

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): May 1, 2008

OMEGA HEALTHCARE INVESTORS, INC.
(Exact name of registrant as specified in charter)

Maryland
(State of incorporation)

1-11316
(Commission File Number)

38-3041398
(IRS Employer
Identification No.)

9690 Deereco Road
Suite 1000
Timonium, Maryland 21093
(Address of principal executive offices / Zip Code)

(410) 427-1700
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act.
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act.
- Pre-commencement communications pursuant to Rule 14d—2(b) under the Exchange Act.
- Pre-commencement communications pursuant to Rule 13e—4(c) under the Exchange Act.

Item 1.01. Entry Into a Material Definitive Agreement

Omega Healthcare Investors, Inc. ("Omega") entered into purchase agreements dated May 1, 2008 with certain institutional investors pursuant to which Omega agreed to sell up to a total of 5,906,674 shares of its common stock, par value \$.10 per share, in a registered direct offering at a purchase price of \$16.93 per share. Omega's total net proceeds from the offering, after deducting the placement agent's fee and other estimated offering expenses, will be approximately \$98,749,991. The offering is expected to close on or about May 6, 2008, subject to satisfaction of customary closing conditions. Omega expects to use all of the proceeds from the sale to repay indebtedness outstanding under its senior credit facility.

In connection with the offering, Omega entered into a placement agent agreement with Cohen & Steers Capital Advisors, LLC ("Cohen & Steers") pursuant to which Cohen & Steers agreed to act as Omega's placement agent. As placement agent, Cohen & Steers will receive a placement agent fee equal to 0.75% of the gross proceeds from the offering, plus certain expenses. See Item 8.01 below for a description of additional fees and expenses related to the offering.

The offered shares were registered under an existing automatic shelf registration statement (the "Registration Statement") on Form S-3ASR (Registration No. 333-150183) filed by Omega on April 10, 2008 with the Securities and Exchange Commission ("SEC"), including a related Prospectus as supplemented by a Prospectus Supplement dated May 1, 2008 and filed with the SEC pursuant to Rule 424(b)(2) under the Securities Act of 1933.

A copy of the form of purchase agreement is attached hereto as Exhibit 10.1 and is incorporated by reference herein. A copy of the placement agent agreement is attached hereto as Exhibit 10.2 and is incorporated by reference herein.

Item 8.01. Other Events

A copy of Omega's press release issued on May 1, 2008, announcing the offering and sale of its shares is attached hereto as Exhibit 99.1 and is incorporated by reference herein. The opinion of counsel regarding the validity of the shares is attached hereto as Exhibit 5.1.

The following table is incorporated by reference into Item 14 of Part II of the Registration Statement, and sets forth the estimated expenses in connection with the issuance and distribution of the shares. All of the expenses will be borne by Omega except as otherwise indicated.

SEC Registration Fee	\$ 3,930*
Accounting Fees and Expenses	\$ 75,000
Legal Fees and Expenses	\$ 250,000
Miscellaneous	<u>\$ 171,070</u>
Total	<u>\$ 500,000</u>

* Previously paid in connection with unsold securities registered by the Company on Registration Statement No. 333-117655.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
5.1	Opinion of Powell Goldstein LLP regarding the legality of the Common Stock being registered
10.1	Form of Purchase Agreement dated as of May 1, 2008
10.2	Placement Agent Agreement dated as of May 1, 2008, by and between Omega Healthcare Investors, Inc. and Cohen & Steers Capital Advisors, LLC
23.1	Consent of Powell Goldstein LLP (contained in Exhibit 5.1)
99.1	Press Release dated May 1, 2008

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OMEGA HEALTHCARE INVESTORS, INC.
(Registrant)

Dated: May 2, 2008

By: /s/ Robert O. Stephenson
Robert O. Stephenson
Chief Financial Officer

May 2, 2008

Omega Healthcare Investors, Inc.
Suite 100
9690 Deereco Road
Timonium, Maryland 21093

Re: Registration Statement on Form S-3ASR (File No. 333-150183)

Ladies and Gentlemen:

We have served as counsel to Omega Healthcare Investors, Inc., a Maryland corporation (the "**Company**"), in connection with the offer and sale of 5,906,674 of its shares (the "**Shares**") of common stock, \$.10 par value per share ("**Common Stock**"), pursuant to purchase agreements with certain institutional investors (the "**Purchasers**") dated May 1, 2008 (the "**Purchase Agreements**"). The Shares are being offered pursuant to Rule 415 under the Securities Act of 1933, as amended (the "**Securities Act**"). This opinion is being delivered in connection with (i) that certain Registration Statement on Form S-3ASR (File No. 333-150183), as amended, originally filed with the Securities and Exchange Commission (the "**Commission**") on April 10, 2008, which Registration Statement became effective on April 10, 2008 (the "**Registration Statement**"), and (ii) a Prospectus Supplement, dated May 1, 2008 (the "**Prospectus Supplement**"), filed with the Commission pursuant to Rule 424 under the Securities Act, which supplements the prospectus contained in the Registration Statement.

In rendering this opinion, we have examined such corporate records, documents, certificates and instruments as we have deemed necessary for purposes of this opinion. We have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such documents. As to various questions of fact material to our opinion, we have relied on statements and certificates of officers and representatives of the Company and public officials.

Based upon the foregoing, and in reliance thereon, and subject to the assumptions, limitations and qualifications stated herein, we are of the opinion that:

1. The Company is validly existing as a corporation under the laws of the State of Maryland.

Omega Healthcare Investors, Inc.
May 2, 2008
Page 2

2. The Shares have been duly authorized for issuance and, when paid for by the applicable Purchaser and delivered in accordance with the terms of the applicable Purchase Agreement, will be validly issued, fully paid and nonassessable.

