



BROOKDALE
— SENIOR LIVING —

Supplemental Information

1st Quarter 2023



Table of Contents

Overview	3
Segment Overview	6
Senior Housing	7
General and Administrative ("G&A") Expense	12
Capital Expenditures	13
Cash Facility Lease Payments	14
Capital Structure	15
Definitions	16
Appendix:	
Non-GAAP Financial Measures	18

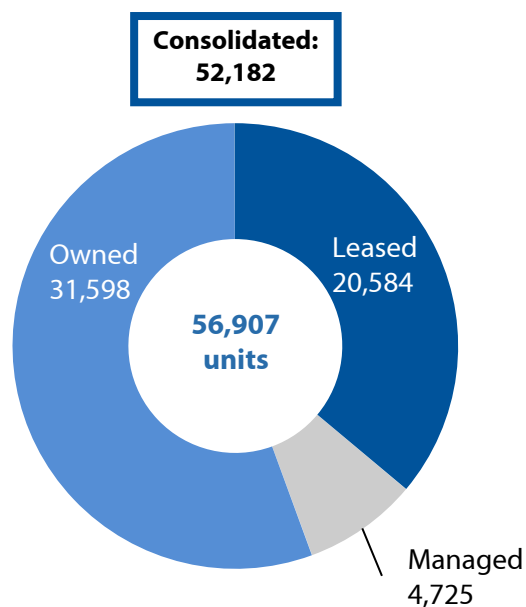
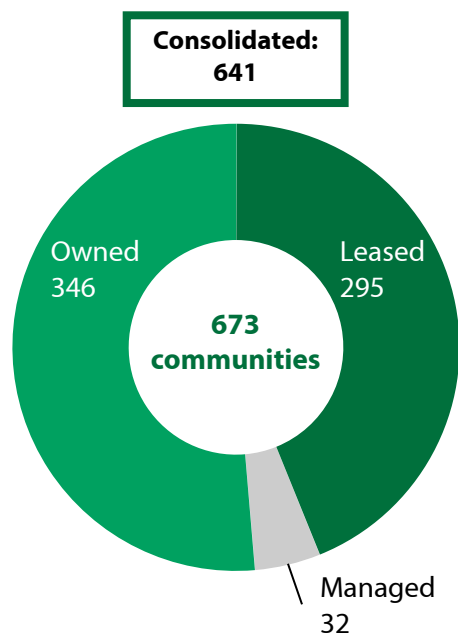




Overview

	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	Better B (Worse) (W)
(\$ in 000s, except RevPAR and RevPOR)							
Resident fee revenue	\$ 636,974	\$ 640,388	\$ 650,248	\$ 657,919	\$2,585,529	\$ 713,404	12.0%
Other operating income	\$ 376	\$ 8,411	\$ 66,759	\$ 4,923	\$ 80,469	\$ 2,328	NM
Net income (loss)	\$(100,032)	\$(84,283)	\$(28,374)	\$(25,651)	\$(238,340)	\$(44,563)	55.5%
Net cash provided by (used in) operating activities	\$(23,255)	\$ 11,577	\$ 63,521	\$(48,562)	\$ 3,281	\$ 24,042	NM
Adjusted EBITDA	\$ 37,176	\$ 50,714	\$ 106,851	\$ 46,564	\$ 241,305	\$ 88,623	138.4%
Adjusted Free Cash Flow	\$(53,493)	\$(48,463)	\$ 4,129	\$(103,558)	\$(201,385)	\$(21,239)	60.3%
RevPAR	\$ 4,032	\$ 4,071	\$ 4,150	\$ 4,199	\$ 4,113	\$ 4,551	12.9%
Weighted average occupancy	73.4%	74.6%	76.4%	77.1%	75.4%	76.3%	290 bps
RevPOR	\$ 5,493	\$ 5,459	\$ 5,432	\$ 5,446	\$ 5,457	\$ 5,963	8.6%

As of March 31, 2023



**1Q 2023 weighted average occupancy
(consolidated communities)**

Occupancy Band	Community Count	% of Period End Communities
Greater than 95%	76	12%
90% > 95%	66	10%
85% > 90%	71	11%
80% > 85%	71	11%
75% > 80%	69	11%
70% > 75%	89	14%
Less than 70%	199	31%
Total	641	100%

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)	2022				Full Year	2023		1Q23 vs 1Q22
	1Q	2Q	3Q	4Q		1Q	B(W)	
Resident fee revenue	\$ 636,974	\$ 640,388	\$ 650,248	\$ 657,919	\$2,585,529	\$ 713,404	12.0%	
Management fee revenue	3,329	3,329	2,967	2,395	12,020	2,577	(22.6)%	
Other operating income	376	8,411	66,759	4,923	80,469	2,328	NM	
Facility operating expense	(512,764)	(513,664)	(525,510)	(531,667)	(2,083,605)	(530,807)	(3.5)%	
Combined Segment Operating Income	127,915	138,464	194,464	133,570	594,413	187,502	46.6%	
General and administrative expense ⁽¹⁾	(40,868)	(37,904)	(37,582)	(36,564)	(152,918)	(41,947)	(2.6)%	
Cash facility operating lease payments (see page 14)	(49,871)	(49,846)	(50,031)	(50,442)	(200,190)	(56,932)	(14.2)%	
Adjusted EBITDA ⁽²⁾	37,176	50,714	106,851	46,564	241,305	88,623	138.4%	
Transaction and Organizational Restructuring Costs	(373)	(229)	(346)	(262)	(1,210)	(3,568)	NM	
Interest expense, net (see page 14)	(45,120)	(46,909)	(51,054)	(55,912)	(198,995)	(51,541)	(14.2)%	
Payment of financing lease obligations	(5,490)	(5,610)	(5,506)	(5,615)	(22,221)	(5,852)	(6.6)%	
Changes in working capital ⁽³⁾	(272)	(552)	(2,581)	(51,578)	(54,983)	8,247	NM	
Non-Development Capital Expenditures, net (see page 13)	(39,326)	(45,686)	(43,819)	(39,335)	(168,166)	(62,912)	(60.0)%	
Property and casualty insurance proceeds	—	—	—	—	—	6,422	NM	
Other ⁽⁴⁾	(88)	(191)	584	2,580	2,885	(658)	NM	
Adjusted Free Cash Flow ⁽⁵⁾	\$ (53,493)	\$ (48,463)	\$ 4,129	\$ (103,558)	\$ (201,385)	\$ (21,239)	60.3%	

