enterprise Value compares net 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.



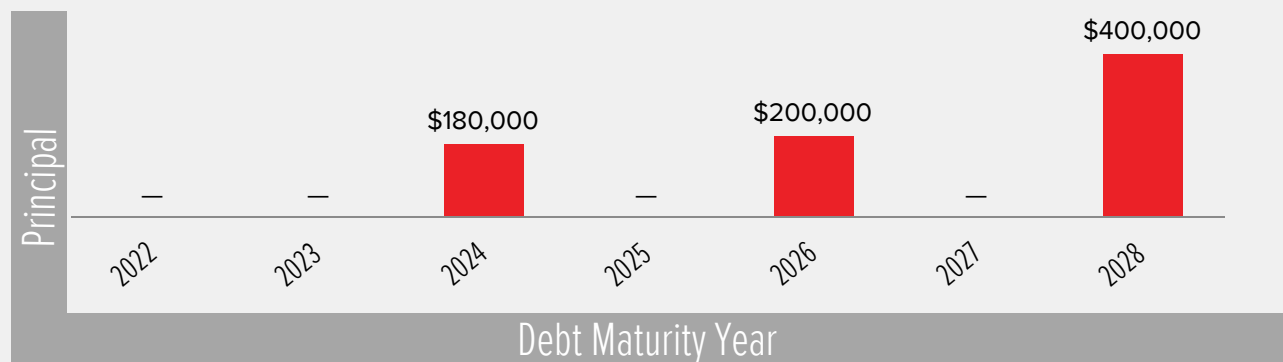
Debt Summary

(dollars in thousands)

September 30, 2022

Debt	Interest Rate	Maturity Date	Principal	% of Principal	Deferred Loan Costs	Net Carrying Value
Fixed Rate Debt						
Senior unsecured notes payable	3.875 %	2028	\$ 400,000	51.3 %	\$ (5,072)	\$ 394,928
Floating Rate Debt						
Senior unsecured term loan	4.715 % [1]	2026	200,000	25.6 %	(705)	199,295
Unsecured revolving credit facility	4.261 % [2]	2024 [3]	180,000	23.1 %	— [4]	180,000
	4.500 %		380,000	48.7 %	(705)	379,295
Total Debt	4.179 %		\$ 780,000	100.0 %	\$ (5,777)	\$ 774,223

Debt Maturity Schedule



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 at 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.



Equity Capital Transactions

Follow-On Equity Offering Activity

	2015	2016					2019
		Q1	Q2	Q3	Q4	Total	
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	2020	2021	2022 ^[2]		
							Q1	Q2	Q3
Number of Shares (000s)	924	10,574	10,265	2,459	—	990	—	—	—
Average Price per Share	\$ 15.31	\$ 16.43	\$ 17.76	\$ 19.48	\$ —	\$ 23.74	\$ —	\$ —	\$ —
Gross Proceeds (000s)	\$ 14,147	\$ 173,760	\$ 182,321	\$ 47,893	\$ —	\$ 23,505	\$ —	\$ —	\$ —

Notes:

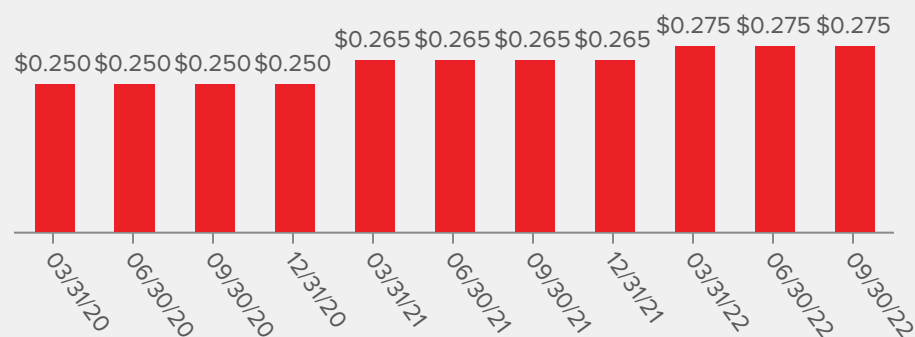
[1] Represents average offering price per share for follow-on equity offerings.

[2] As of September 30, 2022, CareTrust REIT had \$476.5 million available for future issuances under the ATM Program.