This opinion is limited to the Maryland General Corporation Law and the federal laws of the United States, and we do not express any opinions herein concerning any other law.

The opinions expressed herein are given as of the date hereof, and we assume no obligation to update or supplement such opinions or views to reflect any fact or circumstance that may hereafter come to our attention or any change in law that may hereafter occur or hereinafter become effective.

We consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K and to reference to our firm under the caption "Legal Matters" in the Prospectus Supplement. We do not thereby admit that we are "experts" within the meaning of the Securities Act of 1933 and the rules and regulations thereunder.

Very truly yours,

Powell Goldstein LLP

[Form of]
PURCHASE AGREEMENT

This Purchase Agreement (this "Agreement"), dated as of May 1, 2008, is by and among Omega Healthcare Investors, Inc., a Maryland corporation (the "Company"), each Purchaser, if any, listed under the heading "Direct Purchasers" on Schedule A (each, a "Direct Purchaser"), each Investment Adviser, if any, listed under the heading "Investment Advisers" on the signature pages hereto (each, an "Investment Adviser") who are entering into this Agreement on behalf of themselves (as to paragraph 4 of this Agreement) and those Purchasers which are a fund or individual or other investment advisory client of such Investment Adviser listed under their respective names on Schedule B (each, a "Client"), and each Broker-Dealer, if any, listed on Schedule C (each, a "Broker-Dealer") which is entering into this Agreement on behalf of itself (as to paragraph 5 of this Agreement) and those Purchasers which are customers for which it has power of attorney to sign listed under their respective names on Schedule C (each, a "Customer"). Each of the Customers, Direct Purchasers and Clients are referred to herein as individually, a "Purchaser" and collectively, the "Purchasers."

WHEREAS, the Purchasers desire to purchase from the Company (or their Investment Advisers and Broker-Dealers desire to purchase on their behalf from the Company), and the Company desires to issue and sell to the Purchasers up to an aggregate of 5,906,674 shares of the Company's Common Stock, par value \$0.10 per share (the "Securities"), with the number of Securities acquired by each Purchaser set forth opposite the name of such Purchaser on Schedule A, Schedule B or Schedule C, as the case may be.

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

1. Purchase and Sale. Subject to the terms and conditions hereof, the Investment Advisers and the Broker-Dealers (on behalf of Purchasers which are Clients and Customers, respectively) and the other Purchasers hereby severally and not jointly agree to purchase from the Company, and the Company agrees to issue and sell to the several Purchasers the number of Securities set forth next to such Purchaser's name on Schedule A, Schedule B or Schedule C, as the case may be, at a price per share of \$16.93 for an aggregate purchase amount of \$99,999,991 (the "Purchase Price") at the Closing (as defined below).

2. Representations and Warranties of Purchaser. Each Purchaser represents and warrants with respect to itself that:

(a) Due Authorization. Such Purchaser has full power and authority to enter into this Agreement and is duly authorized to purchase the Securities in the amount set forth opposite its name on Schedule A, Schedule B or Schedule C, as the case may be. This Agreement has been duly authorized by such Purchaser and duly executed and delivered by or on behalf of such Purchaser. This Agreement constitutes a legal, valid and binding agreement of such Purchaser, enforceable against such Purchaser in

accordance with its terms except as may be limited by (i) the effect of bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights or remedies of creditors or (ii) the effect of general principles of equity, whether enforcement is considered in a proceeding in equity or at law and the discretion of the court before which any proceeding therefor may be brought (the "Enforceability Exceptions").

(b) Prospectus and Prospectus Supplement. Such Purchaser has received a copy of the Company's Basic Prospectus dated April 10, 2008, Preliminary Prospectus dated April 30, 2008 and Prospectus Supplement dated May 1, 2008 (each as defined below).

(c) Ownership of Excess Shares of Capital Stock. As of the date hereof and after giving effect to the transaction contemplated hereby, such Purchaser, together with its subsidiaries and affiliates, does not own more than 9.8% in value of the issued and outstanding capital stock of the Company, and does not directly or indirectly own more than 9.9% of the Company's issued and outstanding voting stock. Purchaser expressly acknowledges that the provisions of the Company's Articles of Incorporation as amended or supplemented (the "Charter"), prohibit the direct or indirect ownership by Purchaser (together with its subsidiaries and affiliates) of more than 9.9% of the issued and outstanding shares of the Company's common stock and, in the event Purchaser's Securities acquired pursuant to this Agreement or otherwise would exceed such limit, the Company may repurchase such number of the Purchaser's Securities on the terms set forth in the Charter and referenced in the Charter as is necessary to cause Purchaser to thereafter not own any Excess Shares.

3. Representations and Warranties of Company. The Company represents and warrants as of the date hereof and as of the Closing that:

(a) The Company meets the requirements for use of an automatic shelf registration statement on Form S-3 under the Securities Act of 1933, as amended (the "Act"). The Company's Registration Statement (as defined below) was declared effective by the SEC (as defined below) and the Company has filed such post-effective amendments thereto as may be required under applicable law prior to the execution of this Agreement and each such post-effective amendment became effective. The SEC has not issued, and to the Company's knowledge, the SEC does not intend nor has it threatened to issue, a stop order with respect to the Registration Statement, nor has it otherwise suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently, nor, to the Company's knowledge, does it intend or has it threatened to do so. On the effective date, (i) the Registration Statement complied in all material respects with the requirements of the Act and the rules and regulations promulgated under the Act (the "Regulations"); at the effective date the Basic Prospectus (as defined below) complied, and at the Closing the Prospectus (as defined below) will comply, in all material respects with the requirements of the Act and the Regulations; and (ii) the Registration Statement at its effective date and as amended or supplemented through the date hereof and at the Closing did not, does not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or