As a result of a lease amendment in the fourth quarter of 2022, for the full year 2023:

- Cash facility operating lease payments: **include** \$22 million of reclassified cash lease payments
- Interest expense, net: **exclude** \$22 million of the reclassified cash lease payments
- Adjusted EBITDA: **negatively** impacted by \$22 million
- Adjusted Free Cash Flow: **no impact**

As a result of a lease amendment in May 2023 with a prospective change in lease classification, for the remainder of 2023:

- Cash facility operating lease payments: **include** \$19 million of reclassified cash lease payments
- Interest expense, net: **exclude** \$3 million of the reclassified cash lease payments ⁽⁶⁾
- Payment of financing lease obligations: **exclude** \$16 million of the reclassified cash lease payments ⁽⁶⁾
- Adjusted EBITDA: **negatively** impacted by \$19 million
- Adjusted Free Cash Flow: **no impact** from the change in lease classification

(\$ in millions)

Cash facility operating lease payments

Adjusted EBITDA

Interest expense, net ⁽⁶⁾

Payment of financing lease obligations ⁽⁶⁾

Adjusted Free Cash Flow

2023 Impact					
2022 Amendment	2023 Amendment				Combined Impact
FY 2023	2Q23	3Q23	4Q23	FY 2023	
\$ (22)	\$ (5)	\$ (7)	\$ (7)	\$ (41)	
(22)	(5)	(7)	(7)	(41)	
22	1	1	1	25	
—	4	6	6	16	
\$ —	\$ —	\$ —	\$ —	\$ —	

(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 and lessor capital expenditure reimbursements under operating leases.

(4) Primarily consists of proceeds from business interruption insurance and state income tax (provision) benefit.

(5) In addition to government grants and credits received, the Company's Adjusted Free Cash Flow for 2022 includes the impacts of repayment of temporary liquidity relief pursuant to the Coronavirus Aid, Relief, and Economic Security Act of 2020 ("CARES Act"), primarily including \$31.6 million paid during the fourth quarter of 2022 for deferred payroll taxes for the year ended December 31, 2020. As of December 31, 2022, the Company has no remaining obligations for the deferred payroll tax program.

(6) The allocation of financing lease payment amounts for the May 2023 amendment is preliminary based on management's estimates derived from the information available at this time and is subject to revision upon finalization of the Company's accounting and financial reporting processes and reviews for the second quarter of 2023.

Adjusted EBITDA and Adjusted Free Cash Flow Distribution

(\$ in 000s)	1Q 2023				
	Total	Senior Housing Owned Portfolio	Senior Housing Leased Portfolio	Corporate	All Other ⁽²⁾
Resident fee revenue ⁽¹⁾	\$ 713,404	\$ 418,624	\$ 294,780	\$ —	\$ —
Management fee revenue	2,577	—	—	—	2,577
Other operating income	2,328	1,885	443	—	—
Facility operating expense	(530,807)	(319,727)	(211,080)	—	—
Combined Segment Operating Income	187,502	100,782	84,143	—	2,577
General and administrative expense (excluding non-cash stock-based compensation expense and transaction costs) (see page 12)	(41,947)	(22,857)	(16,095)	—	(2,995)
Cash facility operating lease payments	(56,932)	—	(55,654)	(1,278)	—
Adjusted EBITDA⁽³⁾	88,623	77,925	12,394	(1,278)	(418)
Transaction and Organizational Restructuring Costs	(3,568)	—	—	(3,568)	—
Interest expense, net	(51,541)	(50,315)	(6,250)	5,024	—
Payment of financing lease obligations	(5,852)	—	(5,668)	(184)	—
Changes in working capital ⁽⁴⁾	8,247	—	—	8,247	—
Non-Development Capital Expenditures, net	(62,912)	(27,135)	(14,734)	(21,043)	—
Property and casualty insurance proceeds	6,422	—	—	6,422	—
Other	(658)	(184)	—	(474)	—
Adjusted Free Cash Flow	\$ (21,239)	\$ 291	\$ (14,258)	\$ (6,854)	\$ (418)

(1) Resident fee revenue excluded from definitions of RevPAR and RevPOR is \$1.1 million.

(2) All Other primarily includes communities operated by the Company pursuant to management agreements.

(3) Adjusted EBITDA for the first quarter of 2023 includes \$2.3 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

	2022						2023	1Q23 vs 1Q22
(\$ in 000s, except RevPAR and RevPOR)	1Q	2Q	3Q	4Q	Full Year		1Q	B(W)
Total Senior Housing and All Other								
Revenue ⁽¹⁾	\$ 640,303	\$ 643,717	\$ 653,215	\$ 660,314	\$ 2,597,549	\$ 715,981	11.8%	
Other operating income	\$ 376	\$ 8,411	\$ 66,759	\$ 4,923	\$ 80,469	\$ 2,328	NM	
Combined Segment Operating Income	\$ 127,915	\$ 138,464	\$ 194,464	\$ 133,570	\$ 594,413	\$ 187,502	46.6%	
Combined segment operating margin	20.0%	21.2%	27.0%	20.1%	22.2%	26.1%	610 bps	
Combined segment adjusted operating margin ⁽²⁾	19.9%	20.2%	19.6%	19.5%	19.8%	25.9%	600 bps	
Senior Housing Segments (see page 7)								
Revenue	\$ 636,974	\$ 640,388	\$ 650,248	\$ 657,919	\$ 2,585,529	\$ 713,404	12.0%	
Other operating income	\$ 376	\$ 8,411	\$ 66,759	\$ 4,923	\$ 80,469	\$ 2,328	NM	
Operating Income	\$ 124,586	\$ 135,135	\$ 191,497	\$ 131,175	\$ 582,393	\$ 184,925	48.4%	
Operating margin	19.5%	20.8%	26.7%	19.8%	21.8%	25.8%	630 bps	
Adjusted operating margin ⁽²⁾	19.5%	19.8%	19.2%	19.2%	19.4%	25.6%	610 bps	
Number of communities (period end)	645	641	641	641	641	641	(0.6)%	
Total Average Units	52,586	52,368	52,158	52,166	52,320	52,177	(0.8)%	
RevPAR	\$ 4,032	\$ 4,071	\$ 4,150	\$ 4,199	\$ 4,113	\$ 4,551	12.9%	
Weighted average occupancy	73.4%	74.6%	76.4%	77.1%	75.4%	76.3%	290 bps	
RevPOR	\$ 5,493	\$ 5,459	\$ 5,432	\$ 5,446	\$ 5,457	\$ 5,963	8.6%	
All Other								
All Other Segment Operating Income (comprised solely of management fees)	\$ 3,329	\$ 3,329	\$ 2,967	\$ 2,395	\$ 12,020	\$ 2,577	(22.6)%	
Resident fee revenue under management ⁽³⁾	\$ 52,898	\$ 54,284	\$ 52,712	\$ 50,758	\$ 210,652	\$ 54,820	3.6%	

(1) Excludes reimbursed costs on behalf of managed communities.

