

**LifeCare Holdings, Inc.**

**News Release  
For Immediate Release  
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**LifeCare Holdings, Inc. Announces \$250 Million Master Lease Line of Credit**

*Agreement with Health Care REIT will provide for acquisition and development capital*

**Plano, TEXAS** – A subsidiary of LifeCare Holdings, Inc., has entered into a master lease line of credit and master lease agreement with Health Care REIT, Inc. (NYSE:HCN) of Toledo, Ohio. The arrangement provides LifeCare with up to \$250 million in capital to acquire and develop long term acute care hospitals (LTACH). Under the agreement, Health Care REIT will purchase designated properties and will provide capital to build hospitals to be leased to LifeCare for a 15-year term.

LifeCare's first project utilizing the line of credit provided by the agreement with Health Care REIT is a 60,000-square foot de novo facility to be located in Meridian, Idaho, near Boise. Health Care REIT recently completed the purchase of a 6.7-acre parcel of land in Meridian on which a 60-bed, long term acute care hospital will be constructed and leased to LifeCare. The hospital is expected to be completed in early 2008 and will be designed and constructed specifically for a medically complex patient base.

"Health Care REIT is a significant force in health care real estate financing," said CEO and Chairman of the Board W. Earl Reed, III. "This agreement will advance our efforts to develop hospitals in underserved markets to meet the needs of patients who can benefit from our long term acute care hospital services."

LifeCare, based in Plano, Texas, operates 19 long term acute care hospitals located in nine states. Long term acute care hospitals specialize in the treatment of medically complex patients who require intensive hospital care for an extended period of time, generally more than 25 days. For more information on LifeCare, visit our website at [www.lifecare-hospitals.com](http://www.lifecare-hospitals.com).

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