

BROOKDALE

— SENIOR LIVING —

Bank of America Merrill Lynch 2018 Health Care Conference



May 16, 2018

Forward-Looking Statements – Safe Harbor

Certain statements in this Investor Presentation and the associated management presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to various risks and uncertainties and include all statements that are not historical statements of fact and those regarding our intent, belief or expectations, including, but not limited to, statements relating to our redefined strategy, including initiatives undertaken to execute on our strategic priorities and their intended effect on our results; our operational, sales, marketing and branding initiatives; our expectations regarding the economy, the senior living industry, senior housing construction, supply and competition, occupancy and pricing and the demand for senior housing; our expectations regarding our revenue, cash flow, operating income, expenses, capital expenditures, including expected levels and reimbursements and the timing thereof, expansion, redevelopment and repositioning opportunities, including Program Max opportunities, and their projected costs, cost savings and synergies, and our liquidity and leverage; our plans and expectations with respect to acquisition, disposition, development, lease restructuring and termination, financing, re-financing and venture transactions and opportunities (including assets held for sale, the pending transactions with HCP, Inc. and our plans to market in 2018 and sell approximately 30 owned communities), including the timing thereof and their effects on our results; our expectations regarding taxes, capital deployment and returns on invested capital, Adjusted EBITDA and Adjusted Free Cash Flow (as those terms are defined herein); our expectations regarding returns to stockholders, our share repurchase program and the payment of dividends; our ability to secure financing or repay, replace or extend existing debt at or prior to maturity; our ability to remain in compliance with all of our debt and lease agreements (including the financial covenants contained therein); our expectations regarding changes in government reimbursement programs and their effect on our results; our plans to expand our offering of ancillary services; and our ability to anticipate, manage and address industry trends and their effect on our business. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "could," "would," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "project," "predict," "continue," "plan," "target" or other similar words or expressions. These forward-looking statements are based on certain assumptions and expectations, and our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Although we believe that expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and actual results and performance could differ materially from those projected. Factors which could have a material adverse effect on our operations and future prospects or which could cause events or circumstances to differ from the forward-looking statements include, but are not limited to, the risk associated with the current global economic situation and its impact upon capital markets and liquidity; changes in governmental reimbursement programs; the risk of overbuilding, new supply and new competition; our inability to extend (or refinance) debt (including our credit and letter of credit facilities) as it matures; the risk that we may not be able to satisfy the conditions precedent to exercising the extension options associated with certain of our debt agreements; events which adversely affect the ability of seniors to afford our resident fees or entrance fees; the conditions of housing markets in certain geographic areas; our ability to generate sufficient cash flow to cover required interest and long-term lease payments and to fund our planned capital projects; risks related to the implementation of our redefined strategy, including initiatives undertaken to execute on our strategic priorities and their effect on our results; the effect of our indebtedness and long-term leases on our liquidity; the effect of our non-compliance with any of our debt or lease agreements (including the financial covenants contained therein) and the risk of lenders or lessors declaring a cross default in the event of our non-compliance with any such agreements; the risk of loss of property pursuant to our mortgage debt and long-term lease obligations; the possibilities that changes in the capital markets, including changes in interest rates and/or credit spreads, or other factors could make financing more expensive or unavailable to us; our determination from time to time to purchase any shares under our share repurchase program; our ability to fund any repurchases; our ability to effectively manage our growth; our ability to maintain consistent quality control; delays in obtaining regulatory approvals; the risk that we may not be able to expand, redevelop and reposition our communities in accordance with our plans; our ability to complete acquisition, disposition, lease restructuring and termination, financing, re-financing and venture transactions (including assets held for sale, the pending transactions with HCP, Inc. and our plans to market in 2018 and sell approximately 30 owned communities) on agreed upon terms or at all, including in respect of the satisfaction of closing conditions, the risk that regulatory approvals are not obtained or are subject to unanticipated conditions, and uncertainties as to the timing of closing, and our ability to identify and pursue any such opportunities in the future; our ability to successfully integrate acquisitions; competition for the acquisition of assets; our ability to obtain additional capital on terms acceptable to us; a decrease in the overall demand for senior housing; our vulnerability to economic downturns; acts of nature in certain geographic areas; terminations of our resident agreements and vacancies in the living spaces we lease; early terminations or non-renewal of management agreements; increased competition for skilled personnel; increased wage pressure and union activity; departure of our key officers and potential disruption caused by changes in management; increases in market interest rates; environmental contamination at any of our communities; failure to comply with existing environmental laws; an adverse determination or resolution of complaints filed against us; the cost and difficulty of complying with increasing and evolving regulation; unanticipated costs to comply with legislative or regulatory developments, including requirements to obtain emergency power generators for our communities; as well as other risks detailed from time to time in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in such SEC filings. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our management's views as of the date of this Investor Presentation. We cannot guarantee future results, levels of activity, performance or achievements, and we expressly disclaim any obligation to release publicly any updates or revisions to any of these forward-looking statements to reflect any change in our expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