(2) Excludes other operating income.

(3) Not included in consolidated reported amounts.



Senior Housing Segments

	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	B(W)
Independent Living							
Revenue	\$ 124,404	\$ 125,578	\$ 128,106	\$ 129,705	\$ 507,793	\$ 140,602	13.0%
Other operating income	\$ 2	\$ 1,159	\$ 9,520	\$ 225	\$ 10,906	\$ 54	NM
Segment Operating Income	\$ 37,684	\$ 38,709	\$ 46,395	\$ 36,162	\$ 158,950	\$ 46,833	24.3%
Segment operating margin	30.3%	30.5%	33.7%	27.8%	30.6%	33.3%	300 bps
Segment adjusted operating margin ⁽¹⁾	30.3%	29.9%	28.8%	27.7%	29.2%	33.3%	300 bps
Number of communities (period end)	68	68	68	68	68	68	—%
Total Average Units	12,568	12,569	12,569	12,569	12,569	12,571	—%
RevPAR	\$ 3,299	\$ 3,330	\$ 3,397	\$ 3,440	\$ 3,367	\$ 3,728	13.0%
Weighted average occupancy	74.6%	76.0%	78.3%	79.1%	77.0%	78.6%	400 bps
RevPOR	\$ 4,423	\$ 4,380	\$ 4,337	\$ 4,348	\$ 4,371	\$ 4,741	7.2%
Assisted Living and Memory Care							
Revenue	\$ 432,132	\$ 434,454	\$ 442,097	\$ 446,409	\$ 1,755,092	\$ 486,777	12.6%
Other operating income	\$ 356	\$ 6,412	\$ 49,721	\$ 4,141	\$ 60,630	\$ 2,027	NM
Segment Operating Income	\$ 76,863	\$ 87,588	\$ 130,039	\$ 85,468	\$ 379,958	\$ 124,593	62.1%
Segment operating margin	17.8%	19.9%	26.4%	19.0%	20.9%	25.5%	770 bps
Segment adjusted operating margin ⁽¹⁾	17.7%	18.7%	18.2%	18.2%	18.2%	25.2%	750 bps
Number of communities (period end)	558	554	554	554	554	554	(0.7)%
Total Average Units	34,817	34,598	34,398	34,406	34,555	34,414	(1.2)%
RevPAR	\$ 4,136	\$ 4,183	\$ 4,281	\$ 4,322	\$ 4,230	\$ 4,710	13.9%
Weighted average occupancy	73.0%	74.2%	76.2%	76.8%	75.1%	75.9%	290 bps
RevPOR	\$ 5,665	\$ 5,636	\$ 5,621	\$ 5,623	\$ 5,636	\$ 6,204	9.5%
CCRCs							
Revenue	\$ 80,438	\$ 80,356	\$ 80,045	\$ 81,805	\$ 322,644	\$ 86,025	6.9%
Other operating income	\$ 18	\$ 840	\$ 7,518	\$ 557	\$ 8,933	\$ 247	NM
Segment Operating Income	\$ 10,039	\$ 8,838	\$ 15,063	\$ 9,545	\$ 43,485	\$ 13,499	34.5%
Segment operating margin	12.5%	10.9%	17.2%	11.6%	13.1%	15.6%	310 bps
Segment adjusted operating margin ⁽¹⁾	12.5%	10.0%	9.4%	11.0%	10.7%	15.4%	290 bps
Number of communities (period end)	19	19	19	19	19	19	—%
Total Average Units	5,201	5,201	5,191	5,191	5,196	5,192	(0.2)%
RevPAR	\$ 5,109	\$ 5,115	\$ 5,105	\$ 5,221	\$ 5,138	\$ 5,490	7.5%
Weighted average occupancy	73.2%	73.4%	73.3%	73.8%	73.4%	73.4%	20 bps
RevPOR	\$ 6,976	\$ 6,970	\$ 6,966	\$ 7,073	\$ 6,997	\$ 7,482	7.3%

(1) Excludes other operating income.