necessary to make the statements therein not misleading; and the Basic Prospectus, Prospectus Supplement and Preliminary Prospectus, as of any such time, did not, does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and The Time of Sale Information (as defined below), at the Time of Sale (as defined below) did not, and does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however,

that the representations and warranties in this subsection shall not apply to statements in or omissions from the Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by or on behalf of any of the Purchasers, Cohen & Steers Capital Advisors, LLC, in its capacity as placement agent (the "Placement Agent"), any Investment Advisers or Broker-Dealers, or any of their respective affiliates, expressly for use in the Prospectus. As used in this Agreement, the term "Registration Statement" means the shelf registration statement on Form S-3 (File No. 333-150183) as made automatically effective under the rules of the Securities and Exchange Commission (the "SEC"), including exhibits, financial statements, schedules and documents incorporated by reference therein. The term "Basic Prospectus" means the prospectus included in the Registration Statement, as amended, or as supplemented and filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Securities hereunder. The term "Prospectus Supplement" means the prospectus supplement specifically relating to the Securities as filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Securities hereunder. The term "Prospectus" means the Basic Prospectus and the Prospectus Supplement taken together. The term "Preliminary Prospectus" means any form of preliminary prospectus used in connection with the marketing of the Securities. Any reference in this Agreement to the Registration Statement, the Prospectus or any Preliminary Prospectus shall be deemed to refer to and include the documents incorporated by reference therein as of the date hereof or the date of the Prospectus or any Preliminary Prospectus, as the case may be, and any reference herein to any amendment or supplement to the Registration Statement, the Prospectus or any Preliminary Prospectus shall be deemed to refer to and include any documents filed after such date and through the date of such amendment or supplement under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and so incorporated by reference. The term "Time of Sale Information" means the pricing information the Company prepared at 5:30 (Eastern time) on April 30, 2008 (the "Time of Sale") as set forth on Exhibit C hereto.

(b) Since the date as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change or any development which could reasonably be expected to give rise to a prospective material adverse change in or affecting the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its subsidiaries, if any (the "Subsidiaries") considered as one enterprise, whether or not arising in the ordinary course of business, (B) there have been no transactions entered into by the Company or any of its Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company

-3-

and its Subsidiaries considered as one enterprise, and (C) other than regular quarterly dividends, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its shares of equity securities.

(c) The Company has been duly organized as a corporation and is validly existing in good standing under the laws of the State of Maryland. Each of the Subsidiaries of the Company has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. Each of the Company and its Subsidiaries has the required power and authority to own and lease its properties and to conduct its business as described in the Prospectus; and each of the Company and its Subsidiaries is duly qualified to transact business in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise.

(d) As of the date hereof, the authorized capital stock of the Company consisted of 100,000,000 shares of common stock, par value \$0.10 per share, and 20,000,000 shares of preferred stock, par value \$1.00 per share, of which 69,205,465 shares of common stock and 4,739,500 shares of Series D Preferred Stock (the "Series D Preferred Stock") are issued and outstanding as of such date (without giving effect to any shares issued or to be issued as contemplated by this Agreement or the application of the proceeds of the offering contemplated hereby). The issued and outstanding shares of the Company have been duly authorized and validly issued and are fully paid and non-assessable; the Securities have been duly authorized, and when issued in accordance with the terms of this Agreement, will be validly issued, fully paid and non-assessable; the Securities, the common stock and the Series D Preferred Stock of the Company conform to all statements relating thereto contained in the Prospectus; and the issuance of the Securities is not subject to preemptive or other similar rights.

(e) Neither the Company nor any of its Subsidiaries is in violation of its organizational documents or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of its Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject where such violation or default would have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise; and the execution, delivery and performance of this Agreement and the issuance and delivery of the Securities and the consummation of the transactions contemplated herein have been duly authorized by all necessary action and will not conflict with or constitute a material breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any material property or assets of the Company or any of its Subsidiaries pursuant to, any material contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the

-4-

Company or any of its Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject, nor will any such action result in any violation of the provisions of the Articles of Incorporation of the Company, as amended and supplemented to date, by-laws or other organizational documents of the Company or any of its Subsidiaries or any law, administrative regulation or administrative or court decree applicable to the Company.

(f) The Company is organized in conformity with the requirements for qualification and, as of the date hereof and as of the Closing, operates in a manner that qualifies it as a "real estate investment trust" under the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder and will be so qualified after giving effect to the sale of the Securities.

(g) The Company is not required to be registered under the Investment Company Act of 1940, as amended.

(h) There is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened or contemplated, against or affecting the Company or any of its Subsidiaries, which is required to be disclosed in the Prospectus (other than as disclosed therein), or which could reasonably be expected to result in any material adverse change in the condition,

financial or otherwise, or in the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise, or which could reasonably be expected to materially and adversely affect the property or assets of the Company and its Subsidiaries considered as one enterprise, or which is likely to materially and adversely affect the ability of the Company to consummate the transactions contemplated by this Agreement; all pending legal or governmental proceedings to which the Company or any of its Subsidiaries is a party or of which any of their respective property or assets is the subject which are not described in the Prospectus, including ordinary routine litigation incidental to its business, considered in the aggregate, are not material to the business of the Company and its Subsidiaries considered as one enterprise if resolved in a manner unfavorable to the Company and its Subsidiaries.

(i) No authorization, approval or consent of any court or United States federal or state governmental authority or agency is necessary in connection with the sale of the Securities as contemplated hereunder, except such as may be required under the Act or the Regulations or state securities laws or real estate syndication laws.

