BROOKDALE
SENIOR LIVING

Supplemental Information

3rd Quarter 2022

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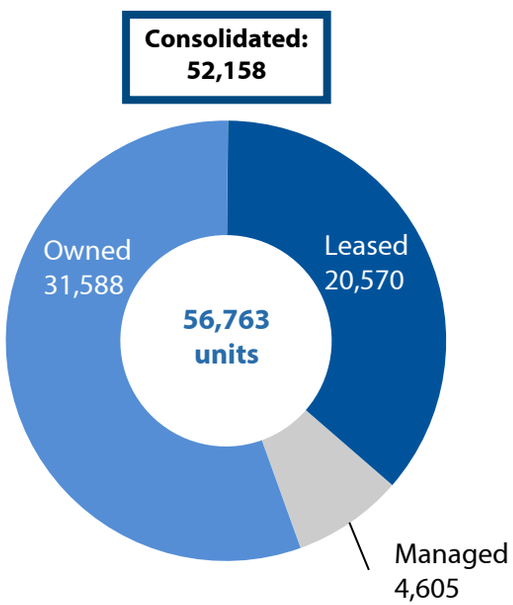
Overview

($ in 000s, except RevPAR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 Better B/ (Worse) (W)	YTD 3Q22 vs YTD 3Q21 B/(W)
Resident fee revenue	$ 664,350	$ 673,978	$ 600,095	$ 605,425	$2,543,848	$ 636,974	$ 640,388	$ 650,248	8.4%	(0.6)%
Senior Housing resident fee revenue	$ 577,499	$ 586,665	$ 600,095	$ 605,425	$2,369,684	$ 636,974	$ 640,388	$ 650,248	8.4%	9.3%
Health Care Services resident fee revenue [1]	$ 86,851	$ 87,313	$ —	$ —	$ 174,164	$ —	$ —	$ —	N/A	N/A
Management fee revenue	$ 8,566	$ 4,998	$ 3,621	$ 3,413	$ 20,598	$ 3,329	$ 3,329	$ 2,967	(18.1)%	(44.0)%
Other operating income	$ 10,735	$ 1,308	$ 89	$ 236	$ 12,368	$ 376	$ 8,411	$ 66,759	NM	NM
Net income (loss) [1]	$(108,303)	$ (83,604)	$ 174,263	$ (81,720)	$ (99,364)	$(100,032)	$ (84,283)	$ (28,374)	NM	NM
Net cash provided by (used in) operating activities	$ (23,857)	$ 3,410	$ 7,200	$ (81,387)	$ (94,634)	$ (23,255)	$ 11,577	$ 63,521	NM	NM
Adjusted EBITDA	$ 34,981	$ 33,064	$ 34,582	$ 35,849	$ 138,476	$ 37,176	$ 50,714	$ 106,851	NM	89.8%
Adjusted Free Cash Flow	$ (50,674)	$ (54,747)	$ (42,570)	$(138,703)	$ (286,694)	$ (53,493)	$ (48,463)	$ 4,129	NM	33.9%
RevPAR	$ 3,631	$ 3,692	$ 3,784	$ 3,828	$ 3,734	$ 4,032	$ 4,071	$ 4,150	9.7%	10.3%
Weighted average occupancy	69.6%	70.5%	72.5%	73.5%	71.5%	73.4%	74.6%	76.4%	390 bps	390 bps

As of September 30, 2022





3Q 2022 weighted average occupancy (consolidated communities)

Occupancy Band	Community Count	% of Period End Communities
Greater than 95%	87	14%
90% > 95%	72	11%
85% > 90%	62	10%
80% > 85%	68	11%
75% > 80%	73	11%
70% > 75%	73	11%
Less than 70%	206	32%
Total	641	100%

(1) The Company sold 80% of its equity in its Health Care Services segment on July 1, 2021 (the "HCS Sale") and recognized a $286.5 million gain on the sale. For periods beginning July 1, 2021, the results and financial position of the Health Care Services segment are deconsolidated from the Company's consolidated financial statements and its 20% equity interest in the Health Care Services Venture (the "HCS Venture") is accounted for under the equity method of accounting.

Important Note Regarding Non-GAAP Financial Measures

- Adjusted EBITDA and Adjusted Free Cash Flow are financial measures that are not calculated in accordance with GAAP. See "Definitions" and "Non-GAAP Financial Measures" for the definitions of such measures and other important information regarding such measures, including reconciliations to the most comparable GAAP measures.

Adjusted EBITDA and Adjusted Free Cash Flow

($ in 000s)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Senior Housing resident fee revenue	$ 577,499	$ 586,665	$ 600,095	$ 605,425	$2,369,684	$ 636,974	$ 640,388	$ 650,248	8.4%	9.3%
Health Care Services resident fee revenue	86,851	87,313	—	—	174,164	—	—	—	N/A	N/A
Management fee revenue	8,566	4,998	3,621	3,413	20,598	3,329	3,329	2,967	(18.1)%	(44.0)%
Other operating income	10,735	1,308	89	236	12,368	376	8,411	66,759	NM	NM
Senior Housing facility operating expense	(469,281)	(466,424)	(480,423)	(488,282)	(1,904,410)	(512,764)	(513,664)	(525,510)	(9.4)%	(9.6)%
Health Care Services facility operating expense	(87,031)	(84,422)	—	—	(171,453)	—	—	—	N/A	N/A
Combined Segment Operating Income	127,339	129,438	123,382	120,792	500,951	127,915	138,464	194,464	57.6%	21.2%
General and administrative expense [1]	(43,276)	(47,184)	(39,301)	(35,076)	(164,837)	(40,868)	(37,904)	(37,582)	4.4%	10.3%
Cash facility operating lease payments (see page 14)	(49,082)	(49,190)	(49,499)	(49,867)	(197,638)	(49,871)	(49,846)	(50,031)	(1.1)%	(1.3)%
Adjusted EBITDA [2]	**34,981**	**33,064**	**34,582**	**35,849**	**138,476**	**37,176**	**50,714**	**106,851**	**NM**	**89.8%**
Transaction and Organizational Restructuring Costs	(1,884)	(689)	(943)	(293)	(3,809)	(373)	(229)	(346)	63.3%	73.0%
Interest expense, net (see page 14)	(46,313)	(46,576)	(47,096)	(46,357)	(186,342)	(45,120)	(46,909)	(51,054)	(8.4)%	(2.2)%
Payment of financing lease obligations	(4,789)	(4,864)	(5,039)	(5,182)	(19,874)	(5,490)	(5,610)	(5,506)	(9.3)%	(13.0)%
Changes in working capital [3]	(5,320)	(1,129)	9,764	(82,394)	(79,079)	(272)	(552)	(2,581)	NM	NM
Non-Development Capital Expenditures, net (see page 13)	(27,450)	(35,795)	(28,193)	(45,972)	(137,410)	(39,326)	(45,686)	(43,819)	(55.4)%	(40.9)%
Other [4]	101	1,242	(5,645)	5,646	1,344	(88)	(191)	584	NM	NM
Adjusted Free Cash Flow [5]	**$ (50,674)**	**$ (54,747)**	**$ (42,570)**	**$(138,703)**	**$(286,694)**	**$ (53,493)**	**$ (48,463)**	**$ 4,129**	**NM**	**33.9%**

(1) Excluding non-cash stock-based compensation expense and Transaction and Organizational Restructuring Costs, see page 12.
(2) Adjusted EBITDA includes government grants and credits recognized during the respective periods as presented in other operating income.
(3) Excludes changes in prepaid insurance premiums financed with notes payable, lessor capital expenditure reimbursements under operating leases, and changes in operating lease assets and liabilities for lease termination.
(4) Primarily consists of proceeds from business interruption insurance and state income tax (provision) benefit.
(5) The Company's Adjusted Free Cash Flow includes the impacts of financial relief and repayment of temporary liquidity relief pursuant to the Coronavirus Aid, Relief, and Economic Security Act of 2020 ("CARES Act"). Refer to page 20 for additional details.

Adjusted EBITDA and Adjusted Free Cash Flow Distribution

($ in 000s)	3Q 2022 Total	Senior Housing Owned Portfolio	Senior Housing Leased Portfolio	Corporate	All Other [2]
Resident fee revenue [1]	$ 650,248	$ 379,913	$ 270,335	$ —	$ —
Management fee revenue	2,967	—	—	—	2,967
Other operating income	66,759	38,372	28,387	—	—
Facility operating expense	(525,510)	(314,480)	(211,030)	—	—
Combined Segment Operating Income	194,464	103,805	87,692	—	2,967
General and administrative expense (excluding non-cash stock-based compensation expense and transaction costs) *(see page 12)*	(37,582)	(20,311)	(14,453)	—	(2,818)
Cash facility operating lease payments	(50,031)	—	(48,726)	(1,305)	—
Adjusted EBITDA [3]	**106,851**	**83,494**	**24,513**	**(1,305)**	**149**
Transaction and Organizational Restructuring Costs	(346)	—	—	(346)	—
Interest expense, net	(51,054)	(41,330)	(11,577)	1,853	—
Payment of financing lease obligations	(5,506)	—	(5,329)	(177)	—
Changes in working capital [4]	(2,581)	—	—	(2,581)	—
Non-Development Capital Expenditures, net	(43,819)	(24,568)	(13,128)	(6,123)	—
Other	584	(148)	—	732	—
Adjusted Free Cash Flow	**$ 4,129**	**$ 17,448**	**$ (5,521)**	**$ (7,947)**	**$ 149**

(1) Resident fee revenue excluded from definitions of RevPAR and RevPOR is $914 thousand.
(2) All Other primarily includes communities operated by the Company pursuant to management agreements.
(3) Adjusted EBITDA for the third quarter of 2022 includes $66.8 million of government grants and credits recognized in other operating income.
(4) Excludes changes in prepaid insurance premiums financed with notes payable and lessor capital expenditure reimbursements under operating leases.