Top Priorities

Our Mission

Enriching the lives of those we serve with compassion, respect, excellence and integrity

Our Vision

To be the nation's **first choice** in senior living

Our Strategy

Win Locally by providing choices for high quality care & personalized service by caring associates while leveraging industry leading scale and experience

Our Plan

Attract, engage, develop, and retain the best associates

Earn resident and family trust and endorsements by providing valued high quality care and personalized service

Take action to provide attractive long-term returns to our shareholders



Associates



Residents



Shareholders



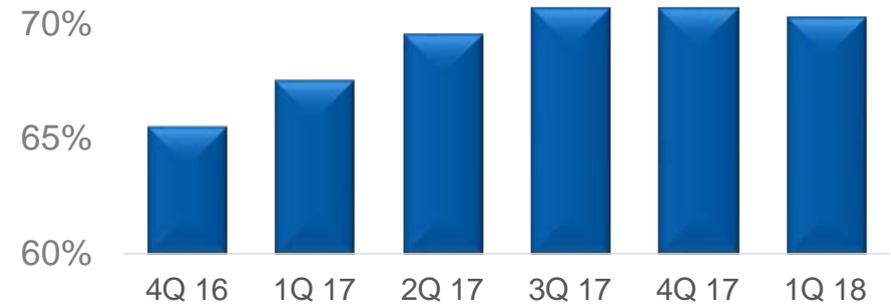
Goal: To have a competitive associate value proposition so our vibrant, engaged workforce drives positive resident experiences.

Associate Value Proposition

- **“My Deal”**⁽¹⁾
 - **2018:** Expanding 2017 model deeper into the community organizations
- **“My Leader”**⁽²⁾
 - Right leaders in the right roles
 - Validate local decision rights and create a unified operating model
- **“My Career”**
 - Develop career pathways to extend associates’ tenure

Key Metrics

Retention Rate ⁽³⁾



Voluntary Turnover ⁽⁴⁾



Source: Brookdale Internal Data,

(1) “My Deal” is the total rewards program for employees, including compensation and benefits

(2) “My Leader” includes performance management, training and development

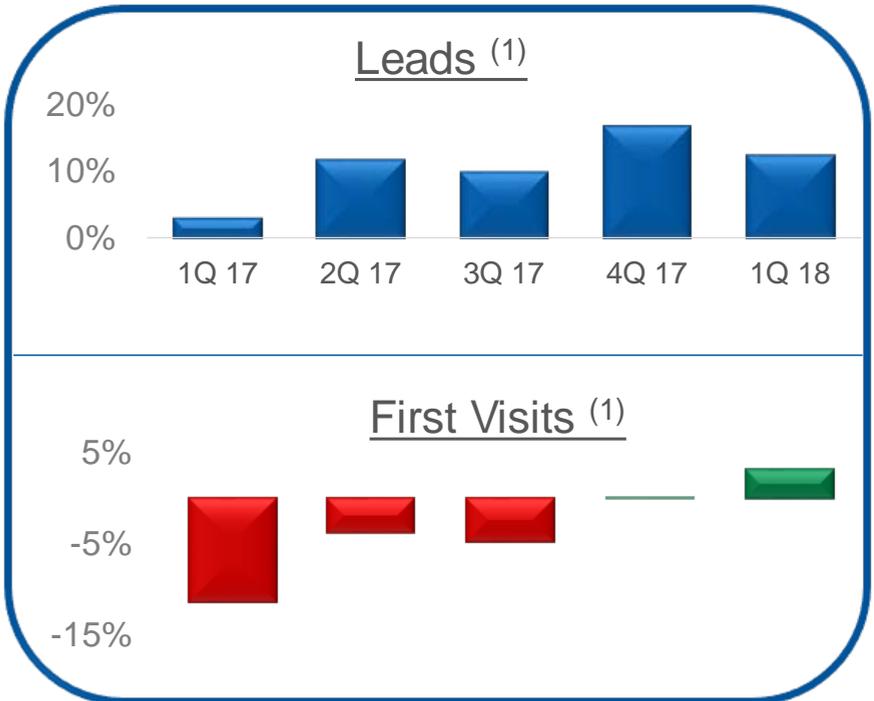
(3) Consolidated comparable retention rate of Executive Directors and Health & Wellness Directors based on rolling 12 months average

