



Financial Supplement

First Quarter 2022



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 COVID-19 pandemic, including the risk of additional surges of COVID-19 infections due to the rate of public acceptance and efficacy of COVID-19 vaccines or to new and more contagious and/or vaccine resistant variants, and the measures taken to prevent the spread of COVID-19 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”), The Pennant Group, Inc. (“Pennant”) and Assisted 4 Living, Inc., the parent company of Trillium Healthcare Group (“Trillium”), 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 March 31, 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.



Table of Contents

COMPANY PROFILE	04
CARETRUST SNAPSHOT	05
INVESTMENTS	06
PORTFOLIO OVERVIEW	07-13
Top 10 Tenants Lease Coverage	
Portfolio Performance	
Rent Diversification by Tenant	
Geographic Diversification	
Rent Diversification by State	
Lease Maturities	
Tenant Purchase Options	
FINANCIAL OVERVIEW	14-21
Consolidated Statements of Operations	
Reconciliation of EBITDA, FFO and FAD	
Consolidated Balance Sheets	
Key Debt Metrics	
Debt Summary	
Equity Capital Transactions	
Other Financial Highlights	
GLOSSARY	22-23



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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 March 31, 2022, CareTrust REIT has expanded its tenant roster to 22 operators, and has grown its real estate portfolio to 228 net-leased healthcare properties across 29 states, consisting of 23,834 operating beds/units. As of March 31, 2022, CareTrust REIT also had one mezzanine loan receivable.

MANAGEMENT

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

BOARD OF DIRECTORS

Greg Stapley - Chairman
Diana Laing - Lead Independent Director
Anne Olson
Spencer Plumb
Careina Williams

ANALYST COVERAGE*

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Credit Suisse - Tayo Okusanya | (212) 325-1402
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Raymond James - Jonathan Hughes | (727) 567-2438
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* This information is provided as of May 4, 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.

NASDAQ: CTRE

Market Data (as of March 31, 2022)

- Closing Price: \$19.30
- 52 Week Range: \$24.85 – \$16.86
- Market Cap: \$1,873M
- Enterprise Value: \$2,552M
- Outstanding Shares: 97.057M

Credit Ratings

S&P

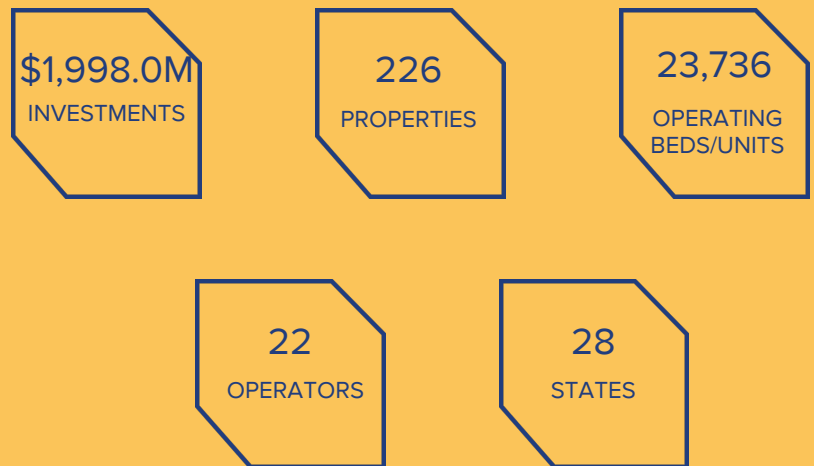
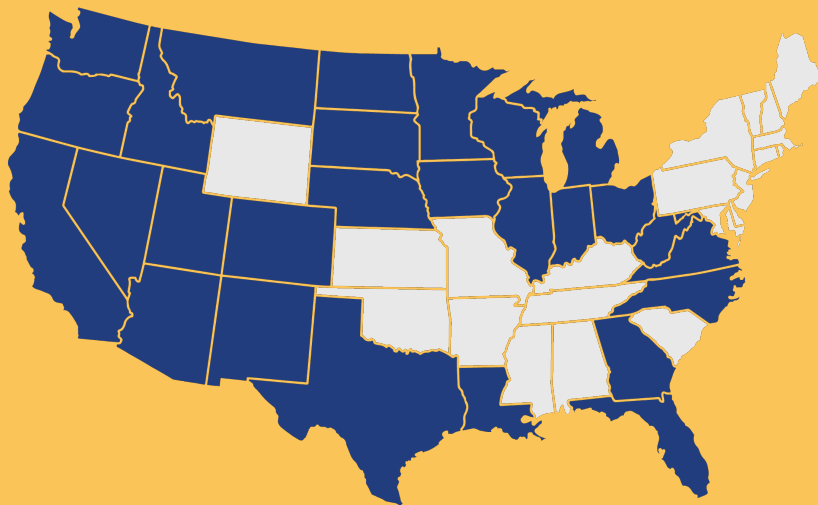
- Corporate Rating: BB (stable)
- Senior Unsecured Notes: BB+

Fitch

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

Moody's

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



Note:

Portfolio amounts presented above are as of March 31, 2022 and exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of March 31, 2022.