Segment Overview

($ in 000s, except RevPAR and RevPOR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Total Senior Housing, Health Care Services, and All Other										
Revenue [1]	$ 672,916	$ 678,976	$ 603,716	$ 608,838	$ 2,564,446	$ 640,303	$ 643,717	$ 653,215	8.2%	(0.9)%
Other operating income	$ 10,735	$ 1,308	$ 89	$ 236	$ 12,368	$ 376	$ 8,411	$ 66,759	NM	NM
Combined Segment Operating Income	$ 127,339	$ 129,438	$ 123,382	$ 120,792	$ 500,951	$ 127,915	$ 138,464	$ 194,464	57.6%	21.2%
Combined segment operating margin	*18.6%*	*19.0%*	*20.4%*	*19.8%*	*19.4%*	*20.0%*	*21.2%*	*27.0%*	*660 bps*	*360 bps*
Combined segment adjusted operating margin [2]	*17.3%*	*18.9%*	*20.4%*	*19.8%*	*19.1%*	*19.9%*	*20.2%*	*19.6%*	*(80) bps*	*110 bps*
Senior Housing Segments (see page 7)										
Revenue	$ 577,499	$ 586,665	$ 600,095	$ 605,425	$ 2,369,684	$ 636,974	$ 640,388	$ 650,248	8.4%	9.3%
Other operating income	$ 8,152	$ 786	$ 89	$ 236	$ 9,263	$ 376	$ 8,411	$ 66,759	NM	NM
Senior Housing Operating Income	$ 116,370	$ 121,027	$ 119,761	$ 117,379	$ 474,537	$ 124,586	$ 135,135	$ 191,497	59.9%	26.3%
Senior Housing operating margin	*19.9%*	*20.6%*	*20.0%*	*19.4%*	*19.9%*	*19.5%*	*20.8%*	*26.7%*	*670 bps*	*240 bps*
Senior Housing adjusted operating margin [2]	*18.7%*	*20.5%*	*19.9%*	*19.3%*	*19.6%*	*19.5%*	*19.8%*	*19.2%*	*(70) bps*	*(20) bps*
Number of communities (period end)	650	648	648	646	646	645	641	641	(1.1)%	(1.1)%
Total Average Units	52,971	52,911	52,811	52,665	52,840	52,586	52,368	52,158	(1.2)%	(1.0)%
RevPAR	$ 3,631	$ 3,692	$ 3,784	$ 3,828	$ 3,734	$ 4,032	$ 4,071	$ 4,150	9.7%	10.3%
Weighted average occupancy	69.6%	70.5%	72.5%	73.5%	71.5%	73.4%	74.6%	76.4%	390 bps	390 bps
RevPOR	$ 5,219	$ 5,237	$ 5,219	$ 5,210	$ 5,221	$ 5,493	$ 5,459	$ 5,432	4.1%	4.5%
Health Care Services Segment [3]										
Revenue	$ 86,851	$ 87,313	$ —	$ —	$ 174,164	$ —	$ —	$ —	N/A	N/A
Other operating income	$ 2,583	$ 522	$ —	$ —	$ 3,105	$ —	$ —	$ —	N/A	N/A
Segment Operating Income	$ 2,403	$ 3,413	$ —	$ —	$ 5,816	$ —	$ —	$ —	N/A	N/A
All Other										
All Other Segment Operating Income (comprised solely of management fees)	$ 8,566	$ 4,998	$ 3,621	$ 3,413	$ 20,598	$ 3,329	$ 3,329	$ 2,967	(18.1)%	(44.0)%
Resident fee revenue under management [4]	$ 82,468	$ 64,410	$ 55,156	$ 51,409	$ 253,443	$ 52,898	$ 54,284	$ 52,712	(4.4)%	(20.9)%

(1) Excludes reimbursed costs on behalf of managed communities.
(2) Excludes other operating income.
(3) The Company sold 80% of its equity in its Health Care Services segment on July 1, 2021 and recognized a $286.5 million gain on the sale. For periods beginning July 1, 2021, the results and financial position of the Health Care Services segment are deconsolidated from the Company's consolidated financial statements and its 20% equity interest in the HCS Venture is accounted for under the equity method of accounting.
(4) Not included in consolidated reported amounts.

Senior Housing Segments

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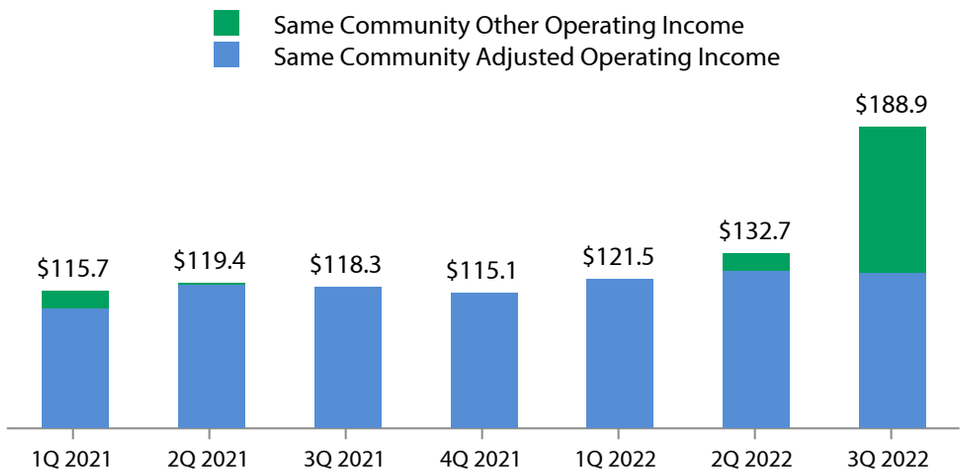
($ in 000s, except RevPAR and RevPOR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Independent Living										
Revenue	$ 118,782	$ 118,005	$ 119,584	$ 119,167	$ 475,538	$ 124,404	$ 125,578	$ 128,106	7.1%	6.1%
Other operating income	$ 1,364	$ 111	$ 9	$ 28	$ 1,512	$ 2	$ 1,159	$ 9,520	NM	NM
Segment Operating Income	$ 37,329	$ 35,292	$ 36,733	$ 36,754	$ 146,108	$ 37,684	$ 38,709	$ 46,395	26.3%	12.3%
Segment operating margin	*31.1%*	*29.9%*	*30.7%*	*30.8%*	*30.6%*	*30.3%*	*30.5%*	*33.7%*	*300 bps*	*100 bps*
Segment adjusted operating margin [1]	*30.3%*	*29.8%*	*30.7%*	*30.8%*	*30.4%*	*30.3%*	*29.9%*	*28.8%*	*(190) bps*	*(60) bps*
Number of communities (period end)	68	68	68	68	68	68	68	68	—%	—%
Total Average Units	12,539	12,552	12,567	12,567	12,556	12,568	12,569	12,569	—%	0.1%
RevPAR	$ 3,158	$ 3,134	$ 3,172	$ 3,161	$ 3,156	$ 3,299	$ 3,330	$ 3,397	7.1%	6.0%
Weighted average occupancy	73.6%	73.5%	74.7%	75.1%	74.2%	74.6%	76.0%	78.3%	360 bps	240 bps
RevPOR	$ 4,290	$ 4,266	$ 4,244	$ 4,208	$ 4,252	$ 4,423	$ 4,380	$ 4,337	2.2%	2.6%
Assisted Living and Memory Care										
Revenue	$ 386,938	$ 391,718	$ 402,621	$ 408,444	$ 1,589,721	$ 432,132	$ 434,454	$ 442,097	9.8%	10.8%
Other operating income	$ 5,104	$ 629	$ 75	$ 155	$ 5,963	$ 356	$ 6,412	$ 49,721	NM	NM
Segment Operating Income	$ 71,433	$ 77,062	$ 75,324	$ 70,501	$ 294,320	$ 76,863	$ 87,588	$ 130,039	72.6%	31.6%
Segment operating margin	*18.2%*	*19.6%*	*18.7%*	*17.3%*	*18.4%*	*17.8%*	*19.9%*	*26.4%*	*770 bps*	*270 bps*
Segment adjusted operating margin [1]	*17.1%*	*19.5%*	*18.7%*	*17.2%*	*18.1%*	*17.7%*	*18.7%*	*18.2%*	*(50) bps*	*(30) bps*
Number of communities (period end)	562	560	560	559	559	558	554	554	(1.1)%	(1.1)%
Total Average Units	35,110	35,018	34,893	34,883	34,977	34,817	34,598	34,398	(1.4)%	(1.2)%
RevPAR	$ 3,673	$ 3,728	$ 3,845	$ 3,902	$ 3,787	$ 4,136	$ 4,183	$ 4,281	11.3%	12.1%
Weighted average occupancy	68.3%	69.5%	71.9%	73.1%	70.7%	73.0%	74.2%	76.2%	430 bps	460 bps
RevPOR	$ 5,376	$ 5,365	$ 5,347	$ 5,341	$ 5,357	$ 5,665	$ 5,636	$ 5,621	5.1%	5.2%
CCRCs										
Revenue	$ 71,779	$ 76,942	$ 77,890	$ 77,814	$ 304,425	$ 80,438	$ 80,356	$ 80,045	2.8%	6.3%
Other operating income	$ 1,684	$ 46	$ 5	$ 53	$ 1,788	$ 18	$ 840	$ 7,518	NM	NM
Segment Operating Income	$ 7,608	$ 8,673	$ 7,704	$ 10,124	$ 34,109	$ 10,039	$ 8,838	$ 15,063	95.5%	41.5%
Segment operating margin	*10.4%*	*11.3%*	*9.9%*	*13.0%*	*11.1%*	*12.5%*	*10.9%*	*17.2%*	*730 bps*	*310 bps*
Segment adjusted operating margin [1]	*8.3%*	*11.2%*	*9.9%*	*12.9%*	*10.6%*	*12.5%*	*10.0%*	*9.4%*	*(50) bps*	*80 bps*
Number of communities (period end)	20	20	20	19	19	19	19	19	(5.0)%	(5.0)%
Total Average Units	5,322	5,341	5,351	5,215	5,307	5,201	5,201	5,191	(3.0)%	(2.6)%
RevPAR	$ 4,473	$ 4,770	$ 4,824	$ 4,946	$ 4,753	$ 5,109	$ 5,115	$ 5,105	5.8%	9.0%
Weighted average occupancy	68.5%	70.2%	71.2%	72.5%	70.6%	73.2%	73.4%	73.3%	210 bps	330 bps
RevPOR	$ 6,534	$ 6,790	$ 6,777	$ 6,825	$ 6,733	$ 6,976	$ 6,970	$ 6,966	2.8%	4.0%

