

Edgar Filing: Main Street Capital CORP - Form 40-17G

Main Street Capital CORP
Form 40-17G
October 07, 2016

Main Street Capital Corporation
1300 Post Oak Boulevard, 8th Floor
Houston, Texas 77056

October 6, 2016

VIA EDGAR

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0506

Re: Main Street Capital Corporation Rule 17g-1(g) Fidelity Bond Filing

Ladies and Gentlemen:

On behalf of Main Street Capital Corporation (the Company), enclosed herewith for filing, pursuant to Rule 17g-1(g) under the Investment Company Act of 1940, as amended, is a copy of the following materials:

1. A Certificate of the Secretary of the Company, which attaches a copy of the resolutions of the Board of Directors approving the amount, type, form and coverage of the Fidelity Bond and a statement as to the period for which premiums have been paid; and
2. A copy of the Fidelity Bond covering the Company.

If you have any questions regarding this submission, please do not hesitate to call me at (713) 350-6000.

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Very truly yours,

/s/ Jason B. Beauvais

Jason B. Beauvais

Senior Vice President, General Counsel
Chief Compliance Officer and Secretary

Enclosures

MAIN STREET CAPITAL CORPORATION

CERTIFICATE OF SECRETARY

The undersigned, Jason B. Beauvais, Secretary of Main Street Capital Corporation, a Maryland corporation (the Company), does hereby certify that:

1. This certificate is being delivered to the Securities and Exchange Commission (the SEC) in connection with the filing of the Company's fidelity bond (the Bond) pursuant to Rule 17g-1 of the Investment Company Act of 1940, as amended, and the SEC is entitled to rely on this certificate for purposes of the filing.
2. The undersigned is the duly elected, qualified and acting Secretary of the Company, and has custody of the corporate records of the Company and is a proper officer to make this certification.
3. Attached hereto as Exhibit A is a copy of the resolutions approved by the Board of Directors of the Company, including a majority of the Board of Directors who are not interested persons of the Company, approving the amount, type, form and coverage of the Bond.
4. Premiums have been paid for the period October 4, 2016 to October 4, 2017.

IN WITNESS WHEREOF, I have executed this certificate as of the 6th day of October, 2016.

MAIN STREET CAPITAL CORPORATION

By:	<i>/s/ Jason B. Beauvais</i>
Name:	Jason B. Beauvais
Title:	Secretary

EXHIBIT A

Resolutions approved by the Board of Directors

of Main Street Capital Corporation

on October 3, 2016

Approval of Fidelity Bond

WHEREAS, Section 17(g) of the Investment Company Act of 1940 (the "1940 Act"), and Rule 17g-1(a) thereunder, require a business development company ("BDC"), such as Main Street Capital Corporation, a Maryland corporation (the "Company"), to provide and maintain a bond which shall be issued by a reputable fidelity insurance company, authorized to do business in the place where the bond is issued, to protect the Company against larceny and embezzlement, covering each officer and employee of the BDC, who may singly, or jointly with others, have access to the securities or funds of the BDC, either directly or through authority to draw upon such funds of, or to direct generally, the disposition of such securities, unless the officer or employee has such access solely through his position as an officer or employee of a bank (each, a "covered person"); and

WHEREAS, Rule 17g-1 specifies that the bond may be in the form of (i) an individual bond for each covered person, or a schedule or blanket bond covering such persons, (ii) a blanket bond which names the Company as the only insured (a "single insured bond"), or (iii) a bond which names the Company and one or more other parties as insureds (a "joint insured bond"), as permitted by Rule 17g-1; and

WHEREAS, Rule 17g-1 requires that a majority of the members of the Board of Directors of the Company (the "Board") who are not "interested persons" of the BDC (the "Non-Interested Directors") approve periodically (but not less than once every 12 months) the reasonableness of the form and amount of the bond, with due consideration to the value of the aggregate assets of the Company to which any covered person may have access, the type and terms of the arrangements made for the custody and safekeeping of such assets, and the nature of securities and other investments to be held by the Company, and pursuant to factors contained in Rule 17g-1; and

WHEREAS, the Board, including all of the Non-Interested Directors, have considered the expected aggregate value of the securities and funds of the Company to which the Company's officers and employees may have access (either directly or through authority to draw upon such funds or to direct generally the disposition of such securities), the type and terms of the arrangements made for the custody of such securities and funds, the nature of securities and other investments to be held by the Company, the accounting procedures and controls of the Company, the nature and method of conducting the operations of the Company, the requirements of Section 17(g) of the 1940 Act and Rule 17g-1 thereunder, and all other factors deemed relevant by the Board, including such Non-Interested Directors;

NOW, THEREFORE, BE IT RESOLVED, that having considered the expected aggregate value of the securities and funds of the Company to which officers or employees of the Company may have access (either directly or through authority to draw upon such funds or to direct generally the disposition of such securities), the type and terms of the arrangements made

for the custody of such securities and funds, the nature of securities and other investments to be held by the Company, the accounting procedures and controls of the Company, the nature and method of conducting the operations of the Company, and the requirements of Section 17(g) of the 1940 Act and Rule 17g-1 thereunder, it is determined that the amount, type, form, premium and coverage, covering the officers and employees of the Company and its subsidiaries and insuring the Company and its subsidiaries against loss from fraudulent or dishonest acts, including larceny and embezzlement, issued by Federal Insurance Company, a Chubb Group Insurance Company, having an aggregate coverage of \$10,000,000 (the Fidelity Bond) is reasonable, and the Fidelity Bond be, and hereby is, approved by a majority of the Non-Interested Directors; and

FURTHER RESOLVED, that the officers of the Company be, and they hereby are, authorized to take all appropriate actions, including adjusting the terms of the Fidelity Bond as necessary, with the advice of legal counsel to the Company, to provide and maintain the Fidelity Bond on behalf of the Company; and

FURTHER RESOLVED, that any and all previous lawful actions taken by the Company's officers, principals or agents in connection with the Fidelity Bond be, and hereby are, approved and ratified as duly authorized actions of the Company; and

FURTHER RESOLVED, that the appropriate officers of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to file a copy of the Fidelity Bond with the U.S. Securities and Exchange Commission; and

FURTHER RESOLVED, that the Secretary of the Company be and hereby is, designated as the party responsible for making the necessary filings and giving the notices with respect to such bond required by paragraph (g) of Rule 17g-1 under the 1940 Act; and

Miscellaneous

FURTHER RESOLVED, that each of the senior executive officers of the Company is hereby authorized and empowered, for and on behalf of the Company, to take or cause to be taken any and all such lawful actions and to enter into, execute and deliver any and all such acknowledgments, agreements, certificates, contracts, instruments, notices, statements and other documents (collectively, documents), or to effect any necessary filings with any and all appropriate regulatory authorities, state, federal and foreign, as may be required or as any such officer may deem necessary, appropriate or advisable to effectuate and carry out the foregoing resolutions, in the manner and form as the officer performing or executing the same shall approve, with such performance or execution and delivery thereof to be conclusive evidence of such approval of the Board; and

FURTHER RESOLVED, that the Corporate Secretary and any Assistant Corporate Secretary of the Company are each hereby authorized and empowered, for and on behalf of the Company, to certify and attest any documents that he or

she may deem necessary, appropriate or advisable to carry out the foregoing resolutions, provided that such attestation shall not be required for the due authorization, execution and delivery or validity of the particular document; and

FURTHER RESOLVED, that the authority granted to each officer of the Company under each of the foregoing resolutions shall be deemed to include the authority to perform such further lawful acts and deeds for and on behalf of the Company as the officers deem necessary, appropriate or advisable to carry out the foregoing resolution, and all lawful acts and deeds previously performed by any of the officers of or counsel to the Company prior to the date hereof that are within the authority conferred by the foregoing resolutions are hereby approved, ratified and confirmed in all respects as the authorized acts and deeds of the Company.

USI SOUTHWEST INC

ATTN: Merry Davis

840 GESSNER, STE. 600

HOUSTON, TX 77024

INSURED: MAIN STREET CAPITAL CORPORATION
PRODUCT: *DFIBond*
POLICY NO: 82472911
TRANSACTION: NL

Chubb Group of Insurance Companies

15 Mountain View Road, Warren, New Jersey 07059

NAME OF ASSURED (including its **Subsidiaries**):

MAIN STREET CAPITAL CORPORATION
1300 POST OAK BLVD, 8TH FLOOR

HOUSTON, TX 77056

DECLARATIONS

**FINANCIAL INSTITUTION INVESTMENT
COMPANY ASSET PROTECTION BOND**

Bond Number: 82472911

FEDERAL INSURANCE COMPANY

Incorporated under the laws of Indiana
a stock insurance company herein called the
COMPANY
Capital Center, 251 North Illinois, Suite 1100
Indianapolis, IN 46204-1927

ITEM 1. BOND PERIOD: from 12:01 a.m. on October 4, 2016
to 12:01 a.m. on October 4, 2017

ITEM 2. LIMITS OF LIABILITY DEDUCTIBLE AMOUNTS:

If "Not Covered" is inserted below opposite any specified INSURING CLAUSE, such INSURING CLAUSE and any other reference shall be deemed to be deleted. **There shall be no deductible applicable to any loss under INSURING CLAUSE 1. sustained by any Investment Company.**

INSURING CLAUSE	SINGLE LOSS LIMIT OF LIABILITY	DEDUCTIBLE AMOUNT
1. Employee	\$ 10,000,000	\$ 0
2. On Premises	\$ 10,000,000	\$ 100,000
3. In Transit	\$ 10,000,000	\$ 100,000
4. Forgery or Alteration	\$ 10,000,000	\$ 100,000
5. Extended Forgery	\$ 10,000,000	\$ 100,000
6. Counterfeit Money	\$ 10,000,000	\$ 100,000
7. Threats to Person	\$ 10,000,000	\$ 100,000
8. Computer System	\$ 10,000,000	\$ 100,000
9. Voice Initiated Funds		
Transfer Instruction	\$ 10,000,000	\$ 100,000
10. Uncollectible Items of Deposit	\$ Not Covered	\$ n/a
11. Audit Expense	\$ Not Covered	\$ n/a

ITEM 3. THE LIABILITY OF THE COMPANY IS ALSO SUBJECT TO THE TERMS OF THE FOLLOWING ENDORSEMENTS EXECUTED SIMULTANEOUSLY HEREWITH:
1-6

IN WITNESS WHEREOF, THE COMPANY has caused this Bond to be signed by its authorized officers, but it shall not be valid unless also signed by an authorized representative of the Company.

Secretary

President

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Countersigned by

October 6, 2016

Authorized Representative

ICAP Bond (5-98) - Federal

Form 17-02-1421 (Ed. 5-98)

The COMPANY, in consideration of payment of the required premium, and in reliance on the APPLICATION and all other statements made and information furnished to the COMPANY by the ASSURED, and subject to the DECLARATIONS made a part of this Bond and to all other terms and conditions of this Bond, agrees to pay the ASSURED for:

Insuring Clauses

- Employee* 1. Loss resulting directly from **Larceny** or **Embezzlement** committed by any **Employee**, alone or in collusion with others.
- On Premises* 2. Loss of **Property** resulting directly from robbery, burglary, false pretenses, common law or statutory larceny, misplacement, mysterious unexplainable disappearance, damage, destruction or removal, from the possession, custody or control of the ASSURED, while such **Property** is lodged or deposited at premises located anywhere.
- In Transit* 3. Loss of **Property** resulting directly from common law or statutory larceny, misplacement, mysterious unexplainable disappearance, damage or destruction, while the **Property** is in transit anywhere:
- a. in an armored motor vehicle, including loading and unloading thereof,
 - b. in the custody of a natural person acting as a messenger of the ASSURED, or
 - c. in the custody of a **Transportation Company** and being transported in a conveyance other than an armored motor vehicle provided, however, that covered **Property** transported in such manner is limited to the following:
 - (1) written records,
 - (2) securities issued in registered form, which are not endorsed or are restrictively endorsed, or
 - (3) negotiable instruments not payable to bearer, which are not endorsed or are restrictively endorsed.

Coverage under this INSURING CLAUSE begins immediately on the receipt of such **Property** by the natural person or **Transportation Company** and ends immediately on delivery to the premises of the addressee or to any representative of the addressee located anywhere.

ICAP Bond (5-98)

Form 17-02-1421 (Ed. 5-98)

*Forgery Or
Alteration*

4. Loss resulting directly from:
- a. **Forgery** on, or fraudulent material alteration of, any bills of exchange, checks, drafts, acceptances, certificates of deposits, promissory notes, due bills, money orders, orders upon public treasuries, letters of credit, other written promises, orders or directions to pay sums certain in money, or receipts for the withdrawal of **Property**, or
 - b. transferring, paying or delivering any funds or other **Property**, or establishing any credit or giving any value in reliance on any written instructions, advices or applications directed to the ASSURED authorizing or acknowledging the transfer, payment, delivery or receipt of funds or other **Property**, which instructions, advices or applications fraudulently purport to bear the handwritten signature of any customer of the ASSURED, or shareholder or subscriber to shares of an **Investment Company**, or of any financial institution or **Employee** but which instructions, advices or applications either bear a **Forgery** or have been fraudulently materially altered without the knowledge and consent of such customer, shareholder, subscriber, financial institution or **Employee**;

excluding, however, under this INSURING CLAUSE any loss covered under INSURING CLAUSE 5. of this Bond, whether or not coverage for INSURING CLAUSE 5. is provided for in the DECLARATIONS of this Bond.

81

82

Dividends

ii

TABLE OF CONTENTS

	Page
<u>Employees</u>	<u>82</u>
<u>Conditions to Completion of the Merger</u>	<u>83</u>
<u>Expenses</u>	<u>85</u>
<u>Termination of the Merger Agreement</u>	<u>85</u>
<u>Effect of Termination Generally</u>	<u>86</u>
<u>Termination Fee and Expense Reimbursement</u>	<u>86</u>
<u>Amendment and Modification; Waiver</u>	<u>87</u>
<u>Governing Law; Submission to Jurisdiction; No Jury Trial</u>	<u>87</u>
<u>Specific Performance</u>	<u>87</u>
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES</u>	<u>88</u>
<u>Material U.S. Federal Income Tax Consequences of the Merger</u>	<u>89</u>
<u>REIT QUALIFICATION OF MEDEQUITIES AND OMEGA</u>	<u>92</u>
<u>Material U.S. Federal Income Tax Considerations Relating to Omega's Treatment as a REIT and to Holders of Omega Common Stock</u>	<u>93</u>
<u>DESCRIPTION OF OMEGA CAPITAL STOCK</u>	<u>106</u>
<u>Common Stock</u>	<u>106</u>
<u>Preferred Stock</u>	<u>106</u>
<u>Certain Effects of Authorized but Unissued Stock</u>	<u>106</u>
<u>Transfer and Ownership Restrictions</u>	<u>106</u>

<u>Anti-Takeover Protections</u>	<u>107</u>
<u>COMPARISON OF RIGHTS OF OMEGA STOCKHOLDERS AND MEDEQUITIES STOCKHOLDERS</u>	<u>112</u>
<u>ADDITIONAL INFORMATION REGARDING OMEGA PRINCIPAL STOCKHOLDERS OF MEDEQUITIES</u>	<u>120</u>
<u>LEGAL MATTERS</u>	<u>131</u>
<u>EXPERTS</u>	<u>134</u>
<u>FUTURE STOCKHOLDER PROPOSALS</u>	<u>134</u>
<u>HOUSEHOLDING</u>	<u>135</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>136</u>
<u>ANNEX A — AGREEMENT AND PLAN OF MERGER AND FIRST AMENDMENT THERETO</u>	<u>A-1</u>
<u>ANNEX B — CITIGROUP FAIRNESS OPINION</u>	<u>B-1</u>
<u>ANNEX C — OMEGA EXECUTIVE COMPENSATION INFORMATION</u>	<u>C-1</u>

TABLE OF CONTENTS

QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following is a set of some questions and answers that you, as a stockholder of MedEquities, may have in connection with the proposed merger between MedEquities and Omega. Omega and MedEquities urge you to read carefully this entire proxy statement/prospectus, including the Annexes and the documents incorporated by reference into this proxy statement/prospectus, because the information in this section does not provide all the information that might be important to you.

Q:

What is the merger?

A:

Omega and MedEquities have entered into the merger agreement, pursuant to which, subject to the satisfaction or waiver of the conditions set forth in the merger agreement, at the merger effective time, MedEquities will merge with and into Omega, with Omega continuing as the surviving company in the merger. Immediately following the merger effective time, Omega will contribute all of the assets of MedEquities, which in substantial part consist of 100% of the issued and outstanding equity interests in MedEquities' operating partnership, MedEquities Realty Operating Partnership, LP (which we refer to as the "MedEquities OP"), to OHI Healthcare Properties Limited Partnership, an operating partnership that is a subsidiary of Omega (which we refer to as the "Omega OP"). A copy of the merger agreement is attached as Annex A to this proxy statement/prospectus.

Q:

What will holders of MedEquities common stock receive in the merger?

A:

As a result of the merger, each share of MedEquities common stock (other than shares held by Omega, MedEquities or their respective wholly owned subsidiaries, which shares shall automatically be cancelled and retired and will cease to exist with no consideration being delivered in exchange therefor) that is issued and outstanding immediately prior to the merger effective time will be cancelled and retired and automatically converted into the right to receive the following (which we refer to as the "merger consideration"):

- 0.235 of a share of Omega common stock (which we refer to as the "exchange ratio"), subject to adjustment under certain limited circumstances, plus the right to receive cash in lieu of any fractional shares of Omega common stock; and
- an amount in cash equal to \$2.00, subject to adjustment under certain limited circumstances.

Q:

Will holders of MedEquities common stock receive anything other than the merger consideration in connection with the merger?

A:

MedEquities will declare a special dividend (which we refer to as the "closing dividend") of \$0.21 per share of MedEquities common stock payable to the holders of MedEquities common stock as of the closing date of the merger. The closing dividend will be payable together with the cash consideration from the merger. The closing dividend will be paid by Omega or, if requested by Omega and subject to certain conditions, including the availability of funds of MedEquities, by MedEquities.

Q:

What happens if the market price of shares of Omega common stock or MedEquities common stock changes before the merger effective time?

A:

No change will be made to the merger consideration if the market price of shares of Omega common stock or MedEquities common stock changes before the merger effective time. Accordingly, the value of the stock portion of the merger consideration to be received by MedEquities stockholders in the merger will depend on the market price of shares of Omega common stock at the merger effective time.

Q:

What will happen to outstanding MedEquities equity compensation awards in the merger?

A:

Each outstanding restricted share of MedEquities common stock, whether vested or unvested, will vest in full (if not already vested) and will be cancelled and retired and automatically converted into the right to receive the merger consideration. Each outstanding MedEquities restricted stock unit will be cancelled and retired and automatically forfeited at the merger effective time and no consideration will be paid with respect thereto. See “The Merger Agreement — Treatment of Restricted Shares and Restricted Stock Units”.

TABLE OF CONTENTS

Q:

Why am I receiving this proxy statement/prospectus?

A:

The merger cannot be completed unless, among other conditions, the holders of MedEquities common stock vote to approve the merger on the terms and conditions set forth in the merger agreement (which we refer to as the “merger proposal”). Subject to the terms of the merger agreement, MedEquities will hold a special meeting of its stockholders to obtain approval for the merger proposal.

This proxy statement/prospectus contains important information about the merger being voted on at the MedEquities special meeting, and you should read it carefully. It is a proxy statement because the MedEquities Board is soliciting proxies from MedEquities stockholders. It is a prospectus because Omega will issue shares of Omega common stock in connection with the merger. The enclosed voting materials allow you to submit a proxy to vote your shares without attending the MedEquities special meeting.

Your vote is important. We encourage you to authorize a proxy to vote as soon as possible.

Q:

Why is MedEquities proposing the merger?

A:

After careful consideration and consultation with MedEquities’ executive management team as well as its outside legal and financial advisors, the MedEquities Board has recommended that the MedEquities stockholders approve the merger proposal based upon numerous factors, including the fact that the merger consideration, together with the closing dividend, represented a 53.1% premium based on the closing prices of the MedEquities common stock and Omega common stock on December 31, 2018, the last trading day prior to the announcement of the merger agreement, and the mix of merger consideration between cash and Omega common stock will provide MedEquities stockholders with both immediate cash value and an opportunity to have an ownership stake in the combined company as stockholders, which is expected to provide a number of significant potential strategic opportunities and benefits. See “The Merger — Recommendation of the MedEquities Board and Reasons for the Merger”.

Q:

Will MedEquities continue to pay regular dividends prior to the closing of the merger?

A:

In addition to the closing dividend and pursuant to the terms of the merger agreement, MedEquities will be permitted to declare and pay its regular quarterly dividends in an amount not to exceed \$0.21 per share of MedEquities common stock per quarter; however, MedEquities will not pay any dividend with respect to the third quarter of 2018.

Q:

When and where is the MedEquities special meeting?

A:

The MedEquities special meeting is scheduled to be held on May 15, 2019, at 10:00 a.m., local time, at MedEquities’ headquarters located at 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203.

Q:

Who is entitled to vote at the MedEquities special meeting?

A:

Only holders of record of MedEquities common stock (or their duly appointed proxies) at the close of business on March 4, 2019, the record date, are entitled to vote at the MedEquities special meeting and any postponement or

adjournment of the MedEquities special meeting.

Q:

How do I vote?

A:

After you have carefully read this proxy statement/prospectus, please respond by completing, signing and dating your proxy card or voting instruction card and returning it in the pre-addressed postage-paid envelope provided or, if available, by authorizing your proxy by one of the other methods specified in your proxy card or voting instruction card as promptly as possible so that your shares of MedEquities common stock will be represented and voted at the MedEquities special meeting.

The Internet and telephone proxy submission procedures are designed to authenticate stockholders and to allow you to confirm that your instructions have been properly recorded. If you authorize a proxy over the Internet or by telephone, then you need not return a written proxy card or voting instruction card by mail.

2

TABLE OF CONTENTS

Please refer to your proxy card or voting instruction card forwarded by your broker, bank or other nominee to see which voting options are available to you.

The method by which you authorize a proxy will in no way limit your right to vote at the MedEquities special meeting if you later decide to attend the MedEquities special meeting and vote in person. Your vote as a MedEquities stockholder is important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the MedEquities special meeting in person.

Q:

Am I being asked to consider and vote upon any other proposals at the MedEquities special meeting in addition to the merger proposal?

A:

Yes. At the MedEquities special meeting, you also will be asked to consider and vote upon the proposal to approve any adjournment of the MedEquities special meeting to a later date or time, if necessary or appropriate, including for the purpose of soliciting additional proxies if there are not sufficient votes at the time of the MedEquities special meeting to approve the merger on proposal (which we refer to as the “adjournment proposal”).

Q:

What is the deadline for voting my shares?

A:

The MedEquities special meeting is scheduled to be held on May 15, 2019, at 10:00 a.m., local time, at MedEquities’ headquarters located at 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203. The completed, signed and dated proxy card must be mailed in time to be received before the MedEquities special meeting. The Internet and telephone facilities will close at 11:59 p.m., New York time, on May 14, 2019.

Q:

What happens if I do not vote for a proposal?

A:

There can be no broker non-votes at the MedEquities special meeting, so failure to provide instructions to your broker or other nominee on how to vote will result in your shares not being counted as present at the meeting and thus will also have the same effect as a vote cast “AGAINST” the merger proposal but will have no effect on the adjournment proposal.

Q:

What happens if I sell my shares of MedEquities common stock before the MedEquities special meeting?

A:

The record date is earlier than the expected date of the merger. If you own shares of MedEquities common stock as of the close of business on the record date but transfer your shares of MedEquities common stock prior to the MedEquities special meeting, you will retain your right to vote at the MedEquities special meeting, but the right to receive the merger consideration will pass to the person who holds your shares of MedEquities common stock as of immediately prior to the merger effective time.

Q:

What vote is required for the proposals?

A:

The proposal to approve the merger on the terms and conditions set forth in the merger agreement requires the affirmative vote of holders of shares of MedEquities common stock entitled to cast a majority of all the votes entitled

to be cast on the proposal as of the close of business on the record date for the MedEquities special meeting.

The proposal to approve one or more adjournments of the MedEquities special meeting to another date, time or place, if necessary or appropriate, to solicit additional proxies in favor of the approval of the merger proposal requires the affirmative vote of at least a majority of all votes cast on such proposal.

Q:

How does the MedEquities Board recommend that I vote?

A:

The MedEquities Board recommends that you vote “FOR” the merger proposal and “FOR” the adjournment proposal. See “The Merger — Recommendation of the MedEquities Board and Reasons for the Merger”.

TABLE OF CONTENTS

Q:

How many votes do I have?

A:

Holders of MedEquities common stock are entitled to one (1) vote for each share of MedEquities common stock owned as of the close of business on the record date.

Q:

What constitutes a quorum?

A:

MedEquities' bylaws provide that the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast constitutes a quorum at a meeting of its stockholders. Shares that are voted and shares abstaining from voting are treated as being present at the MedEquities special meeting for purposes of determining whether a quorum is present. As of close of business on March 4, 2019, the record date for the MedEquities special meeting, there were 31,840,651 shares of MedEquities common stock outstanding and entitled to vote at the MedEquities special meeting. As a result, 15,920,326 shares of MedEquities common stock must be present in person or by proxy in order to constitute a quorum.

Q:

What's the difference between holding shares as a stockholder of record and as a beneficial owner?

A:

If your shares of MedEquities common stock are registered directly in your name with MedEquities' transfer agent, American Stock Transfer & Trust Company, LLC, you are considered, with respect to those shares, to be the stockholder of record. If you are a stockholder of record, then this proxy statement/prospectus and your proxy card have been sent directly to you by MedEquities.

If your shares of MedEquities common stock are held through a bank, broker or other nominee, you are considered the beneficial owner of the shares of MedEquities common stock held in "street name". In that case, this proxy statement/prospectus has been forwarded to you by your bank, broker or other nominee who is considered, with respect to those shares, to be the stockholder of record. As the beneficial owner, you have the right to direct your bank, broker or other nominee how to vote your shares by following their instructions for voting. You are also invited to attend the MedEquities special meeting. However, because you are not the stockholder of record, you may not vote your shares in person at the MedEquities special meeting unless you request and obtain a valid proxy from your bank, broker or nominee.

Q:

If my shares are held in "street name" by my broker, will my broker vote my shares for me?

A:

No. If your shares are held in street name, your broker will vote your shares on the merger proposal only if you provide instructions on how to vote. You should contact your broker and ask what directions your broker will need from you. If you do not provide instructions to your broker on how to vote on the merger proposal, your broker will not be able to vote your shares, and this will have the effect of voting "AGAINST" the merger proposal.

Q:

What happens if I do not return a proxy or otherwise do not vote?

A:

If you are a MedEquities stockholder at the close of business on the record date and fail to vote or abstain from voting, it will have the same effect as a vote “AGAINST” the merger proposal.

Q:

How will my proxy be voted?

A:

All shares of MedEquities common stock entitled to vote and represented by properly completed proxies received prior to the MedEquities special meeting, and not revoked, will be voted at the MedEquities special meeting as instructed on the proxies. If you properly complete, sign and return your proxy without indicating how your shares of MedEquities common stock should be voted on a proposal, the shares of MedEquities common stock represented by your proxy will be voted in accordance with the MedEquities Board recommendation, and therefore, “FOR” the merger proposal and “FOR” the adjournment proposal.

Q:

What do I do if I am a MedEquities stockholder and I want to revoke my proxy?

A:

You may revoke your proxy at any time before it is exercised at the MedEquities special meeting by:

TABLE OF CONTENTS

- submitting notice in writing to MedEquities' Secretary at MedEquities Realty Trust, Inc., 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203, Attn: Secretary, that you are revoking your proxy;
- delivering a properly executed, later-dated proxy card;
- authorizing your proxy or voting instructions by telephone or through the Internet at a later date than your previously authorized proxy; or
- voting in person at the MedEquities special meeting.

Your last vote is the vote that will be counted.

If you have instructed a broker, bank or other nominee to vote your shares of MedEquities common stock, you must follow the directions received from your broker, bank or other nominee if you wish to change your vote.

Q:
What should I do if I receive more than one set of voting materials for the MedEquities special meeting?

A:
You may receive more than one set of voting materials for the MedEquities special meeting, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instructions from your bank, broker or other nominee. For example, if you hold your MedEquities common stock in more than one brokerage account, you will receive separate voting instructions for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please submit each separate proxy or respond to each set of voting instructions that you receive by following the instructions set forth in each separate proxy or set of voting instructions.

Q:
May I vote in person?

A:
Yes. If you are a stockholder of record of MedEquities at the close of business on the record date, you may attend the MedEquities special meeting and vote your shares in person, in lieu of submitting your proxy by Internet, telephone or by completing, signing, dating and returning the enclosed proxy card. Please vote promptly even if you expect to attend the MedEquities special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the MedEquities special meeting.

Q:
What must I bring to attend the MedEquities special meeting in person?

A:
Only MedEquities' stockholders of record as of the record date, beneficial owners of MedEquities common stock as of the record date, holders of valid proxies for the MedEquities special meeting and invited guests of MedEquities may attend the MedEquities special meeting. All attendees should be prepared to present government-issued photo identification (such as a driver's license or passport) for admittance. If your shares are held in street name, please bring acceptable proof of ownership, such as a letter from your broker or an account statement showing that you beneficially owned shares of MedEquities common stock on the record date.

Q:

What risks should I consider before I vote on the merger agreement?

A:

You should review “Risk Factors” beginning on page 23, as well as the risk factors that appear in the documents incorporated by reference into this proxy statement/prospectus.

Q:

Do any of MedEquities’ directors or executive officers have interests in the merger that are in addition to or may differ from those of MedEquities stockholders?

A:

MedEquities’ directors and executive officers have interests in the merger that are different from, or in addition to, the interests of other MedEquities stockholders. The members of the MedEquities Board were aware of and considered these interests, among other matters, in evaluating the merger agreement and the merger, and in recommending that MedEquities stockholders vote “FOR” the merger proposal. See “The Merger — Interests of MedEquities Directors and Executive Officers in the Merger”.

5

TABLE OF CONTENTS

Q:

Will my rights as a stockholder of MedEquities change as a result of the merger?

A:

Yes. MedEquities stockholders will have different rights following the closing of the merger due to the differences between the governing documents of Omega and MedEquities. See “Comparison of Rights of Omega Stockholders and MedEquities Stockholders”.

Q:

Where will my shares of Omega common stock be traded?

A:

The shares of Omega common stock currently trade on the New York Stock Exchange (which we refer to as the “NYSE”) under the symbol “OHI”. Omega will apply to have the new shares of Omega common stock issued as consideration in the merger listed on the NYSE prior to the merger effective time, subject to official notice of issuance.

Q:

What are the United States federal income tax consequences of the merger to me?

A:

MedEquities and Omega intend for the merger to qualify as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (which we refer to as the “Code”), for United States federal income tax purposes. It is a condition to the completion of the merger that Bryan Cave Leighton Paisner LLP, tax counsel to Omega, and Morrison & Foerster LLP, tax counsel to MedEquities, each render an opinion to its respective client to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Assuming that the merger qualifies as a reorganization within the meaning of Section 368(a) of the Code:

- a U.S. holder (as defined under “Material U.S. Federal Income Tax Consequences”) of MedEquities common stock generally will recognize gain (but not loss) for U.S. federal income tax purposes in an amount equal to the lesser of (1) the sum of the amount of cash and the fair market value of the Omega common stock received pursuant to the merger, minus such holder’s adjusted tax basis in its shares of MedEquities common stock surrendered, and (2) the amount of cash received; and

- a non-U.S. holder (as defined under “Material U.S. Federal Income Tax Consequences”) generally will not be subject to U.S. federal income taxation on any gain recognized from the receipt of the merger consideration, unless (1) the gain is effectively connected with a U.S. trade or business of the non-U.S. holder, (2) the non-U.S. holder is an individual who has been present in the United States for 183 days or more during the taxable year of disposition and certain other conditions are satisfied, or (3) the non-U.S. holder’s MedEquities common stock constitutes a “U.S. real property interest” within the meaning of the Foreign Investment in Real Property Tax Act of 1980.

You should read “Material U.S. Federal Income Tax Consequences” for a more detailed discussion of the material U.S. federal income tax consequences. The tax consequences to you of the merger and the ownership and disposition of Omega common stock received in the merger will depend on your particular facts and circumstances. You should consult your own tax advisor to determine the particular tax consequences (including the applicability and effect of any state, local or non-U.S. income and other tax laws) to you of the merger and the ownership and disposition of Omega common stock received in the merger.

Q:

Are there any conditions to the closing of the merger that must be satisfied for the merger to be completed?

A:

Yes. In addition to the approvals of the stockholders of MedEquities described herein, there are a number of conditions that must be satisfied or waived for the merger to be completed. See “The Merger Agreement — Conditions to Completion of the Merger”.

Q:

When is the merger expected to close?

A:

We are working to close the merger as promptly as practicable and expect it to be completed in the first half of 2019. In addition to obtaining the approval of MedEquities stockholders, the merger is subject

6

TABLE OF CONTENTS

to certain other closing conditions, as discussed further in “The Merger Agreement — Conditions to Completion of the Merger”. The closing of the merger will take place no later than the third business day following the date on which the last of the closing conditions of the merger have been satisfied or waived.

Q:

Will fractional shares be issued?

A:

No. If the aggregate number of shares of Omega common stock that you are otherwise entitled to receive as part of the merger consideration includes a fraction of a share of Omega common stock, you will receive cash in an amount equal to and in lieu of the fractional share. See “The Merger Agreement — Exchange of Shares in the Merger”.

Q:

Will Omega stockholders receive any shares or cash in the merger?

A:

No. Omega stockholders will continue to own the same number of shares of Omega common stock that they owned before the merger effective time and will not receive any merger consideration.

Q:

What happens if the merger is not completed?

A:

If the merger proposal is not approved by the holders of a majority of the outstanding shares of MedEquities common stock, or if the merger is not completed for any other reason, holders of MedEquities common stock would not receive any consideration from Omega for their shares of MedEquities common stock. Instead, MedEquities would remain an independent public company, and MedEquities common stock would continue to be registered under the Exchange Act and listed and traded on the NYSE. MedEquities expects that its management will operate MedEquities’ business in a manner similar to that in which it is being operated today and that holders of shares of MedEquities common stock will continue to be subject to the same risks and opportunities to which they are currently subject with respect to their ownership of MedEquities common stock. Under certain circumstances, if the merger is not completed, MedEquities may be required to pay Omega a termination fee. See “The Merger Agreement — Termination Fee and Expense Reimbursement”.