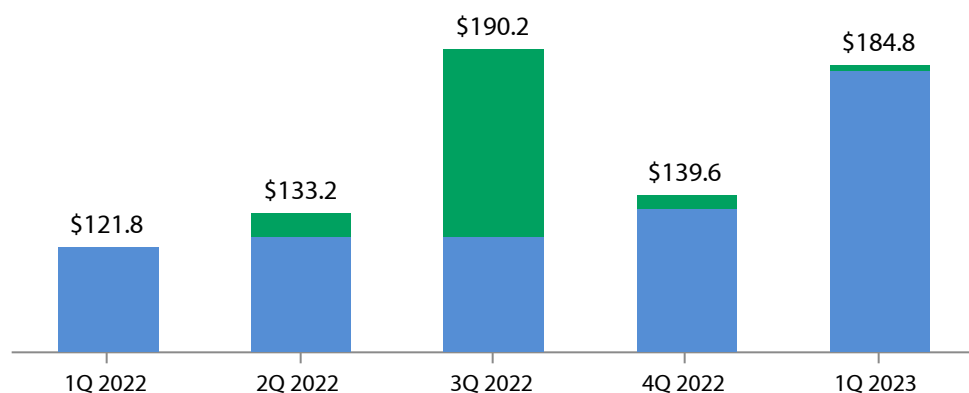


Senior Housing: Same Community ⁽¹⁾

(\$ in 000s, except RevPAR and RevPOR)	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	B(W)
Revenue	\$ 617,848	\$ 623,473	\$ 636,112	\$ 644,127	\$ 2,521,560	\$ 698,556	13.1%
Other operating income	358	8,136	65,283	4,827	78,604	2,289	NM
Revenue and other operating income	618,206	631,609	701,395	648,954	2,600,164	700,845	13.4%
Community Labor Expense	(334,258)	(335,214)	(338,846)	(340,291)	(1,348,609)	(338,198)	(1.2)%
Other facility operating expense	(162,169)	(163,157)	(172,393)	(169,064)	(666,783)	(177,850)	(9.7)%
Facility operating expense ⁽²⁾	(496,427)	(498,371)	(511,239)	(509,355)	(2,015,392)	(516,048)	(4.0)%
Same Community Operating Income	\$ 121,779	\$ 133,238	\$ 190,156	\$ 139,599	\$ 584,772	\$ 184,797	51.7%
Same Community adjusted operating income⁽³⁾	\$ 121,421	\$ 125,102	\$ 124,873	\$ 134,772	\$ 506,168	\$ 182,508	50.3%
Same Community operating margin	19.7%	21.1%	27.1%	21.5%	22.5%	26.4%	670 bps
Same Community adjusted operating margin ⁽³⁾	19.7%	20.1%	19.6%	20.9%	20.1%	26.1%	640 bps
Total Average Units	51,173	51,175	51,163	51,164	51,169	51,165	—%
RevPAR	\$ 4,025	\$ 4,061	\$ 4,144	\$ 4,196	\$ 4,107	\$ 4,551	13.1%
Weighted average occupancy	73.4%	74.7%	76.5%	77.3%	75.5%	76.5%	310 bps
RevPOR	\$ 5,481	\$ 5,440	\$ 5,415	\$ 5,431	\$ 5,442	\$ 5,949	8.5%

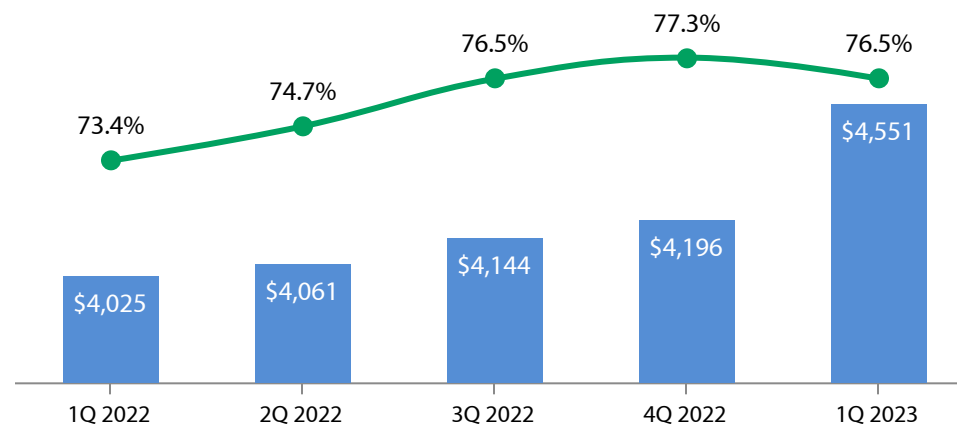
Same Community Operating Income ⁽²⁾ / Adjusted Operating Income ⁽³⁾
(\$ in millions)

■ Same Community Other Operating Income
■ Same Community Adjusted Operating Income



Same Community RevPAR / Weighted Average Occupancy

■ RevPAR —●— Weighted Average Occupancy



(1) Same Community portfolio reflects 635 communities which represents 99.1% of the Company's total consolidated communities.

(2) Excludes natural disaster expense, consisting primarily of remediation of storm damage, of \$8.1 million and \$0.6 million for the full year 2022 and the first quarter of 2023, respectively.

(3) Excludes other operating income.