(1) Excludes other operating income.

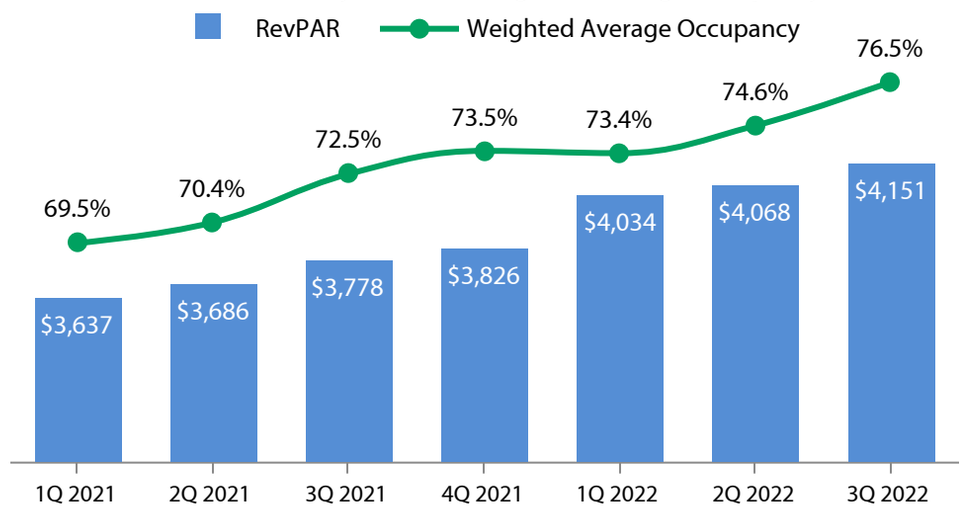
Senior Housing: Same Community [1]

($ in 000s, except RevPAR and RevPOR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Revenue	$ 551,591	$ 559,084	$ 573,015	$ 580,306	$ 2,263,996	$ 611,894	$ 617,055	$ 629,491	9.9%	10.4%
Other operating income	7,336	763	88	236	8,423	359	8,011	64,522	NM	NM
Revenue and other operating income	558,927	559,847	573,103	580,542	2,272,419	612,253	625,066	694,013	21.1%	14.2%
Community Labor Expenses	(291,980)	(290,753)	(301,690)	(316,863)	(1,201,286)	(330,632)	(331,295)	(334,873)	(11.0)%	(12.7)%
Other facility operating expenses	(151,227)	(149,675)	(153,123)	(148,580)	(602,605)	(160,169)	(161,120)	(170,270)	(11.2)%	(8.3)%
Facility operating expenses[2]	(443,207)	(440,428)	(454,813)	(465,443)	(1,803,891)	(490,801)	(492,415)	(505,143)	(11.1)%	(11.2)%
Same Community Operating Income	**$ 115,720**	**$ 119,419**	**$ 118,290**	**$ 115,099**	**$ 468,528**	**$ 121,452**	**$ 132,651**	**$ 188,870**	**59.7%**	**25.3%**
Same Community adjusted operating income[3]	**$ 108,384**	**$ 118,656**	**$ 118,202**	**$ 114,863**	**$ 460,105**	**$ 121,093**	**$ 124,640**	**$ 124,348**	**5.2%**	**7.2%**
Same Community operating margin	*20.7%*	*21.3%*	*20.6%*	*19.8%*	*20.6%*	*19.8%*	*21.2%*	*27.2%*	*660 bps*	*200 bps*
Same Community adjusted operating margin[3]	*19.6%*	*21.2%*	*20.6%*	*19.8%*	*20.3%*	*19.8%*	*20.2%*	*19.8%*	*(80) bps*	*(60) bps*
Total Average Units	50,554	50,554	50,554	50,556	50,555	50,557	50,559	50,547	—%	—%
RevPAR	$ 3,637	$ 3,686	$ 3,778	$ 3,826	$ 3,732	$ 4,034	$ 4,068	$ 4,151	9.9%	10.4%
Weighted average occupancy	69.5%	70.4%	72.5%	73.5%	71.5%	73.4%	74.6%	76.5%	*400 bps*	*400 bps*
RevPOR	$ 5,230	$ 5,234	$ 5,211	$ 5,205	$ 5,220	$ 5,496	$ 5,453	$ 5,429	4.2%	4.5%

Same Community Operating Income[2] / Adjusted Operating Income[3] ($ in millions)



Same Community RevPAR / Weighted Average Occupancy



(1) Same Community portfolio reflects 632 communities.
(2) Excludes natural disaster expense of $1.6 million for the full year 2021.
(3) Excludes other operating income.

Senior Housing Segments: Same Community [1]

