

## **Omega Healthcare Agrees to Sell Remaining \$33.3 Million of Common Stock under Equity Shelf Program**

HUNT VALLEY, Md., Mar 31, 2010 (BUSINESS WIRE) -- Omega Healthcare Investors, Inc. (NYSE:OHI) today announced that it has agreed to sell shares of its common stock having an aggregate offering price of \$33.3 million pursuant to a terms agreement entered into under the equity distribution agreement, dated June 12, 2009, between the Company and BofA Merrill Lynch in connection with the company's previously reported \$100 million Equity Shelf Program. The Company intends to use the net proceeds of this offering for working capital and general corporate purposes. Closing of the sale of the remaining shares under the Equity Shelf Program is expected to occur on or about Tuesday, April 6, 2010, subject to customary closing conditions.

BofA Merrill Lynch is acting as the sole underwriter for the sale of the remaining shares under the Equity Shelf Program.

The offering is being made pursuant to an effective shelf registration statement. The offering may be made only by means of a prospectus supplement and the accompanying prospectus, copies of which may be obtained by sending a request to:

BofA Merrill Lynch  
Attn: Preliminary Prospectus Department  
4 World Financial Center  
New York, NY 10080  
[Prospectus.Requests@ml.com](mailto:Prospectus.Requests@ml.com)

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities, nor shall there be any sale of these securities, in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such state.

The Company is a real estate investment trust investing in and providing financing to the long-term care industry. At December 31, 2009, the Company owned or held mortgages on 293 skilled nursing facilities, assisted living facilities and other specialty hospitals with approximately 34,312 licensed beds (32,825 available beds) located in 32 states and operated by 35 third-party healthcare operating companies, in addition the Company has two closed facilities currently held for sale.

*This announcement includes forward-looking statements. Actual results may differ materially from those reflected in such forward-looking statements as a result of a variety of factors, including, among other things: (i) uncertainties relating to the business operations of the operators of the Company's properties, including those relating to reimbursement by third-party payors, regulatory matters and occupancy levels; (ii) regulatory and other changes in the healthcare sector, including without limitation, changes in Medicare reimbursement; (iii) changes in the financial position of the Company's operators; (iv) the ability of operators in bankruptcy to reject unexpired lease obligations, modify the terms of the Company's mortgages, and impede the ability of the Company to collect unpaid rent or interest during the pendency of a bankruptcy proceeding and retain security deposits for the debtor's obligations; (v) the availability and cost of capital; (vi) the Company's ability to maintain its credit ratings; (vii) competition in the financing of healthcare facilities; (viii) the Company's ability to maintain its status as a real estate investment trust; (ix) the Company's ability to manage, re-lease or sell any owned and operated facilities; (x) the Company's ability to sell closed or foreclosed assets on a timely basis and on terms that allow the Company to realize the carrying value of these assets; (xi) the effect of economic and market conditions generally, and particularly in the healthcare finance industry; (xii) the potential impact of a general economic slowdown on governmental budgets and healthcare reimbursement expenditures; and (xiii) other factors identified in the Company's filings with the Securities and Exchange Commission. With respect to expectations regarding the closing of the remaining transactions under the Company's purchase agreement with CapitalSource Inc., actual results may differ materially due to a variety of factors, including among other things: (i) the ability of the parties to satisfy the various conditions to the completion of the remaining transactions; (ii) potential adjustments to the form and amount of consideration payable in connection with the remaining transactions; (iii) potential unforeseen costs associated with the transactions. Statements regarding future events and developments and the Company's future performance, as well as management's expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements. The Company undertakes no obligation to update any forward-looking statements contained in this material.*

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