

August 16, 2011



Omega Announces Closing of New \$475 Million Unsecured Revolving Credit Facility

HUNT VALLEY, Md.--(BUSINESS WIRE)-- Omega Healthcare Investors, Inc. (NYSE:OHI) today announced that it has entered into a new \$475 million revolving unsecured credit facility (the "New Credit Facility") effective August 16, 2011.

The New Credit Facility replaces Omega's previous senior secured credit facility (the "Prior Credit Facility"). The New Credit Facility matures in four years, on August 17, 2015. The New Credit Facility includes an "accordion feature" that permits the Company to expand its borrowing capacity to \$600 million.

The New Credit Facility is priced at LIBOR plus an applicable percentage (ranging from 225 basis points to 300 basis points) based on the Company's consolidated leverage. In the event the Company achieves at least two investment grade ratings from Standard & Poor's, Moody's and/or Fitch Ratings, the New Credit Facility will be priced at LIBOR plus an applicable percentage ranging from 150 basis points to 210 basis points (including a facility fee). The Company's applicable percentage above LIBOR was 400 basis points at June 30, 2011 under the Prior Credit Facility. The New Credit Facility will be used for acquisitions and general corporate purposes. At August 16, 2011, the Company had approximately \$65 million in borrowings outstanding under the New Credit Facility.

The Company and its subsidiaries terminated the Prior Credit Facility in connection with the effectiveness of the New Credit Facility. The Company did not experience any material early termination penalties due to the termination of the Prior Credit Facility. For the three month period ending September 30, 2011, the Company will record a one-time, non-cash charge of approximately \$3.1 million relating to the write-off of deferred financing costs associated with the termination of the Prior Credit Facility.

"We are extremely pleased with the additional capacity and favorable terms provided by the new unsecured credit facility," stated Taylor Pickett, Omega's President and CEO. Mr. Pickett added, "Our banks have been terrific business partners as we have continued to grow our portfolio. We are particularly appreciative of their recognition of Omega's credit quality and financial strength."

The New Credit Facility was made up of a syndication of ten financial institutions. Merrill Lynch, Pierce, Fenner & Smith Incorporated was Joint Lead Arranger and Sole Book Manager. Bank of America, N.A. was the Administrative Agent. Deutsche Bank Securities Inc. was Joint Lead Arranger and Syndication Agent. UBS Securities LLC, Credit Agricole Corporate and Investment Bank and RBS Citizens, N.A. d/b/a Charter One were Documentation Agents. Jefferies Group, Inc., Royal Bank of Canada and SunTrust Bank were Managing Agents. Stifel Bank & Trust and Branch Banking and Trust Company also participated in the New Credit Facility.

The Company is a real estate investment trust investing in and providing financing to the long-term care industry. At June 30, 2011, the Company owned or held mortgages on 398 skilled nursing facilities, assisted living facilities and other specialty hospitals with approximately 46,126 licensed beds (44,376 available beds) located in 35 states and operated by 50 third-party healthcare operating companies. In addition, the Company has two facilities currently held for sale.

This announcement includes forward-looking statements. 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) uncertainties relating to the business operations of the operators of the Company's properties, including those relating to reimbursement by third-party payors, regulatory matters and occupancy levels; (ii) regulatory and other changes in the healthcare sector; (iii) changes in the financial position of the Company's operators; (iv) the ability of any of the Company's operators in bankruptcy to reject unexpired lease obligations, modify the terms of the Company's mortgages and impede the ability of the Company to collect unpaid rent or interest during the pendency of a bankruptcy proceeding and retain security deposits for the debtor's obligations; (v) the availability and cost of capital; (vi) changes in the Company's credit ratings and the ratings of its debt securities; (vii) competition in the financing of healthcare facilities; (viii) the Company's ability to maintain its status as a real estate investment trust; (ix) the Company's ability to manage, re-lease or sell any owned and operated facilities; (x) the Company's ability to sell closed or foreclosed assets on a timely basis and on terms that allow the Company to realize the carrying value of these assets; (xi) the effect of economic and market conditions generally, and particularly in the healthcare industry; and (xii) other factors identified in the Company's filings with the Securities and Exchange Commission. Statements regarding future events and developments and the Company's future performance, as well as management's expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements. The Company undertakes no obligation to update any forward-looking statements contained in this announcement.

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