Q:

Am I entitled to exercise appraisal rights instead of receiving the per share merger consideration for my shares of MedEquities common stock?

A:

No. Holders of shares of MedEquities common stock will not be entitled to appraisal rights.

Q:

What do I need to do now?

A:

After you have carefully read this proxy statement/prospectus, please respond by completing, signing and dating your proxy card and returning it in the enclosed pre-addressed postage-paid envelope or, if available, by submitting your proxy by one of the other methods specified in your proxy card or voting instruction card as promptly as possible so that your shares of MedEquities common stock will be represented and voted at the MedEquities special meeting.

Please refer to your proxy card forwarded by your broker or other nominee to see which voting options are available to you.

The method by which you submit a proxy will in no way limit your right to vote at the MedEquities special meeting if you later decide to attend the meeting in person. Your vote as a MedEquities stockholder is important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the MedEquities special meeting in person.

However, if your shares of MedEquities common stock are held in the name of a broker or other nominee, you must obtain a legal proxy, executed in your favor, from your broker or other nominee, to be able to vote in person at the MedEquities special meeting.

Q:

Will a proxy solicitor be used?

A:

Yes. MedEquities has engaged Innisfree M&A Incorporated (which we refer to as “Innisfree”) to assist in the solicitation of proxies for the MedEquities special meeting and MedEquities estimates that it will

TABLE OF CONTENTS

pay Innisfree a fee of approximately \$12,500. MedEquities has also agreed to reimburse Innisfree for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify Innisfree against certain losses, claims, damages, liabilities and expenses. In addition to mailing proxy solicitation material, MedEquities' directors, officers and employees may also solicit proxies in person, by telephone or by any other electronic means of communication deemed appropriate. No additional compensation will be paid to MedEquities' directors, officers or employees for such services.

Q:

Who should I contact if I have other questions about the merger agreement or the merger?

A:

If you have more questions about the merger agreement or the merger, you should contact MedEquities' proxy solicitation agent, Innisfree, by calling toll-free at (888) 750-5834 (stockholders) or (212) 750-5833 (banks and brokers). If your broker holds your shares, you should also call your broker for additional information.

TABLE OF CONTENTS

SUMMARY

This summary highlights information contained elsewhere in this proxy statement/prospectus and may not contain all of the information that is important to you with respect to the merger and the related matters being considered at the MedEquities special meeting. We urge you to read carefully this proxy statement/prospectus, including the attached Annexes and the other documents to which this proxy statement/prospectus refers you for a more complete understanding of the matters being considered at the MedEquities special meeting. In addition, this proxy statement/prospectus incorporates by reference important business and financial information about Omega and MedEquities. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions under “Where You Can Find More Information”.

Information about the Companies

MedEquities Realty Trust, Inc. (page 31)

MedEquities is a self-managed and self-administered real estate investment trust that invests in a mix of healthcare properties and healthcare-related real estate debt investments within the acute, post-acute and behavioral sectors of healthcare services.

MedEquities conducts its business through an umbrella partnership real estate investment trust, or UPREIT structure, consisting of the MedEquities OP and its subsidiaries. MedEquities is the sole member of MedEquities OP GP, LLC (which we refer to as the “MedEquities GP”), the general partner of the MedEquities OP. All of MedEquities’ assets are held by, and its operations are conducted through, the MedEquities OP. As of December 31, 2018, MedEquities owned all of the outstanding units of limited partnership interest of the MedEquities OP.

MedEquities was incorporated in the State of Maryland on April 23, 2014. MedEquities’ principal executive offices are located at 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203, and its telephone number is (615) 627-4710.

MedEquities’ common stock is listed on the NYSE under the symbol “MRT”.

Additional information about MedEquities and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. See “Where You Can Find More Information”.

Omega Healthcare Investors, Inc. (page 31)

Omega is a self-administered real estate investment trust, investing in income producing healthcare facilities, principally long-term care facilities located in the United States and the United Kingdom. Omega provides lease or mortgage financing to qualified operators of skilled nursing facilities, assisted living facilities, independent living facilities and rehabilitation and acute care facilities.

Omega was incorporated in the State of Maryland on March 31, 1992. Omega’s principal executive offices are located at 303 International Circle, Suite 200, Hunt Valley, Maryland 21030, and its telephone number is (410) 427-1700.

Omega is structured as an umbrella partnership real estate investment trust or UPREIT. Accordingly, substantially all of Omega’s assets are held by the Omega OP. Omega is the sole general partner of the Omega OP and has exclusive control over the Omega OP’s day-to-day management. As of December 31, 2018, Omega owned approximately 96% of the issued and outstanding units of partnership interest of the Omega OP, and investors owned approximately 4% of the units.

Omega’s common stock is listed on the NYSE under the symbol “OHI”.

Additional information about Omega and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. See “Where You Can Find More Information”.

TABLE OF CONTENTS

Recent Developments

Litigation (page 32)

On February 21, 2019, a purported stockholder of MedEquities filed a lawsuit against MedEquities, the MedEquities Board and Omega in the United States District Court for the District of Maryland, entitled *Brekka v. MedEquities Realty Trust, Inc., et al.*, Case 1:19-cv-00535-JKB. The complaint alleges, among other things, that MedEquities, the MedEquities Board and Omega violated Section 14(a) of the Exchange Act by making materially incomplete and misleading statements in, and/or omitting certain information that is material to stockholders from, the Registration Statement on Form S-4, as filed with the SEC on February 11, 2019 (the “Form S-4”), relating to the merger. The complaint seeks, among other things, an injunction preventing the consummation of the merger and, in the event the merger is consummated, rescission of the merger or damages, plus attorneys’ fees and costs.

On February 22, 2019, another purported stockholder of MedEquities filed a derivative and class action lawsuit against MedEquities, the MedEquities Board and Omega in the Circuit Court for Baltimore City, Maryland, entitled *Scarantino v. McRoberts et al.*, Case No. 24-c-19-001027. The complaint alleges, among other things, breaches of fiduciary duties by the MedEquities Board in connection with its approval of the merger and the omission from the Form S-4 of certain information that is material to stockholders. The complaint seeks, among other things, an injunction preventing the consummation of the merger and, in the event the merger is consummated, rescission of the merger or damages, plus attorneys’ fees and costs.

On March 17, 2019, a purported stockholder of MedEquities filed a class action lawsuit against MedEquities and the MedEquities Board in the United States District Court for the Middle District of Tennessee, entitled *Bushansky v. MedEquities Realty Trust, Inc., et al.*, Case 3:19-cv-00231. The complaint alleges, among other things, that MedEquities and the MedEquities Board violated Section 14(a) of the Exchange Act by making materially incomplete and misleading statements in, and/or omitting certain information that is material to stockholders from, the Form S-4. The complaint seeks, among other things, an injunction preventing the consummation of the merger and, in the event the merger is consummated, rescission of the merger or damages, plus attorneys’ fees and costs.

On March 29, 2019, a purported stockholder of MedEquities filed a class action lawsuit against MedEquities and the MedEquities Board in the Circuit Court for Baltimore County, Maryland, entitled *Russell v. MedEquities Realty Trust, Inc., et al.*, Case No. C-03-CV-19-000721. The complaint alleges, among other things, that MedEquities and the MedEquities Board breached their fiduciary duties by: (i) failing to fulfill their fiduciary oversight function; (ii) authorizing the filing of a materially incomplete and misleading proxy statement/prospectus; and (iii) authorizing in the company’s Amended and Restated Bylaws the enactment of an exclusive venue designation whereby the Circuit Court for Baltimore City, Maryland is the sole and exclusive forum for certain litigation against the company, or if that court does not have jurisdiction, the U.S. District Court for the District of Maryland, Baltimore Division (the “Exclusive Venue Bylaw”). The complaint seeks, among other things, an injunction preventing the special meeting of MedEquities stockholders to vote on the transaction and, in the event the transaction is implemented, rescission of the transaction or damages, a declaration that the Exclusive Venue Bylaw is invalid, an injunction preventing the enforcement of the Exclusive Venue Bylaw, and attorneys’ fees and costs.

MedEquities and Omega believe that the claims asserted in the above referenced lawsuits are without merit and intend to vigorously defend against these claims.

On March 25, 2019, the United States District Court for the Southern District of New York entered an order dismissing with prejudice all claims against Omega and its directors and officers in the securities class action previously reported in Item 3 of Omega’s Annual Report on Form 10-K for the year ended December 31, 2018 (Case No. 1:17-cv-09024-NRB).

MRT Conditional Dividend (page 32)

On February 27, 2019, MedEquities announced that the MedEquities Board declared a conditional cash dividend of \$0.21 per share, payable to holders of MedEquities common stock as of the record date March 11, 2019. Payment of the conditional dividend is conditioned upon the MedEquities stockholders’

TABLE OF CONTENTS

approval of the merger. If the merger is approved by the MedEquities stockholders, the conditional dividend will be paid as soon as practicable following the certification of the results of the MedEquities special meeting, and MedEquities will announce publicly the date the conditional dividend will be paid. Due to the contingent nature of the conditional dividend, MedEquities common stock began trading with “due bills,” representing an assignment of the right to receive the conditional dividend, beginning on March 8, 2019 (one business day prior to the March 11 record date for the conditional dividend) through the date the conditional dividend is paid.

The conditional dividend is in addition to, and separate from, the closing dividend, which will be payable together with the cash consideration in the merger.

Risk Factors (page 23)

Before voting at the MedEquities special meeting, you should carefully consider all of the information contained in or incorporated by reference into this proxy statement/prospectus, as well as the specific risk factors described under the heading “Risk Factors,” including the risks that:

- the merger consideration to be received by the MedEquities stockholders in the merger is fixed and will not be adjusted in the event of any change in the stock prices of either Omega common stock or MedEquities common stock;
- the consummation of the merger is subject to a number of conditions which, if not satisfied or waived, would adversely impact the parties’ ability to complete the merger;
- failure to complete the merger could adversely affect the stock price and future business and financial results of MedEquities;
- Omega may be unable to timely and successfully integrate the MedEquities business or realize the anticipated synergies and related benefits of the merger;
- following the merger, Omega may not continue to pay dividends at or above the rate currently paid by Omega or MedEquities;
- Omega may incur adverse tax consequences if Omega or MedEquities has failed or fails to qualify as a real estate investment trust (which we refer to as a “REIT”) for U.S. federal income tax purposes; and
- the merger may fail to qualify as a reorganization for federal tax purposes, resulting in MedEquities stockholders recognizing taxable gain or loss in respect of shares of MedEquities common stock.

The Merger

The Merger Agreement (page 68)

Omega, the Omega OP, MedEquities, the MedEquities GP and the MedEquities OP have entered into the merger agreement attached as Annex A to this proxy statement/prospectus. On March 26, 2019, Omega and MedEquities entered into the First Amendment to Agreement and Plan of Merger, which provides that the closing dividend shall be payable to holders of MedEquities common stock as of the closing date of the merger rather than as of the trading day immediately prior to the closing date of the merger. Unless the context otherwise requires, all references herein to the merger agreement refer to the merger agreement as modified by the First Amendment to Agreement and Plan of Merger, which amendment is included in Annex A to this proxy statement/prospectus. The Omega board of directors (which we refer to as the “Omega Board”) and the MedEquities Board have both unanimously approved the merger

pursuant to the terms of the merger agreement. You are encouraged to read the entire merger agreement carefully because it is the principal legal document governing the merger.

Structure of the Merger (page 68)

Pursuant to the merger agreement, at the merger effective time, MedEquities will merge with and into Omega with Omega continuing as the surviving company. Immediately following the merger effective time,

11

TABLE OF CONTENTS

Omega will contribute all of the assets of MedEquities, which in substantial part consist of 100% of the issued and outstanding equity interests in the MedEquities OP, to the Omega OP.

Merger Consideration (page 69)

Pursuant to the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, at the merger effective time, each share of MedEquities common stock (other than shares held by Omega, MedEquities or their respective wholly owned subsidiaries, which shares shall automatically be cancelled and retired and will cease to exist with no consideration being delivered in exchange therefor) that is issued and outstanding immediately prior to the merger effective time will be cancelled and retired and automatically converted into the right to receive:

- 0.235 of a share of Omega common stock, subject to adjustment under certain limited circumstances, plus the right to receive cash in lieu of any fractional shares of Omega common stock; and

- an amount in cash equal to \$2.00, subject to adjustment under certain limited circumstances as described below.

MedEquities Closing Dividend (page 69)

MedEquities will declare a special dividend of \$0.21 per share of MedEquities common stock payable to holders of MedEquities common stock as of the closing date of the merger. This closing dividend will be payable together with the cash portion of the merger consideration.

Treatment of MedEquities' Restricted Stock Units and Restricted Shares (page 69)

Restricted Stock: Each outstanding restricted share of MedEquities common stock, whether vested or unvested, that is issued and outstanding immediately prior to the merger effective time will vest in full (if not already vested) and be cancelled and retired and automatically converted into the right to receive the merger consideration, including any fractional share consideration due with respect thereto, any dividend or distributions payable pursuant to the terms of the merger agreement with respect to any dividends or distributions by Omega after the merger effective time and prior to the receipt of the merger consideration by any holder, and the closing dividend.

Restricted Stock Units: Each outstanding MedEquities restricted stock unit will be cancelled and retired and automatically forfeited at the merger effective time and no consideration will be paid with respect thereto. Under the terms of the restricted stock unit awards, the merger is an unfavorable change of control and therefore no consideration is due.

Recommendations of MedEquities' Board of Directors (page 51)

After careful consideration, the MedEquities Board unanimously approved the merger, the merger agreement and the other transactions contemplated by the merger agreement, and declared the merger and the other transactions contemplated by the merger agreement advisable and in the best interests of MedEquities and its stockholders. Accordingly, the MedEquities Board recommends that MedEquities stockholders vote "FOR" the approval of the merger. In addition, the MedEquities Board recommends that MedEquities stockholders vote "FOR" the approval of any adjournment of the MedEquities special meeting to a later date or time, if necessary or appropriate, including for the purpose of soliciting additional proxies if there are not sufficient votes at the time of the MedEquities special meeting to approve the merger.

Opinion of MedEquities' Financial Advisor (page 54)

In connection with the proposed merger, MedEquities' financial advisor, Citigroup Global Markets Inc. (which we refer to as "Citi"), rendered an oral opinion to the MedEquities Board at its January 1, 2019 meeting as to the fairness, from a financial point of view, to the holders (other than Omega and its affiliates) of the common stock of MedEquities and as of the date of the opinion, of the merger consideration (as defined in the opinion and including the closing dividend) to be paid to the holders of

TABLE OF CONTENTS

MedEquities common stock pursuant to the merger agreement, which was confirmed by delivery of a written opinion dated January 1, 2019. The full text of Citi's written opinion, which describes, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, is attached as Annex B to this proxy statement/prospectus and is incorporated by reference herein in its entirety. The description of Citi's opinion set forth in this proxy statement/prospectus is qualified in its entirety by reference to the full text of Citi's opinion. Citi's opinion was provided for the information of the MedEquities Board (in its capacity as such) in connection with its evaluation of the merger and was limited to the fairness, from a financial point of view, as of the date of the opinion, of the merger consideration (as defined in the opinion and including the closing dividend) to be paid to the holders (other than Omega and its affiliates) of outstanding MedEquities common stock and did not address any other terms, aspects or implications of the merger. Citi expressed no view as to, and its opinion did not address, the underlying business decision of MedEquities to effect or enter into the proposed merger, the relative merits of the merger as compared to any alternative business strategies that might exist for MedEquities or the effect of any other transaction in which MedEquities might engage or consider. Citi's opinion is not intended to be and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any matters relating to the proposed merger or any other matter.

Interests of Certain Directors and Executive Officers of MedEquities in the Merger (page 63)

The interests of MedEquities' directors and executive officers in the merger that are different from, or in addition to, those of other MedEquities stockholders are described below. The MedEquities Board was aware of and considered those interests, among other matters, in reaching its decision to approve the merger, and to recommend the approval of the merger agreement to MedEquities stockholders. These interests include, among others:

- severance payments under their employment agreements if their employment is terminated in a qualifying termination following the closing of the merger;
- lump sum payments under retention agreements upon closing of the merger;
- the unvested restricted shares of MedEquities common stock held by MedEquities' directors and executive officers will vest upon closing of the merger; and
- rights to ongoing indemnification and insurance coverage by Omega as the surviving company for acts or omissions occurring prior to the merger.

Conditions to Completion of the Merger (page 83)

The respective obligations of Omega and MedEquities to consummate the merger are subject to the satisfaction or waiver, at or before the merger effective time, of a number of conditions, including:

- the receipt by MedEquities of the affirmative vote of the holders of a majority of the outstanding shares of MedEquities common stock to approve the merger proposal;
- the absence of any law that prohibits, restrains, enjoins or makes illegal the consummation of the merger;
- the absence of any order by any court of competent jurisdiction that prevents, restrains or enjoins the consummation of the merger or the other transactions contemplated by the merger agreement;
-

the SEC having declared effective the registration statement of which this proxy statement/ prospectus forms a part, and the registration statement not being the subject of any stop order or proceedings by the SEC seeking a stop order that has not be withdrawn;

•

the approval for listing on the NYSE, subject only to official notice of issuance, of the shares of Omega common stock to be issued in the merger;

•

the continued accuracy of the party's representations and warranties contained in the merger agreement, subject to certain specified materiality standards;

•

compliance with covenants contained in the merger agreement;

TABLE OF CONTENTS

- the absence of any material adverse effect as further described in “The Merger Agreement — Definition of ‘Material Adverse Effect’” and “The Merger Agreement — Conditions to Completion of the Merger;”

- the receipt by Omega of an opinion from Omega’s legal counsel and the receipt by MedEquities of an opinion from MedEquities’ legal counsel, that each of Omega and MedEquities, respectively, has maintained its status as a REIT under the Code since its inception;

- the receipt by Omega of an opinion from Omega’s legal counsel and the receipt by MedEquities of an opinion from MedEquities’ legal counsel, that the merger qualify as a “reorganization” within the meaning of Section 368(a) of the Code; and

- the receipt of certain consents identified in the merger agreement.

We cannot be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed on the terms and conditions as provided in the merger agreement or at all.

No Solicitation; Window Shop (page 78)

MedEquities and the MedEquities OP have agreed, from the date of the merger agreement until the earlier of the merger effective time or the termination of the merger agreement, that they will not and will cause their subsidiaries and their respective directors, officers, employees and representatives to cease discussions, solicitations or negotiations with alternative transactions. However, in the event that during the 30 days following January 2, 2019, MedEquities or any of its subsidiaries received a bona fide written acquisition proposal (as defined in “The Merger Agreement — No Solicitation; Window Shop”), subject to specified conditions and requirements set forth in further detail below and in the merger agreement, MedEquities could have provided nonpublic information to the proposing party and engage in discussions or negotiations. This 30-day period has expired without receipt of any such bona fide written acquisition proposal.

In addition, if prior to receipt of the required MedEquities stockholder approval, MedEquities receives a bona fide written acquisition proposal, the acquisition proposal is not a violation of the merger agreement non-solicitation restrictions and the MedEquities Board determines in good faith, after consultation with legal and financial advisors that the acquisition proposal constitutes or could reasonably be expected to lead to a superior proposal (as defined in “The Merger Agreement — No Solicitation; Window Shop”), MedEquities may furnish non-public information to the proposing party and engage in discussions or negotiations with respect to such acquisition proposal.

Termination of the Merger Agreement (page 85)

The merger agreement may be terminated prior to the merger effective time, whether before or after (except where noted below) the required approval of the MedEquities stockholders is obtained:

- by mutual written consent of Omega and MedEquities;

- by either Omega or MedEquities, if there is a breach of the representations or covenants of the other party that would result in the failure of the related closing condition to be satisfied, subject to a cure period;

- by Omega or MedEquities if the merger is not consummated by 11:59 p.m., New York time on June 30, 2019;

by Omega or MedEquities if any governmental authority restrains, enjoins or otherwise prohibits the consummation of the merger;

•

by Omega or MedEquities if the required approval of the MedEquities stockholders is not obtained;

•

by Omega, prior to receipt of the MedEquities stockholder approval, if MedEquities fails to include the MedEquities Board's recommendation in this proxy statement/prospectus when mailing to the MedEquities stockholders;

TABLE OF CONTENTS

- by Omega, prior to receipt of the MedEquities stockholder approval, if the MedEquities Board changes its recommendation regarding the approval of the merger;

- by Omega, prior to receipt of the MedEquities stockholder approval, if a tender or exchange offer relating to MedEquities' common stock is commenced and MedEquities does not announce, within ten business days, an adverse recommendation with respect to such tender or exchange offer; and

- by MedEquities, prior to receipt of the MedEquities stockholder approval, if the MedEquities Board authorizes MedEquities to enter into a definitive agreement with respect to a superior proposal, subject to compliance with specified terms of the merger agreement, including payment of a termination fee described below.

Expenses and Termination Fee (page 85)

Generally, all fees and expenses incurred in connection with the merger and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses. See “The Merger Agreement — Termination Fee and Expense Reimbursement”.

The merger agreement provides that, upon termination of the merger agreement under specified circumstances, MedEquities may be required to pay Omega a termination fee of \$12,250,989, unless a termination related to the failure of MedEquities to obtain the required approval of the MedEquities stockholders or a superior proposal has occurred prior to the end of the initial termination period (as such term is defined in the merger agreement), in such case MedEquities may be required to pay Omega a termination fee of \$6,533,861 plus transaction expenses subject to a cap of \$1,500,000. This 30-day period has expired as of the date of this proxy statement/prospectus, and consequently the lower termination payment is no longer applicable. See “The Merger Agreement — Termination Fee and Expense Reimbursement”.

Material U.S. Federal Income Tax Consequences (page 88)

MedEquities and Omega intend for the merger to qualify as a “reorganization” within the meaning of Section 368(a) of the Code. It is a condition to the completion of the merger that Bryan Cave Leighton Paisner LLP, tax counsel to Omega, and Morrison & Foerster LLP, tax counsel to MedEquities, each render an opinion to its respective client to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Assuming that the merger qualifies as a reorganization within the meaning of Section 368(a) of the Code:

- a U.S. holder (as defined under “Material U.S. Federal Income Tax Consequences”) generally will recognize gain (but not loss) for U.S. federal income tax purposes in an amount equal to the lesser of (1) the sum of the amount of cash and the fair market value of the Omega common stock received pursuant to the merger, minus such holder's adjusted tax basis in its shares of MedEquities common stock surrendered, and (2) the amount of cash received; and

- a non-U.S. holder (as defined under “Material U.S. Federal Income Tax Consequences”) generally will not be subject to U.S. federal income taxation on any gain recognized from the receipt of the merger consideration, unless (1) the gain is effectively connected with a U.S. trade or business of the non-U.S. holder, (2) the non-U.S. holder is an individual who has been present in the United States for 183 days or more during the taxable year of disposition and certain other conditions are satisfied, or (3) the non-U.S. holder's MedEquities common stock constitutes a “U.S. real property interest” within the meaning of the Foreign Investment in Real Property Tax Act of 1980.

You should read “Material U.S. Federal Income Tax Consequences” for a more detailed discussion of the material U.S. federal income tax consequences. The tax consequences to you of the merger and the ownership and disposition of Omega common stock received in the merger will depend on your particular facts and circumstances. You should consult your own tax advisor to determine the particular tax consequences (including the applicability and effect of

any state, local or non-U.S. income and other tax laws) to you of the merger and the ownership and disposition of Omega common stock received in the merger.

15

TABLE OF CONTENTS

The MedEquities Special Meeting (page 34)

MedEquities has agreed to hold a special meeting for the purpose of voting upon the merger approval and other related matters. The MedEquities Board has agreed to recommend that the MedEquities stockholders approve the merger and to use its reasonable best efforts to solicit the approval of the merger at the MedEquities special meeting. The MedEquities special meeting is scheduled to be held on May 15, 2019, at 10:00 a.m., local time, at MedEquities' headquarters located at 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203.

At the MedEquities special meeting, the MedEquities stockholders will be asked to consider and vote upon the following matters:

1.
a proposal to approve the merger on the terms and conditions set forth in the merger agreement;

2.
a proposal to approve one or more adjournments of the MedEquities special meeting to another date, time or place, if necessary, to solicit additional proxies in favor of the proposal to approve the merger.

Regulatory Approvals for the Merger (page 66)

Omega and MedEquities are not aware of any material federal or state regulatory requirements or regulatory approvals that must be obtained in connection with the merger or the other transactions contemplated by the merger agreement.

TABLE OF CONTENTS

SELECTED HISTORICAL FINANCIAL DATA

Selected Historical Information of Omega

The following selected historical financial information of Omega for each of the years during the three year period ended December 31, 2018 and the selected balance sheet data as of December 31, 2017 and 2016 has been derived from Omega's audited consolidated financial statements contained in its Annual Report on Form 10-K for the year ending December 31, 2018, which is incorporated by reference into this proxy statement/prospectus. The selected historical financial information of Omega for each of the years ended December 31, 2015 and 2014 and the selected balance sheet data as of December 31, 2016, 2015 and 2014 have been derived from Omega's audited consolidated financial statements, which are not incorporated by reference into this proxy statement/prospectus.

You should read this selected historical financial information together with the financial statements and accompanying notes and management's discussion and analysis of operations and financial condition of Omega filed with the SEC and incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information".

Omega Healthcare Investors, Inc.

Year Ended December 31,

	2018	2017(1)	2016	2015(2)	2014
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(in thousands)

Operating data:

Revenues	\$ 881,682	\$ 908,385	\$ 900,827	\$ 743,617	\$ 504,787
Income from continuing operations	\$ 296,513	\$ 105,921	\$ 384,333	\$ 234,526	\$ 221,349
Net income	\$ 293,884	\$ 104,910	\$ 383,367	\$ 233,315	\$ 221,349
Net income available to common stockholders	\$ 281,578	\$ 100,419	\$ 366,415	\$ 224,524	\$ 221,349
Dividends per common share(3)	\$ 2.64	\$ 2.54	\$ 2.36	\$ 2.18	\$ 2.02
Other financial data:					
Depreciation and amortization	\$ 281,279	\$ 287,591	\$ 267,062	\$ 210,703	\$ 123,257
Funds from operations(4)	\$ 587,382	\$ 444,289	\$ 660,054	\$ 455,346	\$ 345,403

December 31,

	2018	2017(1)	2016	2015(2)	2014
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(in thousands)

Consolidated balance sheet data:

Gross investments(5)	\$ 9,126,190	\$ 9,091,714	\$ 9,166,129	\$ 8,107,352	\$ 4,472,840
Total assets	\$ 8,590,877	\$ 8,773,305	\$ 8,949,260	\$ 7,989,936	\$ 3,896,674
Revolving line of credit	\$ 313,000	\$ 290,000	\$ 190,000	\$ 230,000	\$ 85,000
Term loans, net	\$ 898,726	\$ 904,670	\$ 1,094,343	\$ 745,693	\$ 198,721
Other long-term borrowings, net	\$ 3,328,896	\$ 3,377,488	\$ 3,082,511	\$ 2,564,320	\$ 2,069,811
Total debt, net(6)	\$ 4,540,622	\$ 4,572,158	\$ 4,366,854	\$ 3,540,013	\$ 2,353,532
Total equity	\$ 3,764,484	\$ 3,888,258	\$ 4,211,986	\$ 4,100,865	\$ 1,401,327

(1)

2017 results reflect the impact of an aggregate of \$297 million of impairment losses on real estate properties and direct financing leases.

(2)

Effective April 1, 2015, Omega acquired Aviv REIT, Inc.

(3)

Dividends declared and paid during such period.

(4)

Omega considers funds from operations (which Omega refers to as “NAREIT FFO”), to be a key measure of a REIT’s performance which should be considered along with, but not as an alternative to, net income and cash flow as a measure of operating performance and liquidity. See the table and the related footnotes below for reconciliation of net income to NAREIT FFO. Omega calculates and reports NAREIT FFO in accordance with

17

TABLE OF CONTENTS

the definition of Funds from Operations and interpretive guidelines issued by the National Association of Real Estate Investment Trusts (which we refer to as “Nareit”), and consequently, NAREIT FFO is defined as net income (computed in accordance with generally accepted accounting principles (which we refer to as “GAAP”)), adjusted for the effects of asset dispositions and certain non-cash items, primarily depreciation and amortization and impairments on real estate assets, and after adjustments for unconsolidated partnerships and joint ventures.

(5)

Omega defines gross investments as total investments before accumulated depreciation.

(6)

Total debt includes long-term debt and current maturities of long-term debt.

The following table is a reconciliation of net income to NAREIT FFO.

	Year Ended December 31,				
	2018	2017(1)	2016	2015(2)	2014
	(in thousands)				
Net income	\$ 293,884	\$ 104,910	\$ 383,367	\$ 233,315	\$ 221,349
(Deduct gain) add back loss from real estate dispositions	\$ (24,774)	\$ (53,912)	\$ (50,208)	\$ (6,353)	\$ (2,863)
(Deduct gain) add back loss from real estate dispositions – unconsolidated joint venture	\$ 670	—	—	—	—
Sub-total	\$ 269,780	\$ 50,998	\$ 333,159	\$ 226,962	\$ 218,486
Elimination of non-cash items included in net income:					
Depreciation and amortization	\$ 281,279	\$ 287,591	\$ 267,062	\$ 210,703	\$ 123,257
Depreciation – unconsolidated joint venture	\$ 5,876	\$ 6,630	\$ 1,107	—	—
Add back impairments on real estate properties	\$ 29,839	\$ 99,070	\$ 58,726	\$ 17,681	\$ 3,660
Add back impairments on real estate properties – unconsolidated joint venture	\$ 608	—	—	—	—
Funds from operations	\$ 587,382	\$ 444,289	\$ 660,054	\$ 455,346	\$ 345,403

(1)

2017 results reflect the impact of an aggregate of \$297 million of impairment losses on real estate properties and direct financing leases.

(2)

Effective April 1, 2015, Omega acquired Aviv REIT, Inc.

Selected Historical Information of MedEquities

The following selected historical financial information of MedEquities for each of the years during the three year period ended December 31, 2018 and the selected balance sheet data as of December 31, 2018 and 2017 has been derived from MedEquities’ audited consolidated financial statements contained in its Annual Report on Form 10-K for the year ending December 31, 2018, which is incorporated by reference into this proxy statement/prospectus. The

selected historical financial information of MedEquities for each of the years ended December 31, 2015 and 2014 and the selected balance sheet data as of December 31, 2016, 2015 and 2014 have been derived from MedEquities' audited consolidated financial statements, which are not incorporated by reference into this proxy statement/prospectus.

You should read this selected historical financial information together with the financial statements and accompanying notes and management's discussion and analysis of operations and financial condition of MedEquities filed with the SEC and incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information".

18

TABLE OF CONTENTS

	MedEquities Realty Trust, Inc.				
	Year Ended December 31,				
	2018	2017	2016	2015	2014(1)
	(in thousands)				
Operating data:					
Revenues	\$ 57,260	\$ 61,105	\$ 49,296	\$ 44,438	\$ 5,447
Operating income	\$ 21,982	\$ 31,844	\$ 22,004	\$ 23,881	\$ 323
Net income	\$ 9,506	\$ 24,152	\$ 11,316	\$ 16,730	\$ 23
Net income (loss) attributable to common stockholders	\$ 5,663	\$ 20,422	\$ (2,710)	\$ 4,866	\$ 23
Dividends per common share	\$ 0.63	\$ 0.84	\$ 0.63	\$ 0.85	\$ 0.20
Other financial data:					
Depreciation and amortization	\$ 17,202	\$ 15,504	\$ 14,323	\$ 9,969	\$ 1,273
Funds from operations attributable to common stockholders(2)	\$ 22,534	\$ 35,599	\$ 11,413	\$ 14,179	\$ 1,291
	December 31,				
	2018	2017	2016	2015	2014
	(in thousands)				
Consolidated balance sheet data:					
Total assets	\$ 632,789	\$ 581,603	\$ 519,753	\$ 543,667	\$ 211,033
Accounts payable and accrued liabilities	\$ 5,691	\$ 6,605	\$ 15,244	\$ 21,102	\$ 10,204
Deferred revenue	\$ 1,601	\$ 2,722	\$ 2,251	\$ 3,920	\$ 952
Debt, net	\$ 278,137	\$ 215,523	\$ 144,000	\$ 247,400	\$ 50,000
Total liabilities	\$ 285,429	\$ 224,850	\$ 161,495	\$ 272,422	\$ 61,156
Total equity	\$ 347,360	\$ 356,753	\$ 358,258	\$ 271,245	\$ 149,877

(1)

Represents the period from April 23, 2014 (inception) to December 31, 2014.

(2)

MedEquities computes funds from operations (which MedEquities refers to as “FFO”) in accordance with Nareit’s definition described above. FFO is a non-GAAP measure used by many investors and analysts that follow the real estate industry. MedEquities believes that the presentation of FFO provides useful information to investors regarding MedEquities’ operating performance by excluding the effect of real-estate related depreciation and amortization, gains or losses from sales for real estate, including impairments, extraordinary items and the portion of items related to unconsolidated entities, all of which are based on historical cost accounting, and that FFO can facilitate comparisons of operating performance between periods and between REITs, even though FFO does not represent an amount that accrues directly to common stockholders. MedEquities’ calculation of FFO may not be comparable to measures calculated by other companies that do not use the Nareit definition of FFO. FFO should not be considered as an alternative to net income (computed in accordance with GAAP) as an indicator of MedEquities’ financial performance or to cash flow from operating activities (computed in accordance with GAAP) as an indicator of MedEquities’ liquidity.

The following table is a reconciliation of net income attributable to common stockholders to FFO attributable to

common stockholders.

	Year ended December 31,				
	2018	2017	2016	2015	2014(1)
	(in thousands)				
Net income (loss) attributable to common stockholders	\$ 5,663	\$ 20,422	\$ (2,710)	\$ 4,866	\$ 23
Real estate depreciation and amortization, net of noncontrolling interest	\$ 16,871	\$ 15,177	\$ 14,123	\$ 9,313	\$ 1,268
Funds from operations attributable to common stockholders	\$ 22,534	\$ 35,599	\$ 11,413	\$ 14,179	\$ 1,291

(1)

Represents the period from April 23, 2014 (inception) to December 31, 2014.