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($ in 000s, except RevPAR and RevPOR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Independent Living										
Revenue	$ 117,572	$ 116,715	$ 118,100	$ 117,685	$ 470,072	$ 122,846	$ 123,890	$ 126,389	7.0%	5.9%
Other operating income	1,345	111	8	28	1,492	2	1,146	9,276	NM	NM
Community Labor Expense	(49,028)	(49,617)	(48,360)	(48,848)	(195,853)	(51,053)	(52,449)	(53,077)	(9.8)%	(6.5)%
Other facility operating expense	(32,839)	(32,156)	(33,316)	(32,531)	(130,842)	(34,632)	(34,430)	(36,871)	(10.7)%	(7.8)%
Facility operating expense	(81,867)	(81,773)	(81,676)	(81,379)	(326,695)	(85,685)	(86,879)	(89,948)	(10.1)%	(7.0)%
Same Community Operating Income	$ 37,050	$ 35,053	$ 36,432	$ 36,334	$ 144,869	$ 37,163	$ 38,157	$ 45,717	25.5%	11.5%
Same Community operating margin	*31.2%*	*30.0%*	*30.8%*	*30.9%*	*30.7%*	*30.3%*	*30.5%*	*33.7%*	*290 bps*	*90 bps*
Same Community adjusted operating margin [2]	*30.4%*	*29.9%*	*30.8%*	*30.9%*	*30.5%*	*30.3%*	*29.9%*	*28.8%*	*(200) bps*	*(80) bps*
Total Average Units	12,373	12,376	12,377	12,377	12,376	12,378	12,379	12,379	—%	—%
RevPAR	$ 3,167	$ 3,144	$ 3,181	$ 3,169	$ 3,165	$ 3,308	$ 3,336	$ 3,403	7.0%	5.8%
Weighted average occupancy	73.5%	73.4%	74.7%	75.1%	74.2%	74.6%	75.9%	78.2%	350 bps	250 bps
RevPOR	$ 4,310	$ 4,285	$ 4,259	$ 4,221	$ 4,269	$ 4,435	$ 4,393	$ 4,352	2.2%	2.5%
Assisted Living and Memory Care										
Revenue	$ 378,446	$ 383,821	$ 395,339	$ 401,113	$ 1,558,719	$ 425,186	$ 429,295	$ 439,395	11.1%	11.8%
Other operating income	4,911	609	76	155	5,751	357	6,287	49,465	NM	NM
Community Labor Expense	(209,079)	(206,265)	(217,667)	(231,130)	(864,141)	(241,048)	(239,688)	(242,683)	(11.5)%	(14.3)%
Other facility operating expense	(102,189)	(101,390)	(103,321)	(100,331)	(407,231)	(108,807)	(109,211)	(115,893)	(12.2)%	(8.8)%
Facility operating expense	(311,268)	(307,655)	(320,988)	(331,461)	(1,271,372)	(349,855)	(348,899)	(358,576)	(11.7)%	(12.5)%
Same Community Operating Income	$ 72,089	$ 76,775	$ 74,427	$ 69,807	$ 293,098	$ 75,688	$ 86,683	$ 130,284	75.0%	31.1%
Same Community operating margin	*18.8%*	*20.0%*	*18.8%*	*17.4%*	*18.7%*	*17.8%*	*19.9%*	*26.7%*	*790 bps*	*250 bps*
Same Community adjusted operating margin [2]	*17.8%*	*19.8%*	*18.8%*	*17.4%*	*18.4%*	*17.7%*	*18.7%*	*18.4%*	*(40) bps*	*(50) bps*
Total Average Units	34,206	34,203	34,202	34,203	34,204	34,204	34,205	34,203	—%	—%
RevPAR	$ 3,688	$ 3,741	$ 3,853	$ 3,909	$ 3,798	$ 4,144	$ 4,184	$ 4,282	11.1%	11.8%
Weighted average occupancy	68.3%	69.4%	71.9%	73.0%	70.7%	72.9%	74.2%	76.1%	420 bps	450 bps
RevPOR	$ 5,402	$ 5,387	$ 5,362	$ 5,354	$ 5,376	$ 5,681	$ 5,639	$ 5,624	4.9%	4.9%
CCRCs										
Revenue	$ 55,573	$ 58,548	$ 59,576	$ 61,508	$ 235,205	$ 63,862	$ 63,870	$ 63,707	6.9%	10.2%
Other operating income	1,080	43	4	53	1,180	—	578	5,781	NM	NM
Community Labor Expense	(33,873)	(34,871)	(35,663)	(36,885)	(141,292)	(38,531)	(39,158)	(39,113)	(9.7)%	(11.9)%
Other facility operating expense	(16,199)	(16,129)	(16,486)	(15,718)	(64,532)	(16,730)	(17,479)	(17,506)	(6.2)%	(5.9)%
Facility operating expense	(50,072)	(51,000)	(52,149)	(52,603)	(205,824)	(55,261)	(56,637)	(56,619)	(8.6)%	(10.0)%
Same Community Operating Income	$ 6,581	$ 7,591	$ 7,431	$ 8,958	$ 30,561	$ 8,601	$ 7,811	$ 12,869	73.2%	35.5%
Same Community operating margin	*11.6%*	*13.0%*	*12.5%*	*14.6%*	*12.9%*	*13.5%*	*12.1%*	*18.5%*	*600 bps*	*240 bps*
Same Community adjusted operating margin [2]	*9.9%*	*12.9%*	*12.5%*	*14.5%*	*12.5%*	*13.5%*	*11.3%*	*11.1%*	*(140) bps*	*20 bps*
Total Average Units	3,975	3,975	3,975	3,976	3,975	3,975	3,975	3,965	(0.3)%	(0.1)%
RevPAR	$ 4,660	$ 4,910	$ 4,996	$ 5,157	$ 4,931	$ 5,355	$ 5,356	$ 5,356	7.2%	10.3%
Weighted average occupancy	68.2%	69.9%	71.3%	72.8%	70.6%	73.7%	73.9%	73.9%	260 bps	400 bps
RevPOR	$ 6,833	$ 7,028	$ 7,005	$ 7,083	$ 6,987	$ 7,267	$ 7,246	$ 7,252	3.5%	4.3%

(1) Same Community portfolio reflects 67 Independent Living communities, 550 Assisted Living and Memory Care communities, and 15 CCRC communities.
(2) Excludes other operating income.

Senior Housing Owned Portfolio

($ in 000s, except RevPAR and RevPOR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Revenue	$ 336,160	$ 342,355	$ 350,664	$ 352,894	$ 1,382,073	$ 370,337	$ 374,231	$ 379,913	8.3%	9.3%
Other operating income	5,098	552	77	196	5,923	300	5,240	38,372	NM	NM
Facility operating expense	(280,235)	(280,169)	(287,180)	(290,347)	(1,137,931)	(304,715)	(307,694)	(314,480)	(9.5)%	(9.4)%
Owned Portfolio Operating Income	**$ 61,023**	**$ 62,738**	**$ 63,561**	**$ 62,743**	**$ 250,065**	**$ 65,922**	**$ 71,777**	**$103,805**	**63.3%**	**28.9%**
Owned Portfolio operating margin	*17.9%*	*18.3%*	*18.1%*	*17.8%*	*18.0%*	*17.8%*	*18.9%*	*24.8%*	*670 bps*	*260 bps*
Owned Portfolio adjusted operating margin [(1)]	*16.6%*	*18.2%*	*18.1%*	*17.7%*	*17.7%*	*17.7%*	*17.8%*	*17.2%*	*(90) bps*	*0 bps*
Additional Information										
Interest expense: property level and corporate debt	$ (35,351)	$ (35,425)	$ (35,708)	$ (34,925)	$ (141,409)	$ (33,157)	$ (35,693)	$ (41,330)	(15.7)%	(3.5)%
Community level capital expenditures, net (see page 13)	$ (14,286)	$ (16,973)	$ (17,237)	$ (25,203)	$ (73,699)	$ (20,907)	$ (25,934)	$ (24,568)	(42.5)%	(47.2)%
Number of communities (period end)	349	348	348	347	347	347	346	346	(0.6)%	(0.6)%
Total Average Units	31,844	31,785	31,783	31,648	31,766	31,635	31,694	31,588	(0.6)%	(0.5)%
RevPAR	$ 3,514	$ 3,584	$ 3,672	$ 3,711	$ 3,620	$ 3,893	$ 3,928	$ 3,999	8.9%	9.7%
Weighted average occupancy	68.4%	69.6%	71.7%	72.7%	70.6%	72.5%	73.6%	75.4%	370 bps	400 bps
RevPOR	$ 5,135	$ 5,151	$ 5,121	$ 5,108	$ 5,128	$ 5,370	$ 5,333	$ 5,301	3.5%	3.9%

Interest Coverage as of September 30, 2022	1.5x
Interest Coverage as of September 30, 2022 (excluding other operating income)	1.2x
Net Debt as of September 30, 2022 *(see page 15)*	$3,417,092

(1) Excludes other operating income.

Senior Housing Leased Portfolio

($ in 000s, except RevPAR and RevPOR)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Revenue	$ 241,339	$ 244,310	$ 249,431	$ 252,531	$ 987,611	$ 266,637	$ 266,157	$ 270,335	8.4%	9.3%
Other operating income	3,054	234	12	40	3,340	76	3,171	28,387	NM	NM
Facility operating expense	(189,046)	(186,255)	(193,243)	(197,935)	(766,479)	(208,049)	(205,970)	(211,030)	(9.2)%	(9.9)%
Leased Portfolio Operating Income	**$ 55,347**	**$ 58,289**	**$ 56,200**	**$ 54,636**	**$ 224,472**	**$ 58,664**	**$ 63,358**	**$ 87,692**	**56.0%**	**23.5%**
Leased Portfolio operating margin	*22.6%*	*23.8%*	*22.5%*	*21.6%*	*22.7%*	*22.0%*	*23.5%*	*29.4%*	*690 bps*	*210 bps*
Leased Portfolio adjusted operating margin [1]	*21.7%*	*23.8%*	*22.5%*	*21.6%*	*22.4%*	*22.0%*	*22.6%*	*21.9%*	*(60) bps*	*(50) bps*
Additional Information										
Cash facility lease payments on leased portfolio (see page 14)	$ (63,762)	$ (64,008)	$ (64,423)	$ (64,979)	$ (257,172)	$ (65,509)	$ (65,582)	$ (65,632)	(1.9)%	(2.4)%
Community level capital expenditures, net (see page 13)	$ (7,550)	$ (14,444)	$ (3,340)	$ (10,713)	$ (36,047)	$ (12,572)	$ (12,503)	$ (13,128)	NM	(50.8)%
Number of communities (period end)	301	300	300	299	299	298	295	295	(1.7)%	(1.7)%
Total Average Units	21,127	21,126	21,028	21,017	21,074	20,951	20,674	20,570	(2.2)%	(1.7)%
RevPAR	$ 3,808	$ 3,855	$ 3,954	$ 4,005	$ 3,905	$ 4,242	$ 4,291	$ 4,381	10.8%	11.2%
Weighted average occupancy	71.3%	71.9%	73.7%	74.7%	72.9%	74.8%	76.0%	77.9%	420 bps	390 bps
RevPOR	$ 5,340	$ 5,361	$ 5,362	$ 5,359	$ 5,356	$ 5,672	$ 5,646	$ 5,626	4.9%	5.5%

Lease Coverage as of September 30, 2022	0.79x
Lease Coverage as of September 30, 2022 (excluding other operating income)	0.66x
Operating and financing lease obligations as of September 30, 2022 (see page 24)[2]	$1,244,257

Facility Lease Maturity Information (Leased Portfolio as of September 30, 2022)

Initial Lease Maturities	Community Count	Total Units	Cash Facility Lease Payments [3]
2023	35	1,468	$ 14,719
2024	7	904	14,817
2025	121	10,289	104,704
2026	41	1,994	33,261
Thereafter	91	5,915	91,619
Total	295	20,570	$ 259,120

(1) Excludes other operating income.
(2) Amount recognized on consolidated balance sheet reflects the discounted future minimum lease payments and the residual value for financing lease obligations.
(3) Cash facility lease payments for the twelve months ended September 30, 2022.