General Note:

Portfolio amounts reported in this financial supplement include 27 properties classified as held for sale as of March 31, 2022.



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 %
2022 Investments				2	22,013	265	2,050	9.3 %
Total Post Spin-off Investments^[5]				165	1,641,155	15,045	144,097	8.9 %
Total Investments^[5]				259	\$ 2,142,828	25,098	\$ 200,097	

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 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.



Top 10 Tenants Lease Coverage

	Twelve Months Ended March 31, 2020		Twelve Months Ended December 31, 2021		Twelve Months Ended December 31, 2021	
	Pre COVID-19		Excludes Use of HHS Funds ^[3]		Includes Amortized HHS Funds ^[4]	
	EBITDAR Coverage ^[1]	EBITDARM Coverage ^[1]	EBITDAR Coverage ^[1]	EBITDARM Coverage ^[1]	EBITDAR Coverage ^[1]	EBITDARM Coverage ^[1]
1 The Ensign Group ^[2]	3.02x	3.79x	3.42x	4.23x	3.42x	4.23x
2 Priority Management Group	1.50x	1.81x	1.34x	1.64x	1.60x	1.92x
3 Cascadia Healthcare	1.61x	2.07x	1.70x	2.15x	2.08x	2.54x
4 Providence Group	1.03x	1.45x	1.24x	1.75x	1.55x	2.08x
5 Eduro Healthcare, LLC	1.17x	1.65x	1.74x	2.24x	2.15x	2.67x
6 Noble Senior Services ^{[2][5]}	1.03x	1.36x	0.02x	0.23x	0.02x	0.23x
7 Covenant Care	1.37x	1.94x	0.26x	0.78x	0.62x	1.15x
8 The Pennant Group ^[2]	1.27x	1.48x	0.82x	1.00x	0.82x	1.00x
9 Bayshire Senior Communities ^[6]	1.32x	1.60x	0.71x	1.05x	0.74x	1.08x
10 WLC Management	2.15x	2.59x	2.03x	2.50x	2.62x	3.12x
Total Top 10 Tenants	2.11x	2.66x	2.10x	2.65x	2.26x	2.82x
All Other Tenants	0.95x	1.34x	0.52x	0.87x	0.84x	1.21x
Total	1.93x	2.45x	1.83x	2.35x	2.02x	2.55x

Notes:

[1] 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.

[2] 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"). Noble, a seniors housing operator, received no HHS Relief Funds to date.

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

[4] Coverage metrics in this section include all known HHS Relief Funds received and retained as reported to us through May 4, 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.

[5] Excludes three facilities which are in the process of being repurposed and one facility under a short-term lease acquired in December 2021.

[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 March 31, 2022						
Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[2]	% of Total Rent	Current Yield ^[3]	
Skilled Nursing	160	16,668	\$ 1,361,526	68.1 %	\$ 136,803	70.2 %	10.0 %	
Multi-Service Campus	25	3,675	390,686	19.6 %	32,550	16.7 %	8.3 %	
Seniors Housing	41	3,393	245,760	12.3 %	25,652	13.2 %	10.4 %	
Total Net-Leased Assets^[4]	226	23,736	\$ 1,997,972	100.0 %	\$ 195,005	100.0 %	9.8 %	

(dollars in thousands)		As of December 31, 2021						
Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[5]	% of Total Rent	Current Yield ^[3]	
Skilled Nursing	160	16,614	\$ 1,352,608	68.5 %	\$ 135,297	70.4 %	10.0 %	
Multi-Service Campus	24	3,545	377,591	19.1 %	31,205	16.2 %	8.3 %	
Seniors Housing	41	3,393	245,760	12.4 %	25,604	13.4 %	10.4 %	
Total Net-Leased Assets^[6]	225	23,552	\$ 1,975,959	100.0 %	\$ 192,106	100.0 %	9.7 %	