TABLE OF CONTENTSCOMPARISON OF MEDEQUITIES AND OMEGA MARKET PRICES
AND IMPLIED VALUE OF MERGER CONSIDERATION

The following table sets forth the closing sale price per share of Omega common stock and MedEquities common stock as reported on the NYSE as of December 31, 2018, the last trading day prior to the public announcement of the merger, and on April 4, 2019, the last practicable trading day before the date of this proxy statement/prospectus. The table also shows the estimated implied value of the per share consideration proposed for each share of MedEquities common stock as of the same two dates. This implied value was calculated by multiplying the closing price of a share of Omega common stock on the relevant date by the exchange ratio of 0.235 shares of Omega common stock for each share of MedEquities common stock, and then adding the \$2.00 per share cash consideration of MedEquities common stock. The implied per share value of the merger consideration set forth below does not include the contemplated closing dividend of \$0.21 per share of MedEquities common stock.

	Omega Common Stock	MedEquities Common Stock	Implied Per Share Value of Merger Consideration
December 31, 2018	\$ 35.15	\$ 6.84	\$ 10.26
April 4, 2019	\$ 37.35	\$ 10.94	\$ 10.78

The market prices of Omega common stock and MedEquities common stock have fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate prior to the completion of the merger. No assurance can be given concerning the market prices of Omega common stock or MedEquities common stock before completion of the merger or of the common stock of the combined company after completion of the merger. Because the merger consideration is fixed and will not be adjusted for changes in the market prices of either Omega common stock or MedEquities common stock, the market price of Omega common stock (and, therefore, the value of the merger consideration) when received by MedEquities stockholders after the merger is completed could be greater than, less than or the same as shown in the table above. Accordingly, these comparisons may not provide meaningful information to stockholders in determining how to vote with respect to the proposals described in this proxy statement/ prospectus. We urge you to obtain current market quotations for Omega common stock and MedEquities common stock and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus. See the section entitled "Where You Can Find More Information".

TABLE OF CONTENTS

COMPARATIVE STOCK PRICES AND DIVIDENDS

Shares of Omega common stock are listed for trading on the NYSE under the symbol “OHI”. Shares of MedEquities common stock are listed for trading on the NYSE under “MRT”. The following tables set forth the high and low sales price of Omega common stock and MedEquities common stock as reported by the NYSE, and the quarterly cash dividend declared per share, for the calendar quarters indicated.

Omega

	High	Low	Dividend Declared
2017			
First Quarter	\$ 33.17	\$ 30.55	\$ 0.62
Second Quarter	\$ 35.14	\$ 30.46	\$ 0.63
Third Quarter	\$ 33.85	\$ 29.98	\$ 0.64
Fourth Quarter	\$ 32.32	\$ 26.43	\$ 0.65
2018			
First Quarter	\$ 27.92	\$ 24.90	\$ 0.66
Second Quarter	\$ 32.00	\$ 25.14	\$ 0.66
Third Quarter	\$ 33.51	\$ 28.65	\$ 0.66
Fourth Quarter	\$ 38.34	\$ 31.69	\$ 0.66
2019			
First Quarter	\$ 40.30	\$ 33.39	\$ 0.66
April 1, 2019 to April 4, 2019	\$ 38.20	\$ 37.12	—

MedEquities

	High	Low	Dividend Declared
2017			
First Quarter	\$ 11.61	\$ 10.75	\$ 0.21
Second Quarter	\$ 12.76	\$ 11.30	\$ 0.21
Third Quarter	\$ 12.79	\$ 11.37	\$ 0.21
Fourth Quarter	\$ 11.94	\$ 10.37	\$ 0.21
2018			
First Quarter	\$ 11.32	\$ 9.67	\$ 0.21
Second Quarter	\$ 11.02	\$ 9.75	\$ 0.21
Third Quarter	\$ 11.79	\$ 9.62	\$ 0.21
Fourth Quarter	\$ 9.68	\$ 6.46	—
2019			
First Quarter	\$ 11.65	\$ 9.75	\$ 0.21(1)
April 1, 2019 to April 4, 2019	\$ 11.15	\$ 10.88	—

(1)

On February 27, 2019, MedEquities announced that the MedEquities Board declared a conditional cash dividend of \$0.21 per share, payable to holders of MedEquities common stock as of the record date March 11, 2019. Payment of the conditional dividend is conditioned upon the MedEquities stockholders’ approval of the merger. See “Information About the Companies — Recent Developments — MedEquities Conditional Dividend.”

TABLE OF CONTENTS**COMPARATIVE PER SHARE INFORMATION**

The following table sets forth, as of and for the year ended December 31, 2018, selected per share information for Omega common stock on a historical and pro forma combined basis and for MedEquities on a historical and pro forma equivalent basis. You should read the table below together with the consolidated financial statements and related notes of Omega and MedEquities contained in their respective Annual Reports on Form 10-K for the year ended December 31, 2018, all of which are incorporated by reference into this proxy statement/prospectus. For more information, see “Where You Can Find More Information.”

The unaudited pro forma book value per share data give effect to the merger as if it had occurred on December 31, 2018. The unaudited pro forma earnings and dividends per share data gives effect to the merger as if it had become effective at January 1, 2018. The MedEquities pro forma equivalent per common share amounts were calculated by multiplying the Omega pro forma combined per share amounts by the exchange ratio. You should not rely on the pro forma amounts as being indicative of the financial position or results of operations of Omega that actually would have occurred had the merger been completed as of the date indicated above, nor are they necessarily indicative of the future operating results or financial position of Omega. The pro forma amounts, although helpful in illustrating the financial characteristics of the combined company under one set of assumptions, do not reflect the benefits of expected cost savings or other impacts of the merger.

	Omega		MedEquities	
	Historical	Pro Forma Combined	Historical	Pro Forma Equivalent
	Year Ended December 31, 2018	Year Ended December 31, 2018	Year Ended December 31, 2018	Year Ended December 31, 2018
Basic earnings per share	\$ 1.41	\$ 1.41	\$ 0.17	\$ 0.33
Diluted earnings per share	\$ 1.40	\$ 1.40	\$ 0.17	\$ 0.33
Cash dividends declared per share	\$ 2.64	\$ 2.63	\$ 0.63	\$ 0.62
	As of December 31, 2018	As of December 31, 2018	As of December 31, 2018	As of December 31, 2018
Book value per share	\$ 17.95	\$ 18.45	\$ 10.99	\$ 4.34

TABLE OF CONTENTS

RISK FACTORS

In addition to the other information included in or incorporated by reference into this proxy statement/ prospectus, including the matters addressed under “Caution About Forward-Looking Statements”, you should carefully consider the following risks before deciding whether to vote to approve the merger agreement. In addition, you should read and consider the risks associated with each of the businesses of Omega and MedEquities because these risks will also affect Omega, as the surviving company in the merger. These risks can be found in Omega’s and MedEquities’ respective Annual Reports on Form 10-K for the year ended December 31, 2018, and other reports filed by Omega and MedEquities with the SEC, each of which is incorporated by reference into this proxy statement/prospectus. You should also carefully read and consider the other information in this proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus. See “Where You Can Find More Information”.

Risks Relating to the Merger

The merger consideration is fixed and will not be adjusted in the event of any change in the price of either Omega common stock or MedEquities common stock.

At the merger effective time, each share of MedEquities common stock (other than shares held by Omega, MedEquities or their respective wholly owned subsidiaries) issued and outstanding immediately prior to the merger effective time will be automatically converted into the right to receive 0.235 shares of Omega common stock, with cash paid in lieu of fractional shares, plus \$2.00 in cash. See “The Merger Agreement — Merger Consideration”. The exchange ratio and cash consideration are fixed in the merger agreement and will not be adjusted for changes in the market price of either Omega common stock or MedEquities common stock. Changes in the market price of Omega common stock prior to the merger will affect the market value of the stock portion of the merger consideration that MedEquities stockholders will receive upon the closing of the merger. Stock price changes may result from a variety of factors (many of which are beyond the control of Omega and MedEquities), including the following:

- market reaction to the announcement of the merger and Omega’s prospects following the merger effective time;
- changes in the respective businesses, operations, assets, liabilities, financial positions and prospects of Omega or MedEquities or in market assessments thereof;
- changes in the operating performance of Omega, MedEquities or similar companies;
- changes in market valuations of similar companies;
- market assessments of the likelihood that the merger will be completed;
- interest rates, general market and economic conditions and other factors generally affecting the market price of each of Omega common stock and MedEquities common stock;
- federal, state and local legislation, governmental regulation and legal developments relevant to the businesses in which Omega and MedEquities operate;
- dissident stockholder activity, including any litigation challenging the merger;

- changes that affect Omega's and MedEquities' industry, the U.S. or global economy, or capital, financial or securities markets generally; and
- other factors beyond the control of either Omega or MedEquities, including those described or referred to elsewhere in this "Risk Factors" section.

The market price of Omega common stock at the closing of the merger may vary from its price on the date the merger agreement was executed, on the date of this proxy statement/prospectus and on the date of the MedEquities special meeting. As a result, the market value of the merger consideration represented by the exchange ratio will fluctuate until the closing of the merger. Because the merger will be completed after the date of the MedEquities stockholder meeting, at the time of the MedEquities stockholder meeting, you

23

TABLE OF CONTENTS

will not know the exact market value of the shares of Omega common stock that MedEquities stockholders will receive upon completion of the merger. You should consider that:

- if the market price of Omega common stock increases between the date the merger agreement was signed or the date of the MedEquities stockholder meeting and the closing of the merger, MedEquities stockholders will receive shares of Omega common stock that have a market value upon completion of the merger that is greater than the market value of such shares calculated pursuant to the exchange ratio on the date the merger agreement was signed or on the date of the MedEquities stockholder meeting, respectively; and

- if the market price of Omega common stock declines between the date the merger agreement was signed or the date of the MedEquities special meeting and the closing of the merger, including for any of the reasons described above, MedEquities stockholders will receive shares of Omega common stock that have a market value upon completion of the merger that is less than the market value of such shares calculated pursuant to the exchange ratio on the date the merger agreement was signed or on the date of the MedEquities stockholder meeting, respectively.

Therefore, while the number of shares of Omega common stock to be issued per share of MedEquities common stock is fixed and will not change based on the market price of Omega common stock or MedEquities common stock, MedEquities stockholders cannot be sure of the market value of the stock portion of the merger consideration that they will receive upon completion of the merger.

The consummation of the merger is subject to a number of conditions which, if not satisfied or waived, would adversely impact the parties' ability to complete the merger.

The merger, which is expected to be completed in the first half of 2019, is subject to certain closing conditions, including, among others: (i) the receipt by MedEquities of the affirmative vote of the holders of a majority of the outstanding shares of MedEquities common stock approving the MedEquities merger proposal; (ii) the absence of any law that prohibits, restrains, enjoins or makes illegal the consummation of the merger; (iii) the absence of any order by any court of competent jurisdiction that prevents, restrains or enjoins the consummation of the merger or the other transactions contemplated by the merger agreement; (iv) the SEC having declared effective the registration statement of which this proxy statement/prospectus forms a part, and the registration statement not being the subject of any stop order or proceedings by the SEC seeking a stop order that has not been withdrawn; (v) the approval for listing on the NYSE, subject only to official notice of issuance, of the shares of Omega common stock to be issued in the merger; (vi) the receipt of certain legal opinions by Omega and MedEquities; and (vii) other customary conditions specified in the merger agreement. See "The Merger Agreement — Conditions to Completion of the Merger".

There can be no assurance these conditions will be satisfied or waived, if permitted. Therefore, there can be no assurance with respect to the timing of the closing of the merger, or that the merger will be completed at all.

Failure to complete the merger could adversely affect the stock price and future business and financial results of MedEquities.

There can be no assurance that the conditions to the closing of the merger will be satisfied or waived or that the merger will be completed. If the merger is not completed, the ongoing business of MedEquities could be adversely affected and MedEquities will be subject to a variety of risks associated with the failure to complete the merger, including the following:

- upon termination of the merger agreement under specified circumstances, MedEquities is required to pay Omega a termination fee of \$12,250,989 (see "The Merger Agreement — Termination Fee and Expense Reimbursement");

- MedEquities will incur certain transaction costs, including legal, accounting, financial advisor, filing, printing and mailing fees, regardless of whether the merger closes; and

the proposed merger, whether or not it closes, will divert the attention of certain management and other key employees of MedEquities from ongoing business activities, including the pursuit of other opportunities that could be beneficial to MedEquities.

TABLE OF CONTENTS

If the merger is not completed, these risks could materially affect the business and financial results of MedEquities and its stock price, including to the extent that the current market price of MedEquities common stock reflects, and is positively affected by, a market assumption that the merger will be completed.

The merger agreement contains provisions that could discourage a potential competing acquirer of MedEquities from making a favorable proposal and, in specified circumstances, could require MedEquities to make a substantial termination payment to Omega.

The merger agreement contains certain provisions that restrict MedEquities' ability to solicit, initiate, knowingly encourage or facilitate or, subject to certain exceptions, enter into, continue or otherwise participate or engage in discussions or negotiations with respect to, or enter into any acquisition agreement with respect to, a competing acquisition proposal. In addition, Omega generally has an opportunity to offer to modify the terms of the merger agreement in response to any competing acquisition proposal before the MedEquities Board may withdraw or qualify its recommendation with respect to the merger. See "The Merger Agreement — No Solicitation; Window Shop" and "The Merger Agreement — Termination of the Merger Agreement".

MedEquities may be required to pay a termination fee of \$12,250,989 to Omega in certain circumstances, including under certain circumstances if Omega terminates the merger agreement because the MedEquities Board changes its recommendation with respect to the merger prior to the approval of the merger by MedEquities stockholders, MedEquities breaches the non-solicitation provisions described above or MedEquities terminates the merger agreement to enter into a definitive agreement that constitutes a superior proposal. See "The Merger Agreement — Termination Fee and Expense Reimbursement".

These provisions could discourage a potential competing acquirer or merger partner that might have an interest in acquiring all or a significant portion of MedEquities or its assets from considering or proposing such a competing transaction, even if it were prepared to pay consideration with a higher per share cash or market value than the per share market value proposed to be received or realized in the transactions contemplated by the merger agreement. These provisions also might result in a potential competing acquirer or merger partner proposing to pay a lower price to holders of MedEquities common stock than it might otherwise have proposed to pay because of the added expense of the termination payment that may become payable to Omega in certain circumstances under the merger agreement. If the merger agreement is terminated and after the termination MedEquities seeks another business combination, MedEquities may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the transactions contemplated by the merger agreement.

The pendency of the merger could adversely affect the business and operations of Omega and MedEquities.

In connection with the pending merger, some tenants, operators, borrowers, managers or vendors of each of Omega and MedEquities may react unfavorably or delay or defer decisions concerning their business relationships or transactions with Omega or MedEquities, which could adversely affect the revenues, earnings, funds from operations, cash flows and expenses of Omega and MedEquities, regardless of whether the merger is completed. In addition, due to certain restrictions in the merger agreement on the conduct of business prior to completing the merger, each of Omega and MedEquities may be unable (without the other party's prior written consent), during the pendency of the merger, to pursue strategic transactions, undertake significant capital projects, undertake certain significant financing transactions and otherwise pursue other actions, even if such actions would prove beneficial and may cause Omega or MedEquities to forego certain opportunities each might otherwise pursue. In addition, the pendency of the merger may make it more difficult for MedEquities to effectively retain and incentivize key personnel and may cause distractions from MedEquities' strategy and day-to-day operations for its current employees and management.

TABLE OF CONTENTS

MedEquities stockholders will have a substantially smaller ownership and voting interest in Omega upon completion of the merger, compared to their ownership and voting interest in MedEquities prior to the merger.

Upon completion of the merger, each MedEquities stockholder will become an Omega stockholder with a percentage ownership of Omega that is substantially smaller than the stockholder's current percentage ownership of MedEquities. Upon completion of the merger, based on the number of shares of Omega common stock and MedEquities common stock outstanding on April 4, 2019, the latest practicable date prior to the filing of this proxy statement/prospectus, we estimate that continuing Omega stockholders will own approximately 96.5% of the issued and outstanding common stock of Omega, and former MedEquities stockholders will own approximately 3.5% of the issued and outstanding common stock of Omega. Accordingly, the former MedEquities stockholders will exercise significantly less influence over Omega after the merger relative to their influence over MedEquities prior to the merger, and thus will have a less significant impact on the approval or rejection of future Omega proposals submitted to a stockholder vote.

The merger may not be accretive, and may be dilutive, to Omega's earnings per share, which may negatively affect the market price of Omega common stock received in the merger.

Because shares of Omega common stock will be issued in the merger, it is possible that, although Omega currently expects the merger to be accretive to earnings per share in the first full year excluding one-time charges, the merger may be dilutive to Omega earnings per share, which could negatively affect the market price of shares of Omega common stock.

In connection with the completion of the merger, based on the number of issued and outstanding shares of MedEquities common stock as of April 4, 2019, Omega would issue approximately 7,482,552 shares of Omega common stock. The issuance of these new shares of Omega common stock could have the effect of depressing the market price of shares of Omega common stock through dilution of earnings per share or otherwise.

In addition, future events and conditions could increase the dilution that is currently projected, including adverse changes in market conditions, additional transaction and integration related costs and other factors such as the failure to realize some or all of the benefits anticipated in the merger. Any dilution of, or delay of any accretion to, Omega earnings per share could cause the price of shares of Omega common stock to decline or grow at a reduced rate.

MedEquities and Omega are the target of securities class action and derivative lawsuits that could result in substantial costs and may delay or prevent the merger from being completed.

Securities class action lawsuits and derivative lawsuits are often brought against companies that have entered into merger agreements. As of the date of this proxy statement/prospectus, four such lawsuits have been brought — see “Recent Developments – Litigation” on page 31. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources, which could adversely affect the operation of MedEquities' business. There can be no assurances as to the outcome of such lawsuits, including the amount of costs associated with defending these claims or any other liabilities that may be incurred in connection with the litigation of these claims. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the merger on the agreed-upon terms, such an injunction may delay or prevent the merger from being completed, which may adversely affect Omega's and MedEquities' respective business, financial position and results of operation. If the merger is not consummated by June 30, 2019, either MedEquities or Omega may terminate the merger agreement.

Either MedEquities or Omega may terminate the merger agreement if the merger has not been consummated by June 30, 2019. However, this termination right will not be available to a party if that party failed to fulfill its obligations under the merger agreement and that failure was the cause of, or resulted in, the failure to consummate the merger. See “The Merger Agreement — Termination of the Merger Agreement”. In the event the Merger Agreement is terminated by either party due to the failure of the merger to close by June 30, 2019, MedEquities will have incurred significant costs and will have diverted significant management focus and resources from other strategic opportunities without realizing the anticipated benefits of the merger.

TABLE OF CONTENTS

Directors and executive officers of MedEquities have interests in the merger that are different from, or in addition to, the interests of other MedEquities stockholders.

Directors and executive officers of MedEquities have interests in the merger that are different from, or in addition to, the interests of other MedEquities stockholders generally. These interests include, among others: severance payments under their employment agreements if their employment is terminated in a qualifying termination following closing of the merger; lump sum payments under retention agreements upon closing of the merger; the unvested restricted shares of MedEquities common stock held by MedEquities' directors and executive officers will vest upon closing of the merger; and rights to ongoing indemnification and insurance coverage by Omega as the surviving company for acts or omissions occurring prior to the merger. The MedEquities Board was aware of and considered those interests, among other matters, in reaching its decision to approve and adopt the merger agreement and the merger, and to recommend the approval of the merger agreement to MedEquities stockholders. These interests, among other things, may have influenced the directors and executive officers of MedEquities to support or approve the merger. See "The Merger — Interests of MedEquities' Directors and Executive Officers in the Merger".

The fairness opinion obtained from the financial advisor to the MedEquities Board will not reflect subsequent developments.

In connection with the proposed merger, the MedEquities Board received an oral opinion on January 1, 2019 from Citigroup Global Markets Inc., later confirmed by delivery of a written opinion dated as of January 1, 2019, as to the fairness, from a financial point of view and as of such date, of the merger consideration (as defined in the opinion and including the closing dividend) to be paid to the holders (other than Omega and its affiliates) of MedEquities common stock, which opinion was based on and subject to the various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, as more fully described in the section entitled "Opinion of MedEquities' Financial Advisor". The opinion does not reflect developments that may occur or may have occurred after the date of the opinion, including changes to the operations and prospects of Omega or MedEquities, changes in general market and economic conditions or regulatory or other factors. Any such changes, or other factors on which the opinions are based, may materially alter or affect the relative values of Omega or MedEquities. See "The Merger — Opinion of MedEquities' Financial Advisor".

Risks Relating to the Combined Company after the Completion of the Merger

Following the merger, Omega may be unable to timely and successfully integrate the MedEquities business or realize the anticipated synergies and related benefits of the merger.

The merger involves the combination of two companies that currently operate as independent public companies. Omega will be required to devote significant management attention and resources to integrating the portfolio and operations of MedEquities. Potential difficulties that Omega may encounter in the integration process include the following:

- the inability to successfully combine the businesses of Omega and MedEquities in a manner that permits Omega to achieve the cost savings or other synergies or accretion anticipated to result from the merger, which would result in some anticipated benefits of the merger not being realized in the time frame currently anticipated, or at all;
- the inability to successfully realize the anticipated value from some of MedEquities' assets;
- potential unknown liabilities and unforeseen increased expenses, delays or conditions in connection with the merger; and
- performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the merger and integrating the companies' operations.

TABLE OF CONTENTS

It is possible that the integration process could result in the distraction of Omega's management, the disruption of Omega's ongoing business or inconsistencies in Omega's operations, services, standards, controls, procedures and policies, any of which could adversely affect the ability of Omega to maintain relationships with tenants, vendors and employees or to achieve the anticipated benefits of the merger, or could otherwise adversely affect the business and financial results of Omega.

The market price of Omega common stock may decline as a result of the merger.

The market price of Omega common stock may decline as a result of the merger for a number of reasons, including if Omega does not achieve the perceived benefits of the merger as rapidly or to the extent anticipated by financial or industry analysts, or the effect of the merger on Omega's financial results is not consistent with the expectations of financial or industry analysts. In addition, if the merger is consummated, Omega's stockholders, including the former MedEquities' stockholders, will own interests in a company operating an expanded business with a different mix of properties, risks and liabilities. Current stockholders of Omega and former stockholders of MedEquities may not wish to continue to invest in Omega if the merger is consummated, or for other reasons may wish to dispose of some or all of their shares of Omega common stock. If, following the consummation of the merger, there is selling pressure on Omega common stock that exceeds demand at the market price, the price of Omega common stock could decline. Following the merger, Omega may not continue to pay dividends at or above the rate currently paid by Omega or MedEquities.

Following the merger, holders of Omega common stock may not receive dividends at the same rate that they did as stockholders of Omega or MedEquities prior to the merger for various reasons, including the following:

- Omega may not have enough cash to pay such dividends due to changes in Omega's cash requirements, capital spending plans, cash flows or financial position or as a result of unknown or unforeseen liabilities incurred in connection with the merger;

- decisions on whether, when and in what amounts to pay any future dividends will remain at all times entirely at the discretion of the Omega Board, which reserves the right to change Omega's dividend practices at any time and for any reason, subject to applicable REIT requirements; and

- the amount of dividends that Omega's subsidiaries may distribute to Omega may be subject to restrictions imposed by state law and restrictions imposed by the terms of any current or future indebtedness that these subsidiaries may incur.

Holders of Omega common stock will have no contractual or other legal right to dividends that have not been declared by the Omega Board.

Shares of Omega common stock to be received by MedEquities stockholders in the merger will have rights different from the shares of MedEquities common stock.

After the merger effective time, MedEquities stockholders who receive shares of Omega common stock in connection with the merger will have different rights than they currently have as MedEquities stockholders and these rights may be, or may be perceived to be, less favorable than their current rights as MedEquities stockholders. See "Comparison of Rights of Omega Stockholders and MedEquities Stockholders".

Omega may incur adverse tax consequences if MedEquities has failed or fails to qualify as a REIT for U.S. federal income tax purposes.

It is a condition to the obligation of Omega to complete the merger that Omega receive the written opinion of Morrison & Foerster LLP to the effect that, for all taxable periods from MedEquities' formation through the merger effective time, MedEquities has been organized and operated in conformity with the requirements for qualification and taxation as a REIT under the Code and its actual method of operation has enabled MedEquities to meet, through the merger effective time, the requirements for qualification and taxation as a REIT under the Code. The opinion will be subject to customary exceptions, assumptions and qualifications and will be based on customary representations made by MedEquities, and if any such

TABLE OF CONTENTS

representations are or become inaccurate or incomplete, such opinion may be invalid and the conclusions reached therein could be jeopardized. In addition, the opinion will not be binding on the Internal Revenue Service (which we refer to as the “IRS”) or any court, and there can be no assurance that the IRS will not take a contrary position or that such position would not be sustained. If MedEquities has failed or fails to qualify as a REIT for U.S. federal income tax purposes and the merger is completed, Omega generally would succeed to and may incur significant tax liabilities and Omega could possibly fail to qualify as a REIT. In addition, if MedEquities has failed or fails to qualify as a REIT for U.S. federal income tax purposes and the merger is completed, for the five-year period following the merger effective time, upon a taxable disposition of any of MedEquities’ assets, Omega generally would be subject to corporate level tax with respect to any gain in such asset at the time of the merger.

If the merger does not qualify as a reorganization for federal income tax purposes, MedEquities stockholders may recognize taxable gain or loss in respect of their shares of MedEquities common stock.

Omega and MedEquities intend the merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. Although the IRS will not provide a ruling on the matter, Omega and MedEquities will, as a condition to closing, each obtain an opinion from their respective legal counsel that the merger will constitute a reorganization within the meaning of Section 368(a) of the Code. These opinions do not bind the IRS or prevent the IRS from adopting a contrary position. If the merger fails to qualify as a reorganization within the meaning of Section 368(a) of the Code, then each MedEquities stockholder generally would recognize gain or loss for U.S. federal income tax purposes on each share of MedEquities common stock surrendered in an amount equal to the difference between the fair market value of the merger consideration (i.e., the sum of the cash plus the fair market value of the Omega common stock) received in exchange for that share upon completion of the merger and the stockholder’s adjusted tax basis in that share.

Other Risks

The risks listed above are not exhaustive, and you should be aware that, following the merger, Omega will face various other risks, including those discussed in reports filed by Omega and MedEquities with the SEC from time to time, such as those discussed under the heading “Risk Factors” in their respective most recently filed annual and quarterly reports on Forms 10-K and 10-Q. For more information, see “Where You Can Find More Information”.

TABLE OF CONTENTS

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents incorporated by reference into this proxy statement/prospectus contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act (set forth in Section 27A of the Securities Act and Section 21E of the Exchange Act). These forward-looking statements, which are based on current expectations, estimates and projections about the industry and markets in which Omega and MedEquities operate and beliefs of and assumptions made by Omega’s management and MedEquities’ management, involve uncertainties that could significantly affect the financial or operating results of Omega or MedEquities. Words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will”, variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements include, but are not limited to, statements about the proposed merger, the expected impact of the merger on Omega’s financial results, Omega’s ability to achieve the synergies and other benefits of the merger and Omega’s and MedEquities’ strategic and operational plans. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although Omega and MedEquities believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, Omega and MedEquities can give no assurance that these expectations will be attained and, therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to, the following:

- risks associated with the ability to consummate the merger;
- risks associated with the fixed merger consideration;
- risks associated with the dilution of MedEquities stockholders in the merger;
- risks associated with the pendency of the merger adversely affecting the businesses of Omega and MedEquities;
- risks relating to the incurrence of substantial expenses in connection with the merger;
- risks relating to the potential adverse effect of the merger on tenant and vendor relationships;
- risks relating to litigation relating to the merger;
- risks relating to the ability of Omega to integrate the MedEquities business following the merger and the possibility that the anticipated benefits from the merger may not be realized or may take longer to realize than expected;
- risks relating to the failure of Omega, MedEquities or the combined company to qualify as a REIT;
- risks relating to the ability of Omega to pay dividends following the merger;
- risks related to the trading price of Omega common stock following the merger;

- risks associated with the failure of the merger to qualify as a “reorganization” within the meaning of Section 368(a) of the Code; and
- those additional risks and factors discussed in this proxy statement/prospectus under “Risk Factors” and in reports filed with the SEC by Omega and MedEquities from time to time, including those discussed under the heading “Risk Factors” in their respective most recently filed annual and quarterly reports on Forms 10-K and 10-Q.

Neither Omega nor MedEquities undertakes any duty to update any forward-looking statements appearing in this document, except as may be required by applicable law.

30

TABLE OF CONTENTS

INFORMATION ABOUT THE COMPANIES

MedEquities Realty Trust, Inc.

MedEquities is a self-managed and self-administered real estate investment trust that invests in a mix of healthcare properties and healthcare-related real estate debt investments within the acute, post-acute and behavioral sectors of healthcare services.

MedEquities conducts its business through an umbrella partnership real estate investment trust, or UPREIT, structure, consisting of its operating partnership, MedEquities Realty Operating Partnership, LP, and subsidiaries of its operating partnership. MedEquities is the sole member of the general partner of the MedEquities OP. All of MedEquities' assets are held by, and its operations are conducted through, the MedEquities OP. As of December 31, 2018, MedEquities owned all of the outstanding units of limited partnership interest of the MedEquities OP.

MedEquities was incorporated in the State of Maryland on April 23, 2014. MedEquities' principal executive offices are located at 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203, and its telephone number is (615) 627-4710.

MedEquities' common stock is listed on the NYSE under the symbol "MRT".

Additional information about MedEquities and its subsidiaries is included in documents incorporated by reference into this document. See "Where You Can Find More Information".

Omega Healthcare Investors, Inc.

Omega is a self-administered real estate investment trust, investing in income producing healthcare facilities, principally long-term care facilities located in the United States and the United Kingdom. Omega provides lease or mortgage financing to qualified operators of skilled nursing facilities, assisted living facilities, independent living facilities and rehabilitation and acute care facilities.

Omega was incorporated in the State of Maryland on March 31, 1992. Omega's principal executive offices are located at 303 International Circle, Suite 200, Hunt Valley, Maryland 21030, and its telephone number is (410) 427-1700.

Omega is structured as an UPREIT. Accordingly, substantially all of Omega's assets are held by OHI Healthcare Properties Limited Partnership, an operating partnership that is a subsidiary of Omega. Omega is the sole general partner of the Omega OP and has exclusive control over the Omega OP's day-to-day management. As of December 31, 2018, Omega owned approximately 96% of the issued and outstanding units of partnership interest of the Omega OP, and investors owned approximately 4% of the units.

Omega's common stock is listed on the NYSE under the symbol "OHI".

Additional information about Omega and its subsidiaries is included in documents incorporated by reference into this document. See "Where You Can Find More Information".

TABLE OF CONTENTS

RECENT DEVELOPMENTS

Litigation

On February 21, 2019, a purported stockholder of MedEquities filed a lawsuit against MedEquities, the MedEquities Board and Omega in the United States District Court for the District of Maryland, entitled *Brekka v. MedEquities Realty Trust, Inc., et al.*, Case 1:19-cv-00535-JKB. The complaint alleges, among other things, that MedEquities, the MedEquities Board, and Omega violated Section 14(a) of the Exchange Act by making materially incomplete and misleading statements in, and/or omitting certain information that is material to stockholders from, the Registration Statement on Form S-4, as filed with the SEC on February 11, 2019 (the “Form S-4”), relating to the merger. The complaint seeks, among other things, an injunction preventing the consummation of the merger and, in the event the merger is consummated, rescission of the merger or damages, plus attorneys’ fees and costs.

On February 22, 2019, another purported stockholder of MedEquities filed a derivative and class action lawsuit against MedEquities, the MedEquities Board and Omega in the Circuit Court for Baltimore City, Maryland, entitled *Scarantino v. McRoberts et al*, Case No. 24-c-19-001027. The complaint alleges, among other things, breaches of fiduciary duties by the MedEquities board of directors in connection with its approval of the merger and the omission from the Form S-4 of certain information that is material to stockholders. The complaint seeks, among other things, an injunction preventing the consummation of the merger and, in the event the merger is consummated, rescission of the merger or damages, plus attorneys’ fees and costs.

On March 17, 2019, a purported stockholder of MedEquities filed a class action lawsuit against MedEquities and the MedEquities Board in the United States District Court for the Middle District of Tennessee, entitled *Bushansky v. MedEquities Realty Trust, Inc., et al.*, Case 3:19-cv-00231. The complaint alleges, among other things, that MedEquities and the MedEquities Board violated Section 14(a) of the Exchange Act by making materially incomplete and misleading statements in, and/or omitting certain information that is material to stockholders Statement on Form S-4, as filed with the SEC on February 11, 2019 the Form S-4. The complaint seeks, among other things, an injunction preventing the consummation of the merger and, in the event the merger is consummated, rescission of the merger or damages, plus attorneys’ fees and costs.

On March 29, 2019, a purported stockholder of MedEquities filed a class action lawsuit against MedEquities and the MedEquities Board in the Circuit Court for Baltimore County, Maryland, entitled *Russell v. MedEquities Realty Trust, Inc., et al.*, Case No. C-03-CV-19-000721. The complaint alleges, among other things, that MedEquities and the MedEquities Board breached their fiduciary duties by: (i) failing to fulfill their fiduciary oversight function; (ii) authorizing the filing of a materially incomplete and misleading proxy statement/prospectus; and (iii) authorizing in the company’s Amended and Restated Bylaws the enactment of an exclusive venue designation whereby the Circuit Court for Baltimore City, Maryland is the sole and exclusive forum for certain litigation against the company, or if that court does not have jurisdiction, the U.S. District Court for the District of Maryland, Baltimore Division (the “Exclusive Venue Bylaw”). The complaint seeks, among other things, an injunction preventing the special meeting of MedEquities stockholders to vote on the transaction and, in the event the transaction is implemented, rescission of the transaction or damages, a declaration that the Exclusive Venue Bylaw is invalid, an injunction preventing the enforcement of the Exclusive Venue Bylaw, and attorneys’ fees and costs.

MedEquities and Omega believe that the claims asserted in the above referenced lawsuits are without merit and intend to vigorously defend against these claims.

On March 25, 2019, the United States District Court for the Southern District of New York entered an order dismissing with prejudice all claims against Omega and its directors and officers in the securities class action previously reported in Item 3 of Omega’s Annual Report on Form 10-K for the year ended December 31, 2018 (Case No. 1:17-cv-09024-NRB).