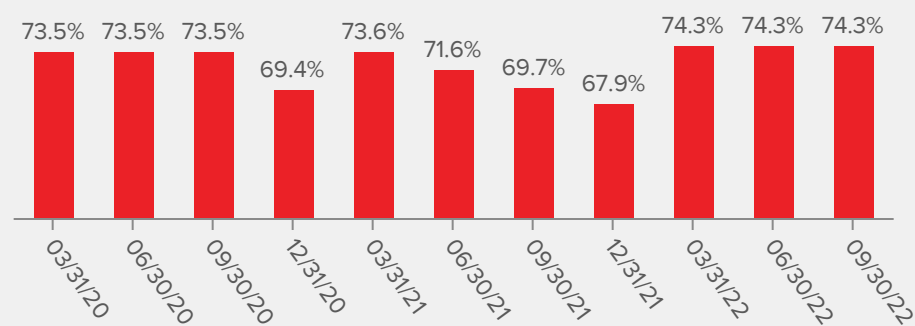


Other Financial Highlights

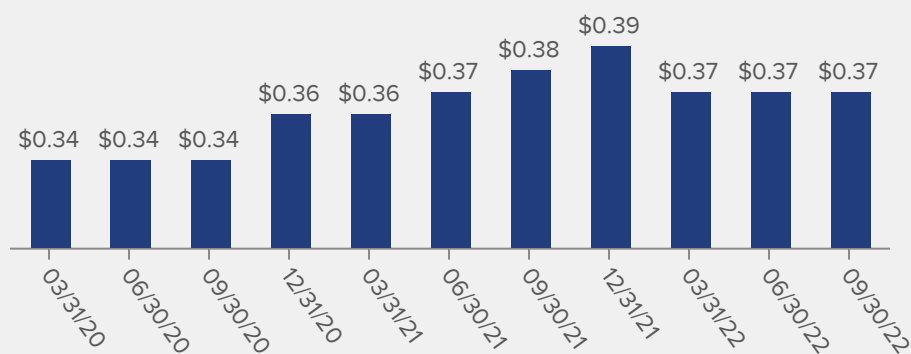
Dividend History



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



Normalized FFO per Share ^[2]



Normalized FFO ^[2] (in millions)



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 cash 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) for the trailing twelve-month period ended June 30, 2022 divided by the base rent payable to CareTrust REIT under such master lease (or other grouping) for the same period; provided that if the master lease has been amended to change the base rent during or since such period, then the aggregate EBITDAR for such period is divided by the annualized monthly base rent currently in effect. EBITDAR reflects the application of a standard 5% management fee. In addition, we may exclude from coverage disclosures those facilities which are (i) classified as Held for Sale, (ii) temporarily on Special Focus Facility (SFF) status, (iii) undergoing

significant renovations that necessarily result in a material reduction in occupancy, or (iv) have been acquired for or recently transferred to new operators for turnaround and are pre-stabilized.

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) for the trailing twelve-month period ended June 30, 2022 divided by the base rent payable to CareTrust REIT under such master lease (or other grouping) for the same period; provided that if the master lease has been amended to change the base rent during or since such period, then the aggregate EBITDARM for such period is divided by the annualized monthly base rent currently in effect. In addition, we may exclude from coverage disclosures those facilities which are (i) classified as Held for Sale, (ii) temporarily on Special Focus Facility (SFF) status, (iii) undergoing significant renovations that necessarily result in a material reduction in occupancy, or (iv) have been acquired for or recently transferred to new operators for turnaround and are pre-stabilized.

Enterprise Value

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

Funds Available for Distribution (“FAD”)

FFO, excluding straight-line rental income adjustments, 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]

HHS Relief Funds

Provider relief funds distributed by the Department of Health and Human Services as part of the CARES act to support healthcare providers’ battle against the COVID-19 outbreak. Healthcare providers received five payments over four phases of general distributions. Does not include funds as part of Medicaid’s Federal Medical Assistance Percentage (“FMAP”), Medicare’s Sequestration “Holiday” or Paycheck Protection Program loans (“PPP”).

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, including Continuing Care Retirement Communities.

Normalized EBITDA

EBITDA, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as real estate impairment charges, provision for loan losses, provision for doubtful accounts and lease restructuring, recovery of previously reversed rent, lease termination revenue, property operating expenses, non-routine transaction costs, loss on extinguishment of debt, unrealized loss on other real estate related investments 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 provision for loan losses, provision for doubtful accounts and lease restructuring, effect of the senior unsecured notes payable redemption, recovery of previously reversed rent, lease termination revenue, non-routine transaction costs, loss on extinguishment of debt, unrealized loss on other real estate related investments and property operating expenses.[2]

Normalized FFO

FFO, adjusted for certain income and expense items the Company does not believe are indicative of its ongoing results, such as provision for loan losses, provision for doubtful accounts and lease restructuring, effect of the senior unsecured notes payable redemption, recovery of previously reversed rent, lease termination revenue, accelerated amortization of stock-based compensation, non-routine transaction costs, loss on extinguishment of debt, unrealized loss on other real estate related investments and property operating expenses.[2]

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 related 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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