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## The Ensign Group Announces Eighteen-Operation Expansion in Texas

MISSION VIEJO, Calif., April 06, 2016 (GLOBE NEWSWIRE) -- The Ensign Group, Inc. (NASDAQ:ENSG), the parent company of the Ensign™ group of skilled nursing, rehabilitative care services, home health care, hospice care, assisted living and urgent care companies, announced today that it has agreed to acquire eighteen skilled nursing operations in the state of Texas. All of these operations are currently owned or leased by affiliates of Legend Healthcare, which has provided high-quality rehabilitation and care services across several markets in Texas since 2001.

"We have long admired Legend Healthcare and we are honored to be continuing and advancing the exceptional work that they have been doing across the state of Texas, which is also where Ensign acquired its first skilled nursing operations in 1999," said Christopher Christensen, Ensign's President and Chief Executive Officer. Mr. Christensen noted that this will be one of the largest transactions with any single operator in Ensign's history and added, "The combined strength and cultural similarities of our two organizations, as well as the geographic locations of Legend's operations, make this the perfect portfolio for a strategic transition of this size. Our local leadership team has already begun collaborating with Legend's outstanding leaders and we are excited to work together for years to come as we strive to be the best provider of post-acute care in the great state of Texas."

At closing, Ensign will lease fifteen of the operations under a long-term master lease with National Health Investors, Inc. (NYSE:NHI), will acquire the real estate in two of the operations and will add the eighteenth operation to the master lease with NHI after a short-term sublease with Legend. The portfolio largely consists of newer skilled nursing assets with a median age of eight years with eleven of the eighteen operations opening in the last eight years. In addition, Ensign will lease and operate three additional skilled nursing operations in Texas currently under development, which will also be added to the master lease with NHI after short-term subleases with Legend upon completion later this year or early next year, eventually bringing the total number of operations leased with NHI to nineteen.

"This new lease with Ensign further exemplifies NHI's commitment to forming relationship-oriented partnerships with best-in-class operators. We are thrilled to add Ensign as a leading tenant in our skilled nursing portfolio," said Eric Mendelsohn, NHI's Chief Executive Officer. The 15-year master lease includes an initial annual rent amount of \$17.75 million plus an annual escalator based on inflation and two 5-year renewal options. The operations and the real estate assets to be acquired will be purchased with cash and will be operated by Ensign's Texas-based subsidiaries. The acquisition is expected to be effective May 1, 2016 and remains subject to the completion of certain regulatory approvals and other closing conditions.

The transaction includes:

- | Legend Oaks Healthcare and Rehabilitation - Greenville, a 126-bed skilled nursing facility located in Greenville, Texas;
- | Legend Oaks Healthcare and Rehabilitation - Euless, a 140-bed skilled nursing facility located in Euless, Texas;
- | Legend Oaks Healthcare and Rehabilitation Center - Gladewater, a 100-bed skilled nursing facility located in Gladewater, Texas;
- | Legend Healthcare and Rehabilitation - Paris, a 120-bed skilled nursing facility located in Paris, Texas;
- | Legend Oaks Healthcare and Rehabilitation - North Austin, a 124-bed skilled nursing facility located in Austin, Texas;
- | Legend Oaks Healthcare and Rehabilitation Center, a 125-bed skilled nursing facility located in Houston, Texas;
- | Legend Healthcare and Rehabilitation - Ennis, a 124-bed skilled nursing facility located in Ennis, Texas;
- | Granite Mesa Health Center, a 124-bed skilled nursing facility located in Marble Falls, Texas;
- | Legend Oaks Healthcare and Rehabilitation - Katy, a 125-bed skilled nursing facility located in Katy, Texas;
- | Legend Oaks Healthcare and Rehabilitation - Kyle, a 126-bed skilled nursing facility located in Kyle, Texas;
- | Legend Oaks Healthcare and Rehabilitation - New Braunfels, a 126-bed skilled nursing facility located in New Braunfels, Texas;
- | Legend Oaks Healthcare and Rehabilitation North Willowbrook, a 124-bed skilled nursing facility located in Houston, Texas;
- | Sonterra Health Center, a 124-bed skilled nursing facility located in San Antonio, Texas;
- | Legend Oaks Healthcare and Rehabilitation - San Antonio, a 126-bed skilled nursing facility located in San Antonio, Texas ;
- | Legend Oaks Healthcare and Rehabilitation - West Houston, a 124-bed skilled nursing facility located in Houston,

Texas;

- | Legend Oaks Healthcare and Rehabilitation - West San Antonio, a 124-bed skilled nursing facility located in San Antonio, Texas;
- | McAllen Transitional Care Center, a 70-bed skilled nursing facility located in McAllen, Texas; and
- | Legend Oaks Healthcare and Rehabilitation Center - Northwest Houston, a 125-bed skilled nursing facility located in Houston, Texas.

Upon closing this transaction, Ensign's growing portfolio will consist of 204 healthcare facilities, 34 of which are owned, fifteen hospice agencies, fifteen home health agencies, three home care businesses and seventeen urgent care clinics across 14 states. Mr. Christensen reaffirmed that the organization is actively seeking several other transactions to acquire real estate and to lease both well-performing and struggling skilled nursing, assisted living and other healthcare related businesses throughout the United States.

### ***About Ensign(TM)***

The Ensign Group, Inc.'s independent operating subsidiaries provide a broad spectrum of skilled nursing and assisted living services, physical, occupational and speech therapies, home health and hospice services, urgent care services and other rehabilitative and healthcare services at 204 operations, fifteen hospice agencies, fifteen home health agencies, three home care businesses and seventeen urgent care clinics in California, Arizona, Texas, Washington, Utah, Idaho, Colorado, Nevada, Iowa, Nebraska, Oregon, Wisconsin, Kansas and South Carolina. More information about Ensign is available at <http://www.ensigngroup.net>.

### ***About NHI***

Incorporated in 1991, National Health Investors, Inc. (NYSE:NHI) is a real estate investment trust specializing in sale-leaseback, joint-venture, mortgage and mezzanine financing of need-driven and discretionary senior housing and medical investments. NHI's portfolio consists of independent, assisted and memory care communities, entrance-fee retirement communities, skilled nursing operations, medical office buildings and specialty hospitals. For more information, visit [www.nhireit.com](http://www.nhireit.com).

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