MedEquities Conditional Dividend

On February 27, 2019, MedEquities announced that the MedEquities Board declared a conditional cash dividend of \$0.21 per share, payable to holders of MedEquities common stock as of the record date

TABLE OF CONTENTS

March 11, 2019. Payment of the conditional dividend is conditioned upon the MedEquities stockholders' approval of the merger. If the merger is approved by the MedEquities stockholders, the conditional dividend will be paid as soon as practicable following the certification of the results of the MedEquities special meeting, and MedEquities will announce publicly the date the conditional dividend will be paid. Due to the contingent nature of the conditional dividend, MedEquities common stock began trading with "due bills," representing an assignment of the right to receive the conditional dividend, beginning on March 8, 2019 (one business day prior to the March 11 record date for the conditional dividend) through the date the conditional dividend is paid.

The conditional dividend is in addition to, and separate from, the closing dividend, which will be payable together with the cash consideration in the merger.

33

TABLE OF CONTENTS

THE MEDEQUITIES SPECIAL MEETING

Date, Time and Place

The special meeting of MedEquities stockholders is scheduled to be held on May 15, 2019, at 10:00 a.m., local time, at MedEquities' headquarters located at 3100 West End Avenue, Nashville, Tennessee 37203.

Purpose of the MedEquities Special Meeting

The purpose of the MedEquities special meeting is:

1.
To consider and vote on a proposal to approve the merger (which we refer to as the "merger proposal"); and

2.
To consider and vote on a proposal to approve any adjournment of the special meeting to a later date or time, if necessary or appropriate, including for the purpose of soliciting additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger (which we refer to as the "adjournment proposal").

Recommendation of the MedEquities Board

After careful consideration, the MedEquities Board unanimously (i) approved the merger, the merger agreement and the other transactions contemplated by the merger agreement, and declared the merger and the other transactions contemplated by the merger agreement advisable and in the best interests of MedEquities and its stockholders and (ii) recommended the approval by MedEquities stockholders of the merger proposal and the proposal to approve any adjournment of the special meeting to a later date or time, if necessary or appropriate, including for the purpose of soliciting additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger. The MedEquities Board recommends that MedEquities stockholders vote "FOR" the merger proposal and "FOR" the adjournment proposal. For the reasons for this recommendation, see "The Merger — Recommendation of the MedEquities Board and Reasons for the Merger".

Record Date; Who Can Vote at the MedEquities Special Meeting

Only holders of record of MedEquities common stock (or their duly appointed proxies) at the close of business on March 4, 2019, the record date, are entitled to notice of, and to vote at, the MedEquities special meeting and any postponement or adjournment of the MedEquities special meeting. As of the record date, there were 31,840,651 shares of MedEquities common stock outstanding and entitled to vote at the MedEquities special meeting, held by approximately 20 stockholders of record.

Holders of MedEquities common stock are entitled to one vote for each share of MedEquities common stock owned as of the close of business on the record date.

Only MedEquities stockholders of record as of the record date, beneficial owners of MedEquities common stock as of the record date, holders of valid proxies for the MedEquities special meeting and invited guests of MedEquities may attend the MedEquities special meeting. All attendees should be prepared to present government-issued photo identification (such as a driver's license or passport) for admittance. If your shares are held in street name, please bring acceptable proof of ownership, such as a letter from your broker or an account statement showing that you beneficially owned shares of MedEquities common stock on the record date.

Quorum

MedEquities' bylaws provide that the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast constitutes a quorum at a meeting of its stockholders. Shares that are voted and shares abstaining from voting are treated as being present at the MedEquities special meeting for purposes of determining whether a quorum is present. As of close of business on March 4,

TABLE OF CONTENTS

2019, the record date for the MedEquities special meeting, there were 31,840,651 shares of MedEquities common stock outstanding and entitled to vote at the MedEquities special meeting. As a result, 15,920,326 shares of MedEquities common stock must be present in person or by proxy in order to constitute a quorum.

If there is no quorum, the chairman of the MedEquities special meeting may adjourn the MedEquities special meeting to a later date without notice other than announcement at the MedEquities special meeting.

Vote Required for Approval

Approval of the merger proposal requires the affirmative vote of the holders of at least a majority of the outstanding shares of MedEquities common stock. Approval of the adjournment proposal requires the affirmative vote of at least a majority of all votes cast on such proposal.

Abstentions and Broker Non-Votes

Abstentions will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum. Abstentions will have the same effect as votes cast "AGAINST" the merger proposal but will have no effect on the adjournment proposal. There can be no broker non-votes at the special meeting, so failure to provide instructions to your broker or other nominee on how to vote will result in your shares not being counted as present at the meeting and thus will also have the same effect as a vote cast "AGAINST" the merger proposal but will have no effect on the adjournment proposal. A broker non-vote occurs when shares held by a broker or other nominee are represented at the meeting, but the broker or other nominee has not received voting instructions from the beneficial owner and does not have the discretion to direct the voting of the shares on a particular proposal but has discretionary voting power on other proposals. The only proposals to be voted on at the special meeting are "non-routine" under NYSE Rule 452. Nominees may exercise discretion in voting on routine matters but may not exercise discretion and therefore will not vote on non-routine matters if instructions are not given. The proposals are regarded as non-routine matters, and your broker or other nominee may not vote on these proposals without instructions from you.

Voting by MedEquities Directors and Executive Officers

At the close of business on the record date, directors and executive officers of MedEquities and their affiliates were entitled to vote 891,433 shares of MedEquities common stock, or approximately 2.8% of the shares of MedEquities common stock issued and outstanding on that date. MedEquities currently expects that all directors and executive officers of MedEquities will vote all of their shares of MedEquities common stock in favor of the proposals to be considered at the MedEquities special meeting, although none of them is obligated to do so.

Manner of Voting

MedEquities stockholders of record as of the record date may vote in person or authorize a proxy in the following ways:

Internet. MedEquities stockholders may authorize a proxy over the Internet by going to the website listed on their proxy card or voting instruction card. Once at the website, they should follow the instructions to authorize a proxy.

Telephone. MedEquities stockholders may authorize a proxy using the toll-free number listed on their proxy card or voting instruction card.

Mail. MedEquities stockholders may authorize a proxy by completing, signing, dating and returning their proxy card or voting instruction card in the preaddressed postage-paid envelope provided.

MedEquities stockholders should refer to their proxy cards or the information forwarded by their broker or other nominee to see which options are available to them.

TABLE OF CONTENTS

The Internet and telephone proxy submission procedures are designed to authenticate stockholders and to allow them to confirm that their instructions have been properly recorded. If you authorize a proxy over the Internet or by telephone, then you need not return a written proxy card or voting instruction card by mail. The Internet and telephone facilities available to record holders will close at 11:59 p.m., New York time, on May 14, 2019.

The method by which MedEquities stockholders authorize a proxy will in no way limit their right to vote at the MedEquities special meeting if they later decide to attend the MedEquities special meeting and vote in person. All shares of MedEquities common stock entitled to vote and represented by properly completed proxies received prior to the MedEquities special meeting, and not revoked, will be voted at the MedEquities special meeting as instructed on the proxies. If MedEquities stockholders of record return properly executed proxies but do not indicate how their shares of MedEquities common stock should be voted on a proposal, the shares of MedEquities common stock represented by their properly executed proxy will be voted as the MedEquities Board recommends and therefore, “FOR” the approval of the merger proposal and “FOR” the adjournment proposal.

Your vote as a MedEquities stockholder is very important regardless of the number of shares you own. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the MedEquities special meeting in person.

Shares held in “Street Name”

If your shares of MedEquities common stock are held through a bank, broker or other nominee, you are considered the beneficial owner of the shares of MedEquities common stock held in “street name”. In that case, this proxy statement/prospectus has been forwarded to you by your bank, broker or other nominee who is considered, with respect to those shares, to be the stockholder of record. As the beneficial owner, you have the right to direct your bank, broker or other nominee how to vote your shares by following their instructions for voting. You are also invited to attend the special meeting. However, because you are not the stockholder of record, you may not vote your shares in person at the special meeting unless you request and obtain a valid proxy from your bank, broker or nominee. Your broker will vote your shares on the merger proposal only if you provide instructions on how to vote. You should contact your broker and ask what directions your broker will need from you. If you do not provide instructions to your broker on how to vote on the merger proposal, your broker will not be able to vote your shares, and this will have the effect of voting “AGAINST” the merger proposal.

Similarly, your broker will vote your shares on the adjournment proposal only if you provide instructions on how to vote. If you do not submit voting instructions to your broker, your shares will not be counted in determining the outcome of the adjournment proposal.

Revocation of Proxies or Voting Instructions

MedEquities stockholders of record may change their vote or revoke their proxy at any time before it is exercised at the MedEquities special meeting by:

- submitting notice in writing to MedEquities’ Secretary at MedEquities Realty Trust, Inc., 3100 West End Avenue, Suite 1000, Nashville, Tennessee 37203, Attn: Secretary, that you are revoking your proxy;
- delivering a properly executed, later-dated proxy card;
- authorizing your proxy or voting instructions by telephone or through the Internet at a later date than your previously authorized proxy; or
- voting in person at the MedEquities special meeting.

Your last vote is the vote that will be counted.

TABLE OF CONTENTS

If you have instructed a broker, bank or other nominee to vote your shares of MedEquities common stock, you must follow the directions received from your broker, bank or other nominee if you wish to change your vote.

Tabulation of Votes

MedEquities will appoint an Inspector of Elections for the MedEquities special meeting to tabulate the vote.

Solicitation of Proxies; Payment of Solicitation Expenses

The solicitation of proxies from MedEquities stockholders is made on behalf of the MedEquities Board. MedEquities will pay the cost of soliciting proxies from MedEquities stockholders. Directors, officers and employees of MedEquities may solicit proxies on behalf of MedEquities in person or by telephone, facsimile or other means, but will not receive any additional compensation for doing so. MedEquities has engaged Innisfree M&A Incorporated to assist in the solicitation of proxies for the MedEquities special meeting and will pay Innisfree a fee of approximately \$12,500, plus reimbursement of out-of-pocket expenses and will indemnify Innisfree and its affiliates against certain claims, liabilities, losses, damages and expenses. You can call Innisfree toll-free at (888) 750-5834 (stockholders) or (212) 750-5833(banks and brokers).

In accordance with the regulations of the SEC and the NYSE, MedEquities also will reimburse brokerage firms and other custodians, nominees and fiduciaries for their expenses incurred in sending proxies and proxy materials to beneficial owners of shares of MedEquities common stock.

Adjournment Proposal

In addition to the approval of the merger proposal, MedEquities stockholders are also being asked to approve a proposal to adjourn the MedEquities special meeting to another date, time or place, if necessary or appropriate, to solicit additional proxies in favor of the approval of the merger proposal. If this proposal is approved, the MedEquities special meeting could be successively adjourned to any date.

In addition, the MedEquities Board could, and Omega may require the MedEquities Board to, postpone the MedEquities special meeting before it commences, whether for the purpose of soliciting additional proxies or for other reasons. Additionally, during the MedEquities special meeting, whether or not there is a quorum, the chairman of the MedEquities special meeting may, and Omega may require the chairman of the MedEquities special meeting to, conclude, recess or adjourn the MedEquities special meeting to a later date, time or place in his discretion and without any action by the MedEquities stockholders.

However, under the terms of the merger agreement, MedEquities may not postpone or adjourn the MedEquities special meeting to a date that is more than 30 days after the date for which such MedEquities special meeting was originally scheduled (excluding any postponement or adjournment required by applicable law) without Omega's approval.

If the MedEquities special meeting is postponed or adjourned for the purpose of soliciting additional proxies, MedEquities stockholders who have already submitted their proxies will be able to revoke them at any time prior to their use.

Rights of Dissenting Stockholders

No dissenters' or appraisal rights, or rights of objecting stockholders under Title 3 Subtitle 2 of the Maryland General Corporation Law will be available to holders of shares of MedEquities common stock with respect to the merger or the other transactions contemplated by the merger agreement.

Assistance

If you need assistance in completing your proxy card or have questions regarding the various voting options with respect to the MedEquities special meeting, please call MedEquities' proxy solicitor, Innisfree M&A Incorporated, toll-free at (888) 750-5834 (stockholders) or (212) 750-5833 (banks and brokers).

TABLE OF CONTENTS

MEDEQUITIES PROPOSALS

The Merger Proposal

(Proposal 1 on the MedEquities Proxy Card)

MedEquities stockholders are asked to approve the merger on the terms and conditions set forth in the merger agreement. For a summary and detailed information regarding this proposal, see the information about the merger and the merger agreement throughout this proxy statement/prospectus, including the information set forth in sections entitled “The Merger” and “The Merger Agreement”. A copy of the merger agreement is attached as Annex A to this proxy statement/prospectus.

Pursuant to the merger agreement, approval of this proposal is a condition to the consummation of the merger. If this proposal is not approved, the merger will not be completed.

MedEquities is requesting that MedEquities stockholders approve the proposal to approve the merger on the terms and conditions set forth in the merger agreement. Approval of this proposal requires the affirmative vote of a majority of the votes entitled to be cast on such proposal.

Recommendation of the MedEquities Board

The MedEquities Board unanimously recommends that MedEquities stockholders vote “FOR” the merger proposal.

The Adjournment Proposal

(Proposal 2 on the MedEquities Proxy Card)

MedEquities is requesting that MedEquities stockholders approve one or more adjournments of the MedEquities special meeting to another date, time or place, solely for the purpose of and for the times reasonably necessary for further solicitation of proxies or to obtain additional votes in favor of the approval of the merger proposal. Approval of this proposal requires the affirmative vote of a majority of all votes cast at the MedEquities special meeting after a quorum is met.

If, at the MedEquities special meeting, the number of shares of MedEquities common stock present in person or represented by proxy and voting in favor of the approval of the merger proposal is insufficient to approve the proposal, MedEquities intends to move to adjourn the MedEquities special meeting in order to enable the MedEquities Board to solicit additional proxies for approval of the merger proposal.

The MedEquities special meeting may not be postponed or adjourned to a date that is more than 30 days after the date for which the MedEquities special meeting was originally scheduled (excluding any postponement or adjournment required by applicable law) without Omega’s approval.

Recommendation of the MedEquities Board

The MedEquities Board unanimously recommends that MedEquities stockholders vote “FOR” the adjournment proposal.

Other Business

At this time, MedEquities does not intend to bring any other matters before the MedEquities special meeting, and MedEquities does not know of any matters to be presented for consideration at the MedEquities special meeting and which would be required to be set forth in this proxy statement/prospectus other than the matters set forth in the accompanying Notice of Special Meeting of Stockholders. In accordance with the MedEquities bylaws and Maryland law, business transacted at the MedEquities special meeting will be limited to those matters set forth in such notice.

TABLE OF CONTENTS

THE MERGER

The following is a description of the material aspects of the merger. While Omega and MedEquities believe that the following description covers the material terms of the merger, the description may not contain all of the information that is important to MedEquities stockholders. Omega and MedEquities encourage MedEquities stockholders to carefully read this entire proxy statement/prospectus, including the merger agreement and the other documents attached to this proxy statement/prospectus and incorporated herein by reference, for a more complete understanding of the merger.

General

The MedEquities Board has unanimously (i) determined and declared that the merger is advisable and in the best interests of MedEquities and its stockholders, (ii) approved the merger and the other transactions contemplated by the merger agreement, and (iii) approved the merger agreement. In the merger, MedEquities will merge with and into Omega, with Omega continuing as the surviving company. MedEquities stockholders will receive the merger consideration described below under “The Merger Agreement — Merger Consideration”.

Background of the Merger

The following chronology summarizes the key meetings and events that led to the signing of the merger agreement. The following chronology does not purport to catalogue every conversation among the MedEquities Board, members of its management, its advisors and other parties.

As part of their ordinary course consideration and evaluation of the business prospects and strategies of MedEquities, the MedEquities Board and members of the MedEquities senior management team regularly assess the company’s performance and competitive position with the objective of identifying opportunities to enhance stockholder value, including potential acquisitions, divestitures, business combinations and other transactions.

MedEquities’ strategy has been to become an integral capital partner with high-quality, facility-based, growth-minded providers of healthcare services, primarily through net-leased real estate investments, and to diversify over time based on facility types, tenants and geographic locations. MedEquities’ ability to grow and diversify through acquisitions of properties and other investments however, has been adversely impacted by its high cost of capital as compared to that of MedEquities’ competitors, which limits its ability to grow through acquisitions, and the significant discount to net asset value (which we refer to as “NAV”) at which the MedEquities common stock has traded. In addition, as a result of MedEquities’ smaller size relative to other healthcare REITs, adverse developments with one operator or asset can have a greater impact on the company as a whole than it would if MedEquities had a larger portfolio of healthcare facilities with greater tenant diversification. For example, as previously disclosed, the then-current tenant of MedEquities’ ten skilled nursing facilities in Texas (which we refer to as the “Texas Ten Portfolio”), which accounted for approximately 23.5% of MedEquities’ total consolidated revenue for the year ended December 31, 2017, began experiencing operational and rent coverage issues in 2017 that continued throughout 2018. Another significant tenant of MedEquities, Fundamental Healthcare (which we refer to as “Fundamental”), began experiencing operational and rent coverage issues at certain MedEquities facilities in 2018. These tenant issues limited MedEquities’ ability to access equity capital at non-dilutive prices due to declines in the trading price of the MedEquities common stock and also led to an amendment to its credit facility in October 2018. The credit facility amendment, among other things, significantly limited MedEquities’ access to additional borrowings under its credit facility and potentially limited its ability to make distributions to its stockholders, which MedEquities believes led to a continued decline in the price of the MedEquities common stock and, in the view of the MedEquities Board, made it more difficult to maximize stockholder value in the near- and long-term as a stand-alone company.

From time to time, John W. McRoberts, the Chairman and Chief Executive Officer of MedEquities, has met with company executives, private equity professionals and financial advisors in the healthcare real estate industry to discuss industry developments and possible opportunities to engage in business combination and other potential strategic transactions. In addition, from time to time, members of MedEquities’ management have received unsolicited inquiries and had discussions with third parties regarding potential strategic transactions.

TABLE OF CONTENTS

In early 2018, members of MedEquities' senior management and financial advisors of MedEquities had a series of meetings with members of senior management and the financial advisors of Party A, a strategic party that is listed but thinly traded on an exchange outside of the United States and is focused on the healthcare real estate industry with assets in and outside of the United States. Party A has higher levels of indebtedness than MedEquities but is of similar size on an equity value basis. During the course of these meetings, MedEquities and Party A discussed their respective companies, including their respective assets and tenants, and a potential business combination.

On January 29, 2018, MedEquities and Party A entered into a mutual non-disclosure agreement. The non-disclosure agreement contained a customary "standstill" provision, which prevented either party from, among other things, making a proposal or public announcement with respect to an acquisition of the other party, tender offer or other business combination transaction without the other party's consent, but did not prevent either party from engaging in discussions regarding potential alternative transactions with other potential suitors and did not prevent either party from requesting a waiver of the standstill provisions, allowing Party A to make a topping bid for MedEquities. The standstill provision with Party A expired on January 29, 2019.

During the first and second quarters and into the early part of the third quarter of 2018, MedEquities, Party A and their respective financial and legal advisors conducted extensive due diligence of the other party and negotiated the terms of, and the transaction documents with respect to, a potential all-stock combination of MedEquities and Party A. Over the course of these discussions, the MedEquities Board held a number of meetings to discuss a possible transaction with Party A, including at a special meeting on June 12, 2018 and at the regular meeting of the MedEquities Board on August 1, 2018. The MedEquities Board received presentations on their duties from representatives of Morrison & Foerster LLP, MedEquities' outside legal counsel (which we refer to as "Morrison & Foerster"), and the financial advisors to MedEquities with respect to certain financial aspects of a potential transaction with Party A. After significant discussions, negotiations and mutual due diligence, ultimately, at the direction of the MedEquities Board, negotiations with Party A regarding a possible transaction ended in mid-July 2018 due to an inability to agree on financial terms acceptable to both parties and due diligence issues related to both parties. Thereafter and prior to November 11, 2018, Mr. McRoberts held several discussions with the chief executive officer of Party A to determine whether the parties could agree to financial terms and otherwise move forward with a proposed transaction. Ultimately the parties were not able to reach an agreement on a valuation that either party believed was in the best interests of its company or its stockholders.

On August 2, 2018, Mr. McRoberts had lunch with a representative of Citi, who suggested, among other alternatives, a potential business combination between Omega and MedEquities. Mr. McRoberts expressed interest in a potential transaction with Omega but advised the representative of Citi that MedEquities would delay pursuing this alternative while management focused on reporting earnings for the second quarter of 2018.

Before the opening of trading on the NYSE on August 8, 2018, MedEquities reported its results for the second quarter of 2018 and other recent developments, including the continued operational and rent coverage issues and additional financial and liquidity issues of the then-current tenant of the Texas Ten Portfolio and MedEquities' desire to re-tenant the Texas Ten Portfolio, as well as operational and rent coverage issues at certain MedEquities' facilities leased to Fundamental and the need to defer a portion of Fundamental's rent. The closing price of the MedEquities common stock on August 8, 2018 was \$10.18 per share.

After MedEquities' earnings call on August 8, 2018, the lenders under MedEquities' credit facility contacted the company to discuss the need for an amendment to the credit facility due to the lenders' concerns with the issues facing two of MedEquities' largest tenants.

On August 14, 2018, Bloomberg published an article reporting that MedEquities was considering a potential sale of the company. MedEquities did not respond to any request for comment regarding this article.

On August 15, 2018, a representative of Citi called Mr. Taylor Pickett, the Chief Executive Officer of Omega, to discuss, among other potential strategic alternatives, a potential acquisition of MedEquities by Omega.

TABLE OF CONTENTS

On August 16, 2018, as a follow-up to the prior day's conversation, Citi presented to Omega an overview of MedEquities and an illustrative NAV analysis and capitalization summary of MedEquities based on publicly available information, and inquired as to whether Omega would be interested in pursuing a potential business combination transaction with MedEquities. Mr. Pickett confirmed Omega's preliminary interest in exploring a potential transaction with MedEquities.

On August 17, 2018, a representative of Citi called Mr. McRoberts to inform him of Omega's interest in exploring a potential transaction with MedEquities. Mr. McRoberts confirmed MedEquities' preliminary interest in exploring a potential transaction with Omega because of its potential to provide MedEquities' stockholders with the best value in the near term and the long term and in light of the risks and uncertainties associated with MedEquities continuing as a stand-alone company, including its high cost of capital relative to its competitors, limited ability to grow through acquisitions, uncertainty surrounding the Texas Ten Portfolio and the significant discount to NAV at which the MedEquities common stock has traded.

Also on August 17, 2018, a representative of Party B, a financial buyer, contacted Mr. McRoberts to request a call to discuss the recently announced developments with respect to MedEquities and Party B's interest in exploring a potential transaction. On August 18, 2018, Mr. McRoberts had a call with a representative of Party B, who indicated that representatives of Party B would like to have an in-person meeting with senior management of MedEquities to discuss a potential transaction but Party B wanted confirmation that the MedEquities Board was supportive of such a meeting with Party B before proceeding.

On August 20, 2018, Mr. McRoberts received an unsolicited call from the chief executive officer of Party C, a strategic buyer, regarding a potential strategic transaction between the parties. Mr. McRoberts asked Party C to provide an indication of value or a range of potential offer prices prior to engaging in discussions regarding a potential transaction.

On August 22, 2018, representatives of senior management of MedEquities and Omega and representatives of Citi participated in an introductory telephone conference to discuss their respective companies and a potential transaction. Following such meeting, representatives of Omega provided Mr. McRoberts with a draft non-disclosure agreement for review by representatives of MedEquities.

On August 22, 2018 and August 23, 2018, representatives of Morrison & Foerster, on behalf of MedEquities, and Omega negotiated the terms of the proposed non-disclosure agreement.

On August 23, 2018, MedEquities and Omega entered into a non-disclosure agreement. The non-disclosure agreement contained a customary "standstill" provision, which prevented Omega from, among other things, making a proposal or public announcement with respect to an acquisition of MedEquities, tender offer or other business combination transaction without MedEquities' consent, but did not prevent MedEquities from engaging in discussions regarding potential strategic transactions with other potential suitors and did not prevent either party from requesting a waiver of the standstill provision.

On August 24, 2018, representatives of Omega participated in a telephone conference with representatives of MedEquities to discuss Omega's initial due diligence requests, which included certain operating and financial information regarding MedEquities' assets and tenants. Also on August 24, 2018, MedEquities provided Omega with access to a virtual data room that had been populated with certain information relating to MedEquities, its assets and its tenants. Upon gaining access to the virtual data room, representatives of Omega commenced their initial due diligence investigation of MedEquities.

Between August 29, 2018 and September 11, 2018, members of Omega's management team participated in telephone conferences with MedEquities' management team regarding business due diligence of MedEquities' assets, tenants, rent coverage ratios and other operating metrics.

On September 4, 2018, Mr. McRoberts received an unsolicited call from the chief executive officer of Party D, a strategic buyer, to express Party D's interest in a potential asset-level acquisition of MedEquities' skilled nursing facilities based on its review of MedEquities' publicly available information. Mr. McRoberts advised Party D that MedEquities was willing to consider an offer for its skilled nursing facilities that ascribed adequate value to the facilities, which would enable MedEquities to focus on acute care assets.

TABLE OF CONTENTS

On September 5, 2018, Citi, with the knowledge of MedEquities, presented to Mr. Pickett and other representatives of Omega, an overview of MedEquities and an updated illustrative NAV analysis and capitalization summary of MedEquities based on publicly available information.

On September 7, 2018, a representative of MedEquities participated in a telephone conference with representatives of Party D to answer due diligence questions regarding MedEquities' skilled nursing facilities and tenants. MedEquities and Party D were subject to a prior mutual non-disclosure agreement, which contained a customary "standstill" provision that prevented either party from, among other things, making a proposal or public announcement with respect to an acquisition of the other party, tender offer or other business combination transaction without the other party's consent, but did not prevent either party from engaging in discussions regarding potential alternative transactions with other potential suitors and did not prevent either party from requesting a waiver of the standstill provision, allowing Party D to make a topping bid for MedEquities. The standstill provision with Party D expired on November 28, 2018.

On September 11, 2018, Mr. McRoberts received an unsolicited call from the chief executive officer of Party A, inquiring about MedEquities and any updates on due diligence matters. Mr. McRoberts indicated that there had been no material updates.

On September 19, 2018, a representative of Omega sent to a representative of MedEquities Omega's valuation model with an illustrative NAV analysis of MedEquities and impact on Omega's funds available for distribution based on a purchase price of \$10.50 per share of MedEquities common stock.

On September 24, 2018, a representative of MedEquities sent to a representative of Omega the previously received valuation model, modifying certain assumptions regarding MedEquities' NAV and portfolio cash flows. The revised valuation model assumed a revised purchase price of \$11.50 per share of MedEquities common stock.

On September 25, 2018, representatives of MedEquities participated in a telephone conference with a representative of Omega to review and discuss the revised valuation model and related assumptions.

Also on September 25, 2018, the MedEquities Board met telephonically, with members of senior management and representatives of Morrison & Foerster also in attendance, to discuss and consider a proposed amendment to the company's credit facility, which would, among other things, significantly limit MedEquities' access to additional borrowings under its credit facility and potentially limit its ability to make distributions to its stockholders. During the meeting, Mr. McRoberts informed the MedEquities Board that he had received unsolicited inquiries from three parties in response to the Bloomberg article, including Omega and Party B. Mr. McRoberts noted that Party B requested an in-person meeting with management of MedEquities to discuss a potential transaction with MedEquities but had requested confirmation that the MedEquities Board was supportive of such a meeting before moving forward. All members of the MedEquities Board noted that they were supportive of management meeting with Party B to discuss a potential transaction.

Also, on September 25, 2018, Mr. McRoberts had a telephone call with Mr. Randy Churchey, MedEquities' lead independent director, and representatives of Morrison & Foerster to update Mr. Churchey on management's discussions to date with Omega, Party B and Party D. Mr. McRoberts advised Mr. Churchey that Omega was interested in an all-stock transaction and that the parties had discussed implied valuation ranges from \$10.50 to \$11.50 per share of MedEquities common stock although no formal offer had been received. Mr. McRoberts also noted that Party B was interested in an all-cash transaction but had not received any confidential information and had not provided an indication of price.

On September 26, 2018, Mr. McRoberts notified representatives of Party B that the MedEquities Board was supportive of management meeting with Party B to discuss a potential transaction.

On September 27, 2018, Party D submitted to MedEquities a written non-binding indication of interest regarding an asset-level acquisition of MedEquities' 21 skilled nursing facilities for an aggregate gross purchase price between \$172.0 million and \$181.0 million in cash. The proposal also included a requirement that MedEquities provide Party D with information regarding any skilled nursing facility acquisition it was then pursuing and, for a three-year period after closing, a prohibition on MedEquities

TABLE OF CONTENTS

acquiring a skilled nursing facility in the United States without first offering such opportunity to Party D. MedEquities did not pursue further discussions with Party D regarding the proposal because, in MedEquities' view, the proposal represented a capitalization rate applied to the income generated from the assets that significantly undervalued the assets, even assuming a rent reduction on the Texas Ten Portfolio. In addition, the proposal reflected a price that was significantly lower than the value attributed to MedEquities' skilled nursing facilities in Omega's initial valuation model from September 19, 2018.

Also on September 27, 2018, Mr. McRoberts received an email from the chief executive officer of Party A, inquiring about MedEquities and any updates on due diligence matters. Mr. McRoberts indicated that there had been no material updates.

In early October 2018, MedEquities' legal and financial advisors commenced their initial due diligence investigation of Omega based on publicly available information.

On October 1, 2018, Citi, with the knowledge of MedEquities, presented Omega with updated materials regarding Omega's potential acquisition of MedEquities in an all-stock transaction, including analyses at a range of potential exchange ratios, all of which was based on public information and certain assumptions provided by Omega.

On October 3, 2018, Mr. McRoberts and other members of MedEquities senior management met with representatives of Party B in Nashville, Tennessee, to introduce the respective members of each party's team and discuss publicly available information on MedEquities' assets and tenants, as well as a potential transaction between the parties.

On October 4, 2018, a representative of Party B informed MedEquities that Party B wanted to continue discussions with MedEquities regarding a potential transaction and to negotiate a non-disclosure agreement.

On October 5, 2018, Party B sent MedEquities a draft of a non-disclosure agreement to be executed by Party B. Also on October 5, 2018, representatives of Party B and its outside counsel, members of MedEquities management team and representatives of Morrison & Foerster participated in a telephone conference to discuss the non-disclosure agreement and various disclosure matters.

Between October 5, 2018 and October 12, 2018, representatives of Morrison & Foerster and outside legal counsel to Party B negotiated the terms of the proposed non-disclosure agreement.

On October 11, 2018, Omega submitted to MedEquities a written non-binding proposal for an all-stock transaction based on an exchange ratio of 0.333 of a share of Omega common stock for each share of MedEquities common stock, which represented an implied price of \$10.65 per share of MedEquities common stock based on the closing price of Omega common stock on October 12, 2018 and represented a 21.2% premium to the \$8.79 closing price of MedEquities common stock on October 12, 2018. Omega's written proposal stated that the transaction would not require approval of Omega's stockholders but did not address future dividends on MedEquities common stock. The proposal was contingent on the parties entering into a 60-day exclusivity agreement.

On October 15, 2018, Mr. McRoberts received an unsolicited call from the chief executive officer of Party C regarding a potential strategic transaction between the parties but who would not provide Mr. McRoberts with an indication of value or a range of potential offer prices as Mr. McRoberts had requested during their initial conversation on August 20, 2018.

Also on October 15, 2018, the MedEquities Board met telephonically, with members of senior management and representatives of Morrison & Foerster and Citi in attendance. Mr. McRoberts updated the MedEquities Board on his discussions with Omega and Party B. Mr. McRoberts informed the MedEquities Board that Party B, in early discussions, had acknowledged that an all-cash transaction would need to provide a 15% to 20% premium to the MedEquities common stock, but that Party B had not received any non-public information because Party B had been unwilling to provide a preliminary range of potential purchase prices. Mr. McRoberts also informed the MedEquities Board that Omega had entered into a non-disclosure agreement with MedEquities and had begun conducting a due diligence review of information in the virtual data room. Mr. McRoberts also informed the MedEquities Board of the receipt of the unsolicited inquiry from Party C, noting that Party C had not provided an indication of value or a

TABLE OF CONTENTS

range of potential offer prices, and advised the MedEquities Board that he did not recommend pursuing Party C due to the smaller size of its portfolio and its relatively high level of indebtedness, which created greater execution risk. Representatives of Citi provided the MedEquities Board with a summary of Omega’s proposal, a preliminary illustrative overview of the combined company and a review of other transaction considerations. A representative of Morrison & Foerster reviewed with the MedEquities Board the duties of directors under applicable law and the application of those duties to the evaluation of a potential sale of the company. A representative of Morrison & Foerster also provided an overview of the board’s options with respect to considering other offers, including a market check prior to signing a definitive merger agreement and a “go-shop” provision or a “window-shop” provision that would permit the company to entertain potentially superior proposals after signing a definitive merger agreement. The MedEquities Board considered the relative merits of continuing discussions with Omega and Party B. After discussing the best path forward to maximizing value for stockholders, the MedEquities Board directed Mr. McRoberts to communicate to both Omega and Party B that the board needed to receive additional valuation analysis from its advisors before deciding how to move forward. The MedEquities Board also directed Mr. McRoberts and/or Citi to communicate to Party B that the MedEquities Board desired a better indication of Party B’s proposed range of potential offer prices before executing a non-disclosure agreement with Party B.

On October 16, 2018, Mr. McRoberts, representatives of Morrison & Foerster and Party B had a telephone conference to discuss the feedback from the MedEquities Board.

On October 18, 2018, MedEquities and Citi signed an engagement letter formalizing the retention of Citi as financial advisor to MedEquities in connection with a potential transaction.