(j) The Company and its Subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now conducted by them, except where the failure to possess such certificates, authority or permits would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise. Neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such

-5-

certificate, authority or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially and adversely affect the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise, nor, to the knowledge of the Company, are any such proceedings threatened or contemplated.

(k) The Company has full power and authority to enter into this Agreement, and this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms except as may be limited by the Enforceability Exceptions.

(l) As of the dates set forth therein or incorporated by reference, the Company had good and marketable title to all of the properties and assets reflected in the audited financial statements contained in the Prospectus, subject to no lien, mortgage, pledge or encumbrance of any kind except those reflected in such financial statements (or as otherwise described in the Prospectus) or which are not material or which constitute customary provisions of mortgage loans secured by the Company's properties creating obligations of the Company with respect to proceeds of the properties, environmental liabilities and other customary protections for the mortgagees.

(m) Any certificate signed by any officer of the Company and delivered to the Placement Agent or to counsel for the Placement Agent pursuant to this Agreement shall be deemed a representation and warranty by the Company to the Placement Agent as to the matters covered thereby.

(n) Neither the issuance, sale and delivery of the Securities nor the application of the proceeds thereof by the Company as described in the Prospectus will cause the Company to violate or be in violation of Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(o) The statements set forth in the Basic Prospectus under the caption "Description of Securities—Common Stock" and the statements set forth in the Prospectus Supplement under the caption "Description of the Common Stock," in each case, in so far as such statements purport to summarize provisions of laws or documents referred to therein, are correct in all material respects and fairly present the information required to be presented therein.

4. Representation and Warranty of the Investment Advisers. To induce the Company to enter into this Agreement, each of the Investment Advisers hereby represents and warrants that:

(a) It is an investment adviser duly registered with the SEC under the Investment Advisers Act of 1940.

(b) It has been duly authorized to act as investment adviser on behalf of each Client on whose behalf it is signing this Agreement (as identified under the name of such

-6-

Investment Adviser on Schedule B hereto) and has the sole authority to make the investment decision to purchase Securities hereunder on behalf of such Client.

(c) It has the power and authority to enter into and execute this Agreement on behalf of each of the Clients listed under its name on Schedule B hereto.

(d) This Agreement has been duly authorized, executed and delivered by it and, assuming it has been duly authorized, executed and delivered by the Company, constitutes a legal, valid and binding agreement of such Investment Adviser, enforceable against it in accordance with its terms except as may be limited by the Enforceability Exceptions.

(e) It has received a copy of the Company's Basic Prospectus dated April 10, 2008, Preliminary Prospectus dated April 30, 2008 and Prospectus Supplement dated May 1, 2008.

5. Representation and Warranty of the Broker-Dealers. To induce the Company to enter into this Agreement, each Broker-Dealer represents and warrants that:

(a) It has delivered a copy of the Prospectus to each Purchaser set forth under its name on Schedule C hereto.

(b) It has been granted a duly authorized power-of-attorney to execute and deliver this Agreement on behalf of each Customer on whose behalf it is signing this Agreement (as identified under the name of such Broker-Dealer on Schedule C hereto) and such power has not been revoked.

(c) This Agreement has been duly authorized, executed and delivered by it and, assuming it has been duly authorized, executed and delivered by the Company, constitutes a legal, valid and binding agreement of such Broker-Dealer, enforceable against it in accordance with its terms except as may be limited by the Enforceability Exceptions.

6. Conditions to Obligations of the Parties. The Company's obligations to sell the Securities to each Purchaser shall be subject to the condition that the representation made by such Purchaser in paragraph 2(c) of this Agreement shall be true and correct with the same force as though expressly made at and as of the Closing. The Purchasers' several obligation to purchase the Securities shall be subject to the following conditions having been met:

(i) the representations and warranties set forth in paragraph 3 of this Agreement shall be true and correct with the same force and effect as though expressly made at and as of the Closing,

(ii) the Purchasers shall have received an opinion from Powell Goldstein LLP, dated as of the date of the Closing, substantially in the form attached hereto as Exhibit A, and

-7-

(iii) the Placement Agent shall have received a comfort letter from Ernst & Young, LLP, dated as of or prior to the Closing, substantially in the form attached hereto as Exhibit B.

7. Closing. Provided that the conditions set forth in paragraph 6 of this Agreement and the last sentence of this paragraph 7 have been met or waived at such time, the transactions contemplated hereby shall be consummated on May 6, 2008, or at such other time and date as the parties hereto shall agree (each such time and date of payment and delivery being herein called the "Closing"). At the Closing, settlement shall occur through Weeden & Co., LP, or an affiliate thereof, on a delivery versus payment basis through the DTC ID System.

8. Covenants. The Company hereby covenants and agrees that subject to all Purchasers consummating the purchase of the Securities at the Closing, the Company will use the proceeds of the offering contemplated hereby as set forth under the caption "Use of Proceeds" in the Prospectus Supplement.

9. Governing Law. This Agreement shall be construed in accordance with and governed by the substantive laws of the State of New York, without regard to conflict of laws principles.

10. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may be amended only in a writing that is executed by each of the parties hereto.

11. Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same instrument. Executed counterparts may be delivered by facsimile.

12. Construction. When used herein, the phrase "to the knowledge of" the Company or "known to" the Company or any similar phrase means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of the Company and includes the knowledge that such officers would have obtained of the matter represented after reasonable due and diligent inquiry of those employees of the Company whom such officers reasonably believe would have actual knowledge of the matters represented.

-8-

Cohen & Steers Capital Advisors, LLC
280 Park Avenue
New York, New York 10017

Re: Placement of Securities of Omega Healthcare Investors, Inc.

