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) February 8, 2016 (February 8, 2016)

Brookdale Senior Living Inc.
(Exact name of registrant as specified in its charter)

Delaware	001-32641	20-3068069
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

111 Westwood Place, Suite 400, Brentwood, Tennessee	37027
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (615) 221-2250

(Former name or former address, if changed since last report.)

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 (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 — Financial Information

Item 2.02 Results of Operations and Financial Condition.

On February 8, 2016, Brookdale Senior Living Inc. (the "Company") issued a press release announcing its fourth quarter and full year 2015 financial results and announcing a conference call to review these results. A copy of the press release is furnished herewith as Exhibit 99.1.

Supplemental information related to the Company's fourth quarter and full year 2015 results is furnished herewith as Exhibit 99.2.

The information furnished pursuant to this Current Report on Form 8-K (including the exhibits hereto) shall not be considered "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into any filing by the Company under the Securities Act of 1933, as amended, or under the Securities Exchange Act of 1934, as amended, unless the Company expressly sets forth by specific reference in such filing that such information is to be considered "filed" or incorporated by reference therein.

Section 7 — Regulation FD

Item 7.01 Regulation FD Disclosure.

The information set forth in Item 2.02 of this report is incorporated herein by reference.

Section 9 — Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release dated February 8, 2016

99.2 Supplemental Information

SIGNATURE

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 hereunto duly authorized.

BROOKDALE SENIOR LIVING INC.

Date: February 8, 2016	By:	/s/ Chad C. White
	Name:	Chad C. White
	Title:	Senior Vice President, Co-General Counsel and Secretary

EXHIBIT INDEX

Exhibit No.	Exhibit
99.1	Press Release dated February 8, 2016
99.2	Supplemental Information

Exhibit 99.1

FOR IMMEDIATE RELEASE

Contact:
Brookdale Senior Living Inc.
Investors: Ross Roadman (615) 564-8104
rroadman@brookdale.com

Brookdale Announces Fourth Quarter and Full Year 2015 Results

Nashville, Tenn. February 8, 2016 – Brookdale Senior Living Inc. (NYSE: BKD) ("Brookdale" or the "Company") today reported financial and operating results for the fourth quarter and full year of 2015. Highlights included:

- Cash From Facility Operations ("CFFO")(1) of \$0.58 per share for the fourth quarter of 2015, a 9.4% increase from \$0.53 per share in the fourth quarter of 2014 and \$2.40 per share for the full year 2015, excluding integration, transaction, transaction-related and electronic medical records ("EMR") roll-out costs in all periods.
- Average occupancy for all consolidated communities in the fourth quarter of 2015 of 86.8%, an increase of 10 basis points from the third quarter of 2015.
- Adjusted EBITDA(1) of \$222.2 million in the fourth quarter of 2015, a 4.4% increase from the fourth quarter of 2014, excluding integration, transaction, transaction-related and EMR roll-out costs in both periods.
- Net loss attributable to Brookdale common stockholders of \$0.94 per share for the fourth quarter of 2015, compared to \$0.58 for the fourth quarter of 2014, and net loss attributable to Brookdale common stockholders of \$2.48 per share for the full year of 2015.

(1) CFFO per share and Adjusted EBITDA are financial measures that are not calculated in accordance with GAAP. Please see "Reconciliation of Non-GAAP Financial Measures" below for the Company's definitions of each of these financial measures and a reconciliation of each measure to net income (loss).

Andy Smith, Brookdale's CEO, said, "Our fourth quarter results demonstrate the progress we are making on our operational execution. Stabilized occupancy and rate, expense control and operating expense synergies produced same community operating income growth of more than 4% over the fourth quarter of 2014. We are well positioned going into 2016. Our teams are in place, and we are focused on extending the fourth quarter progress through improved occupancy and increased rates, maintaining expense discipline, delivering more synergies and, importantly, providing our residents with high quality care and service."

Financial Results

The year-over-year quarterly comparison is the first since the Company's acquisition of Emeritus that includes the combined results in both quarters. Total revenue for the fourth quarter of 2015 was $1.2 billion. Resident fees of $1.0 billion were level with the fourth quarter of 2014. Average monthly revenue per unit for the consolidated senior housing portfolio was $4,302 in the fourth quarter of 2015, an increase of $82, or 1.9%, compared with the fourth quarter of 2014. Average occupancy for all consolidated communities during the fourth quarter of 2015 was 86.8%, up 10 basis points from the third quarter of 2015, though below the 88.3% average occupancy for the fourth quarter of 2014.

Facility operating expenses for the fourth quarter of 2015 were $697.3 million, a decline of $10.7 million, or 1.5%, from the fourth quarter of 2014, primarily due to cost management and operating cost synergies. Excluding management services in all periods, Brookdale's consolidated operating margin was 33.0% for the fourth quarter of 2015 versus 32.1% for the fourth quarter of 2014.

Based on the current quarter review of the Company's deferred tax assets, the Company recorded a $105.3 million valuation allowance on its deferred tax assets during the fourth quarter of 2015, mainly attributed to the Company's Net Operating Losses. Net loss attributable to Brookdale common stockholders for the fourth quarter of 2015 was $174.3 million, or $0.94 per share, versus net loss attributable to Brookdale common stockholders of $106.5 million, or $0.58 per share, in the fourth quarter of 2014.

Non-GAAP Financial Measures

For the Company's definitions of Adjusted EBITDA, CFFO, CFFO per share, and Facility Operating Income, as well as a reconciliation of each of the non-GAAP financial measures to net income (loss), see "Reconciliation of Non-GAAP Financial Measures" below.

Adjusted EBITDA, excluding integration, transaction, transaction-related and EMR roll-out costs, was $222.2 million for the fourth quarter of 2015, an increase of $9.3 million, or 4.4%, compared with the fourth quarter of 2014. Adjusted EBITDA includes integration, transaction, transaction-related and EMR roll-out costs for the three months ended December 31, 2015 and December 31, 2014 of $24.7 million and $46.0 million, respectively.

CFFO was $81.8 million in the fourth quarter of 2015, or $0.44 per share. Excluding integration, transaction, transaction-related and EMR roll-out costs, CFFO was $106.6 million, or $0.58 per share, for the fourth quarter of 2015, an increase of $9.3 million, or 9.5%, compared with the fourth quarter of 2014. CFFO includes integration, transaction, transaction-related and EMR roll-out costs for the three months ended December 31, 2015 and December 31, 2014 of $24.9 million (including $0.2 million of debt modification costs excluded from Adjusted EBITDA) and $46.0 million, respectively.

Facility Operating Income was $341.7 million in the fourth quarter of 2015, an increase of $7.8 million, or 2.3%, compared with the fourth quarter of 2014.

Operating Activities

The Company reports information on five segments. Three segments (Retirement Centers, Assisted Living and CCRCs – Rental) constitute the Company's consolidated senior housing portfolio. The fourth segment, Brookdale Ancillary Services, includes the Company's outpatient therapy, home health and hospice services. The fifth segment, Management Services, includes the services provided to unconsolidated communities that are operated under management agreements.

Senior Housing

Revenue for the consolidated senior housing portfolio was $921.0 million for the fourth quarter of 2015, a decline of 0.8% from the fourth quarter of 2014. The revenue decrease reflects a 150 basis point decline in occupancy and a 1.9% increase in rate over the fourth quarter of 2014. Facility operating expenses were $594.7 million for the fourth quarter of 2015, a decline of 3.2% from the fourth quarter of 2014. Operating income for the senior housing portfolio increased by $11.9 million, or 3.8%, to $326.2 million for the fourth quarter of 2015.

Same community revenues for the consolidated senior housing portfolio for the three months ended December 31, 2015 showed revenues declined 0.4% over the corresponding period in 2014, as revenue per unit increased by 1.7% and occupancy declined by 190 basis points. Consolidated same community expenses for the fourth quarter of 2015 declined by 2.7% over the fourth quarter of 2014 with same community operating income for the senior housing portfolio for the fourth quarter of 2015 increasing 4.1% over the fourth quarter of 2014.

Brookdale Ancillary Services

Revenue for the Company's ancillary services segment increased $6.4 million, or 5.7%, to $119.9 million for the fourth quarter of 2015 versus the prior year fourth quarter. The revenue increase was driven primarily by a volume increase in home health and hospice. Ancillary services operating expenses for the fourth quarter of 2015 increased $8.8 million, or 9.3%, over the fourth quarter of 2014, primarily due to an increase in expenses related to expansion of the ancillary services into the former Emeritus communities. As a result, ancillary services operating income for the fourth quarter of 2015 was $17.3 million, a decline of $2.3 million, or 11.9%, versus the fourth quarter of 2014.

Transactions

During the fourth quarter of 2015, the Company acquired the underlying real estate associated with five communities that previously were leased for an aggregate purchase price of $78.4 million. The Company financed the transaction with seller financing.

During 2015, the Company began an initiative to dispose of 34 communities. Sixteen of these communities were sold during the fourth quarter of 2015 for an aggregate selling price of $76.9 million (including $33.2 million of seller financing). The results of operations of the disposed communities were previously reported in the Retirement Centers, Assisted Living, and CCRCs - Rental segments.

The Company has designated 17 communities as assets held for sale as of December 31, 2015. The results of operations of these communities are reported in the Assisted Living and CCRCs – Rental segments within the consolidated financial statements for the year ended December 31,

2015. The sale of the 17 communities is expected to occur in 2016, although there can be no assurance that the transactions will close or if they do, when the actual closing will occur.

During the fourth quarter of 2015, the Company recorded an impairment charge of $57.9 million. The impairments primarily were related to the 16 assets that were sold, the assets held for sale, and certain assets on the consolidated balance sheet whose fair value was determined to be below carrying value.

Outlook

For the full year 2016, the Company expects CFFO per share in a range of $2.45 to $2.55, excluding integration, transaction, transaction-related and EMR roll-out costs and costs associated with certain strategic projects related to refining the Company's strategy, building out enterprise-wide capabilities for the post-merger platform and reducing costs and achieving synergies by capitalizing on scale. This guidance excludes the potential impact of any future acquisition or disposition activity other than the planned disposition of 17 communities classified as held for sale.

Supplemental Information

The Company will shortly post on the Investor Relations section of the Company's website at www.brookdale.com supplemental information relating to the Company's fourth quarter 2015 results. This information will also be furnished in a Form 8-K to be filed with the SEC.

Earnings Conference Call

Brookdale's management will conduct a conference call to review the financial results of its fourth quarter ended December 31, 2015 on Tuesday, February 9, 2016 at 10:00 AM ET. The conference call can be accessed by dialing (866) 900-2996 (from within the U.S.) or (706) 643-2685 (from outside of the U.S.) ten minutes prior to the scheduled start and referencing the "Brookdale Senior Living Fourth Quarter Earnings Call."

A webcast of the conference call will be available to the public on a listen-only basis at www.brookdale.com. Please allow extra time prior to the call to visit the site and download the necessary software required to listen to the internet broadcast. A replay of the webcast will be available through the website for three months following the call.

For those who cannot listen to the live call, a replay will be available until 11:59 PM ET on February 22, 2016 by dialing (855) 859-2056 (from within the U.S.) or (404) 537-3406 (from outside of the U.S.) and referencing access code "41751281". A copy of this earnings release is posted on the Investor Relations page of the Brookdale website (www.brookdale.com).

About Brookdale Senior Living

Brookdale Senior Living Inc. is the leading operator of senior living communities throughout the United States. The Company is committed to providing senior living solutions primarily within properties that are designed, purpose-built and operated to provide the highest-quality service, care and living accommodations for residents. Currently Brookdale operates independent living, assisted living, and dementia-care communities and continuing care retirement centers, with approximately 1,123 communities in 47 states and the ability to serve approximately 108,000 residents. Through its ancillary services program, the Company also offers a range of outpatient therapy, home health, personalized living and hospice services. Brookdale's stock is traded on the New York Stock Exchange under the ticker symbol BKD.