Senior Housing Segments: Same Community ⁽¹⁾

(\$ in 000s, except RevPAR and RevPOR)	2022				Full Year	2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q		1Q	B(W)
Independent Living							
Revenue	\$ 124,404	\$ 125,578	\$ 128,106	\$ 129,705	\$ 507,793	\$ 140,602	13.0%
Other operating income	2	1,159	9,520	225	10,906	54	NM
Community Labor Expense	(51,787)	(53,229)	(53,865)	(55,084)	(213,965)	(54,936)	(6.1)%
Other facility operating expense	(35,015)	(34,817)	(37,300)	(36,978)	(144,110)	(38,688)	(10.5)%
Facility operating expense	(86,802)	(88,046)	(91,165)	(92,062)	(358,075)	(93,624)	(7.9)%
Same Community Operating Income	\$ 37,604	\$ 38,691	\$ 46,461	\$ 37,868	\$ 160,624	\$ 47,032	25.1%
Same Community operating margin	30.2%	30.5%	33.8%	29.1%	31.0%	33.4%	320 bps
Same Community adjusted operating margin ⁽²⁾	30.2%	29.9%	28.8%	29.0%	29.5%	33.4%	320 bps
Total Average Units	12,568	12,569	12,569	12,569	12,569	12,571	—%
RevPAR	\$ 3,299	\$ 3,330	\$ 3,397	\$ 3,440	\$ 3,367	\$ 3,728	13.0%
Weighted average occupancy	74.6%	76.0%	78.3%	79.1%	77.0%	78.6%	400 bps
RevPOR	\$ 4,423	\$ 4,380	\$ 4,337	\$ 4,348	\$ 4,371	\$ 4,741	7.2%
Assisted Living and Memory Care							
Revenue	\$ 425,903	\$ 430,045	\$ 440,184	\$ 444,647	\$ 1,740,779	\$ 484,271	13.7%
Other operating income	356	6,293	49,473	4,140	60,262	2,026	NM
Community Labor Expense	(241,407)	(240,113)	(243,098)	(243,477)	(968,095)	(241,308)	—%
Other facility operating expense	(108,988)	(109,386)	(116,096)	(112,556)	(447,026)	(119,997)	(10.1)%
Facility operating expense	(350,395)	(349,499)	(359,194)	(356,033)	(1,415,121)	(361,305)	(3.1)%
Same Community Operating Income	\$ 75,864	\$ 86,839	\$ 130,463	\$ 92,754	\$ 385,920	\$ 124,992	64.8%
Same Community operating margin	17.8%	19.9%	26.6%	20.7%	21.4%	25.7%	790 bps
Same Community adjusted operating margin ⁽²⁾	17.7%	18.7%	18.4%	19.9%	18.7%	25.4%	770 bps
Total Average Units	34,281	34,282	34,280	34,281	34,281	34,280	—%
RevPAR	\$ 4,141	\$ 4,181	\$ 4,280	\$ 4,324	\$ 4,232	\$ 4,709	13.7%
Weighted average occupancy	73.0%	74.2%	76.2%	76.9%	75.1%	76.0%	300 bps
RevPOR	\$ 5,676	\$ 5,634	\$ 5,619	\$ 5,622	\$ 5,638	\$ 6,199	9.2%
CCRCs							
Revenue	\$ 67,541	\$ 67,850	\$ 67,822	\$ 69,775	\$ 272,988	\$ 73,683	9.1%
Other operating income	—	684	6,290	462	7,436	209	NM
Community Labor Expense	(41,064)	(41,872)	(41,883)	(41,730)	(166,549)	(41,954)	(2.2)%
Other facility operating expense	(18,166)	(18,954)	(18,997)	(19,530)	(75,647)	(19,165)	(5.5)%
Facility operating expense	(59,230)	(60,826)	(60,880)	(61,260)	(242,196)	(61,119)	(3.2)%
Same Community Operating Income	\$ 8,311	\$ 7,708	\$ 13,232	\$ 8,977	\$ 38,228	\$ 12,773	53.7%
Same Community operating margin	12.3%	11.2%	17.9%	12.8%	13.6%	17.3%	500 bps
Same Community adjusted operating margin ⁽²⁾	12.3%	10.4%	10.2%	12.2%	11.3%	17.1%	480 bps
Total Average Units	4,324	4,324	4,314	4,314	4,319	4,314	(0.2)%
RevPAR	\$ 5,207	\$ 5,231	\$ 5,240	\$ 5,391	\$ 5,267	\$ 5,693	9.3%
Weighted average occupancy	73.7%	74.1%	74.2%	74.8%	74.2%	74.5%	80 bps
RevPOR	\$ 7,063	\$ 7,059	\$ 7,067	\$ 7,210	\$ 7,100	\$ 7,638	8.1%

(1) Same Community portfolio reflects 68 Independent Living communities, 551 Assisted Living and Memory Care communities, and 16 CCRC communities.

(2) Excludes other operating income.



Senior Housing Owned Portfolio

	2022						2023	1Q23 vs 1Q22
(\$ in 000s, except RevPAR and RevPOR)	1Q	2Q	3Q	4Q	Full Year		1Q	B(W)
Revenue	\$ 370,337	\$ 374,231	\$ 379,913	\$ 386,244	\$ 1,510,725		\$ 418,624	13.0%
Other operating income	300	5,240	38,372	3,670	47,582		1,885	NM
Facility operating expense	(304,715)	(307,694)	(314,480)	(319,835)	(1,246,724)		(319,727)	(4.9)%
Owned Portfolio Operating Income	\$ 65,922	\$ 71,777	\$103,805	\$ 70,079	\$ 311,583		\$100,782	52.9%
Owned Portfolio operating margin	17.8%	18.9%	24.8%	18.0%	20.0%		24.0%	620 bps
Owned Portfolio adjusted operating margin ⁽¹⁾	17.7%	17.8%	17.2%	17.2%	17.5%		23.6%	590 bps
Additional Information								
Interest expense: property level and corporate debt	\$ (33,157)	\$ (35,693)	\$ (41,330)	\$ (47,689)	\$ (157,869)		\$ (50,315)	(51.7)%
Community level capital expenditures, net (see page 13)	\$ (20,907)	\$ (25,934)	\$ (24,568)	\$ (20,341)	\$ (91,750)		\$ (27,135)	(29.8)%
Number of communities (period end)	347	346	346	346	346		346	(0.3)%
Total Average Units	31,635	31,694	31,588	31,596	31,629		31,597	(0.1)%
RevPAR	\$ 3,893	\$ 3,928	\$ 3,999	\$ 4,066	\$ 3,971		\$ 4,405	13.2%
Weighted average occupancy	72.5%	73.6%	75.4%	76.4%	74.5%		75.8%	330 bps
RevPOR	\$ 5,370	\$ 5,333	\$ 5,301	\$ 5,324	\$ 5,332		\$ 5,814	8.3%

Interest Coverage ⁽²⁾ as of March 31, 2023	1.47x
Interest Coverage ⁽²⁾ as of March 31, 2023 (excluding other operating income)	1.19x
Net Debt as of March 31, 2023 (see page 15)	\$3,418,016

(1) Excludes other operating income.

(2) 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.



Senior Housing Leased Portfolio

(\$ in 000s, except RevPAR and RevPOR)	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	B(W)
Revenue	\$ 266,637	\$ 266,157	\$ 270,335	\$ 271,675	\$ 1,074,804	\$ 294,780	10.6%
Other operating income	76	3,171	28,387	1,253	32,887	443	NM
Facility operating expense	(208,049)	(205,970)	(211,030)	(211,832)	(836,881)	(211,080)	(1.5)%
Leased Portfolio Operating Income	\$ 58,664	\$ 63,358	\$ 87,692	\$ 61,096	\$ 270,810	\$ 84,143	43.4%
Leased Portfolio operating margin	22.0%	23.5%	29.4%	22.4%	24.4%	28.5%	650 bps
Leased Portfolio adjusted operating margin ⁽¹⁾	22.0%	22.6%	21.9%	22.0%	22.1%	28.4%	640 bps
Additional Information							
Cash facility lease payments on leased portfolio (see page 14)	\$ (65,509)	\$ (65,582)	\$ (65,632)	\$ (66,197)	\$ (262,920)	\$ (67,572)	(3.1)%
Community level capital expenditures, net (see page 13)	\$ (12,572)	\$ (12,503)	\$ (13,128)	\$ (8,773)	\$ (46,976)	\$ (14,734)	(17.2)%
Number of communities (period end)	298	295	295	295	295	295	(1.0)%
Total Average Units	20,951	20,674	20,570	20,570	20,691	20,580	(1.8)%
RevPAR	\$ 4,242	\$ 4,291	\$ 4,381	\$ 4,402	\$ 4,329	\$ 4,775	12.6%
Weighted average occupancy	74.8%	76.0%	77.9%	78.2%	76.7%	77.2%	240 bps
RevPOR	\$ 5,672	\$ 5,646	\$ 5,626	\$ 5,630	\$ 5,643	\$ 6,188	9.1%
Lease Coverage as of March 31, 2023						0.88x	
Lease Coverage as of March 31, 2023 (excluding other operating income)						0.76x	
Operating and financing lease obligations as of March 31, 2023 (see page 20) ⁽²⁾						\$ 957,945	