(dollars in thousands)		As of March 31, 2021						
Asset Type	Facilities	Operating Beds/Units	Investment ^[1]	% of Total Investment	Rent ^[7]	% of Total Rent	Current Yield ^[3]	
Skilled Nursing	157	16,264	\$ 1,308,842	67.8 %	\$ 129,044	69.9 %	9.9 %	
Multi-Service Campus	24	3,641	375,432	19.5 %	30,552	16.6 %	8.1 %	
Seniors Housing	41	3,317	245,395	12.7 %	24,937	13.5 %	10.2 %	
Total Net-Leased Assets^[8]	222	23,222	\$ 1,929,669	100.0 %	\$ 184,533	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 March 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2022, the initial or amended contractual cash rent is used.

[3] Current Yield represents Rent divided by Investment.

[4] All amounts exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of March 31, 2022.

[5] Rent represents December 2021 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to December 31, 2021, the initial or amended contractual cash rent is used.

[6] All amounts exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of December 31, 2021.

[7] Rent represents March 2021 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2021, the initial or amended contractual cash rent is used.

[8] All amounts exclude our one mezzanine loan receivable.

See "Glossary" for additional information.



Rent Diversification by Tenant

(dollars in thousands)	As of March 31, 2022 ^[1]			
	Facilities	Operating Beds/Units	Rent ^[2]	% of Total Rent
1 The Ensign Group	98	10,428	\$ 64,566	33.1 %
2 Priority Management Group	15	2,144	28,996	14.9 %
3 Cascadia Healthcare	12	1,053	11,969	6.1 %
4 Providence Group	8	1,044	10,638	5.5 %
5 Eduro Healthcare, LLC	9	970	9,315	4.8 %
Total Top 5 Tenants	142	15,639	\$ 125,484	64.3 %
6 Noble Senior Services	14	1,210	9,053	4.6 %
7 Covenant Care	7	935	8,555	4.4 %
8 The Pennant Group	8	913	6,925	3.6 %
9 Bayshire Senior Communities	5	596	6,333	3.2 %
10 WLC Healthcare	9	900	6,293	3.2 %
Total Top 10 Tenants	185	20,193	\$ 162,643	83.4 %
All Other Tenants	41	3,543	\$ 32,362	16.6 %
Total	226	23,736	\$ 195,005	100.0 %

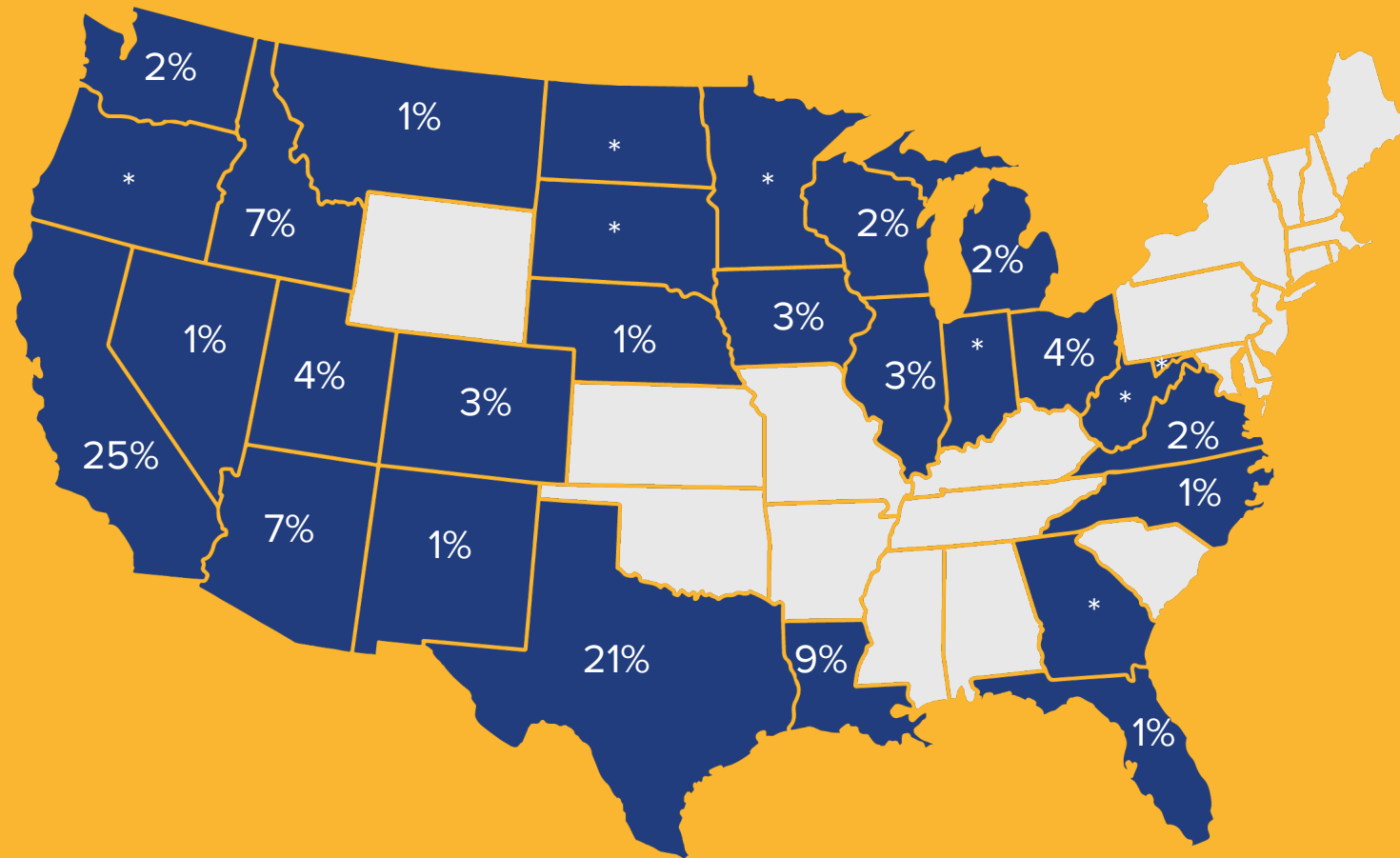
Notes:

