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## **The Ensign Group Completes Acquisition of Legend Healthcare in Texas**

MISSION VIEJO, Calif., May 03, 2016 (GLOBE NEWSWIRE) -- The Ensign Group, Inc. (NASDAQ:ENSG) ("Ensign"), 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 completed its previously announced acquisition of eighteen skilled nursing operations in the state of Texas. All of these operations were previously operated by affiliates of Legend Healthcare ("Legend"), which has provided high-quality rehabilitation and care services across several markets in Texas since 2001.

"We are pleased to have completed this transaction and look forward to working with an outstanding team of caregivers and healthcare professionals to advance the exceptional work that Legend Healthcare has been doing for over fifteen years," said Christopher Christensen, Ensign's President and Chief Executive Officer. "Our experienced teams of local leaders in Texas have been collaborating with Legend on the transition for several weeks and are poised to integrate each of these new operations - which fit very nicely into the geographies currently served by our existing twenty-seven operations in Texas - into our operating cluster model," he added.

The acquisition was effective on May 1, 2016 and adds 2,177 skilled nursing beds across eighteen operations, which had an average occupancy of 77% as of May 1, 2016. The operations and the real estate assets acquired were purchased with cash proceeds from Ensign's revolving line of credit and will be operated by Ensign's Texas-based subsidiaries. Mr. Christensen indicated that he expects these operations to be mildly accretive to earnings in 2016.

As part of the acquisition, Ensign's operating subsidiaries entered into a new fifteen-year lease with National Health Investors, Inc. (NYSE:NHI) ("NHI") for fifteen of the operations, totaling 1,806 beds, for an initial annual amount of \$17.75 million plus an annual escalator based on inflation. The NHI lease has two five-year renewal options and is guaranteed by Ensign. In addition, NHI separately sold the real estate of two of the Legend facilities in Texas, totaling 245 beds, to Ensign subsidiaries.

In addition, Ensign operating subsidiaries have also agreed to sublease four newly-constructed skilled nursing facilities from Legend, one of which is open and operating and three of which are in various stages of development and are expected to be completed in 2016 or early 2017. All four of the subleased facilities are expected to be purchased by NHI approximately one year following the completion of construction and will be added to the NHI lease upon the consummation of the purchase by NHI.

These acquisitions bring Ensign's growing portfolio to 204 healthcare facilities, thirty-four of which are owned, fifteen hospice agencies, sixteen home health agencies, three home care businesses and seventeen urgent care clinics across fourteen 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).

Contact Information

The Ensign Group, Inc., (949) 487-9500, [ir@ensigngroup.net](mailto:ir@ensigngroup.net)



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