Safe Harbor

Certain statements in this press release and the associated earnings conference call may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Those 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 operational, sales and marketing initiatives and growth strategies and our expectations regarding their effect on our results; our expectations regarding the economy, the senior living industry, occupancy, pricing, revenue, cash flow, operating income, expenses, capital expenditures, Program Max opportunities, the integration of Emeritus, cost savings and synergies, liquidity and leverage, senior housing supply, the demand for senior housing, expansion, development and construction activity, acquisition opportunities, asset dispositions, the expansion of our ancillary services offerings, innovation and revenue growth opportunities, our share repurchase program, taxes, capital deployment, returns on invested capital, Adjusted EBITDA, CFFO, CFFO per share, and/or Facility Operating Income (as such terms are defined herein). 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. 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; our inability to extend (or refinance) debt (including our credit and letter of credit facilities and our outstanding convertible notes) 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 monthly 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 operating lease payments; the effect of our indebtedness and long-term operating leases on our liquidity; 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 the 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 acquisitions; our ability to successfully integrate acquisitions, including our acquisition of Emeritus; 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 union activity; departure of our key officers; 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; 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 press release and/or the associated earnings conference call. 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.

Condensed Consolidated Statements of Operations
(in thousands, except per share data)

	Three Months Ended December 31, 2015	Three Months Ended December 31, 2014	Years Ended December 31, 2015	Years Ended December 31, 2014
Revenue				
Resident fees	$ 1,040,835	$ 1,041,958	$ 4,177,127	$ 3,301,297
Management fees	15,553	16,920	60,183	42,239
Reimbursed costs incurred on behalf of managed communities	179,314	193,225	723,298	488,170
Total revenue	1,235,702	1,252,103	4,960,608	3,831,706
Expense				
Facility operating expense (excluding depreciation and amortization of $113,429, $207,079, $684,488 and $503,662, respectively)	697,262	707,999	2,788,862	2,210,368
General and administrative expense (including non-cash stock-based compensation expense of $5,780, $5,129, $31,651 and $28,299, respectively)	91,970	98,574	370,579	280,267
Transaction costs	1,089	7,725	8,252	66,949
Facility lease expense	90,621	92,469	367,574	323,830
Depreciation and amortization	126,378	216,632	733,165	537,035
Asset impairment	57,941	9,992	57,941	9,992
Loss on facility lease termination	-	-	76,143	-
Costs incurred on behalf of managed communities	179,314	193,225	723,298	488,170
Total operating expense	1,244,575	1,326,616	5,125,814	3,916,611
Income (loss) from operations	(8,873)	(74,513)	(165,206)	(84,905)
Interest income	395	345	1,603	1,343
Interest expense:				
Debt	(43,480)	(42,104)	(173,484)	(128,002)
Capital and financing lease obligations	(51,669)	(56,873)	(211,132)	(109,998)
Amortization of deferred financing costs and debt premium (discount)	(2,516)	430	(3,351)	(7,477)
Change in fair value of derivatives	(7)	(532)	(797)	(2,711)
Debt modification and extinguishment costs	(240)	(2,621)	(7,020)	(6,387)
Equity in (loss) earnings of unconsolidated ventures	(38)	(742)	(804)	171
Other non-operating income	1,593	2,614	9,827	7,235
Income (loss) before income taxes	(104,835)	(173,996)	(550,364)	(330,731)
(Provision) benefit for income taxes	(69,468)	67,200	92,209	181,305
Net income (loss)	(174,303)	(106,796)	(458,155)	(149,426)
Net (income) loss attributable to noncontrolling interest	44	262	678	436
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders	$ (174,259)	$ (106,534)	$ (457,477)	$ (148,990)
Basic and diluted net income (loss) per share attributable to Brookdale Senior Living Inc. common stockholders	$ (0.94)	$ (0.58)	$ (2.48)	$ (1.01)
Weighted average shares used in computing basic and diluted net income (loss) per share	184,805	183,432	184,333	148,185

Condensed Consolidated Balance Sheets
(*in thousands*)

	December 31, 2015	December 31, 2014
Cash and cash equivalents	$ 88,029	$ 104,083
Cash and escrow deposits - restricted	32,570	38,862
Accounts receivable, net	144,053	149,730
Assets held for sale	110,620	-
Other current assets	122,671	237,915
Total current assets	497,943	530,590
Property, plant, and equipment and leasehold intangibles, net	8,031,376	8,389,505
Other assets, net	1,519,245	1,497,366
Total assets	$ 10,048,564	$ 10,417,461
Current liabilities	$ 840,148	$ 873,896
Long-term debt, less current portion	3,769,371	3,440,971
Capital and financing lease obligations, less current portion	2,427,438	2,536,883
Other liabilities	552,880	683,470
Total liabilities	7,589,837	7,535,220
Total Brookdale Senior Living Inc. stockholders' equity	2,458,888	2,881,724
Noncontrolling interest	(161)	517
Total equity	2,458,727	2,882,241
Total liabilities and equity	$ 10,048,564	$ 10,417,461

Condensed Consolidated Statements of Cash Flows
(*in thousands*)

	Years Ended December 31, 2015	2014
Cash Flows from Operating Activities		
Net income (loss)	$ (458,155)	$ (149,426)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Loss on extinguishment of debt, net	121	6,387
Depreciation and amortization, net	736,516	544,512
Asset impairment	57,941	9,992
Equity in loss (earnings) of unconsolidated ventures	804	(171)
Distributions from unconsolidated ventures from cumulative share of net earnings	7,825	1,840
Amortization of deferred gain	(4,372)	(4,372)
Amortization of entrance fees	(3,204)	(21,220)
Proceeds from deferred entrance fee revenue	11,113	32,704
Deferred income tax benefit	(95,261)	(182,371)
Change in deferred lease liability	6,956	1,439
Change in fair value of derivatives	797	2,711
Gain on sale of assets	(1,270)	(446)
Change in future service obligation	(941)	670
Non-cash stock-based compensation	31,651	28,299
Non-cash interest expense on financing lease obligations	23,472	12,647
Amortization of (above) below market rents, net	(7,158)	(3,444)
Other	(3,157)	-
Changes in operating assets and liabilities:		
Accounts receivable, net	5,608	3,510
Prepaid expenses and other assets, net	51,079	(52,868)
Accounts payable and accrued expenses	(60,564)	16,812
Tenant refundable fees and security deposits	(524)	(1,183)
Deferred revenue	(6,911)	(3,370)
Net cash provided by operating activities	292,366	242,652
Cash Flows from Investing Activities		
Decrease (increase) in lease security deposits and lease acquisition deposits, net	10,866	(48,944)
Decrease in cash and escrow deposits — restricted	29,286	56,935
Additions to property, plant, and equipment and leasehold intangibles, net	(411,051)	(304,245)
Acquisition of assets, net of related payables and cash received	(191,216)	(40,441)
Acquisition of Emeritus Corporation, cash acquired	-	28,429
Investment in unconsolidated ventures	(69,297)	(26,499)
Distributions received from unconsolidated ventures	9,054	12,275
Proceeds from sale of assets, net	49,226	4,339
Other	4,155	3,269
Net cash used in investing activities	(568,977)	(314,882)
Cash Flows from Financing Activities		
Proceeds from debt	585,650	326,639
Repayment of debt and capital and financing lease obligations	(485,762)	(584,345)
Proceeds from line of credit	1,175,000	442,000
Repayment of line of credit	(965,000)	(372,000)
Proceeds from public equity offering, net	-	330,386
Payment of financing costs, net of related payables	(32,622)	(9,393)
Refundable entrance fees:		
Proceeds from refundable entrance fees	1,939	20,342
Refunds of entrance fees	(4,411)	(25,865)
Cash portion of loss on extinguishment of debt	(44)	(4,101)
Payment on lease termination	(17,000)	(7,750)
Other	2,807	1,889
Net cash provided by financing activities	260,557	117,802
Net (decrease) increase in cash and cash equivalents	(16,054)	45,572
Cash and cash equivalents at beginning of year	104,083	58,511
Cash and cash equivalents at end of year	$ 88,029	$ 104,083

Reconciliation of Non-GAAP Financial Measures

This earnings release and the supplemental information referred to in the earnings release contain financial measures utilized by management to evaluate our financial and operating performance that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Each of these measures, Adjusted EBITDA, CFFO, CFFO per share, and Facility Operating Income, should not be considered in isolation from or as superior or a substitute for net income (loss), income (loss) from operations, cash flows provided by or used in operations, or other financial measures determined in accordance with GAAP. We strongly urge you to review the reconciliations of such measures to GAAP net income (loss), along with our consolidated financial statements included herein. We caution investors that amounts presented in accordance with our definitions of Adjusted EBITDA, CFFO, CFFO per share, and Facility Operating Income may not be comparable to similar measures disclosed by other companies, because not all companies calculate these non-GAAP measures in the same manner.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) before provision (benefit) for income taxes, non-operating (income) expense items, (gain) loss on sale or acquisition of communities (including gain (loss) on facility lease termination), depreciation and amortization (including non-cash impairment charges), straight-line lease expense (income), net of amortization of (above) below market rents, amortization of deferred gain, amortization of deferred entrance fees, non-cash stock-based compensation expense, and change in future service obligation and including Cash From Facility Operations from unconsolidated ventures and entrance fee receipts and refunds (excluding (i) first generation entrance fee receipts from the sale of units at a recently opened entrance fee CCRC prior to stabilization and (ii) first generation entrance fee refunds not replaced by second generation entrance fee receipts at the recently opened community prior to stabilization). Management uses Adjusted EBITDA to, among other things, assess our overall financial and operating performance because this metric excludes non-cash items such as depreciation and amortization, asset impairment charges, non-cash stock-based compensation expense, gain (loss) on facility lease termination and straight-line lease expense, net of deferred gain amortization. In addition, management uses Adjusted EBITDA to assess decisions which are expected to facilitate meeting current financial goals as well as to achieve optimal financial performance, and to provide an indicator to determine if adjustments to current spending decisions are needed. We believe Adjusted EBITDA is useful to investors in evaluating our operating performance, results of operations and financial position because it is helpful in identifying trends in our day-to-day performance since the items excluded have little or no significance to our day-to-day operations and it provides an assessment of our expense management.