G&A Expense

Consolidated, unless otherwise noted	2021					2022			*3Q22 vs 3Q21*	*YTD 3Q22 vs YTD 3Q21*
($ in 000s)	**1Q**	**2Q**	**3Q**	**4Q**	**Full Year**	**1Q**	**2Q**	**3Q**	***B(W)***	***B(W)***
G&A expense allocations [1]										
Senior Housing Owned Portfolio allocation	$ 19,358	$ 22,010	$ 21,004	$ 18,871	$ 81,243	$ 21,938	$ 20,419	$ 20,311	3.3%	(0.5)%
Senior Housing Leased Portfolio allocation	13,898	15,706	14,941	13,504	58,049	15,795	14,523	14,453	3.3%	(0.5)%
All Other allocation	4,994	4,257	3,356	2,701	15,308	3,135	2,962	2,818	16.0%	29.3%
Health Care Services allocation	5,026	5,211	—	—	10,237	—	—	—	N/A	N/A
Subtotal G&A expense allocations	43,276	47,184	39,301	35,076	164,837	40,868	37,904	37,582	4.4%	10.3%
Non-cash stock-based compensation expense	4,783	4,527	3,568	3,392	16,270	3,885	3,619	3,403	4.6%	15.3%
Transaction and Organizational Restructuring Costs	1,884	689	943	293	3,809	373	229	346	63.3%	73.0%
General and administrative expense	**$ 49,943**	**$ 52,400**	**$ 43,812**	**$ 38,761**	**$ 184,916**	**$ 45,126**	**$ 41,752**	**$ 41,331**	**5.7%**	**12.3%**

	2021					2022			*3Q22 vs 3Q21*	*YTD 3Q22 vs YTD 3Q21*
	1Q	**2Q**	**3Q**	**4Q**	**Full Year**	**1Q**	**2Q**	**3Q**	***B(W)***	***B(W)***
Resident fee revenue	$ 664,350	$ 673,978	$ 600,095	$ 605,425	$2,543,848	$ 636,974	$ 640,388	$ 650,248	8.4%	(0.6)%
Resident fee revenue under management [2]	82,468	64,410	55,156	51,409	253,443	52,898	54,284	52,712	(4.4)%	(20.9)%
Total (consolidated and under management[2])	$ 746,818	$ 738,388	$ 655,251	$ 656,834	$2,797,291	$ 689,872	$ 694,672	$ 702,960	7.3%	(2.5)%
G&A Expense as a Percentage of Resident Fee Revenue (Consolidated and Under Management)										
G&A expense (excluding non-cash stock-based compensation expense and Transaction and Organizational Restructuring Costs)	*5.8%*	*6.4%*	*6.0%*	*5.3%*	*5.9%*	*5.9%*	*5.5%*	*5.3%*	70 bps	50 bps
G&A expense (including non-cash stock-based compensation expense and Transaction and Organizational Restructuring Costs)	*6.7%*	*7.1%*	*6.7%*	*5.9%*	*6.6%*	*6.5%*	*6.0%*	*5.9%*	80 bps	70 bps

(1) For 2022 periods, G&A allocations are calculated based on the proportional amount of resident fee revenue (consolidated and under management) attributable to the segment or portfolio. For 2021 periods, G&A allocations are calculated using a methodology which the Company believed matched the type of general and administrative cost with the community, segment, or portfolio. Some of the allocations are based on direct utilization and some are based on formulas such as unit proportion. G&A allocations presented herein exclude non-cash stock-based compensation expense and Transaction and Organizational Restructuring Costs.

(2) Not included in consolidated reported amounts.

Capital Expenditures

($ in 000s, except for community level capital expenditures, net, per average unit)		2021 1Q	2Q	3Q	4Q	Full Year	2022 1Q	2Q	3Q	*3Q22 vs 3Q21 B(W)*	*YTD 3Q22 vs YTD 3Q21 B(W)*
Community level capital expenditures, including allocations											
Senior Housing Owned Portfolio		$ 14,286	$ 16,973	$ 17,237	$ 25,203	$ 73,699	$ 20,907	$ 25,934	$ 24,568	(42.5)%	(47.2)%
Senior Housing Leased Portfolio		7,550	14,444	3,340	10,713	36,047	12,572	12,503	13,128	NM	(50.8)%
Community level capital expenditures, net	(A)	21,836	31,417	20,577	35,916	109,746	33,479	38,437	37,696	(83.2)%	(48.5)%
Corporate capital expenditures		5,614	4,378	7,616	10,056	27,664	5,847	7,249	6,123	19.6%	(9.1)%
Non-Development Capital Expenditures, net		**27,450**	**35,795**	**28,193**	**45,972**	**137,410**	**39,326**	**45,686**	**43,819**	**(55.4)%**	**(40.9)%**
Development Capital Expenditures, net		1,521	597	608	482	3,208	861	1,829	1,667	(174.2)%	(59.8)%
Total capital expenditures, net		**$ 28,971**	**$ 36,392**	**$ 28,801**	**$ 46,454**	**$140,618**	**$ 40,187**	**$ 47,515**	**$ 45,486**	**(57.9)%**	**(41.4)%**
Lessor reimbursements: non-development capital expenditures		8,951	10,001	15,688	7,460	42,100	4,697	7,136	7,094		
Change in related payables		2,439	(7,216)	1,790	(3,074)	(6,061)	(4,928)	2,244	1,141		
Total cash paid for capital expenditures		**$ 40,361**	**$ 39,177**	**$ 46,279**	**$ 50,840**	**$176,657**	**$ 39,956**	**$ 56,895**	**$ 53,721**	**(16.1)%**	**(19.7)%**
Senior Housing Total Average Units	(B)	52,971	52,911	52,811	52,665	52,840	52,586	52,368	52,158	(1.2)%	(1.0)%
Community level capital expenditures, net, per average unit	(A/B)	$ 412	$ 594	$ 390	$ 682	$ 2,077	$ 637	$ 734	$ 723	(85.4)%	(49.9%)

Cash Facility Lease Payments

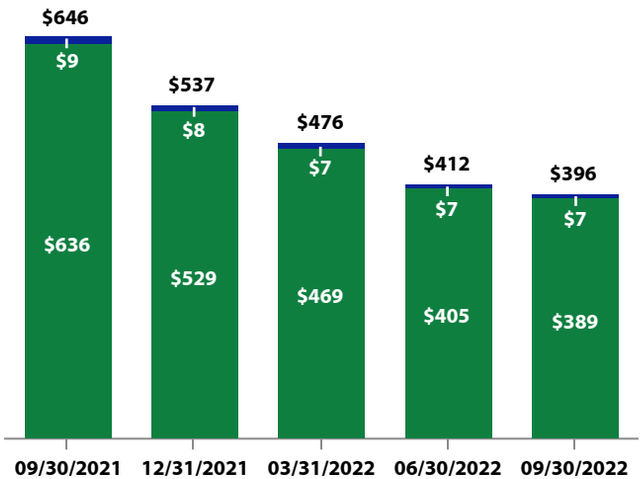
($ in 000s)	2021 1Q	2Q	3Q	4Q	Full Year	2022 1Q	2Q	3Q	3Q22 vs 3Q21 B(W)	YTD 3Q22 vs YTD 3Q21 B(W)
Operating Lease Obligations										
Facility operating lease expense	$ 44,418	$ 43,864	$ 43,226	$ 42,850	$ 174,358	$ 41,564	$ 41,538	$ 41,317		
Operating lease expense adjustment	4,664	5,326	6,273	7,017	23,280	8,307	8,308	8,714		
Cash facility operating lease payments	49,082	49,190	49,499	49,867	197,638	49,871	49,846	50,031	(1.1)%	(1.3)%
Financing Lease Obligations										
Interest expense: financing lease obligations	11,383	11,492	11,674	11,733	46,282	12,058	11,994	11,916		
Payment of financing lease obligations	4,789	4,864	5,039	5,182	19,874	5,490	5,610	5,506		
Cash financing lease payments	16,172	16,356	16,713	16,915	66,156	17,548	17,604	17,422	(4.2)%	(6.8)%
Total cash facility lease payments [1]	**$ 65,254**	**$ 65,546**	**$ 66,212**	**$ 66,782**	**$263,794**	**$ 67,419**	**$ 67,450**	**$ 67,453**	**(1.9)%**	**(2.7)%**
Interest Expense Reconciliation to Income Statement										
Interest expense: financing lease obligations	$ 11,383	$ 11,492	$ 11,674	$ 11,733	$ 46,282	$ 12,058	$ 11,994	$ 11,916	(2.1)%	(4.1)%
Interest income	(421)	(341)	(286)	(301)	(1,349)	(95)	(778)	(2,192)	NM	192.5%
Interest expense: debt	35,351	35,425	35,708	34,925	141,409	33,157	35,693	41,330	(15.7)%	(3.5)%
Interest expense, net	46,313	46,576	47,096	46,357	186,342	45,120	46,909	51,054	(8.4)%	(2.2)%
Amortization of deferred financing costs	1,915	1,907	1,884	1,591	7,297	1,542	1,520	1,528		
Change in fair value of derivatives	(42)	233	95	(134)	152	(3,403)	(973)	(4,901)		
Interest income	421	341	286	301	1,349	95	778	2,192		
Interest expense per income statement	**$ 48,607**	**$ 49,057**	**$ 49,361**	**$ 48,115**	**$195,140**	**$ 43,354**	**$ 48,234**	**$ 49,873**	**(1.0)%**	**3.8%**

(1) Includes cash lease payments for leases of corporate offices and information technology systems and equipment.