On October 22, 2018, the MedEquities Board met telephonically, with members of senior management and representatives of Morrison & Foerster and Citi in attendance. Mr. McRoberts advised the MedEquities Board regarding the financial model and other information management had provided to Citi since the board meeting on October 15, 2018. Representatives of Citi provided the MedEquities Board with an overview of Omega’s proposal, a preliminary illustrative overview of the combined company and an analysis of the proposed combination at various exchange ratios. Citi advised the MedEquities Board that the proposed exchange ratio of 0.333 represented an implied price of \$10.92 per share of MedEquities common stock, based on the closing price of the Omega common stock on October 19, 2018, the last trading day prior to the meeting. In addition, at the direction of the MedEquities Board, Citi provided the MedEquities Board with an analysis of an illustrative take-private transaction of MedEquities, including a sensitivity analysis of a potential buyer’s internal rates of return. Citi also provided the MedEquities Board with, among other things, certain preliminary financial analyses of MedEquities on a stand-alone basis and certain publicly available information regarding implied premiums paid in selected precedent transactions in the REIT industry. The MedEquities Board, with the assistance of MedEquities’ legal and financial advisors, considered the relative merits of continuing discussions with Omega and Party B and engaging in a broader market check and evaluated various factors, including, among others, timing and deal execution risk, particularly in light of Omega’s indication that it would not participate in an auction process and the limited inquiries that MedEquities had received to date despite the well-publicized market rumors that MedEquities was exploring a sale. In addition, the MedEquities Board considered and evaluated the importance of Omega’s existing platform and familiarity with MedEquities’ assets and operators and the healthcare industry generally, the relative amounts of due diligence Omega and Party B had conducted to date, the historical performance of the Omega common stock and deal protection mechanisms. The MedEquities Board also discussed the factors, risks and uncertainties associated with continuing to operate as a stand-alone company, including the company’s smaller size and high cost of capital relative to its competitors, the resulting limited ability to grow through acquisitions, uncertainty surrounding the Texas Ten Portfolio and the surgery room buildout at Mountain’s Edge Hospital, and the significant discount to NAV at which the MedEquities common stock has traded. After discussing the best path forward to maximizing value for stockholders, the MedEquities Board directed management to enter into a non-disclosure agreement with Party B and to communicate to Omega the MedEquities Board’s desire for a higher exchange ratio and the need for a “window-shop” provision with a two-tier termination fee in the merger agreement pursuant to which MedEquities would have greater flexibility to respond to unsolicited competing proposals following execution of a definitive agreement.

TABLE OF CONTENTS

Also on October 22, 2018, a representative of Party C contacted Mr. McRoberts to inquire about entering into a non-disclosure agreement. Mr. McRoberts advised Party C that, in MedEquities' view, it was premature to enter into a non-disclosure agreement due to various factors, including Party C's failure to provide a preliminary indication of value or a range of potential offer prices, relatively high level of indebtedness and its lack of access to capital to complete an all-cash transaction.

On October 23, 2018, at the direction of the MedEquities Board, Citi called representatives of Omega to provide feedback from the MedEquities Board meeting, including a counterproposal at an exchange ratio of 0.355 of a share of Omega common stock for each share of MedEquities common stock and the need for a "window-shop" provision in the merger agreement with a lower termination fee during the window-shop period. Omega advised Citi that Omega would discuss MedEquities' feedback with the Omega Board at their next meeting on October 31, 2018 and indicated that Omega would respond after that meeting. Omega also requested additional due diligence information from MedEquities, including a projected balance sheet as of December 31, 2018 and a revised estimate of transaction costs.

Also on October 23, 2018, MedEquities entered into a non-disclosure agreement with Party B. The non-disclosure agreement did not prevent MedEquities from engaging in discussions in connection with any potential transactions with other potential suitors and did not contain any "standstill" provisions or other restrictions on Party B's ability to make a proposal to acquire the assets or securities of MedEquities, including a topping bid.

On October 24, 2018, MedEquities provided Party B with access to a virtual data room that had been populated with, among other information, selected non-public financial and due diligence information relating to MedEquities, its assets and its tenants.

On October 25, 2018, members of management of MedEquities and Omega participated in a telephone conference regarding additional business due diligence on MedEquities.

On October 30, 2018, Citi delivered its relationship disclosure (which we refer to as the "Citi Relationship Disclosure") to MedEquities, which was subsequently shared and reviewed with the MedEquities Board. In the Citi Relationship Disclosure, Citi included certain disclosures regarding, among other things: (i) Citi's investment banking, commercial banking and other financial services to both MedEquities and Omega and aggregate compensation received for such services during the prior two-year period; (ii) that, during such period, Citi had not been engaged to provide merger and acquisition, underwriting, lending and financial advisory services to Omega; (iii) that, except as otherwise disclosed, neither Citi nor its affiliates or Citi deal team members were currently providing (or, during the course of the engagement, and without MedEquities' prior written consent, would provide) any such financial advisory services to Omega in connection with the transaction contemplated by the engagement, and, in the ordinary course of business, Citi employees, including the deal team members, meet with Omega to discuss strategic opportunities and potential transactions involving potential counterparties in Omega's industry, including MedEquities, and (iv) the content and nature of the discussions Citi had with representatives of Omega and MedEquities prior to Citi being engaged by MedEquities. Subsequently, the MedEquities Board ratified the engagement of Citi as MedEquities' financial advisor in connection with the merger.

On October 31, 2018, the MedEquities Board met in Nashville, Tennessee, for its regularly scheduled quarterly meeting, with representatives of Morrison & Foerster present and members of senior management present during portions of the meeting. Among other things, Mr. McRoberts advised the MedEquities Board with respect to management's discussions with Omega and Party B since the MedEquities Board meeting on October 22, 2018, as well as the status of re-tenanting the Texas Ten Portfolio and the recent performance of MedEquities' key tenants. The MedEquities Board reviewed and discussed MedEquities' results for the third quarter of 2018 and the revised earnings guidance for 2018. In addition, the MedEquities Board agreed to delay any decision regarding the dividend for the third quarter of 2018 pending resolution of matters related to the Texas Ten Portfolio.

On November 2, 2018, Omega orally conveyed a revised proposal for an all-stock transaction based on an exchange ratio of 0.342 of a share of Omega common stock for each share of MedEquities common stock, assuming a fully diluted share count for MedEquities of approximately 31.9 million shares, and the inclusion of a window-shop provision in the merger agreement with a termination fee equal to 2.0% for

TABLE OF CONTENTS

30 days following the execution of the merger agreement and 4.0% thereafter. Later on November 2, 2018, MedEquities orally conveyed a counterproposal of a 0.348 exchange ratio (conditioned upon MedEquities not paying a dividend for the third quarter of 2018) and the inclusion in the merger agreement of a window-shop provision with a termination fee equal to 1.75% with respect to the first 30 days following execution of the merger agreement and 3.75% thereafter.

On November 3, 2018, Omega communicated in writing its agreement to move forward with the 0.348 exchange ratio. Also on November 3, 2018, Mr. McRoberts had a call with representatives of Party B, who indicated that they were unable to provide a proposed offer price due to the status of their ongoing due diligence.

On November 5, 2018, Omega submitted to MedEquities a revised written non-binding proposal for an all-stock transaction based on an exchange ratio of 0.348 of a share of Omega common stock for each share of MedEquities common stock, as well as the inclusion in the merger agreement of a 30-day window-shop period with a termination fee of 1.75% of MedEquities' enterprise value for 30 days following execution of the merger agreement and 3.75% thereafter. Omega's written proposal was contingent on the parties entering into a 45-day exclusivity agreement and subject to customary due diligence and negotiation of a definitive agreement. The proposed exchange ratio of 0.348 represented an implied price of \$11.39 per share of MedEquities common stock based on the closing price of the Omega common stock on November 2, 2018, the last trading day prior to Omega's submission of the proposal. The closing price of the MedEquities common stock on November 2, 2018 was \$8.52 per share.

On November 6, 2018, the MedEquities Board received a summary of the material terms of Omega's revised offer. All members of the MedEquities Board agreed that they were supportive of moving forward with negotiations based on the proposed terms, including entering into the exclusivity agreement.

Also on November 6, 2018, Omega's outside legal counsel, Bryan Cave Leighton Paisner LLP (which we refer to as "Bryan Cave"), sent a legal due diligence request list to MedEquities.

On November 6, 2018, MedEquities sent Omega a revised draft of the non-binding term sheet and exclusivity agreement, which reflected, among other things, a two-tier termination fee equal to 1.75% and 3.75% of the implied equity value of MedEquities based on Omega's effective purchase price (rather than MedEquities' enterprise value), the ability of MedEquities to pay its regular quarterly dividend of up to \$0.21 per share (other than with respect to the third quarter of 2018) and a 30-day exclusivity period.

From November 6, 2018 through November 8, 2018, MedEquities, Omega and their respective legal and financial advisors exchanged additional drafts, and negotiated the terms, of the non-binding term sheet and exclusivity agreement.

On November 8, 2018, Mr. McRoberts received an unsolicited call from a representative of Party C regarding a potential business combination between the parties. Mr. McRoberts advised the representative that, in the view of the MedEquities Board, a combination with Party C was not in the best interests of MedEquities and its stockholders due to the relatively small size of Party C's portfolio, its high level of indebtedness, failure to provide a preliminary indication of value or a range of potential offer prices, and its lack of access to capital to complete an all-cash transaction.

On November 9, 2018, MedEquities provided Bryan Cave with access to the virtual data room that had previously been provided to Omega.

After the close of trading on the NYSE on November 9, 2018, MedEquities reported its results for the third quarter of 2018 and other recent developments, including (i) revised 2018 per share guidance for net income attributable to common stockholders of \$0.21 to \$0.23 (revised down from \$0.60 to \$0.61), FFO of \$0.75 to \$0.77 (revised down from \$1.13 to \$1.15) and AFFO of \$1.00 to \$1.02 (revised down from \$1.19 to \$1.22) primarily as a result of the impact from the Texas Ten Portfolio and (ii) the MedEquities Board's decision to delay any decision regarding the dividend for the third quarter of 2018 pending resolution of matters related to the Texas Ten Portfolio. On

November 10, 2018, MedEquities issued a press release announcing that it had signed a new, 15-year triple-net master lease with Creative Solutions in Healthcare for the Texas Ten Portfolio with initial annual base rent under the lease of \$7,700,000 with annual lease

TABLE OF CONTENTS

escalators of 2%. Before the opening of trading on the NYSE on November 12, 2018, MedEquities hosted a conference call to discuss its third quarter results and recent developments. The closing price of the MedEquities common stock on November 12, 2018 was \$8.24 per share.

Also on November 12, 2018, MedEquities and Omega agreed upon a non-binding term sheet and entered into an exclusivity agreement with an exclusivity period through 5:00 p.m. ET on December 17, 2018. The term sheet provided for, among other things, an exchange ratio of 0.348 of a share of Omega common stock for each share of MedEquities common stock, the ability of MedEquities to pay its regular quarterly dividend of up to \$0.21 per share with respect to the fourth quarter of 2018 and all subsequent dividends in accordance with past practice, a 30-day window-shop period following the execution of the merger agreement with a termination fee of 2.00% of the implied equity value of MedEquities based on Omega's effective purchase price (plus the reimbursement of up to \$1.5 million of Omega's expenses). Following the window shop period the termination fee would increase to 3.75%. The exchange ratio of 0.348 represented an implied price of \$12.24 per share of MedEquities common stock, based on the closing price of the Omega common stock on November 12, 2018.

Also on November 12, 2018, MedEquities informed Party B that MedEquities could not continue discussions regarding a potential transaction with Party B and terminated Party B's access to the virtual data room. In accordance with the terms of the exclusivity agreement, no representatives of MedEquities or its outside legal and financial advisors engaged in discussions on behalf of MedEquities with any parties regarding a potential transaction, other than the parties involved in the Omega transaction, between the time the exclusivity agreement was signed on November 12, 2018 and the date on which the merger agreement was signed.

On November 13, 2018, Mr. McRoberts received an unsolicited call from the chief executive officer of Party A, inquiring about MedEquities and any updates on due diligence matters. Mr. McRoberts indicated that there were no material updates to report.

On November 15, 2018, Morrison & Foerster provided Bryan Cave with an initial draft of the merger agreement, which included a "window-shop" provision that would provide MedEquities flexibility to respond to unsolicited competing proposals that could lead to a superior proposal.

Also on November 15, 2018, the MedEquities Board met telephonically to discuss the dividend for the third quarter of 2018 and beyond. Mr. McRoberts also updated the MedEquities Board regarding negotiations with Omega. After the close of trading on the NYSE on November 15, 2018, MedEquities issued a press release regarding its dividend policy, including that the MedEquities Board would not declare and pay a dividend for the third quarter of 2018. The closing price of the MedEquities common stock on November 16, 2018 was \$7.51 per share.

On November 20, 2018, Mr. McRoberts received unsolicited inquiries from an executive of Party C and Party C's financial advisor regarding a potential business combination. The representative of Party C did not provide Mr. McRoberts with an indication of value or a range of potential offer prices. On November 21, 2018, MedEquities informed Omega of the unsolicited inquiry in accordance with the terms of the exclusivity agreement. Party C never submitted an indication of interest and there were no further communications between MedEquities and Party C.

On November 24, 2018, Messrs. McRoberts and Pickett had a call during which Mr. Pickett communicated that Omega was not willing to proceed with a transaction at an exchange ratio of 0.348 due to its revised valuation of MedEquities and additional due diligence, as well as the increase in the price of the Omega common stock from \$32.74 per share when the 0.348 exchange ratio had been informally agreed upon to \$36.33 per share as of November 23, 2018.

On November 25, 2018, Messrs. McRoberts and Churchey and representatives of Morrison & Foerster and Citi had a telephone conference to discuss the feedback from Omega and potential alternatives to a fixed exchange ratio in order to mitigate the risks associated with declines in the Omega common stock price between signing and closing, including a potential all-cash transaction, price collars or floating exchange ratios, each of which had advantages and disadvantages to maximizing value to MedEquities' stockholders while also providing significant deal certainty.

TABLE OF CONTENTS

On November 26, 2018, at the direction of MedEquities, representatives of Citi called representatives of Omega to discuss potential alternatives to mitigate the risks associated with declines in the Omega common stock price between signing and closing. Mr. Pickett indicated that Omega was not open to an all-cash transaction but may be willing to consider a floating exchange ratio with a collar.

From November 28, 2018 through December 6, 2018, representatives of Omega conducted property tours of substantially all of MedEquities' facilities.

On November 28, 2018, MedEquities received an unsolicited inquiry from Party E, a financial buyer, regarding the acquisition of some or all of MedEquities' assets. On November 29, 2018, MedEquities informed Omega of the unsolicited inquiry in accordance with the terms of the exclusivity agreement. In early and mid-December, representatives of Party E followed up with members of senior management of MedEquities regarding the possibility of beginning discussions. Party E never submitted an indication of interest and there were no further communications between MedEquities and Party E.

On November 30, 2018, Messrs. McRoberts and Churchey and representatives of Morrison & Foerster and Citi had a telephone conference to discuss, among other things, Omega's updated view, as communicated to Citi, following additional due diligence, which was substantially complete, that MedEquities' intrinsic value was between \$10.00 and \$10.50, and potential alternatives to a fixed exchange ratio, including a floating exchange ratio, a floating exchange ratio with a collar and an all-cash transaction.

On December 4, 2018, Bryan Cave sent Morrison & Foerster a revised draft of the merger agreement.

On December 5, 2018, representatives of Omega had a call with representatives of Citi to communicate that Omega was prepared to submit a revised proposal with an exchange ratio to be set based on an \$11.00 price per share of MedEquities common stock, plus a MedEquities special cash dividend of \$0.21 per share to be paid at the closing of the transaction. In addition, MedEquities would be permitted to pay its regular quarterly dividend of up to \$0.21 per share with respect to the fourth quarter of 2018 and all subsequent dividends in accordance with past practice, other than with respect to the third quarter of 2018. Mr. Pickett indicated that Omega was not open to an all-cash transaction but may be willing to consider a floating exchange ratio with a collar.

On December 6, 2018, representatives of MedEquities had a call with representatives of Morrison & Foerster and Citi to discuss Omega's latest proposal.

Also on December 6, 2018, Mr. McRoberts received an unsolicited call from the chief executive officer of Party D to indicate that Party D would be submitting a written non-binding indication of interest to acquire MedEquities.

On December 10, 2018, MedEquities received a written non-binding indication of interest from Party D to acquire all of the issued and outstanding shares of MedEquities common stock for \$8.55 per share. The proposal indicated that Party D was open to an all-cash transaction, an all-stock transaction or a combination of cash and stock. On December 10, 2018, MedEquities informed Omega that MedEquities had received a non-binding indication of interest. The closing price of the MedEquities common stock on December 10, 2018 was \$6.60 per share.

On December 11, 2018, Mr. McRoberts updated the MedEquities Board regarding the status of negotiations with Omega, including Omega's desire to reset the exchange ratio based on an \$11.00 price per share of MedEquities common stock, plus a special cash dividend of \$0.21 per share to be paid at the closing of the transaction.

Mr. McRoberts also informed the MedEquities Board of the written non-binding indication of interest from Party D.

On December 13, 2018, Omega submitted to representatives of Citi a revised proposal with an exchange ratio of 0.285 of a share of Omega common stock for each share of MedEquities common stock, plus a special cash dividend of \$0.21 per share. This revised proposal was communicated to the MedEquities Board on December 13, 2018. Omega's proposal (inclusive of the special cash dividend) had an implied value of \$10.66 per share of MedEquities common stock, based on the closing price of the Omega common stock on December 13, 2018. The closing price of the MedEquities common stock on December 13, 2018 was \$6.83 per share.

TABLE OF CONTENTS

On December 16, 2018, the MedEquities Board met telephonically with members of senior management and representatives of Morrison & Foerster and Citi in attendance. Representatives of Citi provided the MedEquities Board with, among other things, an overview of Omega's revised proposal and a comparison to the November 12 proposal, a preliminary illustrative overview of the combined company, an analysis of the proposed combination at various exchange ratios and certain preliminary financial analysis of MedEquities on a stand-alone basis, as well as an overview of the indication of interest from Party D. The MedEquities Board, with the assistance of MedEquities' legal and financial advisors, considered the relative merits of continuing discussions with Omega and continuing as a stand-alone company and evaluated various factors, including, among others, the historical performance of the Omega common stock and various alternatives to help protect MedEquities' stockholders against the risk of a decline in the price per share of Omega common stock between signing the merger agreement and closing, including through seeking a portion of the consideration in cash or otherwise placing floors or collars on the exchange ratio in order to insulate against declines in Omega's stock price. The MedEquities Board also discussed the operational and financial challenges facing MedEquities. After a lengthy discussion, the MedEquities Board directed management and Citi to communicate the MedEquities Board's views to Omega.

On December 17, 2018, members of MedEquities' senior management and representatives of Morrison & Foerster and Citi had telephone conferences to consider various alternatives to protect MedEquities' stockholders against the risk of a decline in the price per share of Omega common stock between signing the merger agreement and closing, including a higher exchange ratio, a fixed exchange ratio with a symmetrical collar and receiving a portion of the merger consideration in cash. Representatives of Citi presented financial analyses of each of the potential alternatives.

Also on December 17, 2018, at the direction of the MedEquities Board, Citi contacted Omega to explain the MedEquities Board's desire to protect MedEquities' stockholders against the risk of a decline in the price per share of Omega common stock and noted potential alternatives to protect MedEquities' stockholders against such risk, including (i) increasing the fixed exchange ratio offered, (ii) implementing a symmetrical collar and (iii) receiving a portion of the merger consideration in cash.

On December 18, 2018, Mr. McRoberts received a call from the chief executive officer of Party A, inquiring about MedEquities and any updates on due diligence matters. Mr. McRoberts indicated that there had been no material developments regarding due diligence. No further discussions were held with Party A following this call.

On December 19, 2018, Omega communicated to MedEquities a revised proposal with merger consideration for each share of MedEquities common stock comprised of (i) 0.230 of a share of Omega common stock and (ii) \$2.02 in cash, plus a special cash dividend of \$0.21 per share of MedEquities common stock to be paid at closing of the transaction. Omega's proposal (inclusive of the \$0.21 per share dividend) had an implied value of \$10.43 per share of MedEquities common stock, based on the closing price of the Omega common stock on December 19, 2018.

Also on December 19, 2018, members of MedEquities senior management, Mr. Churchey and representatives of Morrison & Foerster and Citi had telephone conferences to discuss Omega's revised proposal. Based on Omega's revised proposal, representatives of Citi presented an updated analysis with respect to mitigating the risks associated with a decline in the price per share of Omega common stock between signing the merger agreement and closing.

On December 20, 2018, MedEquities and Omega informally agreed on merger consideration for each share of MedEquities common stock comprised of (i) 0.235 of a share of Omega common stock, and (ii) \$2.00 in cash, plus a special cash dividend of \$0.21 per share of MedEquities common stock to be paid at closing of the transaction. In addition, MedEquities would be permitted to pay its regular quarterly dividend of up to \$0.21 per share with respect to the fourth quarter of 2018 and all subsequent dividends in accordance with past practice, other than with respect to the third quarter of 2018. The total consideration (inclusive of the special cash dividend) was equivalent to an offer of \$10.57 per share of MedEquities common stock, which represented a 57.8% premium, in each based on the closing price of the Omega common stock and the MedEquities common stock on December 20, 2018.

Also on December 20, 2018, representatives of Morrison & Foerster and Bryan Cave had a telephone conference to discuss open issues in the merger agreement, transaction structure and related matters.

TABLE OF CONTENTS

On December 21, 2018, the MedEquities Board met telephonically with members of senior management and representatives of Morrison & Foerster and Citi in attendance. Mr. McRoberts advised the MedEquities Board regarding the negotiations with Omega since the board meeting on December 16, 2018 and the terms of the current proposal. Representatives of Citi provided the MedEquities Board with a comparison of the current proposal against the prior Omega proposals and a discussion of the implication of the cash consideration component of the revised proposal. The MedEquities Board considered and evaluated the merits of continuing negotiations with Omega and continuing as a stand-alone company. After discussing the best path forward to maximizing value for stockholders, all members of the MedEquities Board indicated that they were supportive of continuing negotiations with Omega based on the revised proposal.

Also on December 21, 2018, Omega provided MedEquities and its legal and financial advisors with access to a virtual data room that had been populated with, among other information, selected financial and due diligence information relating to Omega, its assets and its tenants. Members of management of MedEquities and Omega and representatives of Citi participated in a telephone conference regarding MedEquities' due diligence on Omega on December 21, 2018. During the period between December 22, 2018 and January 1, 2019, representatives of Morrison & Foerster and Bryan Cave discussed and negotiated the draft merger agreement and related documents and participated in calls regarding legal due diligence of the other parties, and the parties participated in various calls, together with their respective legal and financial advisors, to negotiate and resolve remaining open points. Significant topics of discussion and negotiation included: the scope and terms of the representations, warranties and covenants, including restrictions on the parties' activities during the period between signing and closing; and the circumstances under which MedEquities would be permitted to respond to unsolicited competing proposals that could reasonably lead to a superior proposal.

On January 1, 2019, representatives of Morrison & Foerster and Bryan Cave finalized the merger agreement and their respective disclosure schedules. The final merger agreement, together with the final exhibits and disclosure schedules, were then circulated to all parties.

On January 1, 2019, the compensation committee of the MedEquities Board held a telephonic meeting, with representatives of Morrison & Foerster present and Mr. McRoberts present during a portion of the meeting. During the meeting, representatives of Morrison & Foerster reviewed the terms of certain compensation and retention matters relating to MedEquities' senior management and other employees and the non-employee director compensation policy, which are described elsewhere in this proxy statement/ prospectus. Mr. McRoberts was then excused from and disconnected from the telephonic meeting of the compensation committee. A representative of Morrison & Foerster advised the compensation committee that compensation and retention payments were not raised with Omega until all material terms of the transaction had been agreed upon and did not impact the terms of the transaction. The compensation committee discussed the merits of the proposed compensation and retention matters, including, among other factors, the importance of incentivizing senior management and other employees of MedEquities to remain with the company during the period between signing the merger agreement and the closing of the merger. After the discussion, the compensation committee unanimously voted to approve the compensation and severance matters and recommend the compensation and severance matters for approval by the MedEquities Board.

On January 1, 2019, after the meeting of the compensation committee, the MedEquities Board held a telephonic meeting, with members of MedEquities' senior management and representatives of Morrison & Foerster and Citi participating for portions of the meeting, to consider the proposed final terms of the merger agreement and the matters recommended by the compensation committee. Representatives of Morrison & Foerster reviewed with the MedEquities Board the duties of directors under applicable law and the application of those duties to the evaluation of a potential sale of MedEquities. Representatives of Morrison & Foerster then reviewed certain legal matters and the proposed final terms of the merger agreement that had been provided to the MedEquities Board in advance of the meeting. At the request of the MedEquities Board, Citi provided the MedEquities Board certain financial analyses of the merger consideration and rendered an oral opinion, confirmed by delivery of a written opinion dated January 1, 2019, to the MedEquities Board to the effect that, as of such date and based upon and subject to various

TABLE OF CONTENTS

assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, the merger consideration (as defined in its opinion and including the closing dividend) provided for pursuant to the merger agreement was fair, from a financial point of view, to the holders (other than Omega and its affiliates) of MedEquities common stock. Mr. Churchey then provided an overview of the compensation committee meeting and the recommendations of the compensation committee regarding the compensation and severance matters. A representative of Morrison & Foerster then walked the MedEquities Board through the proposed corporate approvals for the transaction and the compensation and severance matters. After discussing the proposed transactions and considering the presentations by Morrison & Foerster and Citi and the factors described below in greater detail under “— Recommendations of the MedEquities Board of Directors and Reasons for the Merger” beginning on page 51, the MedEquities Board, subject to finalization and execution of the merger agreement, unanimously (i) determined that it is in the best interests of MedEquities and its stockholders, and declared it advisable, to enter into the merger agreement, (ii) approved the execution, delivery and performance by MedEquities of the merger agreement and the consummation of the transactions contemplated thereby, (iii) resolved to recommend that MedEquities’ stockholders vote in favor of the merger and (iv) approved the compensation and severance matters (with Messrs. McRoberts and Harlan recusing themselves from the vote on their retention agreements).

On January 2, 2019, MedEquities and Omega executed and delivered the merger agreement. Prior to the opening of trading on the NYSE, Omega issued a press release announcing the execution of the merger agreement.

On March 26, 2019, Omega and MedEquities entered into the First Amendment to Agreement and Plan of Merger, which provides that the closing dividend shall be payable to holders of MedEquities common stock as of the closing date of the merger rather than as of the trading day immediately prior to the closing date of the merger. Unless the context otherwise requires, all references herein to the merger agreement refer to the merger agreement as modified by the First Amendment to Agreement and Plan of Merger, which amendment is included in Annex A to this proxy statement/prospectus.

Recommendation of the MedEquities Board and Reasons for the Merger

After careful consideration, the MedEquities Board has unanimously approved the merger, the merger agreement and the other transactions contemplated by the merger agreement, and has declared the merger and the other transactions contemplated by the merger agreement advisable and in the best interests of MedEquities and its stockholders.

Accordingly, the MedEquities Board has recommended that the stockholders vote “FOR” Proposal 1, approval of the merger.

In evaluating the merger, and in reaching its decision to approve, and to recommend that MedEquities’ stockholders approve, the merger, the MedEquities Board consulted with MedEquities’ executive management team as well as its outside legal and financial advisors. The MedEquities Board considered a number of factors, including the following material factors that the MedEquities Board viewed as supporting its decision to approve the merger and to recommend that MedEquities’ stockholders approve the merger:

- the current and historical trading prices of MedEquities common stock, and the fact that the merger consideration, together with the closing dividend, had an implied value of \$10.47 per share of MedEquities common stock, which represented a 53.1% premium, in each case based on closing prices of the MedEquities common stock and Omega common stock on December 31, 2018, the last trading day prior to the announcement of the merger agreement;
- the risks and uncertainties of remaining an independent company, including (i) the operating difficulties facing MedEquities and certain of its largest tenants, including with respect to the Texas Ten Portfolio and Fundamental, (ii) the lack of liquidity available to MedEquities under its credit facility, (iii) MedEquities’ inability to access equity capital sufficient to finance its acquisition and investment activities at non-dilutive prices, (iv) MedEquities’ relatively high cost of capital and (v) the resulting difficulty of increasing the size of its portfolio and diversifying its portfolio based on facility types, tenants and geographic locations;

TABLE OF CONTENTS

- the portion of the merger consideration in the form of Omega common stock provides MedEquities' stockholders with the opportunity to have an ownership stake in the combined company, which is expected to provide a number of significant potential strategic opportunities and benefits, including the following:

- the complementary portfolios and business strategies of MedEquities and Omega will allow the combined company to capture immediate and substantial cost synergies in the form of corporate general and administrative cost savings, operating cost savings and interest expense;

- the larger size and scale, improved tenant and geographic diversification, greater public float and better cost of capital of the combined company compared to MedEquities on a stand-alone basis; and

- the transaction is expected to be accretive in the first full year;

- the fact that the trading price of MedEquities common stock has consistently represented a significant discount to MedEquities' NAV per share;

- the belief that the merger is more favorable to MedEquities' stockholders than remaining as an independent company;

- the mix of merger consideration between cash and Omega common stock will provide MedEquities' stockholders with both immediate cash value and an opportunity to continue to participate in the combined company as stockholders;

- the cash portion of the merger consideration protects MedEquities' stockholders from the full effect of any decrease in the trading price of Omega common stock between the date of the merger agreement and the closing of the merger;

- the portion of the merger consideration payable in Omega common stock is based on a fixed exchange ratio and will not fluctuate as a result of changes in the market price of MedEquities common stock or Omega common stock, which allows MedEquities' stockholders to benefit from any increase in the trading price of Omega common stock between the date of the merger agreement and the closing of the merger;

- the merger is expected to result in improved liquidity for MedEquities' stockholders as a result of the larger equity capitalization and stockholder base of Omega;

- the portion of the merger consideration payable in Omega common stock will be listed for trading on the NYSE, which continues to provide liquidity for MedEquities' common stockholders desiring to liquidate their investment after the merger;

- MedEquities' ability under certain circumstances, pursuant to the merger agreement, to consider and respond to a different unsolicited written acquisition proposal, and if, after consultation with MedEquities' outside legal counsel and

financial advisor, the MedEquities Board determines in good faith that such acquisition proposal is a superior proposal, and if Omega does not negotiate improvements to the merger agreement that make it superior, the ability of MedEquities to terminate the merger agreement upon the payment of the termination fee;

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MedEquities' ability, under the merger agreement, (1) (a) to pay a lower termination fee of \$6,533,861, plus reimbursement of up to \$1,500,000 in expenses, in connection with a superior proposal if MedEquities terminates the merger agreement in connection with the superior proposal within the first 30 days following the date of the merger agreement (subject to an extension for the completion of matching rights periods in accordance with the no-shop provision of the merger agreement, provided that the initial superior proposal notice had been provided to Omega by MedEquities on or prior to the 30th day after the date of the merger agreement), or (b) to pay a termination fee of \$12,250,989 in all other instances, and (2) at any time prior to receipt of stockholder approval, to participate in discussions or negotiations with third parties, under certain circumstances, if the MedEquities Board determines, after consultation with

TABLE OF CONTENTS

MedEquities' outside legal counsel, that failure to do so would be inconsistent with its legal duties and, after consultation with MedEquities' outside legal counsel and financial advisor, that such acquisition proposal constitutes, or could reasonably be expected to lead to, a superior proposal;

- subject to the satisfaction of the conditions to closing, the relative deal certainty provided by the facts that Omega has no financing contingency with respect to the cash portion of the merger consideration and repayment of MedEquities' indebtedness, and the fact that MedEquities has the ability to seek specific performance to require Omega to complete the merger in the event that all conditions to closing have been satisfied;

- the merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code and, therefore, is not expected to be taxable to MedEquities' stockholders with respect to the Omega common stock portion of the merger consideration;

- the terms and conditions of the merger agreement, which were reviewed with the MedEquities Board by MedEquities' legal advisor, and the fact that such terms and conditions were the product of arms-length negotiations between Omega and MedEquities;

- the opinion, dated January 1, 2019, of Citi to the MedEquities Board as to the fairness, from a financial point of view and as of such date, of the merger consideration (as defined in the opinion and including the closing dividend solely for the purposes of the opinion) to be paid to the holders (other than Omega and its affiliates) of MedEquities common stock, which opinion was based on and subject to the various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, as more fully described in the section entitled "— Opinion of MedEquities' Financial Advisor";

- the merger agreement permits MedEquities to continue to pay its stockholders regular quarterly dividends of up to \$0.21 per share of MedEquities common stock through the consummation of the merger (other than the 2018 third quarter dividend); and

- the fact that the merger would be subject to the approval of MedEquities' common stockholders, and MedEquities' common stockholders would be free to reject the merger by voting against the merger for any reason, including if a higher offer were to be made prior to the stockholders meeting (although MedEquities may be required to pay a termination fee under certain circumstances if MedEquities subsequently were to enter into a definitive agreement relating to, or to consummate, an acquisition proposal).

The MedEquities Board also considered the following potentially negative factors in its deliberations concerning the merger agreement and the merger:

- that, because the portion of the merger consideration payable in Omega common stock is based on a fixed exchange ratio, MedEquities' stockholders will be adversely affected by a decline in the trading price of Omega common stock between the date of the merger agreement and the closing of the merger that could be caused by general market conditions, general economic conditions, matters directly related to Omega that do not otherwise constitute an Omega Material Adverse Effect under the merger agreement, and the merger agreement does not provide for any adjustment to the merger consideration if the market price of Omega common stock declines and does not provide a price-based termination right or other similar protection in favor of MedEquities or MedEquities' stockholders;

- the risk that the cost savings, operational synergies and other benefits to the MedEquities' stockholders expected to result from the merger might not be fully realized or not realized at all, including as a result of possible changes in the healthcare real estate industry affecting the markets in which the combined company will operate or as a result of potential difficulties integrating the two companies and their respective operations;
- after the completion of the merger, MedEquities' stockholders collectively would own approximately 3.4% of the combined company and, therefore, would have significantly less influence over the combined company compared to their influence over MedEquities prior to the merger;

TABLE OF CONTENTS

- the significant costs involved in connection with entering into and completing the merger and the substantial time and effort of MedEquities' executive management team required to consummate the merger and the related disruptions in the operation of MedEquities' business;

- the restrictions on the conduct of MedEquities' business contained in the merger agreement, which could delay or prevent MedEquities from undertaking certain activities and capitalizing on certain business opportunities that may arise prior to the consummation of the merger;

- the pendency of the merger or failure to complete the merger may cause harm to MedEquities' relationships with its employees, tenants and other business associates and may divert the attention of MedEquities' management and employees away from the day-to-day operation of MedEquities' business;

- MedEquities' inability to solicit competing acquisition proposals and the possibility that the \$6,533,861 termination fee (plus reimbursement of up to \$1,500,000 in expenses) or the \$12,250,989 termination fee payable by MedEquities upon the termination of the merger agreement in certain circumstances could discourage other potential bidders from making a competing bid to acquire MedEquities;

- the risk that the merger may not be completed, or may be unduly delayed, due to, among other reasons, the failure of MedEquities' stockholders to approve the merger proposal or other reasons beyond the control of MedEquities or Omega;

- the fact that, under Maryland law, MedEquities' stockholders will not be entitled to appraisal rights, dissenters' rights or similar rights of an objecting stockholder in connection with the merger; and

- the fact that certain directors and executive officers of MedEquities have interests in the merger that may be different from, or in addition to, MedEquities' stockholders generally (see "— Interests of MedEquities' Directors and Executive Officers in the Merger").