[1] All amounts exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of March 31, 2022.

[2] Rent represents March 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2022, the initial or amended contractual cash rent is used.



Geographic Diversification (% of run-rate rent)



* Less than 1%.

Note: Numbers are as of March 31, 2022 and exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of March 31, 2022.



Rent Diversification by State

(dollars in thousands)		As of March 31, 2022 ^[1]			
Net-Leased Assets by State	Facilities	Operating Beds/Units	Rent ^[2]	% of Total Rent	
1 California	40	4,856	\$ 48,816	25.0 %	
2 Texas	44	5,607	40,620	20.8 %	
3 Louisiana	8	1,164	16,953	8.7 %	
4 Idaho	17	1,474	14,198	7.3 %	
5 Arizona	11	1,352	12,782	6.6 %	
Top 5 States	120	14,453	\$ 133,369	68.4 %	
6 Ohio	13	1,320	8,477	4.3 %	
7 Utah	13	1,374	7,478	3.8 %	
8 Illinois	9	900	6,293	3.2 %	
9 Colorado	7	779	5,777	3.0 %	
10 Iowa	15	970	5,005	2.6 %	
Top 10 States	177	19,796	\$ 166,399	85.3 %	
All Other States	49	3,940	\$ 28,606	14.7 %	
Total	226	23,736	\$ 195,005	100.0 %	

Notes:

[1] All amounts exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of March 31, 2022.

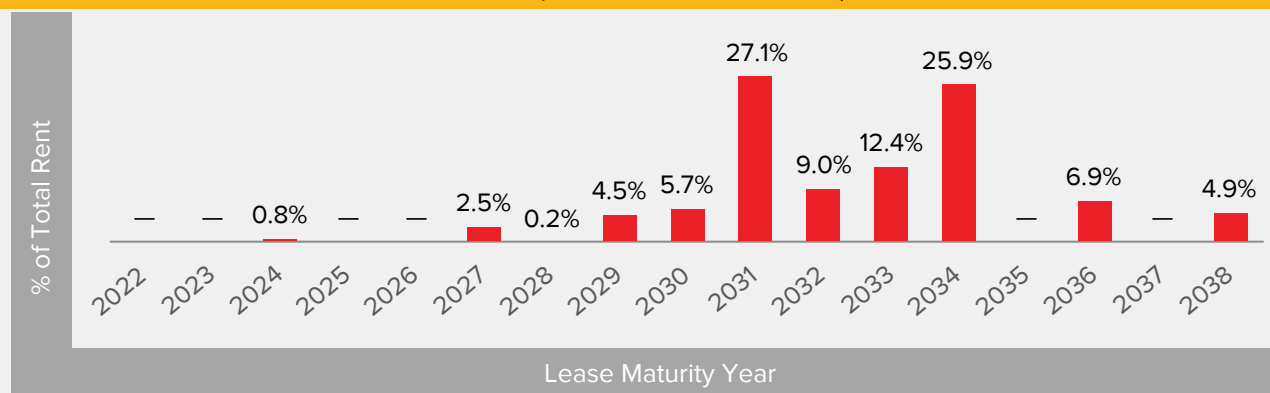
[2] Rent represents March 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2022, the initial or amended contractual cash rent is used.



