



Sabra originates \$11 million mortgage

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Sabra Health Care REIT, Inc. has originated a \$11million mortgage loan. The mortgage loan agreement secured by a first trust deed on a 125-bed skilled nursing facility in Texas that was built in 2010 with affiliates of Meridian Equity Investors, L.P., the borrowers.

The Onion Creek Mortgage Loan has a five-year term, bears interest at a fixed rate of 8.5% per annum and cannot be prepaid during the first three years of the loan term.

In addition, Sabra has an option to purchase and the borrowers have an option to sell the facility securing the Onion Creek mortgage loan from July 1, 2013 through the time the loan is repaid for between \$12.5 million and \$14.5 million, depending on the annualized earnings before interest, taxes, depreciation, amortization and rent of the facility for the three month period preceding the exercise option date. However, in no event can the borrowers require Sabra to purchase the property if the three month annualized EBITDAR is below \$1.7 million.

The facility was built in 2010 and is operated by Senior Care Centers, which operates 32 nursing facilities in the state.

Rick Matros, CEO and chairman, said, "The Onion Creek Mortgage Loan is yet another example of repeat business with a relationship we have developed in the last year. Like our previous deal with Meridian, this is an investment that should generate an attractive yield for our shareholders while providing us with the flexibility to purchase the property and add to our increasing list of operator relationships. We are excited to continue growing our relationship with the Meridian and SCC teams."

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