The foregoing discussion of the factors considered by the MedEquities Board is not intended to be exhaustive, but rather includes the material factors considered by the MedEquities Board. In reaching its decision to approve, and recommending that MedEquities' stockholders approve, the merger, the MedEquities Board did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. In the event the merger is not consummated for any reason, MedEquities expects to continue to pursue its business plan with the intention of enhancing stockholder value.

Opinion of MedEquities' Financial Advisor

MedEquities has engaged Citi to act as its financial advisor in connection with the proposed merger. In connection with Citi's engagement, the MedEquities Board requested that Citi evaluate the fairness, from a financial point of view, to the holders (other than Omega and its affiliates) of the common stock of MedEquities, of the merger consideration (as defined in the opinion and including the closing dividend) to be paid to such holders pursuant to the merger agreement. On January 1, 2019, at a meeting of the MedEquities Board held to evaluate the proposed merger, Citi rendered to the MedEquities Board an oral opinion, confirmed by delivery of a written opinion dated January 1, 2019, to the effect that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, the merger consideration (as defined in the

opinion and including the closing dividend) to be paid to the holders (other than Omega and its affiliates) of the MedEquities common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders.

The full text of Citi's written opinion, dated January 1, 2019, which describes the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, is attached as Annex B to this proxy statement/prospectus and is incorporated into this proxy statement/ prospectus by reference. The description of Citi's opinion set forth below is qualified in its entirety by reference to the full text of Citi's opinion. Citi's opinion was provided for the information of the MedEquities Board (in its capacity as such) in connection with its evaluation of the merger and was limited

54

TABLE OF CONTENTS

to the fairness, from a financial point of view, as of the date of the opinion, of the merger consideration (as defined in the opinion and including the closing dividend) to be paid to the holders (other than Omega and its affiliates) of outstanding MedEquities common stock. Citi expressed no view as to, and its opinion did not address, the underlying business decision of MedEquities to effect or enter into the merger, the relative merits of the merger as compared to any alternative business strategies that might exist for MedEquities or the effect of any other transaction in which MedEquities might engage or consider. Citi's opinion is not intended to be and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any matters relating to the proposed merger or any other matter.

In arriving at its opinion, Citi, among other things:

- reviewed a draft of the merger agreement dated December 31, 2018;

- held discussions with certain senior officers, directors and other representatives of MedEquities and certain senior officers, directors and other representatives of Omega concerning the businesses, operations and prospects of MedEquities and Omega;

- examined certain publicly available business and financial information relating to MedEquities and Omega as well as certain financial forecasts and other information and data relating to MedEquities and Omega which were provided to or discussed with Citi by the respective managements of MedEquities and Omega, including information relating to the potential strategic implications and operational benefits (including the amount, timing and achievability thereof) anticipated by the managements of MedEquities and Omega to result from the merger;

- reviewed the financial terms of the merger as set forth in the draft merger agreement in relation to, among other things, current and historical market prices and trading volumes of MedEquities common stock and Omega common stock, the historical and projected earnings and other operating data of MedEquities and Omega, and the capitalization and financial condition of MedEquities and Omega;

- considered, to the extent publicly available, the financial terms of certain other transactions which Citi considered relevant in evaluating the merger;

- analyzed certain financial, stock market and other publicly available information relating to the businesses of other companies whose operations Citi considered relevant in evaluating those of MedEquities and Omega;

- evaluated certain potential pro forma financial effects of the merger on Omega; and

- conducted such other analyses and examinations and considered such other information and financial, economic and market criteria as Citi deemed appropriate in arriving at its opinion.

In rendering its opinion, Citi assumed and relied, without independent verification, upon the accuracy and completeness of all financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with Citi and upon the assurances of the managements of MedEquities and Omega that they were not aware of any relevant information that was omitted or that remained undisclosed to Citi. With respect to the financial forecasts and other information and data provided to or otherwise reviewed by or discussed with Citi, Citi was advised

by the respective managements of MedEquities and Omega that such forecasts and other information and data were reasonably prepared on bases reflecting the best currently available estimates and judgments of the managements of MedEquities and Omega as to the future financial performance of MedEquities and Omega, the potential strategic implications and operational benefits anticipated to result from the merger and the other matters covered thereby, and Citi assumed, with MedEquities' consent, that the financial results (including with respect to the potential strategic implications and operational benefits anticipated to result from the merger) reflected in such financial forecasts and other information and data would be realized in the amounts and at the times projected. Citi assumed, with MedEquities' consent, that there would be no developments with respect to any such matters that would have an adverse effect on MedEquities, Omega or the merger or that otherwise would be meaningful in any respect to Citi's analyses or opinion.

55

TABLE OF CONTENTS

Citi assumed, with MedEquities' consent, that the merger would be consummated in accordance with its terms, including the declaration and payment of the closing dividend in accordance with and as set forth in Section 2.1(d) of the merger agreement, without waiver, modification or amendment of any material term, condition or agreement, and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the merger, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on MedEquities, Omega or the contemplated benefits of the merger.

Representatives of MedEquities advised Citi, who further assumed, that the final terms of the merger agreement would not vary materially from those set forth in the draft dated December 31, 2018 reviewed by Citi. Citi also assumed, with MedEquities' consent, that the merger would be treated as a tax-free reorganization for federal income tax purposes. Citi was advised by the respective managements of MedEquities and Omega, and assumed, with MedEquities' consent, that each of MedEquities and Omega has operated in conformity with the requirements for qualification as a REIT for U.S. federal income tax purposes since its respective election to be taxed as a REIT and that the merger would not adversely affect such REIT status or operations of the pro forma combined entity resulting from the merger. Citi's opinion relates to the relative values of MedEquities and Omega. Citi did not express any opinion as to what the value of the Omega common stock actually would be when issued pursuant to the merger or the price at which the Omega common stock would trade at any time. Citi did not make nor was Citi provided with an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of MedEquities or Omega nor did Citi make any physical inspection of the properties or assets of MedEquities or Omega.

Citi's opinion did not address the underlying business decision of MedEquities to effect the merger, the relative merits of the merger as compared to any alternative business strategies that might exist for MedEquities or the effect of any other transaction in which MedEquities might engage. Citi expressed no view as to, and its opinion did not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation to any officers, directors or employees of any parties to the merger, or any class of such persons, relative to the merger consideration (as defined in the opinion and including the closing dividend). Citi's opinion was necessarily based upon information available to Citi, and financial, stock market and other conditions and circumstances existing as of the date of its opinion. The issuance of Citi's opinion was authorized by Citi's fairness opinion committee.

In preparing its opinion, Citi performed a variety of financial and comparative analyses, including those described below. The summary of the analyses below is not a complete description of Citi's opinion or the analyses underlying, and factors considered in connection with, Citi's opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to summary description. Citi arrived at its ultimate opinion based on the results of all analyses and factors assessed as a whole, and it did not draw, in isolation, conclusions from or with regard to any one factor or method of analysis. Accordingly, Citi believes that the analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying such analyses and its opinion.

In its analyses, Citi considered industry performance, general business, economic, market and financial conditions and other matters existing as of the date of its opinion, many of which are beyond the control of MedEquities and Omega. No company, business or transaction reviewed is identical or directly comparable to MedEquities or Omega or the merger and an evaluation of these analyses is not entirely mathematical; rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the public trading, acquisition or other values of the companies, business segments or transactions reviewed or the results from any particular analysis.

The estimates contained in Citi's analyses and the ranges resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by such analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold or acquired. Accordingly, the estimates used in, and the results derived from, Citi's analyses are inherently subject to substantial uncertainty.

TABLE OF CONTENTS

Citi was not requested to, and it did not, recommend or determine the specific consideration payable in the merger. The type and amount of consideration payable in the merger were determined through negotiations between MedEquities and Omega and the decision to enter into the merger agreement was solely that of the MedEquities Board. Citi's opinion was only one of many factors considered by the MedEquities Board in its evaluation of the merger and should not be viewed as determinative of the views of the MedEquities Board or MedEquities management with respect to the merger or the merger consideration (as defined in the Citi opinion and including the closing dividend).

Financial Analyses

The following is a summary of the material financial analyses prepared and reviewed with the MedEquities Board in connection with the rendering of Citi's opinion, dated January 1, 2019. The summary set forth below does not purport to be a complete description of the financial analyses performed by, and underlying the opinion of, Citi, nor does the order of the financial analyses described represent the relative importance or weight given to those financial analyses by Citi. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses, the tables must be read together with the text of each summary as the tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the financial analyses, could create a misleading or incomplete view of such financial analyses. Citi assumes no responsibility if future results are different from those described whether or not any such difference is material.

For purposes of the financial analyses described below, Citi calculated the merger consideration (as defined in its opinion and including the closing dividend) for purposes of its opinion, which we refer to herein as the implied merger consideration, to be \$10.47 which was derived by multiplying the closing price per share of Omega shares of \$35.15 on December 31, 2018, the last trading day prior to delivery of Citi's opinion, by the exchange ratio of 0.235 shares of Omega for each share of MedEquities to be issued pursuant to the merger, plus the \$2.00 in cash consideration and the closing dividend of \$0.21 in cash.

Where discussed, the approximate implied per share equity value reference ranges derived for MedEquities were based on the number of fully diluted shares outstanding (assuming, among other things, the conversion of outstanding in-the-money equity awards) as provided by the management of MedEquities. Financial data for MedEquities and Omega utilized in the financial analyses described below were based on, among other things, internal forecasts and estimates relating to MedEquities prepared by the management of MedEquities (referred to in this section as the "MedEquities forecasts").

Discounted Cash Flow Analysis

Citi performed a discounted cash flow analysis of MedEquities by calculating the estimated present value of the unlevered, after-tax free cash flows that MedEquities was expected to generate during the fiscal year ending December 31, 2019 through the full fiscal year ending December 31, 2023. Citi first calculated the estimated unlevered free cash flows by taking MedEquities' Adjusted EBITDA, less stock compensation expense (which for purposes of Citi's analysis was assumed to be a cash expense), acquisition costs, franchise, excise and other taxes, investments and capital expenditures, net mortgage investments and other cash adjustments of MedEquities. For purposes of its analysis, the estimated terminal value of MedEquities was calculated by applying a selected range of perpetuity growth rates of 0.0% to 1.0%, selected based on Citi's professional judgment and taking into account, among other things, the MedEquities forecasts and trends in the industry and markets in which MedEquities operates, to MedEquities' estimated unlevered, after-tax free cash flows for the terminal year of approximately \$49.8 million. The present values of the unlevered, after-tax free cash flows and the derived terminal value were adjusted for the forecasted changes in cash flow from net mortgage investments including mortgage loans and mortgage-related securities backed by such loans. The forecasted unlevered, after-tax free cash flows for MedEquities for the fiscal year ending December 31, 2023 and the derived terminal value were then discounted to present values, as of December 31, 2018, using discount rates ranging from 7.9% to 8.7% based upon an analysis of MedEquities' weighted average cost of capital, which Citi performed utilizing the capital asset pricing model with inputs that Citi determined were relevant based on publicly available data and Citi's professional judgment.

TABLE OF CONTENTS

Based on the above-described analysis, Citi derived a range of implied values per share for MedEquities as of December 31, 2018 of \$8.41 to \$12.08, as compared to the implied merger consideration of \$10.47.

Selected Public Companies Analysis

Using publicly available information, including (a) published estimates of calendar year 2019 earnings before interest, taxes, depreciation and amortization, which we refer to as EBITDA, (b) published estimates of calendar year 2019 FFO per share, and (c) published estimates of NAV per share, Citi reviewed and compared certain financial information for MedEquities to corresponding financial information, ratios and public market multiples, including certain multiple and percentages for EBITDA, FFO and NAV per share, for the following publicly traded corporations in the REIT industry (which we refer to collectively as the “MedEquities Selected Companies”):

- Omega Healthcare Investors, Inc.;

- Sabra Health Care REIT, Inc.;

- LTC Properties, Inc.;

- CareTrust REIT Inc.;

- Global Medical REIT Inc.;

- Medical Properties Trust, Inc.; and

- National Health Investors, Inc.

Citi selected the MedEquities Selected Companies based on its professional judgment and experience. Although none of the MedEquities Selected Companies are directly comparable to MedEquities, the companies were selected because they are publicly traded companies with operations or businesses that for purposes of analysis may be considered similar to certain operations of MedEquities.

With respect to each of the MedEquities Selected Companies, Citi calculated:

- the company’s FFO multiple, which was calculated by dividing the product of (i) the closing share price on December 31, 2018 multiplied by (ii) the number of fully diluted shares outstanding as of such date divided by the company’s estimated FFO for 2019 (which is based on such company’s consensus analyst forecast) (which we refer to collectively as the “FFO Multiple”);

- the company’s EBITDA multiple, which is calculated by dividing (i) the equity value plus debt and minority interests, less cash and cash equivalents by (ii) the company’s estimated EBITDA for 2019 (which is based on such company’s consensus analyst forecast) (which we refer to collectively as the “EBITDA Multiple”); and

- the percentage premium or discount of the company’s share price to its estimated NAV per share (which is based on such company’s consensus analyst forecast) (which we refer to collectively as the “NAV Premium/Discount”).

Financial data of the MedEquities Selected Companies were based on publicly available Wall Street research analysts' estimates, public filings and other publicly available information. Financial data of MedEquities was based on the MedEquities forecasts and public filings.

The following table presents the results of this analysis:

	FFO Multiple	EBITDA Multiple	NAV Premium/Discount
Omega Healthcare Investors, Inc.	11.4x	13.7x	50.5%
Sabra Health Care REIT, Inc.	7.9x	13.4x	5.4%
LTC Properties, Inc.	13.5x	15.0x	15.5%
CareTrust REIT Inc.	13.6x	13.6x	26.5%
Global Medical REIT Inc.	10.1x	11.7x	(13.9%)
Medical Properties Trust, Inc.	11.2x	12.1x	14.4%
National Health Investors, Inc.	13.5x	15.3x	16.3%

58

TABLE OF CONTENTS

Citi then applied selected ranges of FFO Multiple derived from the MedEquities Selected Companies of 7.9x to 13.6x to the corresponding management forecast of MedEquities of 2019 estimated FFO, selected ranges of EBITDA Multiples derived from the MedEquities Selected Companies of 11.7x to 15.3x to the corresponding management forecast of MedEquities of 2019 estimated EBITDA and selected ranges of NAV Premium/Discount derived from the MedEquities Selected Companies of (13.9%) to 50.5% to the corresponding range of management estimated MedEquities NAV. This analysis indicated the following implied per share equity value reference ranges for MedEquities, as compared to the implied merger consideration of \$10.47 per share:

Implied Per Share Equity Value Reference Range	Implied Merger Consideration
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FFO Multiple: \$7.75 – \$13.25

EBITDA Multiple: \$10.45 – 16.22

NAV Premium/Discount: \$9.35 – \$18.13 \$ 10.47

Selected Precedent Transactions Analysis

Using public filings and publicly available information, Citi reviewed financial data for the eight selected transactions set forth in the table below (which we collectively refer to as the “MedEquities Selected Transactions”). The MedEquities Selected Transactions were selected by Citi because they involved publicly traded companies within the REIT industry with, based on Citi’s experience with mergers and acquisitions, certain financial, operational or business characteristics that, in Citi’s view, made them sufficiently comparable to MedEquities, Omega and the merger or otherwise relevant for purposes of the comparison.

For each of the MedEquities Selected Transactions, Citi reviewed, among other things, the ratio of the target’s share premium or discount to the estimated NAV based on Wall Street consensus on the last day of trading prior to the announcement of the transaction.

Financial data of the MedEquities Selected Transactions were based on public filings and other publicly available information. The MedEquities Selected Transactions reviewed and the results of this analysis were as follows:

Announcement Date	Buyer	Target	Premium / (Disc.) to Consensus NAV
April 29, 2018	Prologis Inc.	DCT Industrial Trust Inc.	25.0%
June 9, 2017	Digital Realty Trust	DuPont Fabros Technology	27.8%
August 15, 2016	Mid-America Apartment Community	Post Properties, Inc.	10.7%
December 3, 2015	American Homes 4 Rent	American Residential Properties, Inc.	(19.0%)
November 8, 2015	Weyerhaeuser	Plum Creek Timber Co. Inc.	0.6%
October 31, 2014	Omega Healthcare Investors Inc.	Aviv REIT Inc.	57.5%

Citi applied the range of implied values derived from the MedEquities Selected Transactions of (19.0%) to 57.5% in the case of the premium or discount to the last consensus NAV to corresponding estimates of NAV range provided by MedEquities’ management. Based on this analysis, Citi derived a range of implied values per share for MedEquities of \$8.78 to \$18.98, as compared to the implied merger consideration of \$10.47.

Certain Additional Information

Citi also observed certain additional factors regarding MedEquities that were not considered part of Citi’s financial analyses with respect to its opinion but were referenced for informational purposes, including the following:

TABLE OF CONTENTS

- the estimated NAV of MedEquities' assets based on the MedEquities' forecasts provided by MedEquities management as well as publicly available Wall Street research analysts' estimates, which when calculated yielded implied per share equity value reference ranges of \$10.85 to \$12.05 per share and \$10.69 to \$11.27 per share, respectively;

- undiscounted publicly available Wall Street research analysts' price targets for MedEquities shares, which indicated standalone price targets for MedEquities shares of \$9.00 to \$10.50 per share;

- historical trading prices of MedEquities shares during the 52-week period ended December 31, 2018, which indicated low to high closing prices for MedEquities shares during such period of approximately \$6.27 to \$11.85 per share; and

- historical share premia for precedent transactions in the REIT industry against the last trade prior to announcement of the transaction, which when calculated yielded an implied per share equity value reference range for MedEquities of \$7.43 to \$8.26 per share.

Separately, for informational purposes only, Citi performed a series of additional analyses for Omega, including the following:

- an illustrative discounted cash flow analysis of Omega in which Citi calculated the estimated present value (as of December 31, 2018) of the standalone unlevered, after-tax free cash flows that Omega was expected to generate during the fiscal year ending December 31, 2019 through the full fiscal year ending December 31, 2023, based on the forecasts and estimates relating to Omega prepared and provided by Omega management. Citi performed this illustrative analysis by generally utilizing the methodology described in the section above under "— Discounted Cash Flow Analysis" and by applying estimates of Omega's weighted average cost of capital using discount rates ranging from 6.1% to 6.9%;

- an illustrative analysis for Omega based on all three Valuation Ratios based on the 2019 FFO, generally utilizing the methodology described in the section above under "— MedEquities Selected Public Companies Analysis", but excluding Omega from the applicable list of selected comparable public companies;

- the estimated net asset value of Omega's assets based publicly available Wall Street research analysts' estimates;

- undiscounted publicly available Wall Street research analysts' price targets for Omega shares; and

- historical trading prices of Omega shares during the 52-week period ended December 31, 2018.

Miscellaneous

MedEquities has agreed to pay Citi for its services in connection with the proposed merger an aggregate fee of approximately \$6.0 million, of which \$1.0 million was payable upon delivery of Citi's opinion and the remainder is payable contingent upon consummation of the merger. In addition, MedEquities agreed to reimburse Citi for certain expenses, including reasonable fees and expenses of counsel, and to indemnify Citi and certain related parties against liabilities, including liabilities under federal securities laws, arising from Citi's engagement.

As the MedEquities Board was aware, Citi and its affiliates in the past have provided, and are currently providing, services to MedEquities unrelated to the proposed merger, for which services Citi and its affiliates have received and expect to receive compensation, including, without limitation, during the two year period prior to the date of its opinion, having acted in February 2017 as a counterparty for an interest rate swap arrangement with MedEquities on a \$125 million variable rate term loan and having acted as one of the lenders under MedEquities' existing \$300 million revolving credit facility and term loan, both of which were last refinanced in February 2017 and have subsequently been amended. Citi and its affiliates received during such two year period aggregate fees of approximately \$1.5 million from MedEquities for investment banking services. Citi and its affiliates have not provided, and as of the date of its opinion did not provide, any services to Omega. In the ordinary course of its business, Citi and its affiliates may actively

60

TABLE OF CONTENTS

trade or hold the securities of MedEquities and Omega for its own account or for the account of its customers and, accordingly, may at any time hold a long or short position in such securities. In addition, Citi and its affiliates (including Citigroup Inc. and its affiliates) may maintain relationships with MedEquities, Omega and their respective affiliates.

MedEquities selected Citi to act as financial advisor in connection with the proposed merger based on Citi's reputation, experience and familiarity with MedEquities, Omega and their respective businesses. Citi is an internationally recognized investment banking firm that regularly engages in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes.

Certain MedEquities Unaudited Prospective Financial Information

Other than historically providing periodic earnings guidance, MedEquities does not, as a matter of course, make public management's forecasts or projections of future performance or earnings. In connection with the proposed merger, MedEquities has determined to make available to its stockholders projections of its anticipated future operating performance for the fiscal years ending December 31, 2019 through December 31, 2023. These projections were provided to the MedEquities Board in connection with its review of the proposed merger and to MedEquities' financial advisor, Citi, for its use and reliance in connection with its financial analyses and opinion as described in the section entitled "Opinion of MedEquities' Financial Advisor." The projections were prepared on an accounting basis consistent with MedEquities' financial statements; however, the projections were not prepared with a view toward public disclosure or compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for prospective financial information or GAAP). MedEquities' independent registered public accounting firm has not compiled or examined any of the projections or expressed any conclusion or provided any form of assurance with respect to the projections and, accordingly, assumes no responsibility for them. The projections included below are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act and are subject to risks and uncertainties that could cause actual results to differ materially from those statements and should be read with caution. They are subjective in many respects and thus susceptible to interpretations and periodic revisions based on actual experience and recent developments. While presented with numerical specificity, the projections were not prepared by MedEquities in the ordinary course and are based upon a variety of estimates and hypothetical assumptions made by MedEquities' management with respect to, among other things, general economic, market, interest rate and financial conditions, the availability and cost of capital for future investments, MedEquities' ability to lease its facilities at current or anticipated rents, the timing of borrowers repaying MedEquities' mortgage investments, changes in the supply of and demand for its properties, risks and uncertainties associated with the development and acquisition of properties, competition within the healthcare real estate industry, real estate and market conditions, and those risks and uncertainties described in MedEquities' Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and current reports on Form 8-K filed with the SEC. See "Caution About Forward-Looking Statements".

None of the assumptions underlying the projections may be realized, and they are inherently subject to significant business, economic and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond MedEquities' control. Accordingly, there can be no assurance that the assumptions made in preparing the projections will prove accurate, and actual results may materially differ. In addition, the projections do not take into account any of the transactions contemplated by the merger agreement, including the merger, which also may cause actual results to materially differ.

For these reasons, as well as the bases and assumptions on which the projections were compiled, the inclusion of the information set forth below should not be regarded as an indication that the projections will be an accurate prediction of future events, or that any recipient of the projections considered, or now considers, them to be necessarily predictive of actual future events, and they should not be relied on as such. The financial projections shown in the table below are included solely to provide MedEquities' stockholders access to certain financial projections that were made available to the MedEquities Board and

TABLE OF CONTENTS

Citi in connection with the proposed merger. The financial projections are not included in this proxy statement/prospectus to influence a MedEquities' stockholder's decision whether to vote for the merger and the other transactions contemplated by the merger agreement or for any other purpose. None of MedEquities, Omega or any of their respective affiliates, advisors or other representatives has made, or makes, any representation to any stockholder regarding the information contained in the projections and, except as required by applicable securities laws, neither MedEquities nor Omega intends to update or otherwise revise the projections to reflect circumstances existing after the date when made or to reflect the occurrences of future events even in the event that any or all of the assumptions are shown to be in error.

MedEquities uses financial information that has not been prepared in accordance with GAAP, including net operating income (which we refer to as "NOI"), Adjusted EBITDA and FFO. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

MedEquities' calculation of non-GAAP financial measures may differ from other REITs and NOI, Adjusted EBITDA and FFO are not necessarily comparable with similarly titled metrics used by other companies.

The following table summarizes the financial projections of MedEquities' management for the fiscal years ending December 31, 2019 through December 31, 2023 with respect to rental income, net, NOI, mortgage interest income, Adjusted EBITDA, FFO and unlevered free cash flow (dollars in millions):

	2019E	2020E	2021E	2022E	2023E
Rental income, net	\$ 56.2	\$ 63.7	\$ 65.3	\$ 66.6	\$ 68.0
NOI(1)	55.1	62.4	64.0	65.3	66.6
Mortgage interest income	3.7	0.8	0.6	0.6	0.3
Adjusted EBITDA(2)	53.6	58.6	58.6	58.2	57.7
FFO(3)	31.1	33.6	33.5	32.1	32.4
Unlevered free cash flow(4)	29.0	29.2	49.3	49.9	55.4

(1)

MedEquities defines NOI as cash rental income (i.e., without adjustments to rental income for the effects of straight line rent), less property-related operating expenses. The NOI presented does not give net effect to noncontrolling interest.

(2)

Below are the line items used to calculate Adjusted EBITDA. MedEquities defines Adjusted EBITDA as net income available to common stockholders plus stock-based compensation expense, acquisition costs, franchise, excise and other taxes, depreciation and amortization, interest expense and net income attributable to noncontrolling interest.

	2019E	2020E	2021E	2022E	2023E
Net Income Available to Common Stockholders	\$ 13.1	\$ 13.7	\$ 13.4	\$ 12.1	\$ 12.3
Stock-based Compensation Expense	2.3	2.5	2.7	2.7	2.7
Acquisition Costs	0.1	—	—	—	—
Franchise, Excise and Other Taxes	0.3	0.3	0.3	0.3	0.3
Depreciation and Amortization	18.5	20.5	20.6	20.6	20.6
Interest Expense	15.4	17.6	17.5	18.5	17.7
Net Income Attributable to Noncontrolling Interest	3.9	3.9	4.0	4.0	4.1
Adjusted EBITDA	\$ 53.6	\$ 58.6	\$ 58.6	\$ 58.2	\$ 57.7

(3)

For a definition of FFO, see “Selected Historical Financial Data — Selected Historical Financial Information of MedEquities.”

(4)

Below are the line items used to calculate unlevered free cash flows. Unlevered free cash flow is defined as Adjusted EBITDA, less stock-based compensation expense, less acquisition costs, less franchise, excise and other taxes, less investments and capital expenditures, less non-cash interest income, less straight-line rental revenue, less net income attributable to noncontrolling interest and plus repayment of MedEquities’ mortgage investments.

62

TABLE OF CONTENTS

	2019E	2020E	2021E	2022E	2023E
Adjusted EBITDA	\$ 53.6	\$ 58.6	\$ 58.6	\$ 58.2	\$ 57.7
Stock Compensation Expense(a)	(2.3)	(2.5)	(2.7)	(2.7)	(2.7)
Acquisition Costs	(0.1)	—	—	—	—
Franchise, Excise and Other Taxes	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Investments & Capital Expenditures	(31.8)	(44.0)	—	—	—
Net Mortgage Investments	20.1	25.4	0.7	0.8	5.9
Other Cash Adjustments(b)	(10.3)	(8.0)	(7.1)	(6.1)	(5.2)
Unlevered Free Cash Flows	\$ 29.0	\$ 29.2	\$ 49.3	\$ 49.9	\$ 55.4

(a)

Assumes stock compensation expense is a cash expense.

(b)

Other Cash Adjustments include non-cash interest income, straight line rent adjustments and net income attributable to noncontrolling interest.

The inclusion of selected elements of the financial projections in the tables and accompanying narrative above should not be regarded as an indication that MedEquities and/or any of its affiliates, officers, directors, advisors or other representatives consider the financial projections to be necessarily predictive of actual future events, and this information should not be relied upon as such. MedEquities and/or its affiliates, officers, directors, advisors or other representatives do not give any stockholder or any other person any assurance that the financial results in the financial projections will be realized or that actual results will not differ materially from the financial projections. MedEquities has made no representation to Omega, its affiliates or any other party concerning the financial projections in the merger agreement or any other agreement.

Interests of MedEquities' Directors and Executive Officers in the Merger

When considering the recommendation of the MedEquities Board, you should be aware that MedEquities' directors and executive officers have interests in the merger other than their interests as stockholders of MedEquities generally. These interests may be different from, or in conflict with, your interests as a MedEquities stockholder. The members of the MedEquities Board were aware of these additional interests, and considered them when they approved the merger agreement, and in recommending to MedEquities' stockholders that the merger be approved. Interests of MedEquities' directors and executive officers that may be different from or in addition to the interests of MedEquities' stockholders include:

- MedEquities' executive officers are entitled to severance entitlements under their employment agreements if their employment is terminated in a qualifying termination following closing of the merger;

- MedEquities' executive officers are eligible to receive lump sum payments under retention agreements, payable as soon as the eighth day following the closing of the merger;

- the unvested restricted shares of MedEquities common stock held by MedEquities' directors and executive officers will vest upon closing of the merger; and

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MedEquities' directors and executive officers are entitled to continued indemnification, expense advancement and insurance coverage under the merger agreement.

MedEquities is an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 and may take advantage of certain exemptions from reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to, reduced reporting requirements regarding executive compensation and an exemption from the requirement of Sections 14A(a) and (b) of the Securities Act to hold a non-binding advisory vote on the compensation payable to MedEquities' executive officers in connection with the merger.

63

TABLE OF CONTENTS

Employment Agreements

Each of MedEquities' current executive officers entered into employment agreements with MedEquities in September 2016 under which they are entitled to severance payments if there is a termination of employment by MedEquities without cause (as defined in the employment agreements), by the executive for good reason (as defined in the employment agreements), or as a result of MedEquities' non-renewal of the employment agreement term (which we refer to below as a qualifying termination), in each case, following a change in control (as defined in the employment agreements). The employment agreements provide for reduced severance if the termination occurs following a change in control that constitutes an unfavorable limited change in control (as defined in the employment agreements). The consummation of the merger will constitute an unfavorable limited change in control under the employment agreements.

If the executive officer's employment is terminated in a qualifying termination following an unfavorable limited change in control, in addition to payment of (i) all accrued but unpaid wages through the termination date; (ii) all accrued but unused vacation through the termination date; (iii) all approved, but unreimbursed, business expenses; and (iv) any earned and accrued but unpaid bonuses, the executive officer would be entitled to the following:

- severance payments equal to the sum of one and one-half times (1.5x) the executive officer's (A) then current base salary and (B) average annual bonus for the two annual bonus periods completed prior to termination (or target bonus for any fiscal year not yet completed), paid monthly in equal installments over twelve months; and

- reimbursement for any COBRA continuation coverage premiums required for the coverage of the executive (and his eligible dependents) under MedEquities' major medical group health plan, for a period of 18 months (or, for Messrs. McRoberts and Harlan, for such longer period, up to 24 months, that the executive and his dependents are eligible for COBRA continuation coverage) or until the executive is employed by a third party that provides comparable coverage at no cost to the executive entitled to COBRA coverage.

The executive officers' entitlement to the severance payments is conditioned on the executive officer executing, and not revoking, a general release of claims and complying with the post-termination restrictive covenants in the employment agreements, which includes confidentiality, non-solicitation and non-competition covenants.

The following table presents estimates of the severance payments, including the COBRA continuation coverage premium reimbursements, each executive officer would receive in connection with a qualifying termination of employment following the merger pursuant to their employment agreements:

Executive Officer	Estimated Maximum Severance(1)
John W. McRoberts	\$ 923,267
William C. Harlan	931,817
Jeffery C. Walraven	811,425

(1)

Estimates are based on the executive officers' current annual base salaries and 2017 and 2018 annual bonuses, and assume COBRA premiums are reimbursed for the maximum period provided for under the agreements.

Retention Incentive Award Agreements

In connection with the entry into the merger agreement, MedEquities entered into retention incentive award agreements with each of its executive officers, which we refer to as the retention agreements. Pursuant to the retention agreements, if the merger is consummated, Messrs. McRoberts, Harlan and Walraven will be paid cash awards of \$486,000, \$186,000 and \$121,000, respectively, in each case subject to the satisfaction of the terms and conditions of the applicable retention agreement, which include (i) being

TABLE OF CONTENTS

employed by MedEquities or an affiliate and in good standing on the closing date of the merger (or having terminated employment due to death or disability before the closing date), (ii) executing and not revoking a general release of claims, and (iii) complying with confidentiality covenants in the retention agreements.

Treatment of Outstanding Equity Awards

Each outstanding restricted share of MedEquities common stock held by MedEquities' directors and executive officers, whether vested or unvested, that is issued and outstanding immediately prior to the merger effective time will vest in full (if not already vested) and be cancelled and retired and automatically converted into the right to receive the merger consideration, including any fractional share consideration due with respect thereto, any dividend or distributions payable pursuant to the terms of the merger agreement with respect to dividends or distributions by Omega after the merger effective time, and the closing dividend.

Each outstanding MedEquities restricted stock unit will be cancelled and retired and automatically forfeited at the merger effective time and no consideration will be paid with respect thereto. The employment agreements also provide that, in the event of a "change in control" that is an "unfavorable limited change in control," all of the executive officer's outstanding unvested time-vesting restricted stock awards will vest, but all of the executive's unvested performance-vesting restricted stock units will be immediately forfeited.

The following table includes the number of restricted shares of MedEquities common stock held by MedEquities' executive officers and directors as of the date of this proxy statement/prospectus and the estimated value to be received for such restricted shares, assuming continued employment through the date of the closing of the merger:

Name	Outstanding MedEquities Restricted Shares	Estimated Value of Accelerated Vesting of Unvested Restricted Shares(1)
Named Executive Officer:		
John W. McRoberts	25,751	\$ 277,525
William C. Harlan	25,751	277,525
Jeffery C. Walraven	13,168	141,915
Non-Employee Director:		
Randall L. Churchey	6,708	72,294
John N. Foy	6,708	72,294
Steven I. Geringer	6,708	72,294
Stephen L. Guillard	6,708	72,294
Elliott Mandelbaum	4,456	48,023
Todd W. Mansfield	4,456	48,023

(1)

Estimates are based on the exchange ratio of 0.235 and assume a price per share of \$37.35 for each share of Omega common stock, which represents the closing price for shares of Omega common stock on the most recent practicable date prior to the filing of this proxy statement/prospectus, plus the \$2.00 per share of MedEquities common stock to be paid in cash. Accordingly, the actual value received by the executive officers and directors may be greater or less than those provided above.