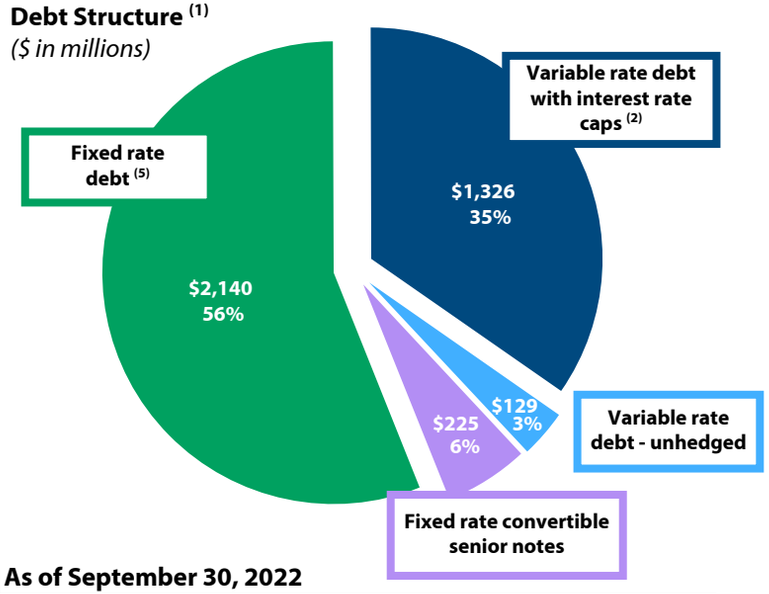
Capital Structure

BROOKDALE SENIOR LIVING

Total Liquidity
($ in millions)



Debt Structure [1]
($ in millions)



As of September 30, 2022

	Weighted Rate
Fixed rate debt [5]	4.14 %
Variable rate debt	5.40 %
Fixed rate convertible senior notes	2.00 %
Total debt	4.49 %

	Debt	
($ in millions)	Principal Payments [3]	Weighted Rate [4]
2022	$ 13	4.30 %
2023 [6]	264	5.17 %
2024	303	4.48 %
2025 [6]	346	4.95 %
2026	306	2.58 %
Thereafter	2,614	4.59 %
Total	**$ 3,846**	**4.49 %**

(1) Includes the carrying amount of debt of which 93.9%, or $3.6 billion, represented non-recourse property-level mortgage financings.

(2) The weighted average fixed cap rate is 4.39%.

(3) Amount includes maturities and recurring principal payments and excludes $26 million in deferred financing costs, net.

(4) Reflects rates as of September 30, 2022.

(5) Excludes convertible senior notes.

(6) Amounts presented are as of September 30, 2022. In October 2022, the Company obtained $220.0 million of mortgage debt due in 2025. The proceeds from the financing were primarily utilized to repay $199.6 million of outstanding mortgage debt maturing in 2023.

(7) Excludes operating lease obligations related to certain non-facility leases for which the related lease expense is included in Adjusted EBITDAR.

Leverage Ratios
($ in 000s)

Twelve Months Ended September 30, 2022			**Annualized Leverage**
Adjusted EBITDAR	(A)	**$ 430,205**	
Cash facility operating lease payments *(see page 14)*		(199,615)	
Adjusted EBITDA		**230,590**	
Cash financing lease payments *(see page 14)*		(69,489)	
Adjusted EBITDA after cash financing lease payments	(B)	**$ 161,101**	
As of September 30, 2022			
Debt		$ 3,819,929	
Cash and cash equivalents		(299,201)	
Marketable securities		(89,504)	
Restricted cash held as collateral against existing debt		(14,132)	
Net Debt	(C)	**3,417,092**	**21.2 x** (C/B)
Operating and financing lease obligations *(see page 24)* [7]		1,256,669	
Adjusted Net Debt	(D)	**$ 4,673,761**	**10.9 x** (D/A)

Important Note Regarding Non-GAAP Financial Measures. Adjusted EBITDAR, Adjusted EBITDA, Adjusted EBITDA after cash financing lease payments, Net Debt, and Adjusted Net Debt are financial measures that are not calculated in accordance with GAAP. See "Definitions" and "Non-GAAP Financial Measures" for the definitions of such measures and other important information regarding such measures, including reconciliations to the most comparable GAAP measures.

Definitions

Adjusted EBITDA is a non-GAAP performance measure that the Company defines as net income (loss) excluding: benefit/provision for income taxes, non-operating income/expense items, and depreciation and amortization; and further adjusted to exclude income/expense associated with non-cash, non-operational, transactional, cost reduction, or organizational restructuring items that management does not consider as part of the Company's underlying core operating performance and that management believes impact the comparability of performance between periods. For the periods presented herein, such other items include non-cash impairment charges, gain/loss on facility operating lease termination, operating lease expense adjustment, non-cash stock-based compensation expense, and Transaction and Organizational Restructuring Costs.

Adjusted EBITDAR is a non-GAAP financial measure that the Company defines as Adjusted EBITDA before cash facility operating lease payments.

Adjusted Free Cash Flow is a non-GAAP liquidity measure that the Company defines as net cash provided by (used in) operating activities before: distributions from unconsolidated ventures from cumulative share of net earnings, changes in prepaid insurance premiums financed with notes payable, changes in operating lease assets and liabilities for lease termination, cash paid/received for gain/loss on facility operating lease termination, and lessor capital expenditure reimbursements under operating leases; plus: property insurance proceeds and proceeds from refundable entrance fees, net of refunds; less: Non-Development Capital Expenditures and payment of financing lease obligations.

Adjusted Net Debt is a non-GAAP financial measure that the Company defines as Net Debt, plus operating and financing lease obligations. Operating and financing lease obligations exclude operating lease obligations related to certain non-facility leases for which the related lease expense is included in Adjusted EBITDAR.

Combined Segment Operating Income is defined by the Company as resident fee and management fee revenue and other operating income of the Company, less facility operating expense. Combined Segment Operating Income does not include general and administrative expense or depreciation and amortization.

Community Labor Expense is a component of facility operating expense that includes regular and overtime salaries and wages, bonuses, paid-time-off and holiday wages, payroll taxes, contract labor, employee benefits, and workers' compensation.

Development Capital Expenditures means capital expenditures for community expansions, major community redevelopment and repositioning projects, and the development of new communities. Amounts of Development Capital Expenditures are presented net of lessor reimbursements.

Interest Coverage is calculated based on the trailing-twelve months Owned Portfolio Operating Income adjusted for an implied 5% management fee and capital expenditures at $350/unit, divided by the trailing-twelve months property level and corporate debt interest expense.

Lease Coverage is calculated based on the trailing-twelve months Leased Portfolio Operating Income, excluding resident fee revenue, other operating income, and facility operating expense of communities disposed during such period adjusted for an implied 5% management fee and capital expenditures at $350/unit, divided by the trailing-twelve months cash facility lease payments for both operating leases and financing leases, excluding cash lease payments for leases of communities disposed during such period, corporate offices, information technology systems and equipment, vehicles, and other equipment.

Leased Portfolio Operating Income is defined by the Company as resident fee revenue and other operating income (excluding amounts from the former Health Care Services segment), less facility operating expense for the Company's Senior Housing Leased Portfolio. Leased Portfolio Operating Income does not include general and administrative expense or depreciation and amortization.

Net Debt is a non-GAAP financial measure that the Company defines as the total of its debt (mortgage debt and other notes payable) and the outstanding balance on the line of credit, less unrestricted cash, marketable securities, and cash held as collateral against existing debt.

NM means not meaningful.

Non-Development Capital Expenditures is comprised of corporate and community-level capital expenditures, including those related to maintenance, renovations, upgrades, and other major building infrastructure projects for the Company's communities. Non-Development Capital Expenditures does not include capital expenditures for community expansions, major community redevelopment and repositioning projects, and the development of new communities (i.e. Development Capital Expenditures). Amounts of Non-Development Capital Expenditures are presented net of lessor reimbursements.

Owned Portfolio Operating Income is defined by the Company as resident fee revenue and other operating income (excluding amounts from the former Health Care Services segment), less facility operating expense for the Company's Senior Housing Owned Portfolio. Owned Portfolio Operating Income does not include general and administrative expense or depreciation and amortization.

RevPAR, or average monthly senior housing resident fee revenue per available unit, is defined by the Company as resident fee revenue for the corresponding portfolio for the period (excluding revenue from the former Health Care Services segment, revenue for private duty services provided to seniors living outside of the Company's communities, and entrance fee amortization), divided by the weighted average number of available units in the corresponding portfolio for the period, divided by the number of months in the period.

Definitions

RevPOR, or average monthly senior housing resident fee revenue per occupied unit, is defined by the Company as resident fee revenue for the corresponding portfolio for the period (excluding revenue from the former Health Care Services segment, revenue for private duty services provided to seniors living outside of the Company's communities, and entrance fee amortization), divided by the weighted average number of occupied units in the corresponding portfolio for the period, divided by the number of months in the period.

Same Community information reflects operating results and data of a consistent population of communities by excluding the impact of changes in the composition of the Company's portfolio of communities. The operating results exclude natural disaster expense and related insurance recoveries. The Company defines its same community portfolio as communities consolidated and operational for the full period in both comparison years. Consolidated communities excluded from the same community portfolio include communities acquired or disposed of since the beginning of the prior year, communities classified as assets held for sale, certain communities planned for disposition, certain communities that have undergone or are undergoing expansion, redevelopment, and repositioning projects, and certain communities that have experienced a casualty event that significantly impacts their operations.