Facility Lease Maturity Information (Leased Portfolio as of March 31, 2023)

Initial Lease Maturities	Community Count	Total Units	Cash Facility Lease Payments ⁽³⁾
2023 ⁽⁴⁾	35	1,468	\$ 14,908
2024	7	904	15,329
2025	121	10,291	106,580
2026 ⁽⁵⁾	41	1,994	33,782
2027	24	2,555	46,963
Thereafter	67	3,372	47,046
Total	295	20,584	\$ 264,608

(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 March 31, 2023.

(4) The Company did not exercise its lease renewal option for 35 communities, representing approximately 2.8% of total consolidated units. The leases mature on December 31, 2023.

(5) Amounts do not reflect a lease amendment in May 2023, which extended the maturity of one lease involving 39 communities from December 31, 2026 until June 30, 2032.



G&A Expense

Consolidated, unless otherwise noted

(\$ in 000s)

G&A expense allocations ⁽¹⁾

	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	B(W)
Senior Housing Owned Portfolio allocation	\$ 21,938	\$ 20,419	\$ 20,311	\$ 19,928	\$ 82,596	\$ 22,857	(4.2)%
Senior Housing Leased Portfolio allocation	15,795	14,523	14,453	14,017	58,788	16,095	(1.9)%
All Other allocation	3,135	2,962	2,818	2,619	11,534	2,995	4.5%
Subtotal G&A expense allocations	40,868	37,904	37,582	36,564	152,918	41,947	(2.6)%
Non-cash stock-based compensation expense	3,885	3,619	3,403	3,559	14,466	3,104	20.1%
Transaction and Organizational Restructuring Costs	373	229	346	262	1,210	3,568	NM
General and administrative expense	\$ 45,126	\$ 41,752	\$ 41,331	\$ 40,385	\$ 168,594	\$ 48,619	(7.7)%

	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	B(W)
Resident fee revenue	\$ 636,974	\$ 640,388	\$ 650,248	\$ 657,919	\$ 2,585,529	\$ 713,404	12.0%
Resident fee revenue under management ⁽²⁾	52,898	54,284	52,712	50,758	210,652	54,820	3.6%
Total (consolidated and under management) ⁽²⁾	\$ 689,872	\$ 694,672	\$ 702,960	\$ 708,677	\$ 2,796,181	\$ 768,224	11.4%
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)	5.9%	5.5%	5.3%	5.2%	5.5%	5.5%	40 bps
G&A expense (including non-cash stock-based compensation expense and Transaction and Organizational Restructuring Costs)	6.5%	6.0%	5.9%	5.7%	6.0%	6.3%	20 bps

(1) G&A allocations are calculated based on the proportional amount of resident fee revenue (consolidated and under management) attributable to the segment or portfolio. 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, per average unit)	2022					2023	1Q23 vs 1Q22
	1Q	2Q	3Q	4Q	Full Year	1Q	B(W)
Community level capital expenditures, including allocations ⁽¹⁾							
Senior Housing Owned Portfolio	\$ 20,907	\$ 25,934	\$ 24,568	\$ 20,341	\$ 91,750	\$ 27,135	(29.8)%
Senior Housing Leased Portfolio	12,572	12,503	13,128	8,773	46,976	14,734	(17.2)%
Community level capital expenditures, net (A)	33,479	38,437	37,696	29,114	138,726	41,869	(25.1)%
Corporate capital expenditures ⁽²⁾	5,847	7,249	6,123	10,221	29,440	21,043	NM
Non-Development Capital Expenditures, net ⁽¹⁾	39,326	45,686	43,819	39,335	168,166	62,912	(60.0)%
Development Capital Expenditures, net	861	1,829	1,667	1,836	6,193	519	39.7%
Total capital expenditures, net ⁽¹⁾	40,187	47,515	45,486	41,171	174,359	63,431	(57.8)%
Property and casualty insurance proceeds	—	—	—	—	—	(6,422)	NM
Cash paid for capital expenditures, net of property and casualty insurance proceeds received	\$ 40,187	\$ 47,515	\$ 45,486	\$ 41,171	\$ 174,359	\$ 57,009	(41.9)%
Capital Expenditures Reconciliation to Statements of Cash Flow							
Total capital expenditures, net	\$ 40,187	\$ 47,515	\$ 45,486	\$ 41,171	\$ 174,359	\$ 63,431	
Lessor reimbursements: non-development capital expenditures	4,697	7,136	7,094	6,723	25,650	2,244	
Change in related payables	(4,928)	2,244	1,141	(1,542)	(3,085)	(15,975)	
Total cash paid for capital expenditures	\$ 39,956	\$ 56,895	\$ 53,721	\$ 46,352	\$ 196,924	\$ 49,700	(24.4)%
Senior Housing Total Average Units (B)	52,586	52,368	52,158	52,166	52,320	52,177	(0.8)%
Community level capital expenditures, net, per average unit (A/B)	\$ 637	\$ 734	\$ 723	\$ 558	\$ 2,651	\$ 802	(25.9)%

(1) Amounts are presented net of lessor reimbursements.

(2) Includes remediation costs at communities resulting from natural disasters of \$9.7 million and \$16.3 million for the full year 2022 and the first quarter of 2023, respectively.