Lease Maturities

(dollars in thousands) As of March 31, 2022^[1]

Lease Maturity Year ^[2]	Rent ^[3]	% of Total Rent
2024	\$ 1,537	0.8 %
2027	4,792	2.5 %
2028	458	0.2 %
2029	8,821	4.5 %
2030	11,059	5.7 %
2031	52,803	27.1 %
2032	17,535	9.0 %
2033	24,232	12.4 %
2034	50,433	25.9 %
2036	13,524	6.9 %
2038	9,811	5.0 %
Total	\$ 195,005	100.0 %



Notes:
 [1] All amounts exclude our one mezzanine loan receivable. Additionally, amounts exclude two assisted living facilities under a short-term master lease as of March 31, 2022.
 [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 March 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 2022, the initial or amended contractual cash rent is used.



Tenant Purchase Options

(dollars in thousands)

As of March 31, 2022

Asset Type	Properties	Lease Expiration	Next Option Open Date		Option Type ^[1]	Current Cash Rent ^[2]	% of Total Rent ^[2]
ALF	7	October 2034	1/1/2022	^[3]	A	\$ 3,383	1.74 %
SNF	11	November 2030	1/1/2022	^[3]	C	4,944	2.54 %
SNF	1	March 2029	4/1/2022	^[4]	B / C ^[5]	779	0.40 %
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	1.95 %
ALF	2	October 2034	1/1/2026	^[3]	A	1,598	0.82 %
							7.98 %

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 March 2022 contractual cash rent, annualized, and excludes ground lease income. Additionally, if a lease was entered into, amended or restructured subsequent to March 31, 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.



Consolidated Statements of Operations

(amounts in thousands, except per share data)

	For the Three Months Ended March 31,	
	2022	2021
Revenues:		
Rental income	\$ 46,007	\$ 45,246
Interest and other income	469	505
Total revenues	<u>46,476</u>	<u>45,751</u>
Expenses:		
Depreciation and amortization	13,575	13,473
Interest expense	5,742	5,762
Property taxes	1,420	696
Impairment of real estate investments	59,683	—
Provision for loan losses, net	3,844	—
Property operating expenses	447	—
General and administrative	5,215	5,142
Total expenses	<u>89,926</u>	<u>25,073</u>
Other income (loss):		
Gain (loss) on sale of real estate	186	(192)
Net (loss) income	<u>\$ (43,264)</u>	<u>\$ 20,486</u>
(Loss) earnings per common share:		
Basic	<u>\$ (0.45)</u>	<u>\$ 0.21</u>
Diluted	<u>\$ (0.45)</u>	<u>\$ 0.21</u>
Weighted-average number of common shares:		
Basic	<u>96,410</u>	<u>95,378</u>
Diluted	<u>96,410</u>	<u>95,385</u>
Dividends declared per common share	<u>\$ 0.275</u>	<u>\$ 0.265</u>



Reconciliation of EBITDA, FFO and FAD

(amounts in thousands)	Quarter Ended March 31, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2021	Quarter Ended December 31, 2021	Quarter Ended March 31, 2022
Net income (loss)	\$ 20,486	\$ 21,317	\$ 11,918	\$ 18,261	\$ (43,264)
Depreciation and amortization	13,473	13,843	13,968	14,056	13,575
Interest expense	5,762	6,534	5,692	5,689	5,742
Amortization of stock-based compensation	1,585	1,810	1,802	5,635	1,521
EBITDA	41,306	43,504	33,380	43,641	(22,426)
Impairment of real estate investments	—	—	—	—	59,683
Provision for loan losses, net	—	—	—	—	3,844
Provision for doubtful accounts and lease restructuring	—	—	—	—	977
Lease termination revenue	(63)	—	—	—	—
Property operating expenses	—	—	—	8	1,231
Loss (gain) on sale of real estate	192	—	—	(115)	(186)
Non-routine transaction costs	—	—	—	1,418	—
Loss on extinguishment of debt	—	—	10,827	—	—
Normalized EBITDA	\$ 41,435	\$ 43,504	\$ 44,207	\$ 44,952	\$ 43,123
Net income (loss)	\$ 20,486	\$ 21,317	\$ 11,918	\$ 18,261	\$ (43,264)
Real estate related depreciation and amortization	13,466	13,837	13,964	14,051	13,571
Impairment of real estate investments	—	—	—	—	59,683
Loss (gain) on sale of real estate	192	—	—	(115)	(186)
Funds from Operations (FFO)	34,144	35,154	25,882	32,197	29,804
Effect of the senior unsecured notes payable redemption	—	642	—	—	—
Provision for loan losses, net	—	—	—	—	3,844
Provision for doubtful accounts and lease restructuring	—	—	—	—	977
Lease termination revenue	(63)	—	—	—	—
Property operating expenses	—	—	—	8	1,231
Accelerated amortization of stock-based compensation	—	—	—	3,696	—
Non-routine transaction costs	—	—	—	1,418	—
Loss on extinguishment of debt	—	—	10,827	—	—
Normalized FFO	\$ 34,081	\$ 35,796	\$ 36,709	\$ 37,319	\$ 35,856