The table below reconciles Adjusted EBITDA from net income (loss) for the three months and the years ended December 31, 2015 and December 31, 2014 (*in thousands*):

	Three Months Ended December 31(1),		Years Ended December 31(1),	
	2015	**2014**	**2015**	**2014**
Net income (loss)	$ (174,303)	$ (106,796)	$ (458,155)	$ (149,426)
Provision (benefit) for income taxes	69,468	(67,200)	(92,209)	(181,305)
Equity in loss (earnings) of unconsolidated ventures	38	742	804	(171)
Debt modification and extinguishment costs	240	2,621	7,020	6,387
Other non-operating income	(1,593)	(2,614)	(9,827)	(7,235)
Interest expense:				
Debt	43,480	42,104	173,484	128,002
Capitalized and financing lease obligations	51,669	56,873	211,132	109,998
Amortization of deferred financing costs and debt (premium) discount	2,516	(430)	3,351	7,477
Change in fair value of derivatives	7	532	797	2,711
Interest income	(395)	(345)	(1,603)	(1,343)
Income (loss) from operations	(8,873)	(74,513)	(165,206)	(84,905)
Depreciation and amortization	126,378	216,632	733,165	537,035
Asset impairment	57,941	9,992	57,941	9,992
Loss on facility lease termination	-	-	76,143	-
Straight-line lease expense (income)	505	(961)	6,956	1,439
Amortization of deferred gain	(1,093)	(1,093)	(4,372)	(4,372)
Amortization of entrance fees	(888)	(714)	(3,204)	(21,220)
Amortization of (above) below market lease, net	(1,733)	(2,067)	(7,158)	(3,444)
Non-cash stock-based compensation expense	5,780	5,129	31,651	28,299
Change in future service obligation	(941)	670	(941)	670
Entrance fee receipts(2)	2,655	2,587	13,052	53,046
Entrance fee disbursements	(1,160)	(538)	(4,411)	(25,865)
CFFO from unconsolidated ventures	18,896	11,662	59,767	25,334
Adjusted EBITDA	$ 197,467	$ 166,786	$ 793,383	$ 516,009

(1) The calculation of Adjusted EBITDA includes integration, transaction, transaction-related and EMR roll-out costs of $24.7 million and $46.0 million for the three months ended December 31, 2015 and December 31, 2014, respectively. The calculation of Adjusted EBITDA includes integration, transaction, transaction-related and EMR roll-out costs of $116.8 million and $146.4 million for the years ended December 31, 2015 and December 31, 2014, respectively. Integration costs include transition costs associated with the Emeritus merger and organizational restructuring (such as severance and retention payments and recruiting expenses), third party consulting expenses directly related to the integration of Emeritus (in areas such as cost savings and synergy realization, branding and technology and systems work), and internal costs such as training, travel and labor, reflecting time spent by Company personnel on integration activities and projects. EMR roll-out costs include third party consulting expenses and internal costs such as training, travel and labor, reflecting time spent by Company personnel on the EMR roll-out project. Transaction and transaction-related costs include third party costs directly related to the acquisition of Emeritus, other acquisition and disposition activity, community financing and leasing activity and corporate capital structure assessment activities (including shareholder relations advisory matters), and are primarily comprised of legal, finance, consulting, professional fees and other third party costs.

(2) Includes the receipt of refundable and non-refundable entrance fees.

Cash From Facility Operations and CFFO per Share

Our definition of and method of calculating CFFO as used herein differs from those presented in earnings releases and other presentations issued prior to this earnings release. As used herein, CFFO is defined and calculated beginning with net income (loss). Historically, we have defined and calculated CFFO beginning with net cash provided by (used in) operations. The change in definition and method of calculating CFFO results in a differing reconciliation, but has no effect on the amount of CFFO presented historically or herein.

We define CFFO as net income (loss) before deferred income tax provision (benefit), non-operating (income) expense items, non-cash financing lease interest expense, (gain) loss on sale or acquisition of communities (including gain (loss) on facility lease termination), depreciation and amortization (including non-cash impairment charges), straight-line lease expense (income), net of amortization of (above) below market rents, amortization of deferred gain, amortization of deferred entrance fees, non-cash stock-based compensation expense, and change in future service obligation, and including Cash From Facility Operations from unconsolidated ventures, and entrance fee receipts and refunds (excluding (i) first generation entrance fee receipts from the sale of units at a recently opened entrance fee CCRC prior to stabilization and (ii) first generation entrance fee refunds not replaced by second generation entrance fee receipts at the recently opened community prior to stabilization), recurring capital expenditures, net, lease financing debt amortization with fair market value or no purchase options, and other. Recurring capital expenditures include routine expenditures capitalized in accordance with GAAP that are funded from current operations. Amounts excluded from recurring capital expenditures consist primarily of major projects, renovations, community repositionings, expansions, systems projects or other non-recurring or unusual capital items (including integration capital expenditures) or community purchases that are funded using lease or financing proceeds, available cash and/or proceeds from the sale of communities. The calculation of quarterly CFFO per share is based on weighted average outstanding common shares for the period, excluding any unvested restricted shares. Annual CFFO per share for all periods is calculated as the sum of the quarterly amounts for the year. Management uses CFFO and CFFO per share to, among other things, assess our overall financial and operating performance because these metrics exclude non-cash items such as depreciation and amortization, asset impairment charges, non-cash stock-based compensation expense, gain (loss) on facility lease termination and straight-line lease expense, net of deferred gain amortization. In addition, management uses CFFO and CFFO per share to assess decisions which are expected to facilitate meeting current financial goals as well as to achieve optimal financial performance, and to provide an indicator to determine if adjustments to current spending decisions are needed. We believe CFFO is useful to investors in evaluating our operating performance, results of operations and financial position because it is helpful in identifying trends in our day-to-day performance since the items excluded have little or no significance to our day-to-day operations and it provides an assessment of our expense management.

The table below reconciles CFFO from net income (loss) for the three months and the years ended December 31, 2015 and December 31, 2014 (*in thousands*):

	Three Months Ended December 31[1],		Years Ended December 31[1],	
	2015	2014	2015	2014
Net income (loss)	$ (174,303)	$ (106,796)	$ (458,155)	$ (149,426)
Other non-operating income	(1,593)	(2,614)	(9,827)	(7,235)
Equity in loss (earnings) of unconsolidated ventures	38	742	804	(171)
Debt modification and extinguishment costs	240	2,621	7,020	6,387
Interest expense				
Amortization of deferred financing costs and debt (premium) discount	2,516	(430)	3,351	7,477
Change in fair value of derivatives	7	532	797	2,711
Loss on facility lease termination	-	-	76,143	-
Depreciation and amortization	126,378	216,632	733,165	537,035
Asset impairment	57,941	9,992	57,941	9,992
Straight-line lease expense (income)	505	(961)	6,956	1,439
Amortization of (above) below market lease, net	(1,733)	(2,067)	(7,158)	(3,444)
Amortization of deferred gain	(1,093)	(1,093)	(4,372)	(4,372)
Amortization of entrance fees	(888)	(714)	(3,204)	(21,220)
Non-cash stock-based compensation expense	5,780	5,129	31,651	28,299
Change in future service obligation	(941)	670	(941)	670
Entrance fee receipts	2,655	2,587	13,052	53,046
Entrance fee disbursements	(1,160)	(538)	(4,411)	(25,865)
CFFO from unconsolidated ventures	18,896	11,662	59,767	25,334
Non-cash interest expense financing lease obligations	6,014	6,700	23,472	12,647
Deferred income tax provision (benefit)	68,753	(66,207)	(95,261)	(182,371)
Recurring capital expenditures, net	(13,978)	(16,353)	(60,937)	(50,762)
Lease financing debt amortization with fair market value or no purchase options	(13,249)	(10,028)	(51,296)	(28,618)
Other	998	1,853	(1,499)	6,789
Cash From Facility Operations	$ 81,783	$ 51,319	$ 317,058	$ 218,342

(1) The calculation of Cash From Facility Operations includes integration, transaction, transaction-related and EMR roll-out costs of $24.9 million (including $0.2 million of debt modification costs excluded from Adjusted EBITDA) and $46.0 million for the three months ended December 31, 2015 and December 31, 2014, respectively, and $123.7 million (including $6.9 million of debt modification costs excluded from Adjusted EBITDA) and $146.4 million for the years ended December 31, 2015 and December 31, 2014, respectively. Integration costs include transition costs associated with the Emeritus merger and organizational restructuring (such as severance and retention payments and recruiting expenses), third party consulting expenses directly related to the integration of Emeritus (in areas such as cost savings and synergy realization, branding and technology and systems work), and internal costs such as training, travel and labor, reflecting time spent by Company personnel on integration activities and projects. EMR roll-out costs include third party consulting expenses and internal costs such as training, travel and labor, reflecting time spent by Company personnel on the EMR roll-out project. Transaction and transaction-related costs include third party costs directly related to the acquisition of Emeritus, other acquisition and disposition activity, community financing and leasing activity and corporate capital structure assessment activities (including shareholder relations advisory matters), and are primarily comprised of legal, finance, consulting, professional fees and other third party costs.

The calculation of CFFO per share is based on weighted average outstanding common shares for the period, excluding any unvested restricted shares. Annual CFFO per share for all periods is calculated as the sum of the quarterly amounts for the year.

Facility Operating Income

We define Facility Operating Income as net income (loss) before provision (benefit) for income taxes, non-operating (income) expense items, (gain) loss on sale or acquisition of communities (including gain (loss) on facility lease termination), depreciation and amortization (including non-cash impairment charges), facility lease expense, general and administrative expense, including non-cash stock-based compensation expense, transaction costs, change in future service obligation, amortization of deferred entrance fee revenue and management fees. Management uses Facility Operating Income to, among other things, assess our facility operating performance, to assess decisions which are expected to facilitate meeting current financial goals as well as to achieve optimal facility financial performance, and to provide an indicator to determine if adjustments to current spending decisions are needed. We believe Facility Operating Income is useful to investors in evaluating our facility operating performance because it is helpful in identifying trends in our day-to-day facility performance since the items excluded have little or no significance on our day-to-day facility operations and it provides and an assessment of our revenue generation and expense management.

The table below reconciles Facility Operating Income from net income (loss) for the three months and the years ended December 31, 2015 and December 31, 2014 (*in thousands*):

	Three Months Ended December 31,		Years Ended December 31,	
	2015	**2014**	**2015**	**2014**
Net income (loss)	$ (174,303)	$ (106,796)	$ (458,155)	$ (149,426)
Provision (benefit) for income taxes	69,468	(67,200)	(92,209)	(181,305)
Equity in loss (earnings) of unconsolidated ventures	38	742	804	(171)
Debt modification and extinguishment costs	240	2,621	7,020	6,387
Other non-operating income	(1,593)	(2,614)	(9,827)	(7,235)
Interest expense:				
Debt	43,480	42,104	173,484	128,002
Capitalized and financing lease obligations	51,669	56,873	211,132	109,998
Amortization of deferred financing costs and debt (premium) discount	2,516	(430)	3,351	7,477
Change in fair value of derivatives	7	532	797	2,711
Interest income	(395)	(345)	(1,603)	(1,343)
Income (loss) from operations	(8,873)	(74,513)	(165,206)	(84,905)
Depreciation and amortization	126,378	216,632	733,165	537,035
Asset impairment	57,941	9,992	57,941	9,992
Facility lease expense	90,621	92,469	367,574	323,830
General and administrative (including non-cash stock-based compensation expense)	91,970	98,574	370,579	280,267
Transaction costs	1,089	7,725	8,252	66,949
Loss on facility lease termination	-	-	76,143	-
Change in future service obligation	(941)	670	(941)	670
Amortization of entrance fees	(888)	(714)	(3,204)	(21,220)
Management fees	(15,553)	(16,920)	(60,183)	(42,239)
Facility Operating Income	$ 341,744	$ 333,915	$ 1,384,120	$ 1,070,379

Exhibit 99.2

Brookdale Senior Living Inc.
Corporate Overview - selected financial information
As of December 31, 2015

Corporate Overview

Brookdale Senior Living Inc. ("Brookdale") is the leading operator of senior living communities throughout the United States. The Company is committed to providing senior living solutions primarily within properties that are designed, purpose-built and operated to provide the highest quality service, care and living accommodations for residents. As of December 31, 2015, the Company operates independent living, assisted living and dementia-care communities and continuing care retirement centers ("CCRCs"), with 1,123 communities in 47 states and the ability to serve approximately 108,000 residents. Through its ancillary services program, the Company also offers a range of outpatient therapy, home health, personalized living and hospice services.