Dear Sirs:

This letter (the "Agreement") confirms our agreement to retain Cohen & Steers Capital Advisors, LLC (the "Placement Agent") as our exclusive agent for a period commencing on the date of this letter and terminating on May 15, 2008 unless extended by the parties, to introduce Omega Healthcare Investors, Inc., a Maryland corporation (the "Company"), to certain investors as prospective purchasers (the "Offer") of up to 5,906,674 shares of the Company's Common Stock, par value \$0.10 per share (the "Securities") (assuming the maximum number of Securities is issued and sold). The engagement described herein (i) may be terminated by the Company at any time prior to the Closing (as defined below) and (ii) shall be in accordance with applicable laws and pursuant to the following procedures and terms and conditions:

1. The Company will:

(a) Cause the Company's independent public accountants to address to the Company and the Placement Agent and deliver to the Company, the Placement Agent and the Purchasers (as such term is defined in each of the Purchase Agreements dated the date hereof between the Company and the purchasers party thereto (the "Purchase Agreements")) (i) a letter or letters (which letters are frequently referred to as "comfort letters") dated the date hereof, and (ii) if so requested by the Placement Agent, a "bring-down" letter delivered the date on which the sale of Securities is consummated pursuant to the Purchase Agreements (such date, the "Closing Date" and the time of such consummation on any such Closing Date, a "Closing"), which, with respect to the letter referred to in clause (i) above, will be substantially in the form attached hereto as Annex I, and with respect to the letter or letters referred to in clause (ii) above, will be in form and substance reasonably satisfactory to the Placement Agent.

(b) On the Closing Date, cause outside counsel to the Company to deliver opinions to the Placement Agent and the Purchasers substantially in the form of Annex II hereto.

(c) As soon as practicable after the Closing, subject to the Purchasers' ownership satisfying the distribution requirements for listing, apply for listing the Securities for trading on the New York Stock Exchange, Inc. ("NYSE") and will use its reasonable best efforts to obtain approval from the NYSE with respect to such listing as soon as reasonably practicable within 30 days after the Closing Date and, if such approval is not obtained within 30 days, to continue to use its reasonable best efforts to obtain such approval as soon as practicable thereafter.

(d) Prior to the Closing, the Company shall not sell or approve the solicitation of offers for the purchase of additional Securities in excess of the amount which shall be authorized by the Company or in excess of the aggregate offering price of the Securities registered pursuant to the Registration Statement (as defined below).

(e) Use the proceeds of the offering contemplated hereby as set forth under the caption "Use of Proceeds" in the Prospectus Supplement (as defined below).

(f) On the Closing Date, the Company shall deliver to the Placement Agent and the Purchasers a certificate of the Chief Executive Officer and Chief Financial Officer of the Company, dated as of the Closing Date, setting forth that each of the representations and warranties contained in this Agreement shall be true on and as of the Closing Date as if made as of the Closing Date and each of the conditions and covenants contained herein shall have been complied with to the extent compliance is required prior to the Closing Date, and shall have delivered such other customary certificates as the Placement Agent shall have reasonably requested.

2. The Company authorizes the Placement Agent to use the Prospectus (as defined below) in connection with the Offer for such period of time as any such materials are required by law to be delivered in connection therewith and the Placement Agent agrees to do so.

(a) The Placement Agent will use commercially reasonable efforts on behalf of the Company in connection with the Placement Agent's services hereunder. No offers or sales of Securities shall be made to any person without the prior approval of such person by the Company, such approval to be at the reasonable discretion of the Company. The Placement Agent's aggregate fee for its services hereunder will be an amount equal to the sum of 0.75% of the gross proceeds received by the Company from the sales of Securities. Such fee shall be payable by the Company at and subject to the consummation of the Closing. The Company, upon consultation with the Placement Agent, may establish in the Company's discretion a minimum aggregate amount of Securities to be sold in the offering contemplated hereby, which minimum aggregate amount shall be reflected in the Prospectus. The Placement Agent will not enter into any agreement or arrangement with any broker, dealer or other person in connection with the placement of Securities (individually, a "Participating Person" and collectively, "Participating Persons") which will obligate the Company to pay additional fees or expenses to or on behalf of a Participating Person without the prior written consent of the Company, it being understood that Weeden & Co., LP will be acting as settlement agent ("Settlement Agent") in connection with the Offer and the Company will pay the fees and expenses of the Settlement Agent in connection therewith.

(b) The Company agrees that it will pay its own costs and expenses incident to the performance of the obligations hereunder whether or not any Securities are offered or sold pursuant to the Offer, including, without limitation, (i) the filing fees and expenses, if any, incurred with respect to any filing with the NYSE, (ii) all costs and expenses incident to the preparation, issuance, execution and delivery of the Securities, (iii) all costs and expenses (including filing fees) incident to the preparation, printing and filing under the Securities Act of 1933, as amended (the "Act"), of the Registration

printing (including word processing and duplication costs) and delivery of the Preliminary Prospectus, Prospectus and Registration Statement (including, without limitation, any preliminary and supplemental blue sky memoranda) including, without limitation, mailing and shipping, (vi) all fees and expenses incurred in marketing the Offer and (vii) the fees and disbursements of Powell Goldstein LLP, counsel to the Company, and any other counsel to the Company, and Ernst & Young, LLP, auditors to the Company. In addition, the Company agrees to reimburse the Placement Agent for all out-of-pocket expenses of the Placement Agent in connection with the Offer, including, without limitation, the reasonable legal fees, expenses and disbursements of the Placement Agent's counsel in connection with the Offer.