Reconciliation of EBITDA, FFO and FAD (continued)

(amounts in thousands, except per share data)	Quarter Ended March 31, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2021	Quarter Ended December 31, 2021	Quarter Ended March 31, 2022
Net income (loss)	\$ 20,486	\$ 21,317	\$ 11,918	\$ 18,261	\$ (43,264)
Real estate related depreciation and amortization	13,466	13,837	13,964	14,051	13,571
Amortization of deferred financing fees	487	495	519	521	520
Amortization of stock-based compensation	1,585	1,810	1,802	5,635	1,521
Straight-line rental income	(12)	(8)	(6)	(6)	(6)
Impairment of real estate investments	—	—	—	—	59,683
Loss (gain) on sale of real estate	192	—	—	(115)	(186)
Funds Available for Distribution (FAD)	36,204	37,451	28,197	38,347	31,839
Effect of the senior unsecured notes payable redemption	—	642	—	—	—
Provision for loan losses, net	—	—	—	—	3,844
Provision for doubtful accounts and lease restructuring	—	—	—	—	977
Lease termination revenue	(63)	—	—	—	—
Property operating expenses	—	—	—	8	1,231
Non-routine transaction costs	—	—	—	1,418	—
Loss on extinguishment of debt	—	—	10,827	—	—
Normalized FAD	\$ 36,141	\$ 38,093	\$ 39,024	\$ 39,773	\$ 37,891
FFO per share	\$ 0.36	\$ 0.36	\$ 0.27	\$ 0.33	\$ 0.31
Normalized FFO per share	\$ 0.36	\$ 0.37	\$ 0.38	\$ 0.39	\$ 0.37
FAD per share	\$ 0.38	\$ 0.39	\$ 0.29	\$ 0.40	\$ 0.33
Normalized FAD per share	\$ 0.38	\$ 0.40	\$ 0.40	\$ 0.41	\$ 0.39
Diluted weighted average shares outstanding [1]	95,621	96,366	96,592	96,646	96,701