Stock Listing

Common Stock
NYSE: BKD

Community Information

Ownership Type	Number of Communities	Number of Units	Percentage of Q4 2015 Resident and Management Fees	Percentage of Q4 2015 Facility Operating Income	Percentage of FY 2015 Resident and Management Fees	Percentage of FY 2015 Facility Operating Income
Owned	413	36,304	39.1%	37.7%	38.8%	37.5%
Leased	546	44,763	48.1%	53.2%	48.7%	53.1%
Brookdale Ancillary Services	N/A	N/A	11.3%	4.8%	11.1%	5.2%
Managed	164	27,353	1.5%	4.3%	1.4%	4.2%
Total	1,123	108,420	100.0%	100.0%	100.0%	100.0%
Operating Type - By Segment						
Retirement Centers	95	17,140	15.7%	20.2%	15.5%	19.7%
Assisted Living	820	53,504	57.5%	61.0%	57.7%	60.5%
CCRCs - Rental	44	10,423	14.0%	9.7%	14.3%	10.4%
Brookdale Ancillary Services	N/A	N/A	11.3%	4.8%	11.1%	5.2%
Management Services	164	27,353	1.5%	4.3%	1.4%	4.2%
Total	1,123	108,420	100.0%	100.0%	100.0%	100.0%

CFFO Per Share

($ except where indicated)	FY 2014					FY 2015				
	Q1	Q2	Q3	Q4	Full Year(2)	Q1	Q2	Q3	Q4	Full Year(2)
CFFO	$ 0.54	$ 0.61	$ 0.14	$ 0.28	$ 1.57	$ 0.48	$ 0.44	$ 0.36	$ 0.44	$ 1.72
Add: integration, transaction, transaction-related and EMR roll-out costs (1)	0.10	0.10	0.49	0.25	0.94	0.15	0.16	0.23	0.14	0.68
Adjusted CFFO	$ 0.64	$ 0.71	$ 0.63	$ 0.53	$ 2.51	$ 0.63	$ 0.60	$ 0.59	$ 0.58	$ 2.40
Weighted average shares (000's)	124,478	125,058	159,003	183,432		183,678	184,266	184,570	184,805	
Period end outstanding shares (excluding unvested restricted shares) (000's)	124,816	125,408	183,410	183,486		184,143	184,500	184,779	184,885	

(1) The calculation of Cash From Facility Operations ("CFFO") includes integration, transaction, transaction-related and EMR roll-out costs of $24.9 million and $46.0 million for the three months ended December 31, 2015 and December 31, 2014, respectively, and $123.7 million and $146.4 million for the years ended December 31, 2015 and December 31, 2014, respectively. For the year ended December 31, 2015, integration costs include $23.9 million of transition costs associated with the Emeritus merger and organizational restructuring (such as severance and retention payments and recruiting expenses), $42.6 million of third party consulting expenses directly related to the integration of Emeritus (in areas such as cost savings and synergy realization, branding and technology and systems work), and $29.4 million of internal costs such as training, travel and labor, reflecting time spent by Company personnel on integration activities and projects. EMR roll-out costs of $8.9 million for the year ended December 31, 2015 include third party consulting expenses and internal costs such as training, travel and labor, reflecting time spent by Company personnel on the EMR roll-out project. Transaction and transaction-related costs of $18.9 million for the year ended December 31, 2015 include third party costs directly related to the acquisition of Emeritus, other acquisition and disposition activity, community financing and leasing activity and corporate capital structure assessment activities (including shareholder relations advisory matters), and are primarily comprised of legal, finance, consulting, professional fees and other third party costs.

(2) Full year CFFO for all periods is calculated as the sum of the quarterly amounts for the year.

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Note Regarding Non-GAAP Financial Measures. This supplemental presentation contains financial measures utilized by management to evaluate the Company's financial and operating performance that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Each of these measures, Adjusted EBITDA, CFFO, CFFO per share, and Facility Operating Income, should not be considered in isolation from or as superior or a substitute for net income (loss), income (loss) from operations, cash flows provided by or used in operations, or other financial measures determined in accordance with GAAP. This supplemental presentation should be read in conjunction with the Company's earnings release dated February 8, 2016 and the consolidated financial statements included therein. The Company strongly urges you to review the information under "Reconciliation of Non-GAAP Financial Measures" in such earnings release for the Company's definitions of each of these non-GAAP financial measures and a reconciliation of each measure to net income (loss). The Company cautions investors that amounts presented in accordance with the Company's definitions of such financial measures may not be comparable to similar measures disclosed by other companies, because not all companies calculate these non-GAAP financial measures in the same manner.

Brookdale Senior Living Inc.
Segment Financial Data
As of December 31, 2015

Financial Data and Operating Information
($ in 000s, except Senior Housing average monthly revenue per unit)

Retirement Centers	FY 2014 (1) (2)					FY 2015				
	Q1	Q2	Q3	Q4	Full Year	Q1 (4)	Q2	Q3	Q4	Full Year
Revenue	132,349	133,441	155,227	161,295	582,312	163,486	164,409	164,415	165,630	657,940
Expenses	76,119	76,550	88,022	92,738	333,429	92,962	92,365	94,081	93,275	372,683
Segment Operating Income	56,230	56,891	67,205	68,557	248,883	70,524	72,044	70,334	72,355	285,257
Segment Operating Margin	*42.5%*	*42.6%*	*43.3%*	*42.5%*	*42.7%*	*43.1%*	*43.8%*	*42.8%*	*43.7%*	*43.4%*
Number of communities (period end)	74	74	100	99	99	99	98	98	95	95
Total average units(5)	14,161	14,162	16,594	17,315	15,558	17,369	17,279	17,289	17,293	17,308
Weighted average unit occupancy	89.3%	88.9%	89.8%	89.9%	89.5%	88.8%	88.4%	88.7%	89.1%	88.8%
Senior Housing average monthly revenue per unit(6)	$ 3,490	$ 3,532	$ 3,472	$ 3,454	$ 3,485	$ 3,533	$ 3,589	$ 3,573	$ 3,584	$ 3,570

Assisted Living	FY 2014 (2)					FY 2015				
	Q1	Q2	Q3	Q4	Full Year	Q1 (4)	Q2	Q3	Q4	Full Year
Revenue	277,431	277,230	516,640	614,262	1,685,563	617,344	611,838	608,393	607,882	2,445,457
Expenses	172,439	172,984	328,486	403,165	1,077,074	393,838	388,479	397,180	388,657	1,568,154
Segment Operating Income	104,992	104,246	188,154	211,097	608,489	223,506	223,359	211,213	219,225	877,303
Segment Operating Margin	*37.8%*	*37.6%*	*36.4%*	*34.4%*	*36.1%*	*36.2%*	*36.5%*	*34.7%*	*36.1%*	*35.9%*
Number of communities (period end)	440	440	841	838	838	837	833	832	820	820
Total average units(5)	22,435	22,463	45,260	55,241	36,350	55,073	54,700	54,592	54,492	54,714
Weighted average unit occupancy	89.6%	89.0%	88.8%	88.2%	88.7%	87.2%	86.4%	86.5%	86.6%	86.7%
Senior Housing average monthly revenue per unit(6)	$ 4,599	$ 4,622	$ 4,286	$ 4,203	$ 4,356	$ 4,283	$ 4,316	$ 4,292	$ 4,296	$ 4,297

CCRCs - Rental	FY 2014 (1) (2) (3)					FY 2015				
	Q1	Q2	Q3	Q4	Full Year	Q1(4)	Q2	Q3	Q4	Full Year
Revenue	97,944	98,212	144,074	152,943	493,173	155,991	151,561	149,572	147,448	604,572
Expenses	71,114	72,519	109,582	118,297	371,512	117,420	115,701	108,177	112,779	454,077
Segment Operating Income	26,830	25,693	34,492	34,646	121,661	38,571	35,860	41,395	34,669	150,495
Segment Operating Margin	*27.4%*	*26.2%*	*23.9%*	*22.7%*	*24.7%*	*24.7%*	*23.7%*	*27.7%*	*23.5%*	*24.9%*
Number of communities (period end)	26	26	45	45	45	45	46	45	44	44
Total average units(5)	6,457	6,469	9,783	10,483	8,298	10,480	10,543	10,515	10,405	10,486

Weighted average unit occupancy	86.6%	85.9%	85.1%	85.9%	85.8%	86.0%	83.6%	83.9%	83.9%	84.4%
Senior Housing average monthly revenue per unit(6)	$ 5,839	$ 5,894	$ 5,740	$ 5,637	$ 5,757	$ 5,744	$ 5,697	$ 5,626	$ 5,601	$ 5,668

CCRCs - Entry Fee			**FY 2014 (2) (3)**					**FY 2015**		
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	79,169	79,100	44,145	-	202,414	-	-	-	-	-
Expenses	59,534	60,733	33,714	-	153,981	-	-	-	-	-
Segment Operating Income	19,635	18,367	10,431	-	48,433	-	-	-	-	-
Segment Operating Margin	*24.8%*	*23.2%*	*23.6%*	-	*23.9%*	-	-	-	-	-
Number of communities (period end)	15	15	-	-	-	-	-	-	-	-
Total average units(5)	5,527	5,534	2,954	-	3,504	-	-	-	-	-
Weighted average unit occupancy	84.7%	84.7%	87.0%	-	85.2%	-	-	-	-	-
Senior Housing average monthly revenue per unit(6)	$ 5,124	$ 5,091	$ 5,085	$ -	$ 5,103	$ -	$ -	$ -	$ -	$ -

Total Senior Housing			**FY 2014 (2)**					**FY 2015**		
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1(4)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	586,893	587,983	860,086	928,500	2,963,462	936,821	927,808	922,380	920,960	3,707,969
Expenses	379,206	382,786	559,804	614,200	1,935,996	604,220	596,545	599,438	594,711	2,394,914
Operating Income	207,687	205,197	300,282	314,300	1,027,466	332,601	331,263	322,942	326,249	1,313,055
Operating Margin	*35.4%*	*34.9%*	*34.9%*	*33.9%*	*34.7%*	*35.5%*	*35.7%*	*35.0%*	*35.4%*	*35.4%*
G&A Allocation(7)	24,396	22,589	33,912	35,365	116,262	42,093	37,399	36,968	42,881	159,341
Adjusted Operating Income	183,291	182,608	266,370	278,935	911,204	290,508	293,864	285,974	283,368	1,153,714
Adjusted Operating Margin	*31.2%*	*31.1%*	*31.0%*	*30.0%*	*30.7%*	*31.0%*	*31.7%*	*31.0%*	*30.8%*	*31.1%*

Number of communities (period end)	555	555	986	982	982	981	977	975	959	959
Total average units(5)	48,580	48,628	74,591	83,039	63,710	82,922	82,522	82,396	82,190	82,508
Weighted average unit occupancy	88.6%	88.1%	88.5%	88.3%	88.3%	87.4%	86.5%	86.7%	86.8%	86.8%
Senior Housing average monthly revenue per unit(6)	$ 4,491	$ 4,518	$ 4,317	$ 4,220	$ 4,357	$ 4,305	$ 4,331	$ 4,303	$ 4,302	$ 4,310

Brookdale Senior Living Inc.
Segment Financial Data
As of December 31, 2015

Financial Data and Operating Information (continued)
($ in 000s, except Senior Housing average monthly revenue per unit)