(c) The Company will indemnify and hold harmless the Placement Agent and each of its respective partners, directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys and agents, and each person, if any, controlling the Placement Agent or any of its affiliates within the meaning of either Section 15 of the Act or Section 20 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), from and against any and all losses, claims, damages, liabilities or costs (and any reasonable legal or other expenses incurred by such Placement Agent in investigating or defending the same or in giving testimony or furnishing documents in response to a request of any government agency or to a subpoena) in any way relating to, arising out of or caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, in the Prospectus or in any Preliminary Prospectus or in The Time of Sale Information (as defined below) or in any way relating to, arising out of or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Such indemnity agreement shall not, however, apply to any such loss, claim, damage, liability, cost or expense (i) if such statement or omission was made in reliance upon or in conformity with information furnished in writing to the Company by the Placement Agent or its affiliates or any of the Purchasers, Investment Advisors or Broker-Dealers (as defined in the Purchase Agreements) or their respective affiliates expressly for use in the Prospectus Supplement, or (ii) which is held in a final judgment of a court of competent jurisdiction (not subject to further appeal) to have arisen out of the gross negligence or willful misconduct of the Placement Agent or any indemnitee described in this paragraph 2(c).

(d) The Placement Agent will indemnify and hold harmless the Company and each of its directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys, agents, and each person controlling the Company or any of its affiliates within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages, liabilities, costs or expenses (and any reasonable legal or other expenses incurred by such indemnitee in investigating or defending the same or in giving testimony or furnishing documents in response to a

-3-

request of any government agency or to a subpoena) (i) which are held in a final judgment of a court of competent jurisdiction (not subject to further appeal) to have arisen out of the gross negligence or willful misconduct of such Placement Agent or any of its respective partners, directors, officers, associates, affiliates, subsidiaries, employees, consultants, attorneys and agents, and each person, if any, controlling the Placement Agent or any of its affiliates within the meaning of Section 15 of the Act or Section 20 of the Exchange Act or (ii) relating to, arising out of or caused by any untrue statement or alleged untrue statement of a material fact contained in the Prospectus Supplement or Preliminary Prospectus or in The Time of Sale Information or in any way relating to, arising out of or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, if such statement or omission was made in reliance upon or in conformity with information furnished in writing to the Company by the Placement Agent or its affiliates or any of the Purchasers, Investment Advisors or Broker-Dealers or their respective affiliates expressly for use in the Prospectus Supplement, or (iii) which result from violations by the Placement Agent of law or of requirements, rules or regulations of federal or state securities regulators, self-regulatory associations or organizations in the securities industry, stock exchanges or organizations with similar functions or responsibilities with respect to securities brokers or dealers, as determined by a court of competent jurisdiction or applicable federal or state securities regulators, self-regulatory associations or organizations in the securities industry or stock exchanges or organizations, as applicable.

(e) If any action, proceeding or investigation is commenced as to which any indemnified party hereunder proposes to demand indemnification under this letter agreement, such indemnified party will notify the indemnifying party with reasonable promptness. The indemnifying party shall have the right to retain counsel of its own choice (which counsel shall be reasonably satisfactory to the indemnified party) to represent it and such counsel shall, to the extent consistent with its professional responsibilities, cooperate with the indemnified party and any counsel designated by the indemnified party; provided, however, it is understood and agreed that if the indemnifying party assumes the defense of a claim for which indemnification is sought hereunder, it shall have no obligation to pay the expenses of separate counsel for the indemnified party, unless defenses are available to the indemnified party that make it impracticable for the indemnifying party and the indemnified party to be represented by the same counsel in which case the indemnified party shall be entitled to retain one counsel. The indemnifying party will not be liable under this letter agreement for any settlement of any claim against the indemnified party made without the indemnifying party's written consent.

(f) In order to provide for just and equitable contribution, if a claim for indemnification pursuant to this paragraph 4 is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provided for indemnification in such case, then the Company, on the one hand, and the Placement Agent, on the other hand, shall contribute to the losses, claims, damages, liabilities or costs to which the indemnified persons may be subject in accordance with the relative

-4-

benefits received from the offering and sale of the Securities by the Company, on the one hand, and the Placement Agent, on the other hand (it being understood that, with respect to the Placement Agent, such benefits received are limited to fees actually paid by the Company and received by the Placement Agent pursuant to this Agreement), and also the relative fault of the Company, on the one hand, and the Placement Agent, on the other hand, in connection with the statements, acts or omissions which resulted in such losses, claims, damages, liabilities or costs, and any relevant equitable considerations shall also be considered. No person found liable for a fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who is not also found liable for such fraudulent misrepresentation. Notwithstanding the foregoing, the Placement Agent shall not be obligated to contribute any amount hereunder that exceeds the fees received by the Placement Agent in respect to the offering and sale of the Securities.

3. The Company represents and warrants to the Placement Agent as of the date hereof and as of the Closing Date as follows:

(a) The Company meets the requirements for use of an automatic shelf registration statement on Form S-3 under the Act. The Company's Registration Statement (as defined below) was declared effective by the SEC (as defined below) and the Company has filed such post-effective

amendments thereto as may be required prior to the execution of this Agreement and each such post-effective amendment became effective. The SEC has not issued, and to the Company's knowledge, the SEC does not intend nor has it threatened to issue, a stop order with respect to the Registration Statement, nor has it otherwise suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently, nor, to the Company's knowledge, does it intend or has it threatened to do so. On the effective date, (i) the Registration Statement complied in all material respects with the requirements of the Act and the rules and regulations promulgated under the Act (the "Regulations"); at the effective date the Basic Prospectus (as defined below) complied, and at the Closing the Prospectus will comply, in all material respects with the requirements of the Act and the Regulations; and (ii) the Registration Statement at the effective date and as amended or supplemented on the date hereof and on the Closing Date did not, does not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and the Basic Prospectus, Prospectus Supplement and Preliminary Prospectus, as of any such time, did not, does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and The Time of Sale Information, at the Time of Sale (as defined below) did not, and does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or the Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by (i) the Placement Agent or its affiliates or (ii) by or on behalf of any of the Purchasers, Investment Advisors or Broker-Dealers or any of