Cash Facility Lease Payments

	2022						2023	1Q23 vs 1Q22
(\$ in 000s)	1Q	2Q	3Q	4Q	Full Year		1Q	B(W)
Operating Lease Obligations								
Facility operating lease expense	\$ 41,564	\$ 41,538	\$ 41,317	\$ 40,875	\$ 165,294		\$ 46,127	
Operating lease expense adjustment	8,307	8,308	8,714	9,567	34,896		10,805	
Cash facility operating lease payments ⁽¹⁾	49,871	49,846	50,031	50,442	200,190		56,932	(14.2)%
Financing Lease Obligations								
Interest expense: financing lease obligations	12,058	11,994	11,916	12,093	48,061		6,552	
Payment of financing lease obligations	5,490	5,610	5,506	5,615	22,221		5,852	
Cash financing lease payments ⁽¹⁾	17,548	17,604	17,422	17,708	70,282		12,404	29.3%
Total cash facility lease payments ⁽²⁾	\$ 67,419	\$ 67,450	\$ 67,453	\$ 68,150	\$ 270,472		\$ 69,336	(2.8)%
Interest Expense Reconciliation to Income Statement								
Interest expense: financing lease obligations	\$ 12,058	\$ 11,994	\$ 11,916	\$ 12,093	\$ 48,061		\$ 6,552	45.7%
Interest income	(95)	(778)	(2,192)	(3,870)	(6,935)		(5,326)	NM
Interest expense: debt	33,157	35,693	41,330	47,689	157,869		50,315	(51.7)%
Interest expense, net	45,120	46,909	51,054	55,912	198,995		51,541	(14.2)%
Amortization of deferred financing costs	1,542	1,520	1,528	1,856	6,446		1,940	
Change in fair value of derivatives	(3,403)	(973)	(4,901)	1,618	(7,659)		904	
Interest income	95	778	2,192	3,870	6,935		5,326	
Interest expense per income statement	\$ 43,354	\$ 48,234	\$ 49,873	\$ 63,256	\$ 204,717		\$ 59,711	(37.7)%

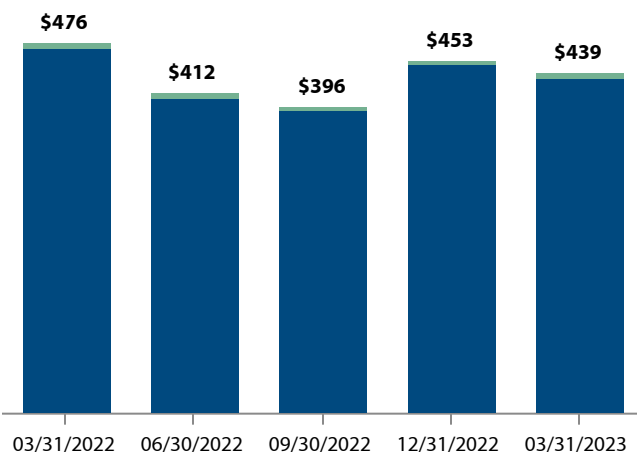
(1) Classification of amounts in 2023 prospectively impacted by a lease amendment in the fourth quarter of 2022, with no impact to total cash facility lease payments. See page 4.

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

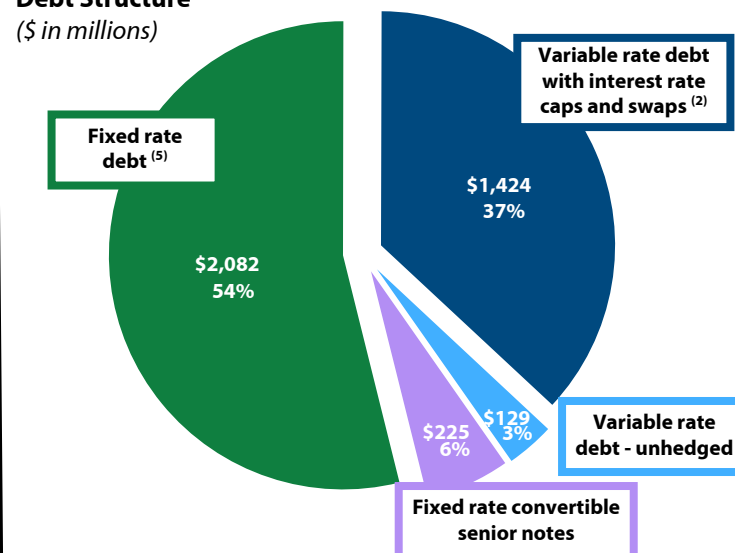


Capital Structure

Total Liquidity
(\$ in millions)



Debt Structure ⁽¹⁾
(\$ in millions)



As of March 31, 2023

	Weighted Rate
Fixed rate debt ⁽⁵⁾	4.21 %
Variable rate debt	7.15 %
Fixed rate convertible senior notes	2.00 %
Total debt	5.27 %

	Debt	
	Principal Payments ⁽³⁾	Weighted Rate ⁽⁴⁾
(\$ in millions)		
2023	\$ 81	6.58 %
2024	311	4.73 %
2025	574	6.83 %
2026	305	2.67 %
2027	960	5.74 %
Thereafter	1,657	4.97 %
Total	\$ 3,888	5.27 %

(1) Includes the carrying amount of debt of which 91.6%, or \$3.5 billion, represented non-recourse property-level mortgage financings.

(2) The weighted average fixed cap and swap rate is 4.14%.

(3) Amount includes maturities and recurring principal payments and excludes \$28 million in deferred financing costs, net.

(4) Reflects rates as of March 31, 2023.

(5) Excludes convertible senior notes and includes the amortizing notes component of tangible equity units of \$23.9 million.

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

Leverage Ratio
(\$ in 000s)

Twelve Months Ended March 31, 2023

	Annualized Leverage
Cash facility operating lease payments (see page 14)	(207,251)
Adjusted EBITDA	292,752
Cash financing lease payments (see page 14)	(65,138)
Adjusted EBITDA after cash financing lease payments	(A) \$ 227,614

As of March 31, 2023

Debt	\$ 3,859,965	
Cash and cash equivalents	(362,235)	
Marketable securities	(69,009)	
Restricted cash held as collateral against existing debt	(10,705)	
Net Debt	(B) 3,418,016	15.0 x (B/A)
Operating and financing lease obligations (see page 20) ⁽⁶⁾	967,722	
Adjusted Net Debt	\$ 4,385,738	

Important Note Regarding Non-GAAP Financial Measures. 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, gain/loss on sale of communities, and Transaction and Organizational Restructuring Costs.

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 and casualty 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 EBITDA.

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, 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 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, 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 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 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, 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.