Brookdale Ancillary Services	**FY 2014 (2)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	63,417	65,534	95,426	113,458	337,835	115,411	116,170	117,702	119,875	469,158
Expenses	50,664	52,629	77,280	93,799	274,372	92,669	98,446	100,282	102,551	393,948
Segment Operating Income	12,753	12,905	18,146	19,659	63,463	22,742	17,724	17,420	17,324	75,210
Segment Operating Margin	*20.1%*	*19.7%*	*19.0%*	*17.3%*	*18.8%*	*19.7%*	*15.3%*	*14.8%*	*14.5%*	*16.0%*
G&A Allocation(7)	5,642	5,908	5,709	9,050	26,309	8,251	7,811	6,678	8,203	30,943
Adjusted Segment Operating Income	7,111	6,997	12,437	10,609	37,154	14,491	9,913	10,742	9,121	44,267
Adjusted Segment Operating Margin	*11.2%*	*10.7%*	*13.0%*	*9.4%*	*11.0%*	*12.6%*	*8.5%*	*9.1%*	*7.6%*	*9.4%*
Brookdale units served:										
Outpatient Therapy	52,112	52,270	56,615	54,007		59,660	61,385	66,581	63,938	
Home Health	47,337	47,397	49,290	55,960		63,497	64,307	66,078	65,936	
Outpatient Therapy treatment codes	812,632	798,754	762,993	679,057	3,053,436	636,413	667,836	612,970	588,984	2,506,203
Home Health average census	5,084	5,257	10,314	12,723	8,345	13,767	13,884	14,126	15,065	14,211

Total Senior Housing and Brookdale Ancillary Services	**FY 2014 (2)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (4)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	650,310	653,517	955,512	1,041,958	3,301,297	1,052,232	1,043,978	1,040,082	1,040,835	4,177,127
Expenses	429,870	435,415	637,084	707,999	2,210,368	696,889	694,991	699,720	697,262	2,788,862
Operating Income	220,440	218,102	318,428	333,959	1,090,929	355,343	348,987	340,362	343,573	1,388,265
Operating Margin	*33.9%*	*33.4%*	*33.3%*	*32.1%*	*33.0%*	*33.8%*	*33.4%*	*32.7%*	*33.0%*	*33.2%*
G&A Allocation(7)	30,038	28,497	39,621	44,415	142,571	50,344	45,210	43,646	51,084	190,284
Adjusted Operating Income	190,402	189,605	278,807	289,544	948,358	304,999	303,777	296,716	292,489	1,197,981
Adjusted Operating Margin	*29.3%*	*29.0%*	*29.2%*	*27.8%*	*28.7%*	*29.0%*	*29.1%*	*28.5%*	*28.1%*	*28.7%*

Management Services	**FY 2014 (2)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (4)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue (Management Fees)	7,402	7,489	10,428	16,920	42,239	15,097	14,839	14,694	15,553	60,183
Expenses (G&A Allocation) (7)	6,116	5,649	7,453	10,732	29,950	9,755	8,878	9,978	11,506	40,117
Segment Operating Income	1,286	1,840	2,975	6,188	12,289	5,342	5,961	4,716	4,047	20,066
Segment Operating Margin	*17.4%*	*24.6%*	*28.5%*	*36.6%*	*29.1%*	*35.4%*	*40.2%*	*32.1%*	*26.0%*	*33.3%*
Number of communities (period end)	92	92	161	161	161	160	160	157	164	164
Total average units(5)	17,140	16,978	20,919	27,318	20,589	27,185	27,026	26,590	26,464	26,834
Weighted average occupancy	86.3%	86.8%	86.3%	86.4%	86.5%	86.5%	85.2%	85.8%	86.6%	86.0%
Senior Housing average monthly revenue per unit(6)	$ 3,706	$ 3,701	$ 3,949	$ 4,236	$ 3,943	$ 4,277	$ 4,238	$ 4,224	$ 4,246	$ 4,249

Total Senior Housing, Brookdale Ancillary and Management Services	**FY 2014 (2)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (4)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	657,712	661,006	965,940	1,058,878	3,343,536	1,067,329	1,058,817	1,054,776	1,056,388	4,237,310
Expenses	429,870	435,415	637,084	707,999	2,210,368	696,889	694,991	699,720	697,262	2,788,862
Operating Income	227,842	225,591	328,856	350,879	1,133,168	370,440	363,826	355,056	359,126	1,448,448
Operating Margin	*34.6%*	*34.1%*	*34.0%*	*33.1%*	*33.9%*	*34.7%*	*34.4%*	*33.7%*	*34.0%*	*34.2%*
G&A Allocation (7)	36,154	34,146	47,074	55,147	172,521	60,099	54,088	53,624	62,590	230,401

Adjusted Operating Income	191,688	191,445	281,782	295,732	960,647	310,341	309,738	301,432	296,536	1,218,047
Adjusted Operating Margin	*29.1%*	*29.0%*	*29.2%*	*27.9%*	*28.7%*	*29.1%*	*29.3%*	*28.6%*	*28.1%*	*28.7%*

Financial Data and Operating Information (continued)
($ in 000s, except Senior Housing average monthly revenue per unit)

(1) During the quarter ended December 31, 2014, one community was moved from the Retirement Centers segment to the CCRCs - Rental segment to more accurately reflect the underlying product offering of the community. The movement did not change the Company's reportable segments, but it did impact the financial data and operating information reported within the Retirement Centers and CCRCs - Rental segments. Prior quarters have not been recast.
(2) The third quarter of 2014 represents the first quarter of results that include the operations of Emeritus, which the Company acquired on July 31, 2014, as well as the impact from the transactions with HCP, Inc., which closed on August 29, 2014. Results from the third and fourth quarter of 2014 reflect the impact of those transactions, and results from the first and second quarter of 2014 reflect legacy Brookdale on a stand-alone basis.
(3) In connection with the transactions completed with HCP on August 29, 2014, the Company contributed all but two of its entry fee CCRCs to the entry fee CCRC venture with HCP, at which time the communities were deconsolidated. The results of the entry fee CCRCs contributed to the venture are reported in the Company's CCRCs - Entry Fee segment for the time periods prior to being contributed to the venture. The results of the two remaining entry fee CCRCs are reported in the Company's CCRCs - Rental segment beginning with the third quarter of 2014. The Company no longer reports operating results for a CCRCs – Entry Fee segment.
(4) Certain prior period expense amounts have been reclassified to conform to the current financial statement presentation, with no effect on the Company's consolidated financial position or results of operations.
(5) Total average units operated represents the average number of units operated during the period, excluding equity homes.
(6) Senior Housing average monthly revenue per unit represents the average of total monthly revenues, excluding amortization of entrance fees and Brookdale Ancillary Services segment revenue, divided by average occupied units.
(7) Excludes non-cash stock-based compensation expense and integration, transaction, transaction-related and EMR roll-out costs.

Brookdale Senior Living Inc.
Senior Housing Data by Ownership Type
As of December 31, 2015

Financial Data and Operating Information
($ in 000s, except Senior Housing average monthly revenue per unit)

Owned Properties	**FY 2014 (1)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (2)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	277,700	277,748	369,078	385,654	1,310,180	412,555	411,576	409,249	412,678	1,646,058
Expenses	182,706	184,773	247,359	260,901	875,739	276,225	274,608	274,427	277,509	1,102,769
Segment Operating Income	94,994	92,975	121,719	124,753	434,441	136,330	136,968	134,822	135,169	543,289
Segment Operating Margin	*34.2%*	*33.5%*	*33.0%*	*32.3%*	*33.2%*	*33.0%*	*33.3%*	*32.9%*	*32.8%*	*33.0%*
Number of communities (period end)	226	226	403	399		422	424	424	413	
Total average units(3)	22,775	22,799	32,079	34,904		36,923	37,182	37,128	37,431	
Weighted average unit occupancy	88.5%	88.0%	88.2%	87.6%		86.5%	85.4%	85.7%	85.9%	
Senior Housing average monthly revenue per unit(4)	$ 4,516	$ 4,532	$ 4,302	$ 4,202		$ 4,305	$ 4,319	$ 4,286	$ 4,277	

Leased Properties with Purchase Options	**FY 2014 (1)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (2)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	77,863	77,418	87,008	86,441	328,730	82,064	79,516	79,568	75,462	316,610
Expenses	49,497	49,719	57,026	57,839	214,081	52,414	50,638	51,187	47,852	202,091
Segment Operating Income	28,366	27,699	29,982	28,602	114,649	29,650	28,878	28,381	27,610	114,519
Segment Operating Margin	*36.4%*	*35.8%*	*34.5%*	*33.1%*	*34.9%*	*36.1%*	*36.3%*	*35.7%*	*36.6%*	*36.2%*
Number of communities (period end)	84	84	111	112		103	101	101	96	
Total average units(3)	6,391	6,391	7,347	7,555		7,027	6,803	6,806	6,340	
Weighted average unit occupancy	89.0%	88.4%	88.6%	88.5%		87.8%	86.7%	87.4%	88.2%	
Senior Housing average monthly revenue per unit(4)	$ 4,447	$ 4,440	$ 4,394	$ 4,312		$ 4,433	$ 4,492	$ 4,458	$ 4,498	

Leased Properties without Purchase Options	**FY 2014 (1)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (2)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	231,330	232,817	404,000	456,405	1,324,552	442,202	436,716	433,563	432,820	1,745,301
Expenses	147,003	148,294	255,419	295,460	846,176	275,581	271,299	273,824	269,350	1,090,054
Segment Operating Income	84,327	84,523	148,581	160,945	478,376	166,621	165,417	159,739	163,470	655,247
Segment Operating Margin	*36.5%*	*36.3%*	*36.8%*	*35.3%*	*36.1%*	*37.7%*	*37.9%*	*36.8%*	*37.8%*	*37.5%*
Number of communities (period end)	245	245	472	471		456	452	450	450	
Total average units(3)	19,414	19,438	35,165	40,580		38,972	38,537	38,462	38,419	
Weighted average unit occupancy	88.2%	87.9%	88.6%	88.8%		88.2%	87.4%	87.5%	87.3%	
Senior Housing average monthly revenue per unit(4)	$ 4,491	$ 4,533	$ 4,314	$ 4,218		$ 4,282	$ 4,313	$ 4,289	$ 4,294	

Total Senior Housing	**FY 2014 (1)**					**FY 2015**				
	Q1	**Q2**	**Q3**	**Q4**	**Full Year**	**Q1 (2)**	**Q2**	**Q3**	**Q4**	**Full Year**
Revenue	586,893	587,983	860,086	928,500	2,963,462	936,821	927,808	922,380	920,960	3,707,969
Expenses	379,206	382,786	559,804	614,200	1,935,996	604,220	596,545	599,438	594,711	2,394,914
Operating Income	207,687	205,197	300,282	314,300	1,027,466	332,601	331,263	322,942	326,249	1,313,055
Operating Margin	*35.4%*	*34.9%*	*34.9%*	*33.9%*	*34.7%*	*35.5%*	*35.7%*	*35.0%*	*35.4%*	*35.4%*
Number of communities (period end)	555	555	986	982		981	977	975	959	
Total average units(3)	48,580	48,628	74,591	83,039		82,922	82,522	82,396	82,190	
Weighted average unit occupancy	88.6%	88.1%	88.5%	88.3%		87.4%	86.5%	86.7%	86.8%	

Senior Housing average monthly revenue per unit(4)	$ 4,491	$ 4,518	$ 4,317	$ 4,220	$ 4,305	$ 4,331	$ 4,303	$ 4,302

(1) The third quarter of 2014 represents the first quarter of results that include the operations of Emeritus, which the Company acquired on July 31, 2014, as well as the impact from the transactions with HCP, Inc., which closed on August 29, 2014. Results from the third and fourth quarter of 2014 reflect the impact of those transactions, and results from the first and second quarter of 2014 reflect legacy Brookdale on a stand-alone basis.
(2) Certain prior period expense amounts have been reclassified to conform to the current financial statement presentation, with no effect on the Company's consolidated financial position or results of operations.
(3) Total average units operated represents the average number of units operated during the period, excluding equity homes.
(4) Senior Housing average monthly revenue per unit represents the average of total monthly revenues, excluding amortization of entrance fees and Brookdale Ancillary Services segment revenue, divided by average occupied units.