-5-

their respective affiliates, in each case, expressly for use therein. As used in this Agreement, the term "Registration Statement" means the "shelf" registration statement on Form S-3 (File No. 333-150183) as made automatically effective under the rules of the Securities and Exchange Commission (the "SEC"), including exhibits, financial statements, schedules and documents incorporated by reference therein. The term "Basic Prospectus" means the prospectus included in the Registration Statement, as amended, or as supplemented and filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Securities hereunder. The term "Prospectus Supplement" means the prospectus supplement specifically relating to the Securities as filed with the SEC pursuant to Rule 424 under the Act in connection with the sale of the Securities. The term "Prospectus" means the Basic Prospectus and the Prospectus Supplement taken together. The term "Preliminary Prospectus" means any form of preliminary prospectus used in connection with the marketing of the Securities. Any reference in this Agreement to the Registration Statement, the Prospectus or any Preliminary Prospectus shall be deemed to refer to and include the documents incorporated by reference therein as of the date hereof or the date of the Prospectus or any Preliminary Prospectus and any reference herein to any amendment or supplement to the Registration Statement, the Prospectus or any Preliminary Prospectus shall be deemed to refer to and include any documents filed after such date and through the date of such amendment or supplement under the Exchange Act and so incorporated by reference. The term "Time of Sale Information" means the pricing information the Company prepared at 5:30 (Eastern time) on April 30, 2008 (the "Time of Sale") as set forth on Annex III hereto.

(b) Since the date as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (i) there has been no material adverse change or any development which could reasonably be expected to give rise to a prospective material adverse change in or affecting the condition, financial or otherwise, or in the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and the subsidiaries of the Company, if any (the "Subsidiaries") considered as one enterprise, whether or not arising in the ordinary course of business, (ii) there have been no transactions entered into by the Company or any of its Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its Subsidiaries considered as one enterprise, and (iii) other than regular quarterly dividends, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its shares of equity securities.

(c) The Company has been duly organized as a corporation and is validly existing in good standing under the laws of the State of Maryland. Each of the Subsidiaries of the Company has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. Each of the Company and its Subsidiaries has the required power and authority to own and lease its properties and to conduct its business as described in the Prospectus; and each of the Company and its Subsidiaries is duly qualified to transact business in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs

-6-

or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise.

(d) As of the date hereof, the authorized capital stock of the Company consisted of 100,000,000 shares of common stock, par value \$0.10 per share, and 20,000,000 shares of preferred stock, par value \$1.00 per share, of which 69,205,465 shares of common stock and 4,739,500 shares of Series D Preferred Stock (the "Series D Preferred Stock") are issued and outstanding as of such date (without giving effect to any shares issued or to be issued as contemplated by this Agreement or the application of the proceeds of the offering contemplated hereby). The issued and outstanding shares of the Company have been duly authorized and validly issued and are fully paid and non-assessable; the Securities have been duly authorized, and when issued and delivered as contemplated hereby and in accordance with the Purchase Agreement, will be validly issued, fully paid and non-assessable; the Securities, the common stock and the Series D Preferred Stock of the Company conform to all statements relating thereto contained in the Prospectus; and the issuance of the Securities is not subject to preemptive or other similar rights.

(e) Neither the Company nor any of its Subsidiaries is in violation of its organizational documents or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of its Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject where such violation or default would have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company's knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise; and the execution, delivery and performance of this Agreement and the issuance and delivery of the Securities and the consummation of the transactions contemplated herein have been duly authorized by all necessary action and will not conflict with or constitute a material breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any material property or assets of the Company or any of its Subsidiaries pursuant to, any material contract, indenture, mortgage, loan agreement, note, lease or other instrument or agreement to which the Company or any of its Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its Subsidiaries is subject, nor will any such action result in any violation of the provisions of the Articles of Incorporation of the Company, as supplemented and amended to date, by-laws or other organizational documents of the Company or any of its Subsidiaries or any law,

administrative regulation or administrative or court decree applicable to the Company.

(f) The Company is organized in conformity with the requirements for qualification and, as of the date hereof and as of the Closing, operates in a manner that qualifies it as a “real estate investment trust” under the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder and will be so qualified after giving effect to the sale of the Securities.

-7-

(g) The Company is not required to be registered under the Investment Company Act of 1940, as amended.

(h) There is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened or contemplated, against or affecting the Company or any of its Subsidiaries, which is required to be disclosed in the Prospectus (other than as disclosed therein), or which could reasonably be expected to result in any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise, or which could reasonably be expected to materially and adversely affect the property or assets of the Company and its Subsidiaries considered as one enterprise, or which is likely to materially and adversely affect the ability of the Company to consummate the transactions contemplated by this Agreement; all pending legal or governmental proceedings to which the Company or any of its Subsidiaries is a party or of which any of their respective property or assets is the subject which are not described in the Prospectus, including ordinary routine litigation incidental to its business, considered in the aggregate, are not material to the business of the Company and its Subsidiaries considered as one enterprise if resolved in a manner unfavorable to the Company and its Subsidiaries.

(i) No authorization, approval or consent of any court or United States federal or state governmental authority or agency is necessary in connection with the sale of the Securities as contemplated hereunder, except such as may be required under the Act or the Regulations or state securities laws or real estate syndication laws.

