

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

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

1. Name and Address of Reporting Person*

Stephenson Robert O.

(Last) (First) (Middle)

1401 Thorndon Drive

(Street)

Bel Air MD 21015

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Omega Healthcare Investors, Inc. (OHI)

3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)

4. Statement for Month/Year

October 2001

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer
(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

Chief Financial Officer

7. Individual or Joint/Group Filing (Check applicable line)

Form filed by one Reporting Person
 Form filed by more than one Reporting Person

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

<TABLE>
<CAPTION>

Owner-	7.	3.	4.	5.	6.
Form:	Nature of	Transaction	Securities Acquired (A) or Disposed of (D)	Amount of Securities	ship
Direct	or Indirect	Code	(Instr. 3, 4 and 5)	Beneficially	
1.	Indirect Beneficial	2. Transaction (Instr. 8)	(A)	Owned at End	(D)
				of Month	

Title of Security Ownership (Instr. 3) (Instr.4) (Instr. 4)	Date (mm/dd/yy)	----- Code	V	Amount	or (D)	Price	(Instr. 3 and 4)	(I)
<S> <C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Common Stock							1,000	D

</TABLE>

* If the Form is filed by more than one Reporting Person, see Instruction 4(b)(v).

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

(Print or Type Response)

(Over)

FORM 4 (continued)

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

<TABLE>
<CAPTION>

10. Owner- ship Form of Deriv- ative Secur- ity: Direct	11. Nature of In- direct	2. Conver- sion or Exer- cise Price	3. Trans- action	4. Secur- ities Acquired (A) or Disposed	5. Number of Derivative Securities Date Exercisable and Expiration Date	6. Date	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Deriv-	9. Number of Deriv- ative Secur- ities Bene- ficially Owned
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(D) or 1. In- Title of direct Derivative (I) Security (Instr. (Instr. 3) 4)	Bene- ficial Owner- ship (Instr. (Instr. 4)	of Deriv- ative Secur- ity	action Date (Month/ Day/ Year)	Code (Instr. 8) ----- Code V	of (D) (Instr. 3, 4 and 5) ----- (A) (D)	(Month/Day/Year) ----- Date Expira- tion Exer- cisable Date	Amount or Number of Shares	ative Secur- ity (Instr. 5)	at End of Month (Instr. 4)
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 <S> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C> <C>
 <C> <C>

Options
 (right to buy) \$2.76 8/30/01 A V 18,845 8/1/03 8/30/11 common stock 18,845 \$2.76 18,845
 D

Options
 (right to buy) \$2.76 8/30/01 A V 181,155 * * common stock 181,155 \$2.76 200,000
 D

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 </TABLE>

Explanation of Responses:
 *Options to acquire 181,155 shares of Common Stock were granted to the undersigned on August 30, 2001. These options are exercisable as follows: 36,231 on December 31, 2002; 36,231 on August 1, 2003; 36,231 on August 1, 2004; 36,231 on August 1, 2005 and 36,231 on January 1, 2006. Options expire 10 years from date of grant.

/s/ ROBERT O. STEPHENSON November 9, 2001

 **Signature of Reporting Person Date

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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