(4) Voluntary turnover of Sales Director positions on a 12 month rolling average

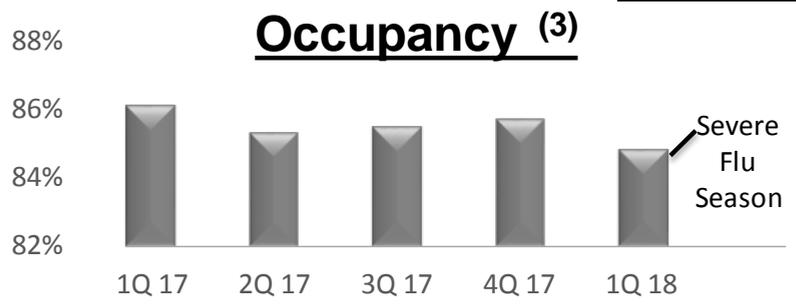
Our Resident Strategy



Goal: Focus on What Matters Most and Win Locally

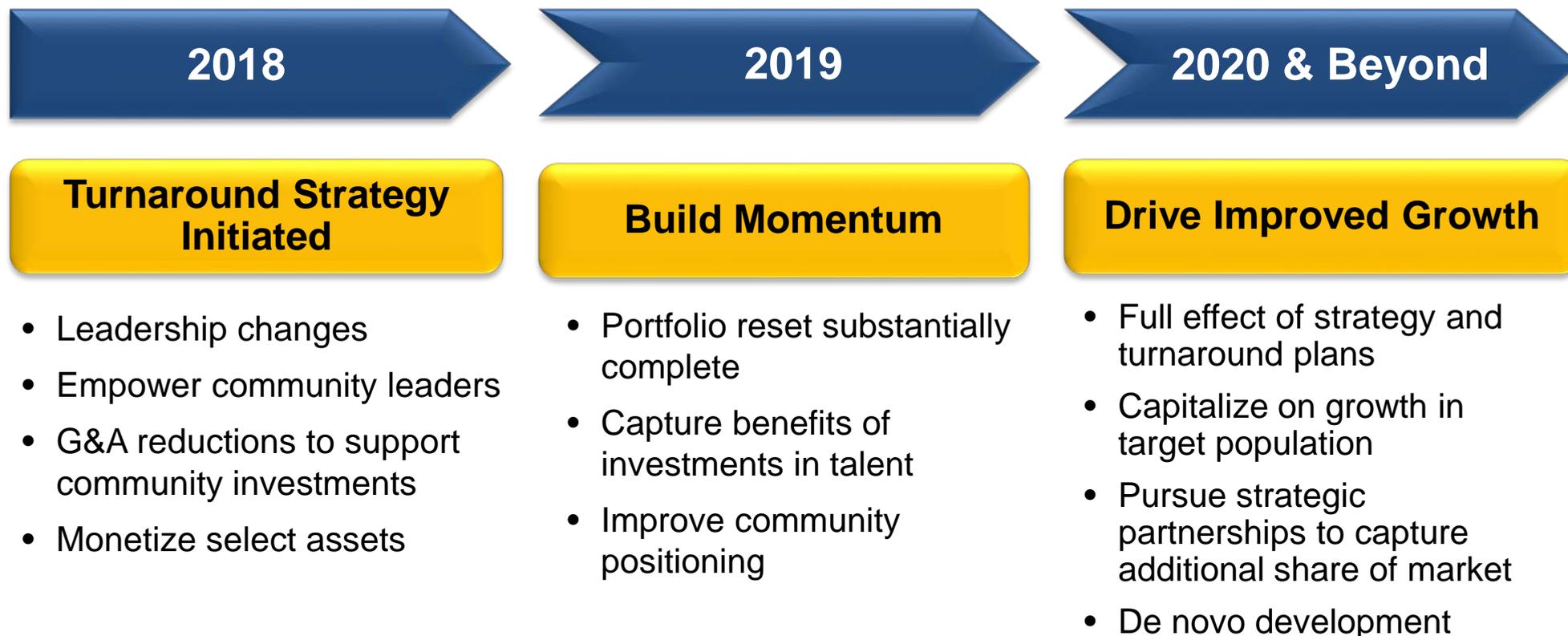


Brookdale Same Community (2)



1Q 2017	2Q 2017	3Q 2017	4Q 2017	1Q 2018
\$ 4,028	\$ 3,973	\$ 3,950	\$ 3,950	\$ 4,005
			↑ + 1.4% ↑	

(1) Metrics based on Same Community, stated quarter compared to same quarter of prior year
 (2) Same Community represents historic trend data based on consolidated Brookdale communities operated as of March 31, 2018
 (3) Senior Housing weighted average unit occupancy
 (4) RevPAR, or average monthly senior housing resident fee revenues per available unit, is defined by Brookdale as resident fee revenues, excluding Brookdale Ancillary Services segment revenue and entrance fee amortization, for the corresponding portfolio for the period, divided by the weighted average number of available units in the corresponding portfolio for the period, divided by the number of months in the period



As we move into 2020 and beyond, we expect

- **Occupancy and Rate** to increase from improved execution and our ability to take advantage of the silver wave of a growing senior's population
- **Labor costs**, after three years of investments, to grow in-line with the industry
- **Adjusted EBITDA Margin** to expand with top-line revenue growth

