



## The Ensign Group Closes on Expansion in California

February 1, 2023

SAN JUAN CAPISTRANO, Calif., Feb. 01, 2023 (GLOBE NEWSWIRE) -- The Ensign Group, Inc. (Nasdaq: ENSG), the parent company of the Ensign™ group of companies, which invest in and provide skilled nursing and senior living services, physical, occupational and speech therapies, other rehabilitative and healthcare services, and real estate, announced today that it acquired the operations of the following skilled nursing facilities in California:

- *Alamitos Belmont Health and Rehabilitation*, a 94-bed skilled nursing facility located in Long Beach, California;
- *Beachside Nursing Center*, a 59-bed skilled nursing facility located in Huntington Beach, California;
- *Broadway by the Sea*, a 95-bed skilled nursing facility located in Long Beach, California;
- *Chatsworth Park Health Care Center*, a 128-bed skilled nursing facility located in Chatsworth, California;
- *Coventry Court Health Center*, a 95-bed skilled nursing facility located in Anaheim, California;
- *Danville Post Acute Rehabilitation*, a 49-bed skilled nursing facility located in Danville, California;
- *Edgewater Skilled Nursing Center*, an 81-bed skilled nursing facility located in Long Beach, California;
- *Fairfield Post Acute Rehabilitation*, a 99-bed skilled nursing facility located in Fairfield, California;
- *Fairmont Rehabilitation Hospital*, a 59-bed skilled nursing facility located in Lodi, California;
- *Garden View Post Acute Rehabilitation*, a 97-bed skilled nursing facility located in Baldwin Park, California;
- *Grand Terrace Health Care Center*, a 59-bed skilled nursing facility located in Grand Terrace, California;
- *Lake Balboa Care Center*, a 50-bed skilled nursing facility located in Van Nuys, California;
- *Lomita Post Acute Care Center*, a 68-bed skilled nursing facility located in Lomita, California;
- *New Orange Hills*, a 143-bed skilled nursing facility located in Orange, California;
- *Pacifica Nursing and Rehabilitation Center*, a 68-bed skilled nursing facility located in Pacifica, California;
- *Palm Terrace Care Center*, a 70-bed skilled nursing facility located in Riverside, California; and
- *Ramona Nursing and Rehabilitation Center*, a 148-bed skilled nursing facility located in Danville, California.

These acquisitions were effective on February 1, 2023. As previously reported, this transaction included 20 total properties located in California. Ensign-affiliated companies entered into 2 separate triple net leases with affiliates of Sabra Health Care REIT, Inc. ("Sabra") (Nasdaq: SBRA), with initial terms of 18 and 20 years, respectively, and each with an accompanying corporate guarantee from The Ensign Group, Inc. Of the 20 total properties included in this transaction, Ensign elected, with Sabra's consent, to sublease 3 properties located in the greater Sacramento area to Aspen Skilled Healthcare, Inc. In total, Ensign-affiliates will operate 17 of the 20 buildings, adding 1,462 operational beds to Ensign's portfolio, and Aspen will operate 3 of the 20 buildings, representing 245 operational beds. The rent allocation to the subleased operations will not contribute to Ensign's overall performance.

"We are thrilled to see this deal come together. These operations truly are a perfect fit within our existing footprint, adding strength to some of our strongest and most mature markets," said Barry Port, Ensign's Chief Executive Officer. "Our strong team of local leadership in California have been executing on detailed, building-by-building transition plans for the last several weeks. Due to some of the unique aspects of this transaction, we are grateful to both Sabra and North American for working with us with a common goal, to ensure continued clinical and operational strength in each of these communities. We are honored to partner with so many talented leaders and operators and can't wait to work together to build on the solid foundation we are inheriting. While we expect the transition to take some time, especially given some of the agency staffing challenges, we have full confidence that, as our local leaders implement Ensign-proven cultural and operational principles, these operations will become significant contributors to the success of their clusters and the organization as a whole."

Adam Willits, President of Flagstone Healthcare North LLC, Flagstone Healthcare Central LLC, and Flagstone Healthcare South LLC, Ensign's California-based subsidiaries, added "Our market resources and cluster partners are so excited to add these

operations to the team. We are very impressed with everyone we've been able to meet so far and can't wait to add our experience to theirs as we seek to provide top-notch care to the residents and families we are fortunate to serve."

This acquisition brings Ensign's growing portfolio to 288 healthcare operations, 26 of which also include senior living operations, across thirteen states. Ensign subsidiaries, including Standard Bearer, own 108 real estate assets and sublease 3 healthcare operations to a third-party. Mr. Port reaffirmed that Ensign is actively seeking opportunities 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 senior living services, physical, occupational and speech therapies and other rehabilitative and healthcare services at 288 healthcare facilities, in Arizona, California, Colorado, Idaho, Iowa, Kansas, Nebraska, Nevada, South Carolina, Texas, Utah, Washington and Wisconsin. More information about Ensign is available at <http://www.ensigngroup.net>.

### **About Sabra**

Sabra Health Care REIT, Inc., 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 throughout the United States and Canada.

### **Contact Information**

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

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