Brookdale Senior Living Inc.
Same Community and Capital Expenditure Information
As of December 31, 2015

Same Community Information
($ in 000s, except Avg. Mo. Revenue/Unit)

	Legacy Brookdale Senior Housing Three Months Ended December 31,			Legacy Brookdale Senior Housing Year Ended December 31,		
	2015	2014	% Change	2015	2014	% Change
Revenue	$ 493,094	$ 490,942	0.4%	$ 1,932,950	$ 1,905,869	1.4%
Operating Expense	318,962	329,739	-3.3%	1,240,908	1,235,309	0.5%
Same Community Operating Income	$ 174,132	$ 161,203	8.0%	$ 692,042	$ 670,560	3.2%
Same Communitity Operating Margin	35.3%	32.8%	2.5%	35.8%	35.2%	0.6%
# Communities	511	511		505	505	
Avg. Period Occupancy	87.2%	89.0%	-1.8%	87.3%	89.0%	-1.7%
Avg. Mo. Revenue/Unit	$ 4,616	$ 4,506	2.4%	$ 4,626	$ 4,475	3.4%

	Legacy Emeritus Senior Housing Three Months Ended December 31,			Legacy Emeritus Senior Housing Year Ended December 31,		
	2015	2014	% Change	2015	2014	% Change
Revenue	$ 388,620	$ 394,181	-1.4%	$ 1,561,307	$ 1,583,870	-1.4%
Operating Expense	250,525	255,531	-2.0%	1,017,816	1,032,754	-1.4%
Same Community Operating Income	$ 138,095	$ 138,650	-0.4%	$ 543,491	$ 551,116	-1.4%
Same Communitity Operating Margin	35.5%	35.2%	0.3%	34.8%	34.8%	0.0%
# Communities	433	433		433	433	
Avg. Period Occupancy	86.7%	88.5%	-1.8%	86.7%	88.9%	-2.2%
Avg. Mo. Revenue/Unit	$ 3,937	$ 3,908	0.7%	$ 3,943	$ 3,903	1.0%

	Combined Brookdale and Emeritus Senior Housing Three Months Ended December 31,			Combined Brookdale and Emeritus Senior Housing Year Ended December 31,		
	2015	2014	% Change	2015	2014	% Change
Revenue	$ 881,714	$ 885,123	-0.4%	$ 3,494,257	$ 3,489,739	0.1%
Operating Expense	569,487	585,270	-2.7%	2,258,724	2,268,063	-0.4%
Same Community Operating Income	$ 312,227	$ 299,853	4.1%	$ 1,235,533	$ 1,221,676	1.1%
Same Communitity Operating Margin	35.4%	33.9%	1.5%	35.4%	35.0%	0.4%
# Communities	944	944		938	938	
Avg. Period Occupancy	86.9%	88.8%	-1.9%	87.0%	88.9%	-1.9%
Avg. Mo. Revenue/Unit	$ 4,290	$ 4,218	1.7%	$ 4,293	$ 4,196	2.3%

Same Community Information reflects historical results from operations for same store communities (utilizing the Company's methodology for determining same store communities).

Schedule of Capital Expenditures
($ in 000s)

	Three Months Ended December 31,		Year Ended December 31,	
Type	2015	2014	2015	2014
Recurring	$ 16,484	$ 16,353	$ 69,720	$ 50,762
Reimbursements	(2,506)	-	(8,783)	-
Net Recurring	13,978	16,353	60,937	50,762
EBITDA-enhancing / Major Projects (1)	72,484	35,727	179,720	109,209
Program Max, net (2)	12,384	16,210	37,428	60,587
Corporate, integration and other (3)	22,376	16,850	83,822	49,055
Total Capital Expenditures, net of lessor reimbursement (4)	$ 121,222	$ 85,140	$ 361,907	$ 269,613

(1) Includes EBITDA-enhancing projects (primarily community renovations and apartment upgrades) and other major building infrastructure projects. Amounts shown are amounts invested, net of third party lessor funding received of $16.6 million and $49.7 million for the three and twelve months ended December 31, 2015, respectively. There was no third party lessor funding received during 2014.
(2) Includes community expansions and major repositioning or upgrade projects. Also includes de novo community developments. Amounts shown are amounts invested, net of third party lessor funding received of $6.6 million for each of the three months ended December 31, 2015 and 2014, respectively and $28.3 million and $34.6 million for the year ended December 31, 2015 and 2014, respectively.
(3) Corporate, integration and other includes capital expenditures for information technology systems and equipment and expenditures supporting the expansion of our support platform and ancillary services programs.
(4) Amounts shown are gross expenditures (including related payables), net of lessor reimbursements. Approximately $15.5 million and $16.9 million of expense was recognized during the three months ended December 31, 2015 and 2014, respectively, and $63.5 million and $51.4 million was recognized during the year ended December 31, 2015 and 2014, respectively for normal repairs and maintenance and capital spend under $1,500 per invoice, except for unit turnovers.

Brookdale Senior Living Inc.
Capital Structure - selected financial information
As of December 31, 2015
($ in 000s)

Debt Maturities and Scheduled Principal Repayments

	Maturities						
	Mortgage Debt (1)	weighted rate (2)	Line of Credit	weighted rate (2)	Capital and Financing Leases	weighted rate (2)	Total Debt
2016 (3)	$ 173,454	4.83%	$ -	-	$ 62,150	7.92%	$ 235,604
2017	300,106	5.50%	-	-	91,992	8.43%	392,098
2018	1,174,220	4.43%	-	-	115,541	7.87%	1,289,761
2019	141,303	5.72%	-	-	99,276	7.45%	240,579
2020	488,678	4.96%	310,000	3.82%	48,876	7.57%	847,554
Thereafter	1,355,064	3.71%	-	-	2,071,753	8.16%	3,426,817
Total	$ 3,632,825	4.39%	$ 310,000	3.82%	$ 2,489,588	8.11%	$ 6,432,413

Coverage Ratios

	Year ended December 31, 2015 (4)				
		Senior Housing			
	Units	Operating Income	Adj. Operating Income **	Interest/Cash Lease Payments	Coverage
Owned communities	36,304	$ 543,289	$ 448,264	$ 173,484	2.6x
Leased communities *	44,763	$ 769,766	$ 651,005	$ 611,104	1.1x

* Leased communities include capital leases.
** Adjusted for 5% management fee and capital expenditures @ $350/unit.

Debt Amortization

	Year ended December 31,	
	2015	2014
Scheduled debt amortization	$ 84,597	$ 65,505
Lease financing debt amortization - FMV or no purchase option (5)	51,296	28,618
Lease financing debt amortization - bargain purchase option	6,116	13,417
Total debt amortization	$ 142,009	$ 107,540

Line Availability

	12/31/14	03/31/15	06/30/15	09/30/15	12/31/15
Total line commitment	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Line of credit (6)	$ 488,389	$ 466,746	$ 468,092	$ 443,378	$ 416,605
Ending line balance	100,000	300,000	270,000	310,000	310,000
Available to draw	$ 388,389	$ 166,746	$ 198,092	$ 133,378	$ 106,605
Cash and cash equivalents	104,083	115,182	78,496	70,391	88,029
Total liquidity (available to draw + cash)	$ 492,472	$ 281,928	$ 276,588	$ 203,769	$ 194,634
Total letters of credit outstanding	$ 72,730	$ 83,935	$ 83,685	$ 83,940	$ 82,413

Leverage Ratios (7)

		Annualized Leverage
Year ended December 31, 2015 Adjusted EBITDAR	$ 1,282,310	
Less: cash lease expense	(370,105)	
Adjusted EBITDA	912,205	
Less: cash capital and financing lease payments	(233,824)	
Adjusted EBITDA after capital and financing lease payments	678,381	
Debt (1)	**3,632,825**	**5.4x**
Line of credit	310,000	
Less: unrestricted cash	(88,029)	
Less: cash held as collateral against existing debt	(3,429)	
Total net debt	**3,851,367**	**5.7x**
Plus: cash capital and financing lease payments multiplied by 8	1,870,592	
Total net debt including capital and financing leases	**5,721,959**	**6.3x**

Cash lease expense multiplied by 8	2,960,840	
Total adjusted net debt	**$ 8,682,799**	**6.8x**

Debt Structure

	Balance	Weighted rate (2)
Fixed rate debt (1)	$ 2,356,258	5.19%
Variable rate debt (1)	1,276,567	2.90%
Capital and financing leases	2,489,588	8.11%
Line of credit (cash borrowings)	310,000	3.82%
Total debt	$ 6,432,413	

	Balance	% of total
Variable rate debt with interest rate caps (1) (8)	$ 953,641	74.7%
Variable rate debt - unhedged (1)	322,926	25.3%
Total variable rate debt (1)	$ 1,276,567	100.0%

(1) Includes mortgage debt, convertible notes and other notes payable, but excludes capital and financing leases and line of credit.
(2) Pertaining to variable rate debt, reflects a) market rates as of December 31, 2015 and b) applicable cap rates for hedged debt.
(3) Maturities of mortgage debt in 2016 includes the following debt instruments with post-2016 scheduled maturity dates: (i) $61 million of debt on Assets Held for Sale and (ii) 29 million of demand notes payable to the unconsolidated entrance fee venture, which we utilize in certain states in lieu of cash reserves.
(4) Senior housing operating income and adjusted operating income exclude Brookdale Ancillary Services segment operating income.
(5) Payments are included in CFFO.
(6) The actual amount available to borrow under the line of credit may vary from time to time as it is based on borrowing base calculations related to the value and performance of the communities securing the facility.
(7) Adjusted EBITDAR and Adjusted EBITDA as reported in the calculation of leverage ratios exclude integration, transaction, transaction-related and EMR roll-out costs of $116.8 million (excluding $6.9 million of debt modification costs included in CFFO) and cash lease payments for communities acquired during the year, of which $2.0 million and $5.1 million related to operating leases and capital and financial leases, respectively.
(8) Weighted cap rate for stated reporting period of 4.33% is materially above current market rates, therefore caps have no impact on consolidated interest expense for given period.