(j) The Company and its Subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now conducted by them, except where the failure to possess such certificates, authority or permits would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise. Neither the Company nor any of its Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially and adversely affect the condition, financial or otherwise, or the earnings, business affairs or, to the Company’s knowledge, business prospects of the Company and its Subsidiaries considered as one enterprise, nor, to the knowledge of the Company, are any such proceedings threatened or contemplated.

(k) The Company has full power and authority to enter into this Agreement, and this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms except as may be limited by (i) the effect of bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights or remedies of creditors or (ii) the effect of general principles of

-8-

equity, whether enforcement is considered in a proceeding in equity or at law and the discretion of the court before which any proceeding therefor may be brought (collectively, the “Enforceability Exceptions”).

(l) As of the dates set forth therein or incorporated by reference, the Company had good and marketable title to all of the properties and assets reflected in the audited financial statements contained in the Prospectus, subject to no lien, mortgage, pledge or encumbrance of any kind except those reflected in such financial statements (or as otherwise described in the Prospectus) or which are not material or which constitute customary provisions of mortgage loans secured by the Company’s properties creating obligations of the Company with respect to proceeds of the properties, environmental liabilities and other customary protections for the mortgagees.

(m) Any certificate signed by any officer of the Company and delivered to the Placement Agent or to counsel for the Placement Agent pursuant to this Agreement shall be deemed a representation and warranty by the Company to the Placement Agent as to the matters covered thereby.

(n) Neither the issuance, sale and delivery of the Securities nor the application of the proceeds thereof by the Company as described in the Prospectus will cause the Company to violate or be in violation of Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(o) The statements set forth in the Basic Prospectus under the caption “Description of Securities—Common Stock” and the statements set forth in the Prospectus Supplement under the caption “Description of the Common Stock,” in each case, in so far as such statements purport to summarize provisions of laws or documents referred to therein, are correct in all material respects and fairly present the information required to be presented therein.

4. The Placement Agent represents and warrants to the Company that (i) it is registered as a broker-dealer under the Exchange Act and licensed or otherwise qualified to do business as a broker-dealer in all states in which it will offer any Securities pursuant to this Agreement, (ii) assuming compliance by the Company with all relevant provisions of the Act in connection with the Prospectus, the Placement Agent will conduct all offers and sales of the Securities in compliance with the relevant provisions of the Act and the Regulations and various state securities laws and regulations, (iii) the Placement Agent will only act as agent in those jurisdictions in which it is authorized to do so and (iv) the Placement Agent will not distribute to any Purchaser, Investment Advisor or Broker-Dealer any written material relating to the offering contemplated hereby other than the Registration Statement, the Prospectus or any Preliminary Prospectus or in The Time of Sale Information.

5. This Agreement shall be governed by the laws of the State of New York governing contracts made and to be performed in such State without giving effect to principles of conflicts of law.

6. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be the same Agreement. Executed counterparts may be delivered by facsimile.

7. Construction. When used herein, the phrase "to the knowledge of" the Company or "known to" the Company or any similar phrase means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of the Company and includes the knowledge that such officers would have obtained of the matter represented after reasonable due and diligent inquiry of those employees of the Company whom such officers reasonably believe would have actual knowledge of the matters represented.



PRESS RELEASE – FOR IMMEDIATE RELEASE

OMEGA ANNOUNCES THE SALE OF 5.9 MILLION SHARES OF ITS COMMON STOCK

TIMONIUM, MARYLAND – May 1, 2008 – Omega Healthcare Investors, Inc. (NYSE:OHI) today announced that it has agreed to sell shares of its common stock in a registered direct placement to a number of institutional investors. The Company expects to receive net proceeds from the offering of approximately \$98.7 million and expects to close the sale on May 6, 2008. Omega expects to use all of the proceeds to repay indebtedness outstanding under its senior credit facility. Completion of the offering is subject to customary closing conditions.

Cohen & Steers Capital Advisors, LLC acted as Placement Agent in this transaction. The shares of common stock are being offered under Omega's existing shelf registration statement on file with the Securities and Exchange Commission. A prospectus supplement and accompanying prospectus describing the terms of the offering will be filed with the Securities and Exchange Commission. When available, copies of the prospectus supplement and the accompanying prospectus may be obtained by contacting the Company at 9690 Deereco Road, Suite 100, Timonium, Maryland 21093, Attention: Investor Relations, or by phone at (410) 427-1700.

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

* * * * *

Omega is a real estate investment trust investing in and providing financing to the long-term care industry. At March 31, 2008, Omega owned or held mortgages on 235 healthcare facilities located in 28 states and operated by 26 third-party healthcare operating companies.

FOR FURTHER INFORMATION, CONTACT
Bob Stephenson, CFO at (410) 427-1700

This announcement includes forward-looking statements. Actual results may differ materially from those reflected in such forward-looking statements as a result of a variety of factors, including, among other things: (i) uncertainties relating to the business operations of the operators of the Company's properties, including those relating to reimbursement by third-party payors, regulatory matters and occupancy levels; (ii) regulatory and other changes in the healthcare sector, including without limitation, changes in Medicare reimbursement; (iii) changes in the financial position of the Company's operators; (iv) the ability of operators in bankruptcy to reject unexpired lease obligations, modify the terms of the Company's mortgages, and impede the ability of the Company to collect unpaid rent or interest during the pendency of a bankruptcy proceeding and retain security deposits for the debtor's obligations; (v) the availability and cost of capital; (vi) competition in the financing of healthcare facilities; (vii) the Company's ability to maintain its status as a real estate investment trust; and (viii) other factors identified in the Company's filings with the Securities and Exchange Commission. Statements regarding future events and developments and the Company's future performance, as well as management's expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements.

9690 Deereco Road
Suite 100
Timonium, MD
21093

Phone: 410-427-1700
Fax: 410-427-8800