Appendix: Non-GAAP Financial Measures



This Supplemental Information contains the financial measures Adjusted EBITDA, 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 May 8, 2023 for additional information regarding the Company's use and the limitations of such non-GAAP financial measures.

Appendix: Non-GAAP Financial Measures (continued)

Adjusted EBITDA and Adjusted EBITDA after Cash Financing Lease Payments Reconciliations

(\$ in 000s)	2022					2023	Twelve Months Ended March 31, 2023
	1Q	2Q	3Q	4Q	Full Year	1Q	
Net income (loss)	\$ (100,032)	\$ (84,283)	\$ (28,374)	\$ (25,651)	\$ (238,340)	\$ (44,563)	\$ (182,871)
Provision (benefit) for income taxes	(1,976)	1,190	(300)	(473)	(1,559)	572	989
Equity in (earnings) loss of unconsolidated ventures	4,894	2,439	2,020	1,429	10,782	577	6,465
Loss (gain) on debt modification and extinguishment, net	—	—	—	1,357	1,357	—	1,357
Non-operating loss (gain) on sale of assets, net	294	(961)	56	16	(595)	—	(889)
Other non-operating (income) loss	27	111	(1,877)	(10,375)	(12,114)	(3,149)	(15,290)
Interest expense	43,354	48,234	49,873	63,256	204,717	59,711	221,074
Interest income	(95)	(778)	(2,192)	(3,870)	(6,935)	(5,326)	(12,166)
Income (loss) from operations	(53,534)	(34,048)	19,206	25,689	(42,687)	7,822	18,669
Depreciation and amortization	85,684	86,623	86,922	88,215	347,444	84,934	346,694
Asset impairment	9,075	2,599	5,688	12,256	29,618	—	20,543
Loss (gain) on sale of communities, net	—	—	—	(73,850)	(73,850)	—	(73,850)
Operating lease expense adjustment	(8,307)	(8,308)	(8,714)	(9,567)	(34,896)	(10,805)	(37,394)
Non-cash stock-based compensation expense	3,885	3,619	3,403	3,559	14,466	3,104	13,685
Transaction and Organizational Restructuring Costs	373	229	346	262	1,210	3,568	4,405
Adjusted EBITDA ⁽¹⁾	\$ 37,176	\$ 50,714	\$ 106,851	\$ 46,564	\$ 241,305	\$ 88,623	\$ 292,752
Interest expense: financing lease obligations	(12,058)	(11,994)	(11,916)	(12,093)	(48,061)	(6,552)	(42,555)
Payment of financing lease obligations	(5,490)	(5,610)	(5,506)	(5,615)	(22,221)	(5,852)	(22,583)
Adjusted EBITDA after cash financing lease payments	\$ 19,628	\$ 33,110	\$ 89,429	\$ 28,856	\$ 171,023	\$ 76,219	\$ 227,614
Other operating income	\$ 376	\$ 8,411	\$ 66,759	\$ 4,923	\$ 80,469	\$ 2,328	\$ 82,421

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

Appendix: Non-GAAP Financial Measures (continued)

Net Debt and Adjusted Net Debt Reconciliations

<i>(\$ in 000s)</i>	As of March 31, 2023
Long-term debt (including current portion)	\$ 3,859,965
Cash and cash equivalents	(362,235)
Marketable securities	(69,009)
Cash held as collateral against existing debt	(10,705)
Net Debt	3,418,016
Operating and financing lease obligations	996,529
Operating lease obligations related to certain non-facility leases for which the related lease expense is included in Adjusted EBITDA	(28,807)
Adjusted Net Debt	\$ 4,385,738
Operating and financing lease obligations	\$ 996,529
Operating lease obligations related to certain non-facility leases for which the related lease expense is included in Adjusted EBITDA	(28,807)
Adjusted operating and financing lease obligations	967,722
Operating and financing lease obligations related to corporate office and information technology leases	(9,777)
Operating and financing lease obligations for Leased Portfolio	\$ 957,945

Appendix: Non-GAAP Financial Measures (continued)

Adjusted Free Cash Flow Reconciliation

(\$ in 000s)	2022					2023
	1Q	2Q	3Q	4Q	Full Year	1Q
Net cash provided by (used in) operating activities	\$(23,255)	\$ 11,577	\$ 63,521	\$(48,562)	\$ 3,281	\$ 24,042
Net cash provided by (used in) investing activities	(36,163)	(43,838)	22,508	(9,936)	(67,429)	(62,019)
Net cash provided by (used in) financing activities	(403)	(17,690)	(19,754)	138,229	100,382	171
Net increase (decrease) in cash, cash equivalents and restricted cash	\$ (59,821)	\$ (49,951)	\$ 66,275	\$ 79,731	\$ 36,234	\$ (37,806)
Net cash provided by (used in) operating activities	\$(23,255)	\$ 11,577	\$ 63,521	\$(48,562)	\$ 3,281	\$ 24,042
Distributions from unconsolidated ventures from cumulative share of net earnings	(561)	—	—	—	(561)	—
Changes in prepaid insurance premiums financed with notes payable	16,629	(5,377)	(5,700)	(5,552)	—	19,305
Changes in operating lease assets and liabilities for lessor capital expenditure reimbursements	(1,490)	(3,367)	(4,367)	(4,494)	(13,718)	(2,244)
Non-development capital expenditures, net	(39,326)	(45,686)	(43,819)	(39,335)	(168,166)	(62,912)
Property and casualty insurance proceeds	—	—	—	—	—	6,422
Payment of financing lease obligations	(5,490)	(5,610)	(5,506)	(5,615)	(22,221)	(5,852)
Adjusted Free Cash Flow ⁽¹⁾	\$(53,493)	\$(48,463)	\$ 4,129	\$(103,558)	\$(201,385)	\$(21,239)

⁽¹⁾ Adjusted Free Cash Flow includes:

Cash received - government grants and credits	\$ 782	\$ 4,593	\$ 62,750	\$ 1,409	\$ 69,534	\$ 13,354
Cash payments - deferred payroll taxes	\$ —	\$ —	\$ —	\$ (31,553)	\$ (31,553)	\$ —
Cash recouped - Medicare advances	\$ (1,848)	\$ (1,240)	\$ —	\$ —	\$ (3,088)	\$ —