

MATROS RICHARD K
Form 4
November 17, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MATROS RICHARD K

2. Issuer Name and Ticker or Trading Symbol
Sabra Health Care REIT, Inc.
[SBRA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
11/15/2010

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman, CEO & President

C/O SABRA HEALTH CARE REIT, INC., 18500 VON KARMAN, SUITE 550

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

IRVINE, CA 92612

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	11/15/2010		J(1)		74,715 (2)	A	(1) 74,715 (2)	D	
Common Stock	11/15/2010		J(1)		154,994	A	(1) 154,994	I	By R&A Matros Revocable Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474 (9-02)

displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 11.99	11/15/2010		J ⁽¹⁾		45,657		⁽³⁾	05/18/2011	Common Stock	45,657
Employee Stock Option (Right to Buy)	\$ 12.34	11/15/2010		J ⁽¹⁾		41,640		⁽⁴⁾	05/18/2012	Common Stock	41,640
Employee Stock Option (Right to Buy)	\$ 14.37	11/15/2010		J ⁽¹⁾		32,477		⁽⁵⁾	05/30/2013	Common Stock	32,477
Employee Stock Option (Right to Buy)	\$ 21.63	11/15/2010		J ⁽¹⁾		44,580		⁽⁶⁾	03/14/2014	Common Stock	44,580
Employee Stock Option (Right to Buy)	\$ 21.83	11/15/2010		J ⁽¹⁾		114,285		⁽⁷⁾	03/16/2015	Common Stock	114,285
Employee Stock Option (Right to Buy)	\$ 17.31	11/15/2010		J ⁽¹⁾		85,714		⁽⁸⁾	03/16/2016	Common Stock	85,714
Employee Stock Option	\$ 17.17	11/15/2010		J ⁽¹⁾		85,714		⁽⁹⁾	03/23/2017	Common Stock	85,714

(Right to
Buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MATROS RICHARD K C/O SABRA HEALTH CARE REIT, INC. 18500 VON KARMAN, SUITE 550 IRVINE, CA 92612	X		Chairman, CEO & President	

Signatures

/s/ Nikole M. Kingston as
Attorney-in-Fact

11/17/2010

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Pursuant to a merger (the "Merger") of Sun Healthcare Group, Inc. ("Old Sun") with and into the Issuer, a wholly owned subsidiary of Old Sun immediately prior to the Merger, which Merger became effective on November 15, 2010 and is exempt under Rule 16b-7, each stockholder of Old Sun received one share of common stock of the Issuer in exchange for every three shares of common stock of Old Sun held by such stockholder at the effective time of the Merger.
- (2) Consists of unvested restricted stock units that, upon vesting, will be paid on a one-for-one basis in shares of the Issuer's Common Stock.
- (3) Received in the Merger in exchange for an employee stock option to acquire 79,900 shares of Old Sun common stock for \$6.85 per share. The option became exercisable at the rate of 25% on each of May 19, 2005, 2006, 2007 and 2008.
- (4) Received in the Merger in exchange for an employee stock option to acquire 72,870 shares of Old Sun common stock for \$7.05 per share. The option became exercisable at the rate of 25% on each of May 19, 2006, 2007, 2008 and 2009.
- (5) Received in the Merger in exchange for an employee stock option to acquire 56,835 shares of Old Sun common stock for \$8.21 per share. The option became exercisable at the rate of 25% on each of May 31, 2007, 2008, 2009 and 2010.
- (6) Received in the Merger in exchange for an employee stock option to acquire 78,016 shares of Old Sun common stock for \$12.36 per share. The option became exercisable as to 33,435 shares in equal installments on each of March 15, 2008, 2009 and 2010, and becomes exercisable as to the remaining 11,145 shares on March 15, 2011.
- (7) Received in the Merger in exchange for an employee stock option to acquire 200,000 shares of Old Sun common stock for \$12.47 per share. The option became exercisable as to 57,142 shares in equal installments on each of March 15, 2009 and 2010, and becomes exercisable as to the remaining 57,143 shares in equal installments on each of March 15, 2011 and 2012.
- (8) Received in the Merger in exchange for an employee stock option to acquire 150,000 shares of Old Sun common stock for \$9.89 per share. The option became exercisable as to 21,428 shares on March 15, 2010, and becomes exercisable as to the remaining 64,286 shares in equal installments on each of March 15, 2011, 2012 and 2013.
- (9) Received in the Merger in exchange for an employee stock option to acquire 150,000 shares of Old Sun common stock for \$9.81 per share. The option becomes exercisable at the rate of 25% on each of March 15, 2011, 2012, 2013 and 2014.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.