Same Community Operating Income is defined by the Company as resident fee revenue and other operating income (excluding amounts from the former Health Care Services segment), less facility operating expense (excluding natural disaster expense and related insurance recoveries) for the Company's Same Community portfolio. Same Community Operating Income does not include general and administrative expense or depreciation and amortization.

Segment Operating Income (Loss) is defined by the Company as segment revenue and other operating income less segment facility operating expense. Segment Operating Income (Loss) does not include general and administrative expense or depreciation and amortization. All Other Segment Operating Income consists primarily of the previously reported Management Services segment and excludes revenue for reimbursements for which the Company is the primary obligor of costs incurred on behalf of managed communities, and there is no facility operating expense associated with the All Other category. See the Segment Information note to the Company's consolidated financial statements for more information regarding the Company's segments.

Senior Housing Leased Portfolio represents Brookdale leased communities and does not include owned or managed communities.

Senior Housing Operating Income is defined by the Company as segment revenue and other operating income less segment facility operating expense for the Company's Independent Living, Assisted Living and Memory Care, and CCRCs segments on an aggregate basis. Senior Housing Operating Income does not include general and administrative expense or depreciation and amortization.

Senior Housing Owned Portfolio represents Brookdale owned communities and does not include leased or managed communities.

Total Average Units represents the average number of units operated during the period.

Transaction and Organizational Restructuring Costs are general and administrative expenses. Transaction costs include those directly related to acquisition, disposition, financing, and leasing activity, and are primarily comprised of legal, finance, consulting, professional fees, and other third-party costs. Organizational restructuring costs include those related to the Company's efforts to reduce general and administrative expense and its senior leadership changes, including severance.

Appendices

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Summary Financial Impact: COVID-19

The COVID-19 pandemic has adversely impacted the Company's occupancy and resident fee revenue beginning in March 2020 and resulted in incremental direct costs to respond to the pandemic. In the aggregate, since the period beginning January 1, 2020, the Company has incurred $189.2 million (consisting of $178.8 million for the consolidated Senior Housing segments and $10.4 million for the former Health Care Services segment) of pandemic-related expenses, of which 43% related to employee-related costs, 35% related to personal protective equipment and medical supplies, and 22% related to cleaning and other costs.

The following table presents the known or estimated impacts related to the COVID-19 pandemic (incremental direct costs to respond to the COVID-19 pandemic, other operating income from government financial relief, and estimated lost revenue) for the Company's consolidated Senior Housing results. Presentations of these amounts are intended to aid investors in better understanding the factors and trends affecting the Company's performance and liquidity.

	2020	2021					2022				
($ in 000s)	**Full Year**	**1Q**	**2Q**	**3Q**	**4Q**	**Full Year**	**1Q**	**2Q**	**3Q**	**YTD 2022**	**Cumulative**
Independent Living											
Other operating income	$ 11,823	$ 1,364	$ 111	$ 9	$ 28	$ 1,512	$ 2	$ 1,159	$ 9,520	$ 10,681	$ 24,016
Facility operating expense	$ 16,089	$ 3,047	$ 1,449	$ 938	$ 430	$ 5,864	$ 1,335	$ 274	$ 429	$ 2,038	$ 23,991
Assisted Living and Memory Care											
Other operating income	$ 62,585	$ 5,104	$ 629	$ 75	$ 155	$ 5,963	$ 356	$ 6,412	$ 49,721	$ 56,489	$ 125,037
Facility operating expense	$ 82,483	$ 18,902	$ 6,058	$ 4,798	$ 2,494	$ 32,252	$ 7,588	$ 1,313	$ 2,497	$ 11,398	$ 126,133
CCRCs											
Other operating income	$ 18,454	$ 1,684	$ 46	$ 5	$ 53	$ 1,788	$ 18	$ 840	$ 7,518	$ 8,376	$ 28,618
Facility operating expense	$ 18,750	$ 3,985	$ 1,442	$ 1,498	$ 467	$ 7,392	$ 1,440	$ 364	$ 698	$ 2,502	$ 28,644
Senior Housing Total											
Estimated lost revenue [1]	$ 228,500	$ 94,200	$ 81,800	$ 76,400	$ 75,600	$ 328,000	$ 97,000	$ 95,000	$ 97,000	$ 289,000	$ 845,500
Other operating income	$ 92,862	$ 8,152	$ 786	$ 89	$ 236	$ 9,263	$ 376	$ 8,411	$ 66,759	$ 75,546	$ 177,671
Facility operating expense	$ 117,322	$ 25,934	$ 8,949	$ 7,234	$ 3,391	$ 45,508	$ 10,363	$ 1,951	$ 3,624	$ 15,938	$ 178,768

The following table sets forth the Company's recent consolidated occupancy trend.

Consolidated Occupancy Trend

2021	January	February	March	April	May	June	July	August	September	October	November	December
Weighted average	70.0%	69.4%	69.4%	69.9%	70.5%	71.2%	72.0%	72.5%	73.0%	73.3%	73.5%	73.6%
Month end	70.4%	70.1%	70.6%	71.1%	71.6%	72.6%	73.3%	73.7%	74.2%	74.5%	74.3%	74.5%

2022	January	February	March	April	May	June	July	August	September	October
Weighted average	73.4%	73.3%	73.6%	73.9%	74.6%	75.2%	75.9%	76.4%	76.9%	77.2%
Month end	74.2%	74.4%	75.0%	75.3%	76.2%	76.6%	77.1%	77.9%	78.4%	78.2%

(1) Estimated lost revenue for the 2022 periods represents the difference between the actual resident fee revenue for the period and the estimated resident fee revenue for the period based upon the Company's pre-pandemic expectations for 2022. The estimated lost revenue for the 2020 and 2021 periods represents the difference between the actual resident fee revenue for the period and the Company's pre-pandemic expectations for the 2020 period.

Summary Financial Impact: COVID-19

The following table presents the incremental direct costs to respond to the COVID-19 pandemic and other operating income from government financial relief for the Company's same community results.

	2021					2022			
($ in 000s)	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	YTD 2022
Independent Living									
Other operating income	$ 1,345	$ 111	$ 8	$ 28	$ 1,492	$ 2	$ 1,146	$ 9,276	$ 10,424
Facility operating expense	$ 2,983	$ 1,364	$ 908	$ 431	$ 5,686	$ 1,310	$ 318	$ 424	$ 2,052
Assisted Living and Memory Care									
Other operating income	$ 4,911	$ 609	$ 76	$ 155	$ 5,751	$ 357	$ 6,287	$ 49,465	$ 56,109
Facility operating expense	$ 18,099	$ 5,853	$ 4,739	$ 2,409	$ 31,100	$ 7,449	$ 1,323	$ 2,620	$ 11,392
CCRCs									
Other operating income	$ 1,080	$ 43	$ 4	$ 53	$ 1,180	$ —	$ 578	$ 5,781	$ 6,359
Facility operating expense	$ 3,193	$ 1,036	$ 842	$ 321	$ 5,392	$ 1,154	$ 290	$ 446	$ 1,890
Total Same Community									
Other operating income	$ 7,336	$ 763	$ 88	$ 236	$ 8,423	$ 359	$ 8,011	$ 64,522	$ 72,892
Facility operating expense	$ 24,275	$ 8,253	$ 6,489	$ 3,161	$ 42,178	$ 9,913	$ 1,931	$ 3,490	$ 15,334

Government Relief (including consolidated Senior Housing segments and the former Health Care Services segment)

Certain cash flow impacts from the CARES Act and government grants and credits are shown below:

	2020	2021					2022			
($ in 000s)	Full Year	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	YTD 2022
Cash received (recouped) - Medicare advances [1]	$ 87,542	$ —	$ (14,258)	$ (3,527)	$ (3,057)	$ (20,842)	$ (1,848)	$ (1,240)	$ —	$ (3,088)
Deferred payroll taxes [2]	72,674	—	—	—	(31,553)	(31,553)	—	—	—	—
Cash received - government grants	115,748	1,700	405	89	251	2,445	376	4,574	62,750	67,700
Cash received - employee retention credit [3]	—	—	—	1,055	350	1,405	406	19	—	425
Operating cash flow impacts [4]	**275,964**	**1,700**	**(13,853)**	**(2,383)**	**(34,009)**	**(48,545)**	**(1,066)**	**3,353**	**62,750**	**65,037**
Less: Other operating income	(115,749)	(10,735)	(1,308)	(89)	(236)	(12,368)	(376)	(8,411)	(66,759)	(75,546)
Changes in working capital	**$ 160,215**	**$ (9,035)**	**$(15,161)**	**$ (2,472)**	**$(34,245)**	**$ (60,913)**	**$ (1,442)**	**$ (5,058)**	**$ (4,009)**	**$ (10,509)**

Liabilities retained by the Company as of September 30, 2022, due December 2022	$ 31,553

(1) During the full year 2020, the Company received $87.5 million under the Medicare Accelerated and Advance Payment Program, of which obligations for $9.6 million were retained by the Company following the HCS Sale. The amount began to be recouped in the full year 2021 and the remaining amount was fully recouped in the six months ended June 30, 2022.

(2) During the full year 2020, the Company deferred $72.7 million of the employer portion of social security taxes, of which obligations for $63.1 million were retained by the Company following the HCS Sale. One half was repaid during the full year 2021 and the $31.6 million remaining obligation is due December 31, 2022.