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



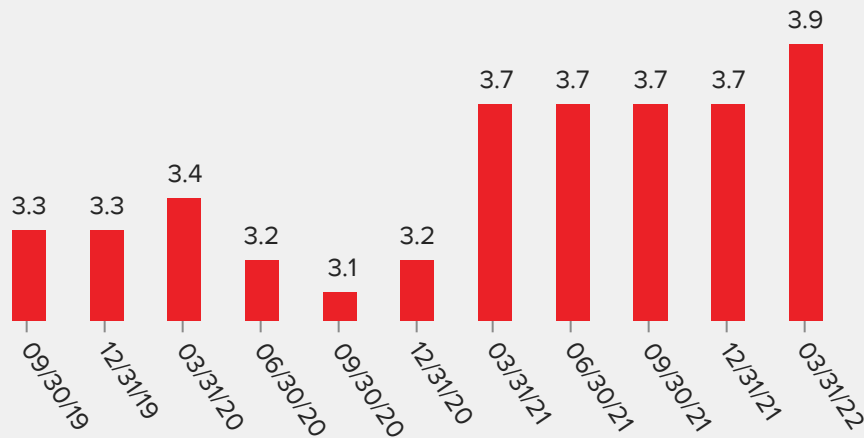
Consolidated Balance Sheets

(amounts in thousands)	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Assets:		
Real estate investments, net	\$ 1,402,889	\$ 1,589,971
Other real estate investments	15,155	15,155
Assets held for sale, net	141,716	4,835
Cash and cash equivalents	26,586	19,895
Accounts and other receivables	1,110	2,418
Prepaid expenses and other assets, net	5,668	7,512
Deferred financing costs, net	817	1,062
Total assets	<u>\$ 1,593,941</u>	<u>\$ 1,640,848</u>
Liabilities and Equity:		
Senior unsecured notes payable, net	\$ 394,484	\$ 394,262
Senior unsecured term loan, net	199,189	199,136
Unsecured revolving credit facility	105,000	80,000
Accounts payable, accrued liabilities and deferred rent liabilities	23,785	25,408
Dividends payable	26,900	26,285
Total liabilities	<u>749,358</u>	<u>725,091</u>
Equity:		
Common stock	965	963
Additional paid-in capital	1,195,586	1,196,839
Cumulative distributions in excess of earnings	(351,968)	(282,045)
Total equity	<u>844,583</u>	<u>915,757</u>
Total liabilities and equity	<u>\$ 1,593,941</u>	<u>\$ 1,640,848</u>

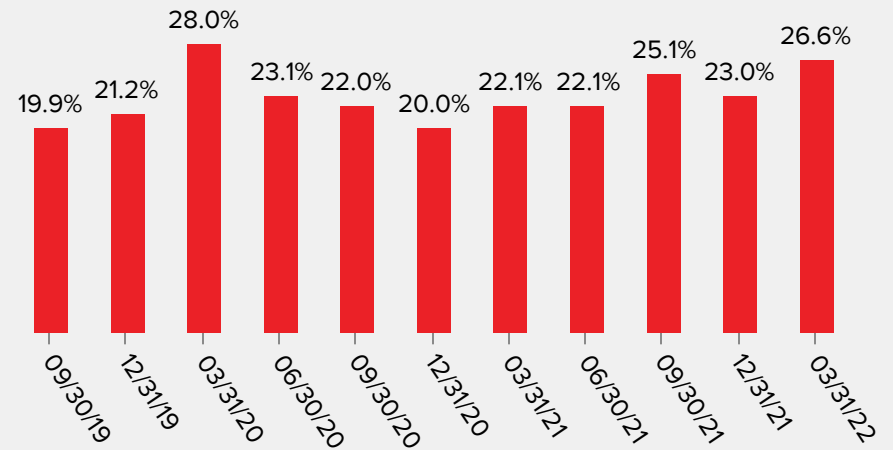


Key Debt Metrics

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.



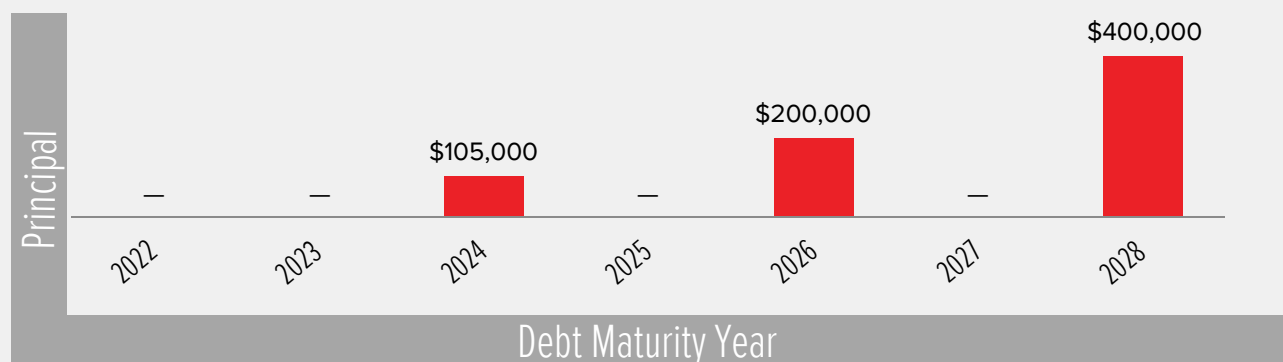
Debt Summary

(dollars in thousands)

March 31, 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	56.7 %	\$ (5,516)	\$ 394,484
Floating Rate Debt						
Senior unsecured term loan	1.957 % [1]	2026	200,000	28.4 %	(811)	199,189
Unsecured revolving credit facility	1.557 % [2]	2024 [3]	105,000	14.9 %	— [4]	105,000
	1.820 %		305,000	43.3 %	(811)	304,189
Total Debt	2.986 %		\$ 705,000	100.0 %	\$ (6,327)	\$ 698,673

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
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:

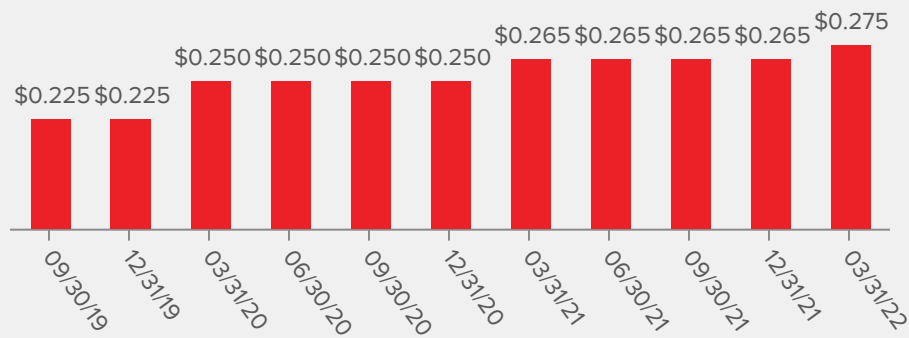
[1] Represents average offering price per share for follow-on equity offerings.

[2] As of March 31, 2022, CareTrust REIT had \$476.5 million available for future issuances under the ATM Program.

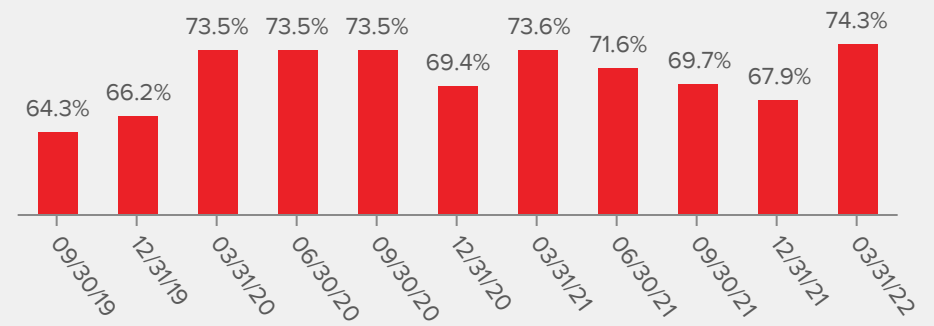


Other Financial Highlights

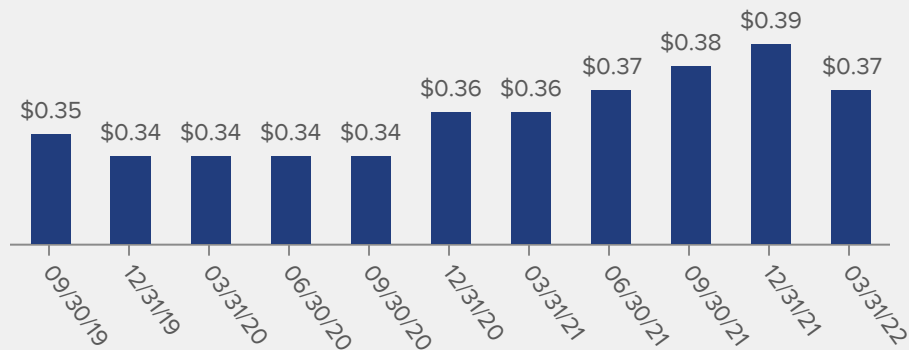
Dividend History



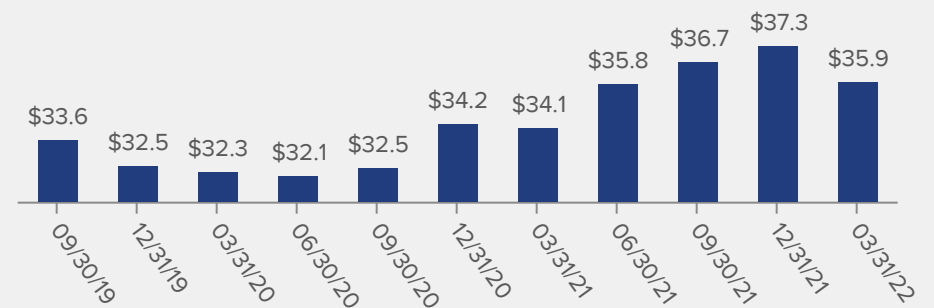
Normalized FFO Payout Ratio ^{[1][2]}



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 December 31, 2021 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 December 31, 2021 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 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 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 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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