

Omega Healthcare Closes on Purchase of 63 CapitalSource Facilities

HUNT VALLEY, Md.--(BUSINESS WIRE)-- Omega Healthcare Investors, Inc. (NYSE:OHI) ("Omega") today announced its purchase of 63 long-term care facilities from affiliates of CapitalSource Inc. ("CapitalSource") for \$293 million in cash, in accordance with the terms of the securities purchase agreement between the parties executed and announced in November of 2009.

The 63 facilities, representing 6,607 available beds located in 19 states, are part of 30 in-place triple net leases among 18 operators. The 30 leases generate approximately \$34 million of annualized revenue.

Pursuant to the terms of the securities purchase agreement, Omega acquired 40 CapitalSource facilities on December 22, 2009 for an aggregate purchase price of approximately \$294 million, and agreed to purchase an additional 40 CapitalSource facilities for an aggregate purchase price of approximately \$270 million, which includes the assumption of \$204 million of indebtedness guaranteed by the U.S. Department of Housing and Urban Development ("HUD") and other indebtedness. The consummation of the HUD closing is subject to HUD approval and other customary closing conditions, and there can be no assurance as to when or whether such transaction will be consummated.

Omega Healthcare Investors, Inc. is a real estate investment trust investing in and providing financing to the long-term care industry. At March 31, 2010, Omega owned or held mortgages on 293 skilled nursing facilities, assisted living facilities and other specialty hospitals with approximately 34,279 licensed beds (32,835 available beds) located in 32 states and operated by 35 third-party healthcare operating companies. In addition, Omega has two closed facilities currently held for sale.

This announcement includes forward-looking statements regarding the HUD closing contemplated by the securities purchase agreement, and the timing and impact thereof. Actual results may differ materially from those reflected in such forward-looking statements as a result of a variety of factors, including, among other things: (i) the ability of the parties to satisfy the various conditions to the completion of the remaining transaction; (ii) potential adjustments to the form and amount of consideration payable in connection with the remaining transaction pursuant to the securities purchase agreement; and (iii) potential unforeseen costs associated with the transaction. Statements regarding future events and developments and Omega's future performance, as well as management's expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements. Omega undertakes no obligation to update any forward-looking statements contained in this material.