(3) During the full year 2021, the Company recognized $9.9 million of employee retention credits on wages paid from March 12, 2020 to December 31, 2020 within other operating income. During the nine months ended September 30, 2022, the Company recognized $9.4 million of employee retention credits on wages paid in 2021 within other operating income. As of September 30, 2022, the Company has received $1.8 million increasing the Company's net cash provided by (used in) operating activities and has $14.7 million of receivables related to employee retention credits.

(4) Impacts included in Adjusted Free Cash Flow.

Non-GAAP Financial Measures

This Supplemental Information contains the financial measures Adjusted EBITDA, Adjusted EBITDAR, Adjusted EBITDA after cash financing lease payments, Adjusted Free Cash Flow, Net Debt, and Adjusted Net Debt (each as defined in the "Definitions" section), which are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Presentations of these non-GAAP financial measures are intended to aid investors in better understanding the factors and trends affecting the Company's performance and liquidity. However, investors should not consider these non-GAAP financial measures as a substitute for financial measures determined in accordance with GAAP, including net income (loss), income (loss) from operations, net cash provided by (used in) operating activities, short-term debt, long-term debt less current portion, or current portion of long-term debt. Investors are cautioned that amounts presented in accordance with the Company's definitions of these non-GAAP financial measures may not be comparable to similar measures disclosed by other companies because not all companies calculate non-GAAP measures in the same manner. Investors are urged to review the reconciliations set forth in this Appendix of these non-GAAP financial measures from the most comparable financial measures determined in accordance with GAAP and to review the information under "Reconciliations of Non-GAAP Financial Measures" in the Company's earnings release dated November 7, 2022 for additional information regarding the Company's use and the limitations of such non-GAAP financial measures.

Non-GAAP Financial Measures (continued)

BROOKDALE SENIOR LIVING

Adjusted EBITDA Reconciliation

	2021					2022		
($ in 000s)	**1Q**	**2Q**	**3Q**	**4Q**	**Full Year**	**1Q**	**2Q**	**3Q**
Net income (loss)	**$ (108,303)**	**$ (83,604)**	**$ 174,263**	**$ (81,720)**	**$ (99,364)**	**$ (100,032)**	**$ (84,283)**	**$ (28,374)**
Provision (benefit) for income taxes	752	(792)	15,279	(23,402)	(8,163)	(1,976)	1,190	(300)
Equity in (earnings) loss of unconsolidated ventures	531	(13,946)	1,474	1,547	(10,394)	4,894	2,439	2,020
Loss (gain) on debt modification and extinguishment, net	—	—	—	1,932	1,932	—	—	—
Loss (gain) on sale of assets, net	(1,112)	79	(288,375)	573	(288,835)	294	(961)	56
Other non-operating (income) loss	(1,644)	(2,948)	(571)	(740)	(5,903)	27	111	(1,877)
Interest expense	48,607	49,057	49,361	48,115	195,140	43,354	48,234	49,873
Interest income	(421)	(341)	(286)	(301)	(1,349)	(95)	(778)	(2,192)
Income (loss) from operations	(61,590)	(52,495)	(48,855)	(53,996)	(216,936)	(53,534)	(34,048)	19,206
Depreciation and amortization	83,891	83,591	84,560	85,571	337,613	85,684	86,623	86,922
Asset impairment	10,677	2,078	639	9,609	23,003	9,075	2,599	5,688
Loss (gain) on facility operating lease termination, net	—	—	—	(2,003)	(2,003)	—	—	—
Operating lease expense adjustment	(4,664)	(5,326)	(6,273)	(7,017)	(23,280)	(8,307)	(8,308)	(8,714)
Non-cash stock-based compensation expense	4,783	4,527	3,568	3,392	16,270	3,885	3,619	3,403
Transaction and Organizational Restructuring Costs	1,884	689	943	293	3,809	373	229	346
Adjusted EBITDA [1]	**$ 34,981**	**$ 33,064**	**$ 34,582**	**$ 35,849**	**$ 138,476**	**$ 37,176**	**$ 50,714**	**$ 106,851**
Other operating income	$ 10,735	$ 1,308	$ 89	$ 236	$ 12,368	$ 376	$ 8,411	$ 66,759

(1) Adjusted EBITDA includes government grants and credits recognized in other operating income.

Non-GAAP Financial Measures (continued)

Adjusted EBITDAR; Adjusted EBITDA; and Adjusted EBITDA after Cash Financing Lease Payments Reconciliations

($ in 000s)	Twelve Months Ended September 30, 2022
Net income (loss)	**$ (294,409)**
Provision (benefit) for income taxes	(24,488)
Equity in (earnings) loss of unconsolidated ventures	10,900
Loss (gain) on debt modification and extinguishment, net	1,932
Loss (gain) on sale of assets, net	(38)
Other non-operating (income) loss	(2,479)
Interest expense	189,576
Interest income	(3,366)
Income (loss) from operations	(122,372)
Depreciation and amortization	344,800
Asset impairment	26,971
Loss (gain) on facility operating lease termination, net	(2,003)
Facility operating lease expense	167,269
Non-cash stock-based compensation expense	14,299
Transaction and Organizational Restructuring Costs	1,241
Adjusted EBITDAR	**$ 430,205**
Facility operating lease expense	(167,269)
Operating lease expense adjustment	(32,346)
Adjusted EBITDA	**$ 230,590**
Interest expense: financing lease obligations	(47,701)
Payment of financing lease obligations	(21,788)
Adjusted EBITDA after cash financing lease payments	**$ 161,101**

Non-GAAP Financial Measures (continued)

Net Debt and Adjusted Net Debt Reconciliations

($ in 000s)		**As of September 30, 2022**
Long-term debt (including current portion)	$	3,819,929
Cash and cash equivalents		(299,201)
Marketable securities		(89,504)
Cash held as collateral against existing debt		(14,132)
Net Debt		**3,417,092**
Operating and financing lease obligations		1,285,402
Operating lease obligations related to certain non-facility leases for which the related lease expense is included in Adjusted EBITDAR		(28,733)
Adjusted Net Debt	**$**	**4,673,761**
Operating and financing lease obligations	$	1,285,402
Operating lease obligations related to certain non-facility leases for which the related lease expense is included in Adjusted EBITDAR		(28,733)
Adjusted operating and financing lease obligations		**1,256,669**
Operating and financing lease obligations related to corporate office and information technology leases		(12,412)
Operating and financing lease obligations for Senior Housing Leased Portfolio	**$**	**1,244,257**

Non-GAAP Financial Measures (continued)

BROOKDALE SENIOR LIVING

Adjusted Free Cash Flow Reconciliation

($ in 000s)	2021 1Q	2021 2Q	2021 3Q	2021 4Q	2021 Full Year	2022 1Q	2022 2Q	2022 3Q
Net cash provided by (used in) operating activities	**$(23,857)**	**$ 3,410**	**$ 7,200**	**$(81,387)**	**$ (94,634)**	**$(23,255)**	**$ 11,577**	**$ 63,521**
Net cash provided by (used in) investing activities	(3,806)	1,561	203,974	(20,272)	181,457	(36,163)	(43,838)	22,508
Net cash provided by (used in) financing activities	(35,562)	(20,992)	(19,177)	(37,926)	(113,657)	(403)	(17,690)	(19,754)
Net increase (decrease) in cash, cash equivalents and restricted cash	$ (63,225)	$ (16,021)	$ 191,997	$(139,585)	$ (26,834)	$ (59,821)	$ (49,951)	$ 66,275
Net cash provided by (used in) operating activities	**$(23,857)**	**$ 3,410**	**$ 7,200**	**$(81,387)**	**$ (94,634)**	**$(23,255)**	**$ 11,577**	**$ 63,521**
Distributions from unconsolidated ventures from cumulative share of net earnings	—	(5,355)	(836)	—	(6,191)	(561)	—	—
Changes in prepaid insurance premiums financed with notes payable	12,985	(4,200)	(4,151)	(4,634)	—	16,629	(5,377)	(5,700)
Changes in operating lease assets and liabilities for lease termination	—	—	—	2,380	2,380	—	—	—
Changes in operating lease assets and liabilities for lessor capital expenditure reimbursements	(7,563)	(7,943)	(11,551)	(3,908)	(30,965)	(1,490)	(3,367)	(4,367)
Non-development capital expenditures, net	(27,450)	(35,795)	(28,193)	(45,972)	(137,410)	(39,326)	(45,686)	(43,819)
Payment of financing lease obligations	(4,789)	(4,864)	(5,039)	(5,182)	(19,874)	(5,490)	(5,610)	(5,506)
Adjusted Free Cash Flow [1]	**$(50,674)**	**$(54,747)**	**$(42,570)**	**$(138,703)**	**$(286,694)**	**$(53,493)**	**$(48,463)**	**$ 4,129**

[1] Adjusted Free Cash Flow includes:

Cash received - government grants and credits	$ 1,700	$ 405	$ 1,144	$ 601	$ 3,850	$ 782	$ 4,593	$ 62,750
Cash payments - deferred payroll taxes	$ —	$ —	$ —	$ (31,553)	$ (31,553)	$ —	$ —	$ —
Cash recouped - Medicare advances	$ —	$ (14,258)	$ (3,527)	$ (3,057)	$ (20,842)	$ (1,848)	$ (1,240)	$ —

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