Brookdale Senior Living Inc.
CFFO Reconciliation
As of December 31, 2015

Revenue Reconciliation (1)

($ in 000s except average monthly revenue per quarter)

	FY 2014					FY 2015					Q4 2015 CFFO Distribution		
	Q1	Q2	Q3	Q4	Full Year	Q1 (3)	Q2	Q3	Q4	Full Year	Owned	Other (4)	Transaction/ Integration
Revenue reconciliation excl. entrance fee amortization													
Average monthly revenue per quarter	$ 4,491	$ 4,518	$ 4,317	$ 4,220	$ 4,357	$ 4,305	$ 4,331	$ 4,303	$ 4,302	$ 4,310	$ 4,277	$ 4,344	$ -
Average monthly units (excluding equity homes) available	48,562	48,608	74,538	82,995	63,731	82,927	82,470	82,358	82,132	82,524	37,442	44,752	-
Average occupancy for the quarter	88.6%	88.1%	88.5%	88.3%	88.3%	87.4%	86.5%	86.7%	86.8%	86.8%	85.9%	87.0%	-
Senior Housing resident fee revenue	$ 579,691	$ 580,436	$ 854,329	$ 927,786	$ 2,942,242	$ 936,054	$ 926,878	$ 921,761	$ 920,072	$ 3,704,765	$ 412,678	$ 507,394	$ -
Add: Brookdale Ancillary Services segment revenue	63,417	65,534	95,426	113,458	337,835	115,411	116,170	117,702	119,875	469,158	-	119,875	-
Add: Management fee revenue	7,402	7,489	10,428	16,920	42,239	15,097	14,839	14,694	15,553	60,183	-	15,553	-
Total revenues excluding entrance fee amortization	$ 650,510	$ 653,459	$ 960,183	$1,058,164	$ 3,322,316	$1,066,562	$1,057,887	$1,054,157	$1,055,500	$ 4,234,106	$ 412,678	$ 642,822	$ -

CFFO Reconciliation to the Income Statement

($ in 000s)

	Q1	Q2	Q3	Q4	Full Year	Q1 (3)	Q2	Q3	Q4	Full Year	Owned	Other (4)	Transaction/ Integration
Resident and management fee revenue	$ 657,712	$ 661,006	$ 965,940	$1,058,878	$ 3,343,536	$1,067,329	$1,058,817	$1,054,776	$1,056,388	$ 4,237,310	$ 412,678	$ 643,710	$ -
Less: Entrance fee amortization	(7,202)	(7,547)	(5,757)	(714)	(21,220)	(767)	(930)	(619)	(888)	(3,204)	-	(888)	-
Adjusted revenues	650,510	653,459	960,183	1,058,164	3,322,316	1,066,562	1,057,887	1,054,157	1,055,500	4,234,106	412,678	642,822	-
Less: Facility operating expenses	(429,870)	(435,415)	(637,084)	(707,999)	(2,210,368)	(696,889)	(694,991)	(699,720)	(697,262)	(2,788,862)	(277,509)	(419,753)	-
Add: Change in future service obligation	-	-	-	670	670	-	-	-	(941)	(941)	-	(941)	-
Adjusted facility operating expenses	(429,870)	(435,415)	(637,084)	(707,329)	(2,209,698)	(696,889)	(694,991)	(699,720)	(698,203)	(2,789,803)	(277,509)	(420,694)	-
Less: G&A including non-cash stock-based compensation expense	(44,665)	(47,008)	(90,020)	(98,574)	(280,267)	(89,530)	(89,545)	(99,534)	(91,970)	(370,579)	(20,989)	(47,381)	(23,600)
Less: Transaction costs	(10,844)	(6,808)	(41,572)	(7,725)	(66,949)	(6,742)	(421)	-	(1,089)	(8,252)	-	-	(1,089)
Add: G&A non-cash stock-based compensation expense	7,572	7,729	7,869	5,129	28,299	8,873	6,851	10,147	5,780	31,651	1,774	4,006	-
Net G&A (5)	(47,937)	(46,087)	(123,723)	(101,170)	(318,917)	(87,399)	(83,115)	(89,387)	(87,279)	(347,180)	(19,215)	(43,375)	(24,689)
Less: Facility lease expense	(69,869)	(70,030)	(91,462)	(92,469)	(323,830)	(94,471)	(91,338)	(91,144)	(90,621)	(367,574)	-	(90,621)	-
Add: Straight-line lease expense	(223)	(217)	2,840	(961)	1,439	2,801	1,919	1,731	505	6,956	-	505	-
Add: Amortization of (above) below market lease, net	-	-	(1,377)	(2,067)	(3,444)	(1,959)	(1,840)	(1,626)	(1,733)	(7,158)	-	(1,733)	-

Less: Amortization of deferred gain	(1,093)	(1,093)	(1,093)	(1,093)	(4,372)	(1,093)	(1,093)	(1,093)	(1,093)	(4,372)	-	(1,093)	-
Net lease expense	(71,185)	(71,340)	(91,092)	(96,590)	(330,207)	(94,722)	(92,352)	(92,132)	(92,942)	(372,148)	-	(92,942)	-
Add: Entrance fee receipts	14,959	25,924	9,576	2,587	53,046	2,491	3,408	4,498	2,655	13,052	-	2,655	-
Less: Entrance fee disbursements	(8,446)	(9,213)	(7,668)	(538)	(25,865)	(829)	(988)	(1,434)	(1,160)	(4,411)	-	(1,160)	-
Net entrance fees	6,513	16,711	1,908	2,049	27,181	1,662	2,420	3,064	1,495	8,641	-	1,495	-
Add: CFFO from unconsolidated ventures (6)	2,241	1,996	9,435	11,662	25,334	14,213	11,177	15,481	18,896	59,767	-	18,896	-
Adjusted EBITDA	**110,272**	**119,324**	**119,627**	**166,786**	**516,009**	**203,427**	**201,026**	**191,463**	**197,467**	**793,383**	**115,954**	**106,202**	**(24,689)**
Less: Recurring capital expenditures, net	(9,369)	(11,841)	(13,199)	(16,353)	(50,762)	(15,003)	(17,425)	(14,531)	(13,978)	(60,937)	(5,825)	(8,153)	-
Less: Interest expense, net	(29,677)	(29,372)	(73,030)	(91,933)	(224,012)	(89,424)	(90,530)	(90,847)	(88,738)	(359,539)	(43,084)	(45,654)	-
Less: Lease financing debt amortization with fair market value or no purchase options	(3,897)	(3,983)	(10,710)	(10,028)	(28,618)	(12,439)	(12,756)	(12,852)	(13,249)	(51,296)	-	(13,249)	-
Less: Other	133	2,528	217	2,847	5,725	1,542	607	(6,983)	281	(4,553)	-	445	(164)
CFFO	**$ 67,462**	**$ 76,656**	**$ 22,905**	**$ 51,319**	**$ 218,342**	**$ 88,103**	**$ 80,922**	**$ 66,250**	**$ 81,783**	**$ 317,058**	**$ 67,045**	**$ 39,591**	**$ (24,853)**
Add: integration, transaction, transaction-related and EMR roll-out costs	11,783	11,941	76,649	46,023	146,396	27,300	29,027	42,499	24,853	123,679	-	-	24,853
Adjusted CFFO	**$ 79,245**	**$ 88,597**	**$ 99,554**	**$ 97,342**	**$ 364,738**	**$ 115,403**	**$ 109,949**	**$ 108,749**	**$ 106,636**	**$ 440,737**	**$ 67,045**	**$ 39,591**	**$ -**

CFFO Per Share ($ except where indicated)	FY 2014					FY 2015					Q4 2015 Distribution		
	Q1	**Q2**	**Q3**	**Q4**	**Full Year(2)**	**Q1**	**Q2**	**Q3**	**Q4**	**Full Year(2)**	**Owned**	**Other**	**Transaction/ Integration**
CFFO	$ 0.54	$ 0.61	$ 0.14	$ 0.28	$ 1.57	$ 0.48	$ 0.44	$ 0.36	$ 0.44	$ 1.72	$ 0.36	$ 0.21	$ (0.14)
Add: integration, transaction, transaction-related and EMR roll-out costs	0.10	0.10	0.49	0.25	0.94	0.15	0.16	0.23	0.14	0.68	-	-	0.14
Adjusted CFFO	$ 0.64	$ 0.71	$ 0.63	$ 0.53	$ 2.51	$ 0.63	$ 0.60	$ 0.59	$ 0.58	$ 2.40	$ 0.36	$ 0.21	$ -
Shares used in calculation of CFFO (000's)	124,478	125,058	159,003	183,432		183,678	184,266	184,570	184,805		184,805	184,805	184,805

(1) Revenue excludes reimbursed costs incurred on behalf of managed communities.
(2) Full year CFFO for all periods is calculated as the sum of the quarterly amounts for the year.
(3) Certain prior period expense amounts have been reclassified to conform to the current financial statement presentation, with no effect on the Company's consolidated financial position or results of operations.
(4) Other includes financial data and operating information from leased communities, Brookdale Ancillary Services, and Management Services.
(5) Allocation of G&A to Owned and Other is based upon a percentage of revenue and excludes non-cash stock-based compensation expense and integration, transaction, transaction-related and EMR roll-out costs.
(6) The definition of Adjusted EBITDA was changed in the first quarter of 2015 to include CFFO from unconsolidated ventures. Prior periods have been recast to conform to the new definition.

Brookdale Senior Living Inc.
CFFO from Unconsolidated Ventures
As of December 31, 2015

CFFO from Unconsolidated Ventures Reconciliation

($ in 000s) — **Entrance Fee Venture**

	FY 2014 Q4	FY 2015 Q1	FY 2015 Q2	FY 2015 Q3	FY 2015 Q4
Number of communities (period end)	14	14	14	14	15
Total average units	6,836	6,843	6,848	6,919	7,068
Weighted average unit occupancy	84.5%	85.3%	84.4%	84.0%	84.8%
Senior Housing average monthly revenue per unit	4,901	4,929	4,829	4,887	4,901
Resident revenue	$ 85,546	$ 87,473	$ 85,179	$ 87,059	$ 89,830
Less: Entrance fee amortization	(554)	(1,141)	(1,482)	(1,828)	(1,718)
Adjusted revenues	84,992	86,332	83,697	85,231	88,112
Less: Facility operating expenses	(68,288)	(67,451)	(68,544)	(70,756)	(70,788)
Less: General and administrative expenses	(4,948)	(4,707)	(4,691)	(4,765)	(5,345)
Add: Entrance fee receipts	26,210	23,251	26,040	27,744	35,017
Less: Entrance fee disbursements	(13,888)	(9,181)	(13,042)	(10,875)	(9,565)
Net entrance fees	12,322	14,070	12,998	16,869	25,452
Adjusted EBITDA	**24,078**	**28,244**	**23,460**	**26,579**	**37,431**
Less: Recurring capital expenditures, net	(1,347)	(1,159)	(1,898)	(1,860)	(2,201)
Less: Interest expense, net	(1,575)	(1,530)	(1,500)	(1,528)	(1,462)
Less: Other	-	-	-	-	(8)
CFFO from Unconsolidated Ventures	**$ 21,156**	**$ 25,555**	**$ 20,062**	**$ 23,191**	**$ 33,760**
Add: Integration, transaction, transaction-related and EMR roll-out costs (1)	210	-	-	4,683	-
Adjusted CFFO from Unconsolidated Ventures	**$ 21,366**	**$ 25,555**	**$ 20,062**	**$ 27,874**	**$ 33,760**
Brookdale Weighted Average Ownership %	51.0%	51.0%	51.0%	51.0%	51.0%
CFFO from Unconsolidated Ventures	**$ 10,896**	**$ 13,033**	**$ 10,232**	**$ 14,216**	**$ 17,218**

($ in 000s) — **Other Ventures**

	FY 2014 Q4	FY 2015 Q1	FY 2015 Q2	FY 2015 Q3	FY 2015 Q4
Number of communities (period end)	85	86	122	122	125
Total average units	11,943	11,949	12,082	17,219	17,283
Weighted average unit occupancy	86.9%	86.6%	86.0%	87.5%	88.1%
Senior Housing average monthly revenue per unit	4,072	4,110	4,119	3,930	3,947
Resident revenue	$125,970	$127,513	$126,435	$ 177,678	$ 180,362
Less: Entrance fee amortization	-	-	-		-
Adjusted revenues	125,970	127,513	126,435	177,678	180,362
Less: Facility operating expenses	(84,306)	(83,469)	(83,094)	(117,433)	(116,343)
Less: General and administrative expenses	(6,077)	(6,153)	(6,080)	(8,625)	(9,344)
Add: Entrance fee receipts	-	-	-	-	-
Less: Entrance fee disbursements	-	-	-	-	-
Net entrance fees	-	-	-	-	-
Adjusted EBITDA	**35,587**	**37,891**	**37,261**	**51,620**	**54,675**
Less: Recurring capital expenditures, net	(2,431)	(2,336)	(2,760)	(3,577)	(4,052)
Less: Interest expense, net	(26,447)	(25,845)	(26,198)	(34,371)	(35,300)
Less: Other	(276)	(613)	(103)	(300)	(616)
CFFO from Unconsolidated Ventures	**$ 6,433**	**$ 9,097**	**$ 8,201**	**$ 13,372**	**$ 14,707**
Add: Integration, transaction, transaction-related and EMR roll-out costs (1)	-	-	-	-	-
Adjusted CFFO from Unconsolidated Ventures	**$ 6,433**	**$ 9,097**	**$ 8,201**	**$ 13,372**	**$ 14,707**
Brookdale Weighted Average Ownership %	11.9%	13.0%	11.5%	9.5%	11.4%
CFFO from Unconsolidated Ventures	**$ 766**	**$ 1,180**	**$ 945**	**$ 1,265**	**$ 1,678**