Indemnification and Insurance

MedEquities' charter and bylaws authorize it, and its bylaws require it, to indemnify each present and former director or officer to the maximum extent permitted by Maryland law, in the defense of any proceeding to which he or she is

made, or threatened to be made, a party by reason of his or her service to MedEquities. In addition, MedEquities is party to indemnity agreements with each of its directors and executive officers that require MedEquities, among other obligations, to indemnify its directors and

65

TABLE OF CONTENTS

executive officers against certain liabilities that may arise by reason of their status or service as directors or executive officers. Omega has agreed that each such indemnification obligation, under Maryland law and under the indemnification agreements, will become the joint and several obligations of Omega, the surviving entity and any applicable Omega subsidiary and will survive the merger and continue in full force and effect for a period of six years from the merger effective time.

In addition each of MedEquities and Omega has agreed that MedEquities will indemnify and hold harmless and provide advancement of expenses to, and after the merger effective time, Omega will indemnify and hold harmless and provide advancement of expenses to, each MedEquities officer and director in defense of any proceeding arising out of or pertaining to his or her role as an officer or director or in connection with the negotiation, execution or performance of the merger agreement or any related agreement or transaction contemplated thereby, to the fullest extent permitted by law. Omega is also required to direct the surviving entity to obtain a policy of directors' and officers' liability insurance for the benefit of MedEquities' officers and directors for six years following completion of the merger.

See "The Merger Agreement — Indemnification; Directors' and Officers' Insurance."

Summary of Merger-Related Compensation

The table below includes the merger-related compensation for each of MedEquities' executive officers, which is described in more detail above:

Name	Estimated Maximum Severance(1)	Estimated Value of Accelerated Vesting of Unvested Restricted Shares(2)	Retention Award	Total
John W. McRoberts	\$ 923,267	\$ 277,525	\$ 486,000	\$ 1,686,792
William C. Harlan	931,817	277,525	186,000	1,395,342
Jeffery C. Walraven	811,425	141,915	121,000	1,074,340

(1)

Estimates are based on the executive officers' current annual base salaries and 2017 and 2018 annual bonuses, and assume COBRA premiums are reimbursed for the maximum period provided for under the agreements.

(2)

Estimates are based on the exchange ratio of 0.235 and assume a price per share of \$37.35 for each share of Omega common stock, which represents the closing price for shares of Omega common stock on the most recent practicable date prior to the filing of this proxy statement/prospectus. Accordingly, the actual value received by the executive officers may be greater or less than those provided above. For more information, see "— Treatment of Outstanding Equity Awards" above.

Regulatory Approvals

Omega and MedEquities have each agreed to use their reasonable best efforts to take all actions and to do all things necessary, proper or advisable to consummate and make effective the merger and the other transactions contemplated by the merger agreement.

The parties' respective obligations to complete the merger are conditioned, among other matters, upon (i) the absence of any temporary restraining order, preliminary or permanent injunction or other legal restraint, prohibition or binding order of any court of competent jurisdiction that prohibits the merger, (ii) the absence of any material statute, material rule or material regulation which makes the consummation of the merger illegal and (iii) the SEC having declared effective the registration statement of which this proxy statement/prospectus forms a part, with no stop order in effect and no proceeding by the SEC seeking a stop order.

TABLE OF CONTENTS

Listing of Omega Common Stock in the Merger

It is a condition to the completion of the merger that the Omega common stock issuable in connection with the merger be approved for listing on NYSE, subject to official notice of issuance.

De-Listing and Deregistration of MedEquities Common Stock

Pursuant to the merger agreement, when the merger is completed, the MedEquities common stock currently listed on the NYSE will cease to be listed on the NYSE and will be deregistered under the Exchange Act.

67

TABLE OF CONTENTS

THE MERGER AGREEMENT

The following is a summary of the material terms of the merger agreement. This summary and the descriptions of the merger agreement and merger included elsewhere in this proxy statement/prospectus are qualified in their entirety by reference to the complete text of the merger agreement, a copy of which is attached as Annex A and is incorporated by reference into this proxy statement/prospectus. This summary does not purport to be complete and may not contain all of the information about the merger agreement that is important to you. The rights and obligations of the parties are governed by the express terms and conditions of the merger agreement and not by the following summary or any other information contained in this proxy statement/prospectus. You are encouraged to read the merger agreement carefully and in its entirety before making any decisions regarding the merger agreement and the merger.

This summary is included in this proxy statement/prospectus only to provide you with information regarding the terms and conditions of the merger agreement, and not to provide any other factual information about Omega or MedEquities or their respective subsidiaries or businesses. Factual disclosures about Omega and MedEquities contained in this proxy statement/prospectus or in the public reports of Omega and MedEquities filed with the SEC may supplement, update or modify the factual disclosures about Omega and MedEquities contained in the merger agreement. The merger agreement contains representations, warranties and covenants by Omega, on the one hand, and by MedEquities, on the other hand. Such representations, warranties and covenants are qualified and subject to important limitations agreed to by Omega and MedEquities. In particular, in your review of the representations and warranties contained in the merger agreement and described in this summary and elsewhere in this proxy statement/prospectus, it is important to bear in mind that the representations and warranties were negotiated with the principal purpose of establishing circumstances in which a party to the merger agreement may have the right not to consummate the merger if the representations and warranties of the other party prove to be untrue due to a change in circumstance or otherwise, and allocating risk between the parties to the merger agreement, rather than establishing matters as facts. The representations and warranties also may be subject to a contractual standard of materiality different from that generally applicable to stockholders and reports and documents filed with the SEC, and certain of the representations and warranties were qualified by the matters contained in the confidential disclosure letters that Omega and MedEquities each delivered in connection with the merger agreement in addition to certain documents filed with the SEC. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this proxy statement/prospectus, may have changed since the date of the merger agreement. The representations and warranties in the merger agreement will not survive the completion of the merger.

For the foregoing reasons, the representations and warranties or any descriptions of those provisions should not be read alone or relied upon as characterizations of the actual state of facts or condition of Omega or MedEquities or any of their respective subsidiaries or businesses. Instead, such provisions or descriptions should be read only in conjunction with the other information provided elsewhere in this proxy statement/ prospectus or incorporated by reference into this proxy statement/prospectus. See “Where You Can Find More Information”.

Date of the Merger Agreement

The merger agreement was executed by Omega and the Omega OP, on the one hand, and MedEquities, the MedEquities GP and the MedEquities OP, on the other hand, on January 2, 2019.

Structure of the Merger

Pursuant to the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, at the merger effective time, MedEquities will merge with and into Omega, with Omega continuing as the surviving company in the merger. As a result of the merger, Omega will succeed to and assume all of the rights and obligations of MedEquities.

Immediately following the merger effective time, Omega will contribute all of the assets of MedEquities, which in substantial part consist of 100% of the issued and outstanding equity interests in the MedEquities OP, to the Omega OP.

TABLE OF CONTENTS

Merger Consideration

Pursuant to the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, at the merger effective time, each share of MedEquities common stock (other than shares held by Omega, MedEquities or their respective wholly owned subsidiaries, which shares shall automatically be cancelled and retired and will cease to exist with no consideration being delivered in exchange therefor) that is issued and outstanding immediately prior to the merger effective time will be cancelled and retired and automatically converted into the right to receive:

- 0.235 of a share of Omega common stock (which we refer to as the “exchange ratio”), subject to adjustment under certain limited circumstances as described below, plus the right to receive cash in lieu of any fractional shares of Omega common stock; and

- an amount in cash equal to \$2.00, subject to adjustment under certain limited circumstances as described below.

In the event of a stock split, reverse stock split, subdivision, stock dividend, reorganization, recapitalization, reclassification, combination, exchange of shares or other like change with respect to MedEquities common stock or Omega common stock prior to the merger effective time, the merger consideration described above will be adjusted appropriately to reflect the same economic effect as contemplated in the merger agreement prior to such event.

Closing Dividend

The merger agreement provides that MedEquities will declare a special dividend (which we refer to as the “closing dividend”) of \$0.21 per share of MedEquities common stock payable to the holders of record of MedEquities common stock as of the end of trading on the NYSE on the trading day immediately prior to the closing date of the merger. The closing dividend will be payable together with the cash consideration from the merger. The closing dividend will be paid by Omega or, if requested by Omega and subject to certain conditions, including the availability of funds of MedEquities, by MedEquities.

Treatment of Restricted Shares and Restricted Stock Units

At the merger effective time, upon the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, outstanding MedEquities equity awards will be treated as follows:

- **Restricted Stock.** Each outstanding share of MedEquities restricted stock, whether vested or unvested, will vest in full (if not already vested) and be cancelled and retired and automatically converted into the right to receive the merger consideration, including any fractional share consideration due with respect thereto, any dividend or distributions payable pursuant to the terms of the merger agreement with respect to any dividends or distributions by Omega after the merger effective time and prior to the receipt of the merger consideration by any holder and the closing dividend.

- **Restricted Stock Units.** Each outstanding MedEquities restricted stock unit will be cancelled and retired and automatically forfeited at the merger effective time and no consideration will be paid with respect thereto.

Closing and Effective Time of the Merger

Unless the parties otherwise agree in writing, upon the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, the closing of the merger will take place no later than the third business day after the satisfaction or waiver of the conditions set forth in the merger agreement (other than those conditions that by their nature are to be satisfied or waived at the closing, but subject to the satisfaction or waiver of such conditions at the closing).

Upon the terms and subject to the satisfaction or waiver of the conditions set forth in the merger agreement, the merger will become effective at the time the articles of merger are accepted for record by the State Department of Assessments and Taxation of Maryland, or on such later date and time (not to exceed five business days from filing) as agreed to by Omega and MedEquities and specified in the articles of merger.

TABLE OF CONTENTS

The merger is expected to be completed in the first half of 2019. However, the parties cannot predict the exact timing of the completion of the merger or whether the merger will be completed at an earlier or later time, as agreed by the parties, or at all.

Organizational Documents; Directors and Officers

Omega's charter and bylaws, as in effect immediately prior to the merger effective time, will be the charter and bylaws of Omega, as the surviving corporation in the merger.

The directors and officers of Omega immediately prior to the merger effective time will be the directors and officers of Omega, as the surviving corporation in the merger.

Exchange of Shares in the Merger

Prior to the mailing of MedEquities' proxy statement relating to the merger, Omega will appoint a U.S. bank or trust company that is reasonably acceptable to MedEquities to act as exchange agent in connection with the merger and to handle the exchange of shares of MedEquities common stock for the merger consideration.

Prior to the merger effective time, Omega will deposit or cause to be deposited with the exchange agent (i) an aggregate number of shares of Omega common stock equal to the number of shares to be issued as merger consideration, and (ii) cash in an amount sufficient to pay the cash portion of the merger consideration, any cash payable in lieu of issuance of fractional shares of Omega common stock, and the closing dividend, in each case, to be held in trust for the benefit of the MedEquities stockholders.

Promptly after the merger effective time, but in no event later than five business days after the merger effective time, the exchange agent will send to each holder of record of MedEquities common stock, whose shares were exchanged pursuant to the merger agreement for the merger consideration, instructions for effecting the exchange of such shares for the merger consideration.

No fractional shares of Omega common stock will be issued upon the conversion of shares of MedEquities common stock. Any holder of MedEquities common stock otherwise entitled to receive a fractional share of Omega common stock pursuant to the merger agreement will be entitled to receive an amount in cash determined by multiplying (i) the amount of the fractional share interest in a share of Omega common stock to which such holder is entitled under the merger agreement, and (ii) the closing sale price of Omega common stock as reported on the consolidated tape at the close of the NYSE regular session of trading on the last trading day immediately preceding the merger effective time. Any shares of Omega common stock and any funds that had been made available to the exchange agent for the payment of the merger consideration that have not been disbursed to MedEquities stockholders (and are not pending disbursement) within twelve months after the merger effective time will be delivered to Omega. Thereafter, holders will be entitled to look only to Omega (subject to abandoned property, escheat or other similar laws) as general creditors thereof with respect to the payment of any merger consideration that may be payable in respect of any MedEquities common stock held by such holders, pursuant to and in accordance with the merger agreement, without any interest thereon. Any amounts remaining unclaimed by such holders as of the date on which the merger consideration would otherwise escheat to or become property of any governmental authority shall become, to the extent permitted by applicable law, the property of Omega, free and clear of all claims or interest of any person previously entitled thereto.

The stock transfer books of MedEquities will be closed at the merger effective time and after the merger effective time there will be no transfers on the stock transfer records of MedEquities of any shares of MedEquities common stock that were outstanding prior to the merger effective time.

Representations and Warranties

The Omega parties, on the one hand, and the MedEquities parties, on the other hand, made representations and warranties to each other in the merger agreement. The representations and warranties described below and included in the merger agreement were made only for purposes of the merger agreement and as of specific dates, may be subject to a contractual standard of materiality different from

TABLE OF CONTENTS

what might be viewed as material to stockholders, and may be subject to limitations agreed upon by the parties, including being qualified by disclosures filed with or furnished to the SEC and the confidential disclosure letters exchanged by the parties in connection with the execution of the merger agreement. The representations and warranties contained in the merger agreement were solely for the benefit of the parties to the merger agreement and should not be relied upon as characterizations of the actual state of facts or condition of any party or any of their respective subsidiaries, affiliates or businesses. The following is a description of certain of the representations and warranties of the parties contained in the merger agreement:

- organization, corporate power, qualification and subsidiaries;
- delivery of organizational documents;
- capitalization and the absence of certain rights to purchase or acquire securities of the applicable party and its subsidiaries;
- power and authority to enter into the merger agreement and related documents and to consummate the merger and the other transactions contemplated by the merger agreement;
- the absence of conflicts with, or violations of, organizational documents, applicable law or other contractual obligations as a result of the merger;
- required governmental and other regulatory filings, consents and approvals in connection with the merger;
- compliance with applicable laws and possession of applicable permits;
- SEC filings and financial statements, including implementation and maintenance of disclosure controls;
- absence of certain changes or events since January 1, 2018;
- absence of undisclosed liabilities;
- absence of default under organizational documents and indebtedness instruments;
- absence of certain litigation;
- the payment of taxes, the filing of tax returns and other tax matters, including qualification as a REIT and no awareness of any fact or circumstance that could reasonably be expected to prevent the merger from qualifying as a “reorganization” within the meaning of Section 368(a) of the Code;

- employee benefits plans and other employee arrangements;
- environmental matters;
- owned and leased real property;
- vote required to approve the merger agreement and the other transactions contemplated by the merger agreement;
- broker's and investment bankers' fees payable in connection with the merger;
- status under the Investment Company Act of 1940;
- inapplicability of takeover statutes; and
- absence of certain related party transactions.

In addition, the Omega parties made certain additional representations with respect to sufficiency of funds necessary to complete the merger, and the MedEquities parties made certain additional representations with respect to:

- the absence of off-balance sheet arrangements;
- labor and employment matters;

TABLE OF CONTENTS

- ownership or rights with respect to intellectual property;
- certain material contracts;
- leases, rent rolls, development contracts, management agreements and property compliance matters;
- healthcare law compliance;
- insurance matters; and
- the opinion of MedEquities' financial advisor.

Definition of "Material Adverse Effect"

Certain representations and warranties of the MedEquities parties and the Omega parties are qualified by a "material adverse effect" standard (that is, they generally will not be deemed to be untrue or incorrect unless their failure to be true or correct, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect). Generally, "material adverse effect" means, with regard to Omega or MedEquities, as applicable, any change, effect, development, circumstance, condition, state of facts, event or occurrence that, individually or in the aggregate, (a) has had or would have a material adverse effect on the condition (financial or otherwise), business, properties, assets, liabilities or results of operations of the applicable party and its subsidiaries, taken as a whole, or (b) would prevent, materially delay or materially impair the ability of the applicable party to consummate the merger on or prior to June 30, 2019, other than (with respect to clause (a)):

- changes after the date of the merger agreement in general United States or global financial, social or economic conditions or effects on capital, financial, credit or securities markets generally (including changes in interest or exchange rates) to the extent that such effects do not disproportionately have a greater adverse impact on the applicable party or its subsidiaries, taken as a whole, relative to other similarly situated participants in the industries and in the geographic regions in which such party and its subsidiaries operate;
- changes after the date of the merger agreement to the industries in which the applicable party and its subsidiaries operate;
- changes after the date of the merger agreement in GAAP (or any interpretation thereof) to the extent that such changes do not disproportionately have a greater adverse impact on the applicable party or its subsidiaries, taken as a whole, relative to other similarly situated participants in the industries in which such party and its subsidiaries operate generally;
- the adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal of any applicable law of or by any governmental authority after the date of the merger agreement to the extent that such adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal does not disproportionately have a greater adverse impact on the applicable party or its subsidiaries, taken as a whole,

relative to other similarly situated participants in the industries and in the geographic regions in which the applicable party and its subsidiaries operate generally;

- any actions taken, or the failure to take any action, if such action or such failure to take action is at the written request or with the prior written consent of the other party;
- any effect attributable to the negotiation, execution or announcement of the merger agreement, the merger and the other transactions contemplated by the merger agreement, including any litigation arising therefrom;
- any failure by the applicable party to meet any internal or published projections, estimates or expectations of such party's revenue, earnings or other financial performance metrics or results of operations for any period, in and of itself, or any failure by such party to meet its internal budgets,

TABLE OF CONTENTS

plans or forecasts of its revenues, earnings or other financial performance or results of operations, in and of itself (it being understood that the facts or occurrences giving rise or contributing to such failure and that are not otherwise excluded from the definition of a “material adverse effect” may be taken into account);

- any effects after the date of the merger agreement arising out of changes in geopolitical conditions, acts of terrorism or sabotage, the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions or other force majeure events, including any material worsening of such conditions threatened or existing as of the date of the merger agreement;

- any reduction in the credit rating of the applicable party or its subsidiaries, in and of itself (it being understood that the facts or occurrences giving rise or contributing to such reduction and that are not otherwise excluded from the definition of a “material adverse effect” may be taken into account); and

- with respect to a “company material adverse effect” that relates to the MedEquities parties only, any effects resulting from or relating to certain matters set forth in MedEquities’ confidential disclosure letter.

Conduct of MedEquities’ Business Pending the Merger

MedEquities has agreed to certain covenants in the merger agreement restricting the conduct of its business between the date of the merger agreement and the earlier of the merger effective time or the termination of the merger agreement. In general, except as expressly contemplated by the merger agreement or as required by applicable law, or with the prior written consent of Omega (which consent shall not be unreasonably withheld, delayed or conditioned), MedEquities has agreed to (i) conduct its business in all material respects in the ordinary course of business consistent with past practices, and (ii) use reasonable best efforts to (A) maintain its material assets and properties in their current condition (normal wear and tear excepted), (B) preserve intact in all material respects its current business organization, goodwill, ongoing business and business relationships, including relationships with governmental entities, (C) provided it does not require additional compensation, keep available the services of its present officers, (D) maintain all current insurance policies, and (E) maintain the status of MedEquities as a REIT.

In addition, MedEquities has agreed to specific restrictions on the conduct of its business between the date of the merger agreement and the earlier of the merger effective time or termination of the merger agreement, except as expressly contemplated by the merger agreement, where consented to in writing by Omega or required by applicable law. MedEquities has agreed that it will not, and will not permit any of its subsidiaries to, take any of the following actions (subject, in each case, to exceptions specified below and in the merger agreement or previously disclosed in writing to Omega as provided in the merger agreement):

- amend or propose to amend its certificate of incorporation, bylaws or comparable governing documents of its subsidiaries;

- split, combine, reclassify, subdivide or otherwise amend the terms of its capital stock or other equity securities or ownership interests of MedEquities or its subsidiaries (other than any wholly owned subsidiary);

- declare, set aside or pay any dividend or distribution with respect to shares of its capital stock or the shares of capital stock or equity securities of any subsidiary, except for (i) dividends necessary to maintain MedEquities’ status as a REIT, (ii) regular quarterly dividends in an amount not to exceed \$0.21 per share, provided, that MedEquities is not permitted to pay any dividend with respect to the third quarter of 2018, (iii) the closing dividend, (iv) dividends or other distributions by any wholly owned subsidiary to MedEquities or any other subsidiary, (v) dividends with respect to units of limited partnership in the MedEquities OP as required under the MedEquities OP’s organizational

documents, and (vi) distributions by any subsidiary that is not wholly owned by MedEquities, as required under its organizational documents;

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redeem, repurchase or otherwise acquire any outstanding shares of its capital stock or other equity interests of MedEquities or its subsidiaries, other than (i) in connection with the surrender

TABLE OF CONTENTS

of shares of common stock by holders of MedEquities' restricted shares and restricted stock units to satisfy withholding tax obligations, (ii) the repurchase of "excess shares" pursuant to MedEquities' charter, or (iii) in connection with the redemption or repurchase by a wholly owned subsidiary of its own securities;

- issue, sell, pledge, dispose, encumber or grant any shares of capital stock or other equity interests in MedEquities or any of its subsidiaries, or any options, warrants, convertible securities or other rights of any kind to acquire any shares of MedEquities' or any of its subsidiaries' shares of capital stock or other equity interests, except for (i) certain affiliate transactions, and (ii) issuances of shares of MedEquities' common stock upon the vesting of restricted stock units in certain limited circumstances that require Omega's consent;

- acquire or agree to acquire any real property, personal property or business organization or division or material amount of assets thereof other than personal property at a total cost of less than \$500,000 in each instance or \$1,000,000 in the aggregate;

- sell, mortgage, pledge, transfer, dispose of or encumber, or effect a deed in lieu of foreclosure with respect to, any real property or any material amount of other non-real property assets, except for (i) certain affiliate transfers, (ii) certain pledges or encumbrances of equity interests in MedEquities' subsidiaries in connection with MedEquities' credit agreement, and (iii) sales, transfers or dispositions of property or assets in the ordinary course of business consistent with past practice that do not exceed \$10,000,000 in the aggregate upon five business days prior notice to Omega;

- expend or incur any amount under, or enter into, amend, modify, exercise rights or terminate, certain material development contracts, except (i) as contemplated by the existing development contract, or (ii) for up to \$2,000,000 in the aggregate of expenditures in the ordinary course of business consistent with past practice that are in excess of the amounts permitted to be paid under clause (i);

- incur, create, assume, prepay, issue, guarantee, endorse or otherwise become responsible for the indebtedness or debt securities of MedEquities or any of its subsidiaries or any other person, as applicable, except for indebtedness (i) under MedEquities' credit agreement or other existing similar lines of credit for working capital purposes, (ii) under certain existing construction loan facilities, (iii) that does not exceed \$2,000,000 in the aggregate and is prepayable without penalty or premium, (iv) that is unsecured inter-company indebtedness, or (v) that is in the form of surety bonds not exceeding \$500,000 individually or \$1,000,000 in the aggregate;

- refinance, replace or amend the terms of any existing indebtedness unless the terms of such new indebtedness (i) are not, in the aggregate, materially more onerous on MedEquities or its subsidiaries, and do not represent a principal amount that is materially greater than the indebtedness it is replacing, (ii) do not contain a negative pledge arrangement that prohibits the creation of liens, pledges, mortgages and other similar arrangements on assets, subject to certain exceptions (which we refer to as a "negative pledge"), and (iii) do not restrict or prohibit the consummation of the merger;

- except for certain investments that are pending as of the date of the merger agreement, make any loans, advance or capital contributions to or investments in any other person or make any change in any such arrangements, except for (i) loans or advances made pursuant to and expressly disclosed in certain of MedEquities' existing lease agreements, disbursement agreements, or development agreements, or (ii) loans, advances, capital contributions or investments of not more than \$500,000 individually or \$2,000,000 in the aggregate and that would not reasonably be expected to

adversely impact MedEquities' status as a REIT;

- make or enter into a guarantee, "keep well" or similar agreement to maintain the financial condition of another entity;
- enter into, renew, modify, amend or terminate, or waive, release, compromise or assign any rights or claims under, certain of MedEquities' material contracts, except for (i) any termination or

TABLE OF CONTENTS

renewal that occurs automatically pursuant to the existing terms of the applicable contract, (ii) the modification, amendment, waiver or consent under mortgages or related agreements as necessitated by the merger agreement or the transactions contemplated by the merger agreement, provided that such modification, amendment, waiver or consent does not (a) increase the applicable principal amount, (b) create a negative pledge, (c) restrict or prohibit the consummation of the transactions contemplated by the merger agreement, or (d) otherwise adversely affect MedEquities, its subsidiaries or Omega, (iii) certain renewals of MedEquities' insurance policies, (iv) as may be reasonably necessary to comply with the terms of the merger agreement, or (v) in connection with change orders related to any construction, development, redevelopment or capital expenditure projects that either (x) do not increase the cost of any such project, or (y) are otherwise permitted under the merger agreement;

- except in connection with leases for MedEquities properties that are multi-tenant medical office buildings or otherwise involving annual rent payments not in excess of \$500,000, enter into, renew, modify or amend in a manner adverse to MedEquities, or assign any rights or claims under, any lease, other than any termination or renewal in accordance with the terms of an existing lease;

- in connection with a lease for a multi-tenant medical office building, enter into any new lease for in excess of 20,000 square feet of net rentable area, or terminate, materially modify or amend any lease that relates to in excess of 20,000 square feet of net rentable area, except where a tenant exercises a right under an existing lease;

- waive, release, assign any material rights or claims or make any payment of any material liability before the same comes due in accordance with its terms;

- waive, release, assign, settle or compromise certain legal proceedings, unless it (i) involves only the payment of monetary damages not to exceed \$100,000 in the aggregate and for which MedEquities receives a complete general release, (ii) does not involve the imposition of injunctive relief against MedEquities or its subsidiaries, (iii) does not provide any admission of liability by MedEquities or its subsidiaries, and (iv) is with respect to any legal action involving any present, former or purported holder of shares of MedEquities common stock;

- (i) hire or terminate any officer, or, in certain circumstances, any other employee who is party to a restricted stock unit award agreement, (ii) increase the amount, rate or terms of compensation, benefits or job grade or title of any of MedEquities' employees other than increases in salary in the ordinary course of business consistent with past practice in connection with annual review or promotions, (iii) enter into, adopt, amend or terminate any employee benefit plan, subject to certain exceptions, (iv) accelerate the vesting or payment of any compensation, benefit or award under any employee benefit plan, (v) grant any awards under MedEquities' equity incentive plan or any bonus, incentive, performance or other compensation plan or arrangement, or (vi) allow the vesting or settlement of any outstanding restricted unit award, with certain exceptions;

- (i) fail to maintain MedEquities' books and records in all material respects in accordance with GAAP and consistent with past practice, (ii) make any material change to its method of financial accounting in effect as of December 31, 2017, except as required by GAAP or applicable law, or (iii) make any change with respect to accounting policies, principles or practices unless required by GAAP or the SEC;

- enter into any new line of business;

- fail to timely file material reports and documents required with governmental authorities;

- (i) enter into, or modify in an adverse manner, any tax protection agreement, (ii) make, change or rescind any material tax election, (iii) change a material method of tax accounting, (iv) amend any material income tax return, (v) settle or compromise any material Federal, state, local or foreign tax liability, audit, claim or assessment, (vi) enter into any material closing agreement related to taxes, or (vii) surrender any right to claim any material tax refund, or give or request any waiver of a statute of limitation with respect to any material tax return, except, in each case, (A) to the

TABLE OF CONTENTS

extent required by law, or (B) to the extent necessary to preserve MedEquities' qualification as a REIT or to qualify or preserve the status of any MedEquities subsidiary as a disregarded entity or partnership for U.S. federal income tax purposes or as a "qualified REIT subsidiary" or "taxable REIT subsidiary";

- adopt or authorize a plan of merger, complete or partial liquidation, dissolution, consolidation, recapitalization or bankruptcy reorganization, except with respect to certain subsidiaries that have de minimis assets and liabilities;

- form any new funds, joint ventures or other pooled investment vehicles except for wholly owned subsidiaries;

- make or commit to make any capital expenditures in excess of \$500,000 individually or \$2 million in the aggregate, except (i) pursuant to the MedEquities budget previously provided to Omega, (ii) for capital expenditures necessary to repair casualty losses of up to \$2,000,000 in the aggregate or that are covered by existing insurance, and (iii) for capital expenditures necessary to comply with applicable law or to repair and/or prevent damage to any of MedEquities properties or as is necessary in the event of an emergency situation after prior notice to Omega;

- amend the engagement letter with MedEquities' financial adviser in a manner adverse to MedEquities or Omega, or engage other financial advisors in connection with the merger, unless the directors of MedEquities conclude in good faith that such new engagement is required to comply with their duties under applicable law;

- take or fail to take any action that would, or would reasonably be expected to, cause MedEquities to fail to qualify as a REIT or cause any MedEquities subsidiary to be treated as a corporation for U.S. Federal tax purposes other than as a qualified REIT subsidiary or a taxable REIT subsidiary;

- take any action or fail to take any action that could reasonably be expected to prevent the merger from qualifying as a reorganization under section 368(a) of the Code;

- take any action that would reasonably be expected to prevent or materially delay the consummation of the merger or any of the other transactions contemplated by the merger agreement;

- enter into any contracts with any officer, director or affiliate or any of their respective family members, subject to certain exceptions;

- take any action that would give dissenters', appraisal or similar rights to the holders of MedEquities common stock with respect to the merger or any of the other transactions contemplated by the merger agreement; or

- authorize, or enter into, any contract, agreement or binding commitment or arrangement to do any of the foregoing.

Conduct of Omega's Business Pending the Merger

Omegas has agreed to certain covenants in the merger agreement restricting the conduct of its business between the date of the merger agreement and the earlier of the merger effective time or the termination of the merger agreement. In general, except as expressly contemplated by the merger agreement or as required by applicable law, or with the

prior written consent of MedEquities (which consent shall not be unreasonably withheld, conditioned or delayed), Omega has agreed to (i) conduct its business in all material respects in the ordinary course of business consistent with past practices, and (ii) use reasonable best efforts to maintain the status of Omega as a REIT.

In addition, Omega has agreed to specific restrictions on the conduct of its business between the date of the merger agreement and the earlier of the merger effective time or termination of the merger agreement, except where consented to in writing by MedEquities (which consent shall not be unreasonably

76

TABLE OF CONTENTS

withheld, conditioned or delayed) or required by applicable law. Omega has agreed that it will not, and will not permit any of its subsidiaries to, take any of the following actions (subject, in each case, to exceptions specified below and in the merger agreement or previously disclosed in writing to MedEquities as provided in the merger agreement):

- amend or propose to amend its charter, bylaws or comparable governing documents of its material subsidiaries;

- split, combine, reclassify or subdivide its capital stock or other equity securities or ownership interests of Omega or the Omega OP;

- declare, set aside or pay any dividend or distribution with respect to its shares of capital stock or the shares of capital stock or other equity securities of any subsidiary, except for (i) dividends necessary to maintain Omega's status as a REIT, (ii) regular quarterly dividends in an amount not to exceed an annualized rate of \$2.64 per share, (iii) dividends or other distributions by any wholly owned subsidiary to Omega or any other subsidiary, (iv) dividends that are required to be made with respect to units of limited partnership in the Omega OP, and (v) distributions by any subsidiary that is not wholly owned by Omega, as required under its organizational documents;

- redeem, repurchase or otherwise acquire any outstanding shares of its capital stock or other equity interests of Omega or its subsidiaries, other than (i) in connection with the surrender of shares of common stock by holders of Omega's restricted shares and other equity awards to satisfy withholding tax obligations, (ii) the repurchase of "excess shares" pursuant to Omega's charter, (iii) operating partnership units in accordance with the Omega OP partnership agreement, (iv) in connection with the redemption or repurchase by a wholly owned subsidiary of its own securities, or (v) the conversion or redemption of certain other Omega incentive units;

- acquire or agree to acquire any real property, personal property or business organization or any division or material assets thereof that would, or would reasonably be expected to, prevent or materially impair or materially delay the ability of the Omega parties to consummate the transactions contemplated by the merger agreement;

- (i) fail to maintain Omega's books and records in all material respects in accordance with GAAP and consistent with past practice, (ii) make any material change to its method of financial accounting in effect as of December 31, 2017, except as required by GAAP or applicable law, or (iii) make any change, other than in the ordinary course of business consistent with past practice, with respect to accounting policies, principles or practices unless required by GAAP or the SEC;

- enter into any new material line of business;

- fail to timely file material reports or documents required with governmental authorities;

- adopt or authorize a plan of merger, complete or partial liquidation, dissolution, consolidation, recapitalization or bankruptcy reorganization, except in a manner that would not reasonably be expected to be materially adverse to MedEquities or prevent or impair the ability of the Omega parties to consummate the transactions contemplated by the merger agreement;

- take or fail to take any action that would, or would reasonably be expected to, cause Omega to fail to qualify as a REIT;
- take any action or fail to take any action that could reasonably be expected to prevent the merger from qualifying as a reorganization under section 368(a) of the Code;
- take any action that would reasonably be expected to prevent or materially delay the consummation of the merger or any of the other transactions contemplated by the merger agreement;
- approve, adopt or enact any “poison pill” or similar stockholder rights plan; or
- authorize, or enter into any contract, agreement or binding commitment or arrangement to do any of the foregoing.

TABLE OF CONTENTS

No Solicitation; Window Shop

Except as described below and in the merger agreement, MedEquities and the MedEquities OP have agreed, from the date of the merger agreement until the earlier of the merger effective time or the termination of the merger agreement in accordance with its terms, that they will not, and will cause their subsidiaries and their respective directors, officers, employees and representatives not to, directly or indirectly:

- solicit, initiate or knowingly encourage or facilitate any inquiries, proposals or offers with respect to, or the announcement, making or completion of, any acquisition proposal, or any inquiry, proposal or offer that would reasonably be expected to lead to any acquisition proposal;
- enter into, continue or otherwise participate or engage in any negotiations regarding, or furnish to any person other than Omega or its representatives, any non-public information or data with respect to, any acquisition proposal;
- approve, recommend, publicly declare advisable or enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement, share exchange agreement, consolidation agreement, option agreement, joint venture agreement or partnership agreement, in each case, related to an acquisition proposal (other than an acceptable confidentiality agreement) or other agreement requiring or having the effect of requiring MedEquities to abandon, terminate or breach its obligations under the merger agreement or fail to consummate the merger; or
- agree to or propose publicly to do any of the foregoing.

