



NEWS RELEASE

## Sabra Health Care REIT, Inc. Provides Update on Forest Park Medical Center – Fort Worth

2016-04-24

IRVINE, Calif., April 24, 2016 (GLOBE NEWSWIRE) -- Sabra Health Care REIT, Inc. (NASDAQ:SBRA) (NASDAQ:SBRAP) announced today that the bankruptcy court has approved bidding procedures and an auction date for the sale of FPMC Fort Worth Realty Partner, LP's ("FPMC") real estate. FPMC is the borrower under our Forest Park Medical Center – Fort Worth ("Fort Worth") construction loan.

On April 20, 2016, FPMC and Texas Health Resources ("THR") executed a purchase and sale agreement whereby, subject to bankruptcy court approval and customary closing conditions THR will purchase the hospital and medical office real estate that serve as collateral for our construction loan for \$112.0 million. The bankruptcy court approved this THR bid as the stalking horse bid in the auction process. Other bids for the auction are due by May 10, 2016 and if additional bids are received, an auction will be held on May 12, 2016. A hearing is scheduled for May 19, 2016 to approve the sale to the successful bidder.

As of April 22, 2016, the outstanding principal balance on the Fort Worth construction loan was \$60.8 million, and \$8.8 million of accrued and unpaid interest and fees remained outstanding; Sabra expects to fully realize both amounts upon closing of the sale. Sabra expects to use the proceeds it receives from the repayment of the Fort Worth construction loan to make additional payments on its revolving credit facility.

Commenting on the developments on Fort Worth, Rick Matros, CEO and Chairman, said, "We are pleased with the continued progress on our Forest Park assets. The outcome is happening as we have consistently said it would. Whether the stalking horse bid wins or not, we expect that the proceeds generated from the sale of the Fort Worth real estate will result in an approximately 12.0% return on our investment in the Fort Worth hospital. We will provide an additional update once the Fort Worth auction process has resolved and will provide an update on the

Forest Park Medical Center – Dallas hospital as well.”

#### ABOUT SABRA

Sabra Health Care REIT, Inc. (NASDAQ:SBRA) (NASDAQ:SBRAP), a Maryland corporation, operates as a self-administered, self-managed real estate investment trust (a "REIT") that, through its subsidiaries, owns and invests in real estate serving the healthcare industry. Sabra leases properties to tenants and operators throughout the United States and Canada.

#### FORWARD-LOOKING STATEMENTS SAFE HARBOR

This release contains "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified, without limitation, by the use of "expects," "believes," "intends," "should" or comparable terms or the negative thereof. Forward-looking statements in this release include all statements regarding our expectations concerning our Fort Worth construction loan, including our expectations regarding the timing of closing of the sale of the Fort Worth real estate, the amount of and our use of net proceeds from such sale and our expected return.

Our actual results may differ materially from those projected or contemplated by our forward-looking statements as a result of various factors, including among others, the following: our dependence on Genesis Healthcare, Inc. and certain wholly owned subsidiaries of Holiday AL Holdings LP until we are able to further diversify our portfolio; our dependence on the operating success of our tenants; the significant amount of and our ability to service our indebtedness; covenants in our debt agreements that may restrict our ability to pay dividends, make investments, incur additional indebtedness and refinance indebtedness on favorable terms; increases in market interest rates; changes in foreign currency exchange rates; our ability to raise capital through equity and debt financings; the impact of required regulatory approvals of transfers of healthcare properties; the effect of increasing healthcare regulation and enforcement on our tenants and the dependence of our tenants on reimbursement from governmental and other third-party payors; the relatively illiquid nature of real estate investments; competitive conditions in our industry; the loss of key management personnel or other employees; the impact of litigation and rising insurance costs on the business of our tenants; the effect of our tenants declaring bankruptcy or becoming insolvent; uninsured or underinsured losses affecting our properties and the possibility of environmental compliance costs and liabilities; the ownership limits and anti-takeover defenses in our governing documents and Maryland law, which may restrict change of control or business combination opportunities; the impact of a failure or security breach of information technology in our operations; our ability to find replacement tenants and the impact of unforeseen costs in acquiring new properties; our ability to maintain our status as a REIT; compliance with REIT requirements and certain tax and tax regulatory matters related to our status as a REIT; and other factors discussed from time to time in our news releases, public statements and/or filings with the Securities and Exchange

Commission (the "SEC"), especially the "Risk Factors" sections of our Annual and Quarterly Reports on Forms 10-K and 10-Q. We do not intend, and we undertake no obligation, to update any forward-looking information to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events, unless required by law to do so.

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