Leverage Ratio for Unconsolidated Ventures (2)

	Entrance Fee Venture	Other Ventures
Debt Principal as of December 31, 2015	$211,523	$1,956,270
Adjusted EBITDA	115,714	218,700
Leverage	**1.8x**	**8.9x**

Unconsolidated Ventures Schedule of Capital Expenditures

($ in 000s)	**FY 2014**	**FY 2015**			
Type	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
Recurring	$ 3,778	$ 3,495	$ 4,658	$ 5,437	$ 6,253

EBITDA-enhancing / Major Projects	17,199	13,243	24,562	27,167	37,079
Program Max	3,665	4,340	7,685	6,178	8,332
Total Capital Expenditures	$ 24,642	$ 21,078	$ 36,905	$ 38,782	$ 51,664

(1) Integration, transaction-related and EMR roll-out costs include third party expenses directly related to integration activities, as well as internal costs such as labor reflecting time spent by Company personnel on integration and EMR roll-out activity. Transaction costs include third party costs directly related to the formation of the unconsolidated ventures and other acquisition activity.
(2) Adjusted EBITDA from unconsolidated other ventures includes results on a normalized basis for a new RIDEA venture formed on June 30, 2015 and community acquisitions during the year ended December 31, 2015.

Brookdale Senior Living Inc.
Cash Lease and Interest Expense
As of December 31, 2015

Cash Lease and Interest Expense
($ in 000s)

	FY 2014	FY 2015			
	Q4	Q1	Q2	Q3	Q4
Facility Lease Payments					
Facility lease expense	$ 92,469	$ 94,471	$ 91,338	$ 91,144	$ 90,621
Less: Straight-line lease expense, net	3,028	(842)	(79)	(105)	1,228
Add: Amortization of deferred gain	1,093	1,093	1,093	1,093	1,093
Cash lease payments - Operating Leases	$ 96,590	$ 94,722	$ 92,352	$ 92,132	$ 92,942
Supplemental breakout:					
Communities with purchase options	$ 6,320	$ 6,343	$ 6,311	$ 5,734	$ 5,968
Communities without purchase options	90,270	88,379	86,041	86,398	86,974
	$ 96,590	$ 94,722	$ 92,352	$ 92,132	$ 92,942
Capital Lease Interest	$ 56,873	$ 53,203	$ 53,043	$ 53,217	$ 51,669
Less: Capital and financing Lease Interest - noncash	(6,700)	(5,700)	(5,816)	(5,942)	(6,014)
Add: Capital and financing lease principal (1)	10,028	12,439	12,756	12,852	13,249
Cash lease payments - Capital and Financing Leases	$ 60,201	$ 59,942	$ 59,983	$ 60,127	$ 58,904
Supplemental breakout:					
Communities with purchase options	$ 14,755	$ 14,205	$ 13,558	$ 13,975	$ 12,233
Communities without purchase options	45,446	45,737	46,425	46,152	46,671
	$ 60,201	$ 59,942	$ 59,983	$ 60,127	$ 58,904
Total cash lease payments	$ 156,791	$ 154,664	$ 152,335	$ 152,259	$ 151,846
Interest Expense					
Property level debt interest expense	$ 39,930	$ 40,174	$ 41,510	$ 41,798	$ 41,306
Convertible debt interest expense	2,174	2,174	2,174	2,174	2,174
Total debt interest payments	42,104	42,348	43,684	43,972	43,480
Less: interest income	(345)	(427)	(382)	(398)	(396)
Interest expense, net	$ 41,759	$ 41,921	$ 43,302	$ 43,574	$ 43,084

(1) Includes lease financing debt amortization on communities with FMV or no purchase option. Payments are included in CFFO.

Brookdale Senior Living Inc.
Quarterly Cash Flow Statements
As of December 31, 2015
($ in 000s)

Cash Flow Statements

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015
Cash Flows from Operating Activities										
Net income (loss)	$ (2,299)	$ (3,295)	$ (37,036)	$(106,796)	$(149,426)	$(130,709)	$ (84,807)	$ (68,336)	$(174,303)	$ (458,155)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:										
Loss on extinguishment of debt, net	-	3,197	569	2,621	6,387	44	-	-	77	121
Depreciation and amortization, net	74,334	75,166	178,810	216,202	544,512	220,808	225,483	161,331	128,894	736,516
Asset impairment	-	-	-	9,992	9,992	-	-	-	57,941	57,941
Equity in (earnings) loss of unconsolidated ventures	(636)	(1,523)	1,246	742	(171)	(1,484)	672	1,578	38	804
Distributions from unconsolidated ventures from cumulative share of net earnings	245	370	595	630	1,840	500	950	6,375	-	7,825
Amortization of deferred gain	(1,093)	(1,093)	(1,093)	(1,093)	(4,372)	(1,093)	(1,093)	(1,093)	(1,093)	(4,372)
Amortization of entrance fees	(7,202)	(7,547)	(5,757)	(714)	(21,220)	(767)	(930)	(619)	(888)	(3,204)
Proceeds from deferred entrance fee revenue	9,035	14,906	6,188	2,575	32,704	2,455	2,858	3,574	2,226	11,113
Deferred income tax provision (benefit)	598	(5)	(116,757)	(66,207)	(182,371)	(79,237)	(53,225)	(31,552)	68,753	(95,261)
Change in deferred lease liability	(223)	(217)	2,840	(961)	1,439	2,801	1,919	1,731	505	6,956
Change in fair value of derivatives	847	1,322	10	532	2,711	550	76	164	7	797
Loss (gain) on sale of assets	76	39	200	(761)	(446)	-	-	(1,723)	453	(1,270)
Change in future service obligation	-	-	-	670	670	-	-	-	(941)	(941)
Non-cash stock-based compensation	7,572	7,729	7,869	5,129	28,299	8,873	6,851	10,147	5,780	31,651
Non-cash interest expense on financing lease obligations	-	-	5,947	6,700	12,647	5,700	5,816	5,942	6,014	23,472
Amortization of (above) below market rents, net	-	-	(1,377)	(2,067)	(3,444)	(1,959)	(1,840)	(1,626)	(1,733)	(7,158)
Other	-	-	-	-	-	-	(1,416)	(856)	(885)	(3,157)
Changes in operating assets and liabilities:										
Accounts receivable, net	(2,499)	3,914	23,671	(21,576)	3,510	(13,140)	899	9,334	8,515	5,608
Prepaid expenses and other assets, net	(5,816)	(8,369)	(53,861)	15,178	(52,868)	24,504	12,989	2,404	11,182	51,079
Accounts payable and accrued expenses	(27,561)	14,245	6,222	23,906	16,812	(38,773)	(10,763)	26,344	(37,372)	(60,564)
Tenant refundable fees and security deposits	(615)	138	(674)	(32)	(1,183)	(510)	(7)	(221)	214	(524)
Deferred revenue	7,933	(7,459)	(4,978)	1,134	(3,370)	11,494	(3,665)	(31,537)	16,797	(6,911)
Net cash provided by operating activities	52,696	91,518	12,634	85,804	242,652	10,057	100,767	91,361	90,181	292,366
Cash Flows from Investing Activities										
Decrease (increase) in lease security deposits and lease acquisition deposits, net	7	(73)	3,326	(52,204)	(48,944)	13,037	2,686	(3,182)	(1,675)	10,866

Decrease (increase) in cash and escrow deposits — restricted	6,627	(6,039)	14,052	42,295	56,935	12,289	(2,083)	(3,384)	22,464	29,286
Additions to property, plant and equipment and leasehold intangibles, net	(59,717)	(73,712)	(79,104)	(91,712)	(304,245)	(79,129)	(99,219)	(123,430)	(109,273)	(411,051)
Acquisition of assets, net of related payables and cash received	(515)	-	(39,303)	(623)	(40,441)	(174,305)	(18,396)	(750)	2,235	(191,216)
Acquisition of Emeritus Corporation, cash acquired	-	-	28,429	-	28,429	-	-	-	-	-
Investment in unconsolidated ventures	-	-	(25,532)	(967)	(26,499)	(3,923)	(34,686)	(2,100)	(28,588)	(69,297)
Distributions received from unconsolidated ventures	-	2,643	9,414	218	12,275	-	-	7,038	2,016	9,054
Proceeds from sale of assets, net	-	-	-	4,339	4,339	-	4,993	3,079	41,154	49,226
Other	76	2,564	73	556	3,269	740	1,499	924	992	4,155
Net cash used in investing activities	(53,522)	(74,617)	(88,645)	(98,098)	(314,882)	(231,291)	(145,206)	(121,805)	(70,675)	(568,977)
Cash Flows from Financing Activities										
Proceeds from debt	20,516	159,638	46,356	100,129	326,639	85,365	79,828	384,938	35,519	585,650
Repayment of debt and capital and financing lease obligations	(22,401)	(159,412)	(92,568)	(309,964)	(584,345)	(47,555)	(36,482)	(369,352)	(32,373)	(485,762)
Proceeds from line of credit	70,000	12,000	160,000	200,000	442,000	445,000	240,000	285,000	205,000	1,175,000
Repayment of line of credit	(75,000)	(25,000)	(172,000)	(100,000)	(372,000)	(245,000)	(270,000)	(245,000)	(205,000)	(965,000)
Proceeds from public equity offering, net	-	-	330,405	(19)	330,386	-	-	-	-	-
Payment of financing costs, net of related payables	(2,905)	2,087	(202)	(8,373)	(9,393)	(1,481)	(1,985)	(28,785)	(371)	(32,622)
Refundable entrance fees:										-
Proceeds from refundable entrance fees	5,924	11,018	3,388	12	20,342	36	550	924	429	1,939
Refunds of entrance fees	(8,446)	(9,213)	(7,668)	(538)	(25,865)	(829)	(988)	(1,434)	(1,160)	(4,411)
Cash portion of loss on extinguishment of debt, net	-	(3,180)	(921)	-	(4,101)	(44)	-	-	-	(44)
Payment on lease termination	-	-	(3,875)	(3,875)	(7,750)	(3,875)	(3,875)	(4,625)	(4,625)	(17,000)
Other	328	394	486	681	1,889	716	705	673	713	2,807
Net cash (used in) provided by financing activities	(11,984)	(11,668)	263,401	(121,947)	117,802	232,333	7,753	22,339	(1,868)	260,557
Net (decrease) increase in cash and cash equivalents	(12,810)	5,233	187,390	(134,241)	45,572	11,099	(36,686)	(8,105)	17,638	(16,054)
Cash and cash equivalents at beginning of period	58,511	45,701	50,934	238,324	58,511	104,083	115,182	78,496	70,391	104,083
Cash and cash equivalents at end of period	$ 45,701	$ 50,934	$ 238,324	$ 104,083	$ 104,083	$ 115,182	$ 78,496	$ 70,391	$ 88,029	$ 88,029