Notwithstanding the foregoing, in the event that, during the period beginning on the date of the merger agreement and continuing for 30 days thereafter, MedEquities or any of its subsidiaries or representatives received a written, unsolicited and bona fide inquiry, proposal, offer or other contact from a third party in connection with any acquisition proposal that the MedEquities' board of directors determined, after consultation with outside legal counsel and its financial advisors, constituted, or could reasonably have been expected to lead to, a superior proposal, then, during such 30-day period, MedEquities and its representatives could have (i) furnished non-public information or data pursuant to (but only pursuant to) an acceptable confidentiality agreement, provided, that any non-public information provided to any person shall have previously been provided to Omega or shall be provided (to the extent permitted by applicable law) to Omega prior to or concurrently with the time it is provided to such person, and (ii) entered into or otherwise participated in any discussions or negotiations with any such bidder relating to, or in furtherance of such inquiries, proposal or offer in a manner that the MedEquities' board of directors deemed appropriate in its sole and absolute discretion. This 30-day period has expired without receipt of any written, unsolicited and bona fide inquiry, proposal, offer or other contact from a third party in connection with any such acquisition proposal. Therefore, unless MedEquities complies with the paragraph below, MedEquities shall, and shall cause its subsidiaries and their respective representatives to, immediately cease any discussions, negotiations or communications with any such bidder.

In addition, notwithstanding anything in the merger agreement to the contrary, if prior to MedEquities' receipt of its required stockholder approval, (i) MedEquities receives a bona fide written acquisition proposal, (ii) such acquisition proposal was not the result of a violation by MedEquities of the non-solicitation restrictions set forth in the merger agreement, and (iii) the MedEquities board of directors determines in good faith after consultation with outside counsel and its financial advisor that such acquisition proposal constitutes, or would reasonably be expected to lead to, a superior proposal, then MedEquities may (x) furnish non-public information with respect to MedEquities to the applicable bidder pursuant to an acceptable confidentiality agreement; provided, that any non-public information provided to any person shall have previously been provided to Omega or shall be provided (to the extent permitted by applicable law) to Omega prior to or concurrently with the time it is provided to such person, and (y) engage in

discussions and participate in negotiations with the person making such acquisition proposal.

For purposes of the merger agreement:

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an “acquisition proposal” means, other than the transactions contemplated by the merger agreement, any proposal, offer or inquiry relating to any direct or indirect acquisition or purchase

TABLE OF CONTENTS

(i) of assets or businesses of MedEquities and its subsidiaries that generate 20% or more of the net revenues or net income of MedEquities and its subsidiaries, (ii) that represent 20% or more of the consolidated total assets (based on fair market value) of MedEquities and its subsidiaries, taken as a whole, or (iii) of 20% or more of any class of capital stock, other equity security or voting power of MedEquities; and

- a “superior proposal” means a bona fide written acquisition proposal (with references to “20%” in the definition of “acquisition proposal” being replaced with a reference to “80%”) taking into account all legal, financial, regulatory and other aspects of the proposal, including the timing and prospects for completion, and the person making the proposal, that, if consummated, would be more favorable to the MedEquities stockholders from a financial point of view than the transactions contemplated by the merger agreement; provided that such superior proposal did not result from a breach by MedEquities or its subsidiaries or representatives of the merger agreement.

MedEquities is required to notify Omega within one business day after it obtains knowledge of the receipt of an acquisition proposal, the intent to make any acquisition proposal, any inquiry that could reasonably be expected to lead to an acquisition proposal, or any request for non-public information relating to MedEquities in connection with the making of, or intent to make, an acquisition proposal. Such notification shall include, to the extent then known and unless prohibited by the terms of any confidentiality agreement entered into prior to the date of the merger agreement, the identity of the parties and a copy of such acquisition proposal or, if not made in writing, a written description thereof. MedEquities is further required to keep Omega reasonably apprised, on a reasonably current basis, of the status and material terms, including any material or proposed developments with respect to discussions and negotiations concerning any such acquisition proposal.

Changes in MedEquities’ Board Recommendation

In the merger agreement, MedEquities agreed that its Board will not (i)(A) fail to make or withdraw its approval, recommendation or declaration of advisability of the merger or the other transactions contemplated by the merger agreement or (B) adopt, approve, or publicly recommend, endorse or otherwise declare advisable the adoption of any acquisition proposal (each of which we refer to as an “adverse recommendation change”), or (ii) cause or permit MedEquities or its subsidiaries to enter into an agreement relating to an alternative acquisition proposal (other than an acceptable confidentiality agreement).

Notwithstanding the restrictions described above, the MedEquities Board may, at any time prior to receipt of its required stockholder approval, (i) make an adverse recommendation change if (A) MedEquities is not in violation of restrictions on non-solicitation set forth in the merger agreement, and (B) the MedEquities Board has determined in good faith (after consultation with outside counsel and its financial advisors) that the applicable acquisition proposal constitutes a superior proposal and the failure to make an adverse recommendation change would reasonably be expected to be inconsistent with its duties under applicable law, and (ii) make an adverse recommendation change if, in the absence of an acquisition proposal, certain intervening events have occurred and the failure to make an adverse recommendation change would reasonably be expected to be inconsistent with the board of directors’ duties under applicable law.

“Intervening event” means a material event, circumstance, development or change (other than, and not related to, an acquisition proposal) that (i) affects the business, assets or operations of MedEquities and its subsidiaries, (ii) was not known to MedEquities’ Board (assuming consultations with appropriate officers and representatives) on the date of the merger agreement (or, if known, the consequences of which were not known or reasonably foreseeable), (iii) did not result from or arise out of the announcement or pendency of, or any actions required to be taken by MedEquities (or to be refrained from being taken by MedEquities) pursuant to the merger agreement, and (iv) becomes known (or the consequences of which become known) to the MedEquities Board prior to the merger effective time (but, in each case, excluding the following events: changes, in and of themselves, in the general economic or business conditions within the United States or any other jurisdictions in which MedEquities and its subsidiaries operate; changes, in and of

TABLE OF CONTENTS

themselves, in the market price or trading volume of MedEquities' stock; or the fact, in and of itself, that MedEquities and its subsidiaries exceed internal or published projections (provided that the underlying causes of such changes or facts shall not be excluded from the definition of intervening events)).

MedEquities is required to notify Omega in writing at least four business days prior to making any adverse recommendation change that the MedEquities Board intends to make an adverse recommendation change in connection with a superior proposal or intervening event, which notice must specify (i) in the case of a superior proposal, the identity of the bidder and all of the material terms and conditions of such superior proposal and a copy of the applicable acquisition agreement, and (ii) in the case of an intervening event, a description of the intervening event. During the four business day period beginning on the date of delivery of such notice, MedEquities is required to offer to negotiate (and, if such offer is accepted, negotiate) with Omega in making adjustments to the terms and conditions of the merger agreement such that (a) in the case of a superior proposal, such superior proposal ceases to be a superior proposal, provided that any subsequent revisions to the acquisition proposal from the third party with respect to whom a four-business day negotiation period had previously occurred will only require two-business day negotiation periods with Omega with respect to any subsequent superior proposals, and (b) in the case of an intervening event, as may be proposed by Omega.

Covenants of the Parties

The merger agreement contains certain covenants and agreements made by the parties, including:

- the parties' cooperation in the preparation of this proxy statement/prospectus;
- each party's agreement to afford the representatives of the other party reasonable access to all its properties, offices, books, contracts, commitments, personnel and records during normal business hours and in such a manner as not to unreasonably interfere with the operation of any business conducted by the other party;
- each party's agreement to cooperate in the preparation and filing of all required notices, registrations and other filings, and to obtain the applicable approvals, consents, authorizations and other confirmations with respect to the merger and the other transactions contemplated by the merger agreement;
- each party's agreement to give prompt notice to the other party in connection with any notice or other communication from a governmental authority relating to the merger agreement or the transactions contemplated thereby or from any third party alleging that the consent of such third party is required in connection with the merger or the other transactions contemplated by the merger agreement;
- MedEquities' agreement to use its reasonable best efforts to take all actions to cause the termination of certain contractual arrangements;
- Omega's agreement to use its reasonable best efforts to take all actions to obtain all approvals, authorizations and other confirmations in respect of certain of its contractual arrangements;
- MedEquities' agreement to provide prompt notice to Omega or notice from any person in connection with material violations or exercises of rights under certain of MedEquities' material contracts and leases;
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Omega and MedEquities consulting with each other, and providing reasonable opportunity for review and comment by the other party, prior to issuing any press releases or other public statement with respect to the merger;

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prompt notice from MedEquities to Omega of any legal proceedings related to the merger agreement, the merger or the other transactions contemplated by the merger agreement, brought against MedEquities and/or its directors, officers and/or representatives by MedEquities stockholders;

TABLE OF CONTENTS

- MedEquities' agreement to give Omega the opportunity to participate in the defense and settlement of any legal proceeding related to the merger agreement, the merger or the other transactions contemplated by the merger agreement against MedEquities and/or its directors by MedEquities stockholders, and to obtain Omega's written consent prior to the settlement thereof;

- MedEquities' agreement to use commercially reasonable efforts to cause to be delivered to Omega resignations executed by each MedEquities director in office as of immediately prior to the merger effective time, effective as of the merger effective time;

- each party's agreement to use reasonable best efforts to cause the merger to qualify as a "reorganization" within the meaning of Section 368(a) of the Code;

- each of MedEquities and Omega obtaining an opinion of its counsel with regards to such party's qualification as a REIT under the Code and with regard to the merger qualifying as a reorganization under Section 368(a) of the Code;

- MedEquities taking all such steps as may be reasonably necessary or advisable to cause any dispositions of MedEquities' equity securities or any acquisitions of Omega equities securities in connection with the transactions contemplated by the merger agreement by each individual who is a director or officer of MedEquities, or who will become a director or officer of Omega, to be exempt under Rule 16b-3 promulgated under the Exchange Act;

- Omega's agreement to use its reasonable best efforts to cause the shares of Omega common stock to be issued in connection with the merger to be approved for listing on the NYSE, subject to official notice of issuance;

- each party's agreement, with their respective boards of directors, to use their reasonable best efforts to take all action necessary to ensure that no state takeover statute or similar law or regulation is or becomes applicable to the merger, and if any such takeover statute is or becomes applicable to the merger, to use reasonable best efforts to take all action necessary to ensure that the merger is consummated as promptly as practicable on the terms contemplated by the merger agreement and otherwise to eliminate or minimize the effect of such takeover statute; and

- MedEquities' agreement to deliver payoff letters for its outstanding senior indebtedness in form and substance satisfactory to Omega, and reasonably cooperate with Omega upon request in connection with terminating or transferring any swap contracts in connection with the closing of the merger.

Indemnification; Directors' and Officers' Insurance

From and after the merger effective time, pursuant to the terms of the merger agreement and subject to certain limitations, Omega has agreed to cause the surviving company and each of its subsidiaries to honor and fulfill in all respects all obligations of MedEquities and its subsidiaries under MedEquities' and such subsidiaries' organizational documents and under any indemnification agreements, to the fullest extent permissible by law, to each of the current and former managers, directors, officers, trustees, fiduciaries and agents of MedEquities and such subsidiaries' (each of which we refer to as a "covered person") covered by such organizational documents and indemnification agreements with respect to actions in their roles for MedEquities and its subsidiaries prior to the merger effective time. In addition, Omega has agreed that, pursuant to the terms of the merger agreement and subject to certain limitations, for

a period of six years after the merger effective time, Omega shall, to the fullest extent permitted by law and to the extent that the applicable covered person would be entitled to indemnification under the organizational documents of MedEquities or its subsidiaries or under any indemnification agreement with MedEquities or any of its subsidiaries, (i) indemnify, defend and hold harmless each covered person against all costs or expenses (including attorneys' fees), judgments, fines, losses, claims, damages, liabilities, claim expenses and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect thereof) in connection with any actual or threatened claim, action, cause of action, suit, litigation, proceeding, arbitration, mediation, interference, audit, assessment, inquiry, investigation, hearing

81

TABLE OF CONTENTS

or other legal proceeding arising out of the covered person's duties or service to MedEquities or its subsidiaries prior to the merger effective time, and (ii) promptly pay or advance to each covered person all expenses in advance of final disposition of any such claim, subject to the receipt by Omega of certain undertakings from the applicable covered person.

Omega has further agreed, for a period of six years after the merger effective time, to maintain MedEquities' existing directors' and officers' liability insurance policies with respect to claims arising from or related to facts or events that occurred at or prior to the merger effective time; provided that Omega is not required to make annual premium payments for such insurance in excess of 300% of the annual premiums paid as of the date of the merger agreement by MedEquities for such insurance and in such event will maintain the most advantageous policy obtainable at a premium that does not exceed 300% of the annual premium as of the date of the merger agreement. In lieu of the foregoing insurance, MedEquities may purchase "tail" insurance coverage for a period of six years after the merger effective time if such insurance can be obtained for an annual premium no greater than 300% of the annual premiums paid as of the date of the merger agreement by MedEquities for such insurance, with terms, conditions, retentions and limits of liability that are at least as favorable as provided in MedEquities' policies in existence as of the date of the merger agreement.

Dividends

Prior to the closing, (i) MedEquities may continue to pay its regular quarterly dividend in an amount not to exceed \$0.21 per share, provided that MedEquities shall not pay any dividend with respect to the third quarter of 2018, and (ii) Omega may continue to pay its regular quarterly dividend in an amount not to exceed an annualized rate of \$2.64 per share.

In addition, Omega and MedEquities may, with notice to the other, declare or pay a special dividend as may be required for such party to qualify as a REIT and to avoid to the extent reasonably possible the incurrence of any entity-level income or excise tax. If one party declares any such REIT dividend, the other party may declare a dividend per share in the same amount, as adjusted by the exchange ratio.

Employees

For a period of one year following the merger effective time, Omega will provide or cause to be provided to each employee of MedEquities and its subsidiaries who continues to be employed by Omega or its subsidiaries following the merger effective time (which we refer to as the "continuing employees"), (i) a base salary or hourly wage that is not less than the applicable base salary or hourly wage in effect immediately prior to the merger effective time, (ii) additional aggregate cash compensation commensurate with the total compensation of such continuing employee immediately prior to the merger effective time, and (iii) other employee benefits (other than any equity awards) that are substantially comparable in the aggregate to benefits provided to such continuing employee immediately prior to the merger effective time.

For purposes of any Omega benefit plans that provide benefits to any continuing employees after the merger effective time, Omega will, or will cause its applicable subsidiary to, (i) fully credit each continuing employee for eligibility and vesting purposes under such employee benefit plan for such continuing employee's service with MedEquities prior to the merger effective time, (ii) use reasonable best efforts to fully credit each continuing employee for any coinsurance, copayments and deductibles paid and for amounts paid toward any out-of-pocket maximums prior to the date the continuing employee becomes a participant in such employee benefit plan with respect to the calendar year in which such participation commences, and (iii) use reasonable best efforts to waive all limitations as to pre-existing conditions and exclusions with respect to participation and coverage requirements applicable to such continuing employee.

In addition, within five business days following the closing date, Omega will pay or cause one of its subsidiaries to pay to certain employees of MedEquities such employee's 2018 annual bonus, subject to applicable tax withholdings and unless previously paid by MedEquities prior to such date.

TABLE OF CONTENTS

Conditions to Completion of the Merger

The obligations of each of the parties to consummate the merger are subject to the satisfaction (or waiver if permissible under applicable law by each party in writing) at or prior to the merger effective time, of certain conditions, including:

- the receipt by MedEquities of the affirmative vote of the holders of a majority of the outstanding shares of MedEquities common stock to approve the MedEquities merger proposal;
- the absence of any law that prohibits, restrains, enjoins or makes illegal the consummation of the merger;
- the absence of any order by any court of competent jurisdiction that prevents, restrains or enjoins the consummation of the merger or the other transactions contemplated by the merger agreement;
- the SEC having declared effective the registration statement of which this proxy statement/ prospectus forms a part, and the registration statement not being the subject of any stop order or proceedings by the SEC seeking a stop order that has not been withdrawn; and
- the approval for listing on the NYSE, subject only to official notice of issuance, of the shares of Omega common stock to be issued in the merger.

In addition, the obligation of each of the Omega parties to effect the merger is subject to the satisfaction (or waiver, to the extent permitted by applicable law, by Omega in writing) of the following additional conditions:

- the representations and warranties of MedEquities set forth in the merger agreement with respect to its organization and qualification, subsidiaries, authority, opinion of its financial advisor, brokers and takeover statutes being true and correct in all material respects as of the date of the merger agreement and as of the closing date (except to the extent made as of an earlier date, in which case as of such earlier date);
- the representations and warranties of MedEquities set forth in the merger agreement with respect to certain capitalization matters being true and correct in all respects except for de minimis inaccuracies as of the date of the merger agreement and as of the closing date (except to the extent made as of an earlier date, in which case as of such earlier date);
- the representations and warranties of MedEquities set forth in the merger agreement with respect to the absence of a material adverse effect since January 1, 2018, being true and correct in all respects as of the date of the merger agreement and as of the closing date;
- the representations and warranties of MedEquities set forth in the merger agreement with respect to all other matters being true and correct as of the date of the merger agreement and as of the closing date (except to the extent made as of an earlier date, in which case as of such earlier date and without giving effect to any materiality or material adverse effect qualifications contained in such representations and warranties), except where the failure to be true and correct has not had and would not reasonably be expected to have a material adverse effect;

- each MedEquities party having performed or complied in all material respects all of the obligations required to be performed or complied with by it under the merger agreement at or prior to the merger effective time;
- the receipt of a certificate executed by an officer of MedEquities certifying as to the satisfaction of the conditions set forth in the immediately preceding five bullets;
- since the date of the merger agreement, there having not occurred any event, occurrence, fact, condition, change, development or effect that has had or would reasonably be expected to have a material adverse effect on MedEquities and its subsidiaries;
- the receipt of an opinion from Morrison & Foerster LLP, as tax counsel to MedEquities, to the effect that, at all times from MedEquities' formation through the closing date, MedEquities has

TABLE OF CONTENTS

been organized and operated in conformity with the requirements for qualification and taxation as a REIT under the Code, and its actual method of operation has enabled MedEquities to meet, through the effective time of the merger, the requirements for qualification and taxation as a REIT under the Code;

- the receipt of an opinion of Bryan Cave Leighton Paisner LLP, as tax counsel to Omega, to the effect that the merger will qualify as a “reorganization” within the meaning of Section 368(a) of the Code; and

- the receipt of certain consents identified in the merger agreement.

In addition, the obligation of each of the MedEquities parties to effect the merger is subject to the satisfaction (or waiver, to the extent permitted by applicable law, by MedEquities in writing) of the following additional conditions:

- the representations and warranties of Omega set forth in the merger agreement with respect to its organization and qualification, subsidiaries, authority, brokers and takeover statutes being true and correct in all material respects as of the date of the merger agreement and as of the closing date (except to the extent made as of an earlier date, in which case as of such earlier date);

- the representations and warranties of Omega set forth in the merger agreement with respect to certain capitalization matters and sufficiency of funds being true and correct in all respects except for de minimis inaccuracies as of the date of the merger agreement and as of the closing date (except to the extent made as of an earlier date, in which case as of such earlier date);

- the representations and warranties of Omega set forth in the merger agreement with respect to the absence of a material adverse effect since January 1, 2018, being true and correct in all respects as of the date of the merger agreement and as of the closing date;

- the representations and warranties of Omega set forth in the merger agreement with respect to all other matters being true and correct as of the date of the merger agreement and as of the closing date (except to the extent made as of an earlier date, in which case as of such earlier date and without giving effect to any materiality or material adverse effect qualifications contained in such representations), except where the failure to be true and correct has not had and would not reasonably be expected to have a material adverse effect;

- each Omega party having performed or complied in all material respects all of the obligations required to be performed or complied with by it under the merger agreement at or prior to the merger effective time;

- the receipt of a certificate executed by an officer of Omega certifying as to the satisfaction of the conditions set forth in the immediately preceding five bullets;

- since the date of the merger agreement, there having not occurred any event, occurrence, fact, condition, change, development or effect that has had or would reasonably be expected to have a material adverse effect on Omega and its subsidiaries;

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the receipt of an opinion from Bryan Cave Leighton Paisner LLP, as tax counsel to Omega, to the effect that, at all times from Omega's formation through the closing date, Omega has been organized and operated in conformity with the requirements for qualification and taxation as a REIT under the Code, and its actual method of operation has enabled Omega to meet, through the effective time of the merger, the requirements for qualification and taxation as a REIT under the Code; and

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the receipt of an opinion of Morrison & Foerster LLP, as tax counsel to MedEquities , to the effect that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

TABLE OF CONTENTS

Expenses

Except as described below with regard to the effect of termination, all fees and expenses incurred in connection with the transactions contemplated by the merger agreement will be paid by the party incurring such fees or expenses.

Termination of the Merger Agreement

The merger agreement may be terminated at any time prior to the merger effective time under the following circumstances:

- by the mutual written consent of Omega and MedEquities;

- by either Omega or MedEquities, if:

- there has been a breach by the other party of any of the covenants or agreements set forth in the merger agreement, or if any representation or warranty of the other party was inaccurate when made or shall have become inaccurate subsequent to the date of the merger agreement, which breach or failure to be accurate would result in the related closing conditions set forth in the merger agreement not being satisfied, and such breach is not reasonably capable of being cured prior to June 30, 2019 (provided that the terminating party is not itself in breach of any of its representations, warranties, covenants and agreements under the merger agreement such that such party would not be capable of satisfying its closing conditions as of such date);

- the merger is not consummated by 11:59 p.m., New York time on June 30, 2019; provided, that this right to terminate will not be available to any party whose breach of any representation, warranty, covenant or agreement set forth in the merger agreement has been the cause of, or resulted in, the consummation of the merger not occurring prior to such date;

- any governmental authority of competent jurisdiction shall have issued a final, non-appealable order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of the merger; provided, that this right to terminate will not be available to any party if the issuance of such final, non-appealable order, decree or ruling or taking of such other action was primarily due to the failure of such party to perform any of its obligations under, or by breach of the merger agreement; or

- the required approval of MedEquities' stockholders has not been obtained upon a vote thereon at the duly convened stockholders meeting (unless the stockholder meeting has been adjourned or postponed, in which case, at the final adjournment or postponement thereof);

- by Omega, prior to receipt of the MedEquities stockholder approval, if:

- the MedEquities Board shall have changed its recommendation regarding the approval of the merger;

- MedEquities failed to include the MedEquities Board recommendation in this proxy statement/prospectus when mailed to the MedEquities stockholders; or

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a tender or exchange offer relating to MedEquities' common stock is commenced (other than by Omega or its affiliates) and MedEquities does not announce, within ten business days after the commencement of such tender or exchange offer, an adverse recommendation with respect to such tender or exchange offer;

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by MedEquities, prior to receipt of the MedEquities stockholder approval, if the MedEquities Board authorizes MedEquities, in full compliance with the terms of the merger agreement, to concurrently enter into a definitive agreement with respect to a superior proposal; provided, that prior to or concurrently with such termination, MedEquities pays the termination fee described below to Omega; and provided further, that MedEquities enters into such definitive agreement concurrently with its termination of the merger agreement.

TABLE OF CONTENTS

Effect of Termination Generally

If the merger agreement is terminated, it will become null and void, without any liability on the part of the parties, except that certain provisions of the merger agreement, including effect of termination, expenses, notices, definitions, interpretation, counterparts, entire agreement, severability, governing law, jurisdiction, waiver of jury trial, assignment, enforcement and remedies will survive termination. No termination will relieve any party from liability for a “willful breach” of its representations, warranties, covenants or agreements set forth in merger agreement prior to such termination. If Omega terminates the merger agreement and the termination would result in the obligation to pay a termination fee, the payment of the termination fee will be the sole and exclusive remedy of Omega against the MedEquities parties for any loss or damage suffered as a result of the failure of the merger to be consummated or for a breach or failure to perform under the merger agreement or otherwise; provided that the foregoing does not impair the rights of Omega to obtain injunctive relief and/or specific performance in accordance with the terms of the merger agreement prior to any termination of the merger agreement.

For purposes of the merger agreement, a “willful breach” means a material breach that is a consequence of a deliberate and willful act undertaken by the breaching party with the actual knowledge that the taking of such act would be reasonably expected to cause a material breach of the merger agreement.

Termination Fee and Expense Reimbursement

MedEquities is required to make a termination payment to Omega in each of the following instances:

- (i) an acquisition proposal is publicly made, proposed or communicated prior to the MedEquities stockholder meeting (in the case of termination due to a failure to obtain the required MedEquities stockholder vote) or prior to the termination of the merger agreement (in the case of a termination due to MedEquities’ breach of its covenants or agreements under the merger agreement or the inaccuracy of its representations or warranties, under the merger agreement, subject to the reasonable ability to cure described above, or due to a failure to consummate the merger by June 30, 2019), (ii) thereafter the merger agreement is terminated (a) by Omega due to MedEquities’ breach of its covenants or agreements under the merger agreement or the inaccuracy of its representations or warranties under the merger agreement, or (b) by Omega or MedEquities due to (1) a failure to consummate the merger by June 30, 2019 (and the MedEquities stockholder approval was not obtained) or (2) a failure to obtain the MedEquities stockholder consent to the merger, and (iii) within twelve months of such termination, MedEquities enters into a definitive agreement that is later consummated or consummates a transaction contemplated by an acquisition proposal (with all references to 20% in the definition of acquisition proposal being deemed to reference 50%);

- Omega terminates the merger agreement, prior to receipt of the MedEquities stockholder approval, following (i) a change in the MedEquities Board recommendation regarding the approval of the merger, (ii) MedEquities’ failure to include the MedEquities Board’s recommendation in this proxy statement/prospectus when mailed to the MedEquities stockholders, or (iii) the commencement of a tender or exchange offer relating to MedEquities’ common stock (other than by Omega or its affiliates) and MedEquities does not announce, within ten business days after the commencement of such tender or exchange offer, an adverse recommendation with respect to such tender or exchange offer; or

- MedEquities terminates the merger agreement, prior to receipt of the MedEquities stockholder approval, and concurrently enters into a definitive agreement with respect to a superior proposal.

For purposes of the merger agreement, “termination payment” means a cash amount equal to \$12,250,989; provided that, in the event that the termination payment becomes payable as a result of a termination on or prior to the date that is 30 days from the date of the merger agreement, subject to certain extensions, either by MedEquities in connection with entering into a definitive agreement with respect to a superior proposal or by Omega in connection with a change in the MedEquities Board’s recommendation, failure to include such recommendation in the proxy statement/prospectus, or the commencement of a tender or exchange offer that is not accompanied by an adverse

recommendation, then, in any such case,

86

TABLE OF CONTENTS

“termination payment” means a cash amount equal to the sum of (i) \$6,533,861, plus (ii) an expense reimbursement amount of up to \$1,500,000. This 30-day period has expired as of the date of this proxy statement/prospectus, and consequently the lower termination payment is no longer applicable.

Amendment and Modification; Waiver

Subject to the provisions of applicable law and certain exceptions described in the merger agreement, at any time prior to the merger effective time, the merger agreement may be amended, modified and supplemented, whether before or after receipt of the MedEquities stockholder approval, by written agreement of Omega and MedEquities (by action taken by their respective boards of directors); provided, that, after the approval of the merger by the MedEquities stockholders, no amendment may be made which by law requires further approval by the MedEquities stockholders without obtaining such further approval.

Subject to the provisions of applicable law and certain exceptions described in the merger agreement, at any time and from time to time prior to the merger effective time, any party may (i) extend the time for the performance of any of the obligations or other acts of the other party, (ii) waive any inaccuracies in the representations and warranties made to such party contained in the merger agreement, and (iii) waive compliance with any of the agreements or conditions for the benefit of such party contained in the merger agreement.

Governing Law; Submission to Jurisdiction; No Jury Trial

The merger agreement is governed by the laws of the State of Maryland (without giving effect to conflicts of law principles). Each of the parties irrevocably and unconditionally submits to the exclusive jurisdiction of the Circuit Court for Baltimore City (Maryland) and the United States District Court for the State of Maryland for the purpose of any legal proceeding arising out of or relating to the merger agreement or the merger. Each party also irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of or relating to the merger agreement or the transactions contemplated by the merger agreement.

Specific Performance

In addition to any other remedy that may be available to each party, including monetary damages, each of the parties will be entitled to an injunction or injunctions to prevent breaches of the merger agreement and to enforce specifically its terms and provisions.

The parties agreed in the merger agreement that irreparable damage would occur in the event that any provision of the merger agreement is not performed in accordance with its specific terms or is otherwise breached and that each party will be entitled to an injunction or injunctions to prevent breaches of the merger agreement by any other party and to specifically enforce the terms and provisions of the merger agreement.

TABLE OF CONTENTS

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes the anticipated material U.S. federal income tax consequences to U.S. holders and non-U.S. holders (each as defined below) of MedEquities common stock. This summary is based on applicable provisions of the Internal Revenue Code of 1986, as amended (which we refer to as the “Code”), administrative pronouncements, judicial decisions and final, temporary, and proposed Treasury Regulations, all of which are subject to change (possibly with retroactive effect) or to different interpretations. This discussion assumes that the merger will be completed in accordance with the merger agreement and as further described in this proxy statement/prospectus.

This summary does not address any tax consequences arising under the laws of any state, local or non-U.S. jurisdiction, or under any U.S. federal laws other than those pertaining to the income tax.

The following discussion applies only to U.S. holders and non-U.S. holders of shares of MedEquities common stock who hold such shares as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). Further, this summary does not describe all of the U.S. federal income tax considerations that may be relevant to holders of MedEquities common stock that are subject to special treatment under U.S. federal income tax law, including, for example: financial institutions; pass-through entities (such as entities treated as partnerships for U.S. federal income tax purposes) and investors in such entities; persons acting as nominees or otherwise not as beneficial owners; tax-exempt organizations or governmental organizations; U.S. holders whose “functional currency” is not the U.S. dollar; insurance companies; regulated investment companies; REITs; “controlled foreign corporations,” “passive foreign investment companies,” and corporations that accumulate earnings to avoid U.S. federal income tax; traders in securities that elect to use a mark-to-market method of accounting; dealers in securities or foreign currencies; persons holding MedEquities common stock as part of a hedge, straddle, “constructive sale,” “conversion” or other integrated transaction; certain U.S. expatriates; persons who acquired their MedEquities common stock through the exercise of an employee stock option or otherwise as compensation; or individuals subject to the alternative minimum tax. This summary does not address the net investment income tax.

As used herein, the term “U.S. holder” means a beneficial owner of MedEquities common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or if a valid election is in place to treat the trust as a United States person.

Conversely, a “non-U.S. holder” is a beneficial owner of shares who is, for U.S. federal income tax purposes, an individual, corporation, estate or trust and is not a U.S. holder or a holder subject to special treatment under U.S. federal income tax law.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds MedEquities common stock the tax treatment of a partner in such partnership generally will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Any partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) and the partners in such partnership (as determined for U.S. federal income tax purposes), should consult their tax advisors.

No ruling has been or is expected to be requested from the IRS with respect to any matter described in this summary. This discussion of material U.S. federal income tax consequences is not binding on the IRS. No assurance can be

given that the IRS would not assert, or that a court would not sustain, a position contrary to any described herein.
88

TABLE OF CONTENTS

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. YOU SHOULD CONSULT YOUR OWN TAX ADVISER REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO YOUR PARTICULAR CIRCUMSTANCES AND THE CONSEQUENCES OF U.S. FEDERAL ESTATE OR GIFT TAX LAWS, STATE, LOCAL, AND NON-U.S. TAX LAWS, AND ANY APPLICABLE INCOME TAX TREATY.

Material U.S. Federal Income Tax Consequences of the Merger

Qualification of the Merger as a Reorganization

The parties intend for the merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to the completion of the merger that Bryan Cave Leighton Paisner LLP, tax counsel to Omega, and Morrison & Foerster LLP, tax counsel to MedEquities, each render an opinion to its respective client to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Such opinions will be subject to customary exceptions, assumptions and qualifications, and will be based on representations made by Omega and MedEquities regarding factual matters, and covenants undertaken by Omega and MedEquities. If any assumption or representation is inaccurate in any way, or any covenant is not complied with, the tax consequences of the merger could differ from those described in the tax opinions and in this discussion. These tax opinions will represent the legal judgment of counsel rendering the opinion and will not be binding on the IRS or the courts. No ruling from the IRS has been or is expected to be requested in connection with the merger. There can be no assurance that the IRS would not assert, or that a court would not sustain, a position contrary to the conclusions set forth in the tax opinions or below. Accordingly, the tax opinions are not a guarantee of the legal outcome of the merger or any tax benefits that may be derived from the merger.

Consequences of the Merger to U.S. Holders of MedEquities Common Stock

The following discussion summarizes the material U.S. federal income tax consequences of the merger to U.S. holders assuming the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

Exchange of MedEquities Common Stock for Omega Common Stock and Cash

A U.S. holder of MedEquities common stock will receive a combination of Omega common stock and cash in exchange for shares of MedEquities common stock pursuant to the merger and generally will recognize gain (but not loss) in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess of the sum of the amount of cash, other than cash received in lieu of a fractional share of Omega common stock, and the fair market value of the Omega common stock received pursuant to the merger over such holder's adjusted U.S. federal income tax basis in its shares of MedEquities common stock surrendered) and (2) the amount of cash received pursuant to the merger (excluding any cash received in lieu of a fractional share of Omega common stock). Any gain the U.S. holder recognizes generally will be long-term capital gain if, as of the date of the merger, the U.S. holder's holding period in its MedEquities common stock surrendered exceeds one year. Long-term capital gain of certain non-corporate U.S. holders, including individuals, is generally taxed at preferential rates under current law.

If a U.S. holder acquired different blocks of MedEquities common stock at different times or different prices, any gain or loss must be determined separately for each block of MedEquities common stock. U.S. holders should consult their tax advisors regarding the manner in which cash and Omega common stock received in the merger should be allocated among different blocks of MedEquities common stock.

In certain cases, if a U.S. holder of MedEquities common stock actually or constructively owns Omega common stock other than Omega common stock received in the merger, the gain that is recognized by the U.S. holder could be treated as having the effect of the distribution of a dividend under the tests described in Section 302 of the Code, in which case such gain would be treated as dividend income for U.S. federal income tax purposes to the extent of the U.S. holder's ratable share of accumulated earnings and profits as