



## **Brookdale Announces Completion of Two Previously Announced Portfolio Acquisitions, Increasing the Company's Real Estate Ownership Position**

**Nashville, Tenn.**, March 3, 2025 - Brookdale Senior Living Inc. (NYSE: BKD) ("Brookdale" or the "Company") today announced the February 27, 2025 closing of two portfolio acquisitions, completing its three-portfolio acquisition plan initially announced in September 2024. Through ownership of these communities, including the portfolio acquisition completed in December 2024, Brookdale is realizing predictable high-yielding returns on 41 assets from improved cost of capital and is increasing its owned real estate portfolio.

"We believe that Brookdale is positioned to create significant value over the next several years as we take advantage of favorable senior living industry dynamics, driven by constrained supply, an aging population, and an escalating need for high-quality, specialized services," said Lucinda ("Cindy") Baier, Brookdale's President and CEO. "Through community ownership, Brookdale can fully benefit from this powerful growth outlook rather than sharing in the value-creation from our operations. We are proud that by year end we expect to own more than 75% of our consolidated unit count."

### **Acquisition Transactions**

#### **Closing of Welltower Portfolio Acquisition**

The Company acquired five communities (686 units) previously leased from Welltower Inc. for \$175 million. The communities are primarily located in affluent or very affluent markets and together comprise 270 independent living units, 170 assisted living units, 152 memory care units, and 94 skilled nursing units with weighted average portfolio occupancy greater than 90%. The acquisition purchase price, including the benefit of a favorable purchase option discount, also reflects a significant discount to the Company's estimate of replacement cost.

#### **Closing of Diversified Healthcare Trust Portfolio Acquisition**

The Company acquired 25 communities (875 units) previously leased from Diversified Healthcare Trust for \$135 million. This portfolio is geographically diverse, includes certain communities with performance well-above the Company average, and ranges in community size from 19 units to 92 units. The portfolio includes 556 assisted living units and 319 memory care units with weighted average portfolio occupancy of approximately 80%.

### **Financing Transactions**

The Company funded the combined \$310 million cost of the two acquisitions by means of \$69 million of cash on hand and \$241 million of mortgage debt financing sourced by CBRE National Senior Housing.

#### **Ally Bank Mortgage Loan**

The Company obtained \$161 million of mortgage debt from Ally Bank, an existing Brookdale lender, including a combination of new loan proceeds and the refinancing of an existing loan. The \$161 million loan has an initial three-year term and two one-year extension options, exercisable subject to certain performance criteria, with a final maturity date, including extension options, of February 2030. The debt is secured by first priority mortgages on 36 communities. At the time of closing, the Company repaid \$50 million of Ally Bank debt on 11 communities, which held a final maturity date of February 2029.

### Freddie Mac Mortgage Loans

The Company obtained an aggregate of \$130 million in loans from CBRE National Senior Housing through its Freddie Mac Optigo® loan origination program. The non-recourse mortgage financing has a ten-year term and is secured by first priority mortgages on five communities. The debt bears interest at a fixed rate of 6.47% and is interest only for the first five years.

"We are pleased to have once again secured agency financing to support our business needs and strategic initiatives," said Dawn Kussow, Brookdale's Executive Vice President and Chief Financial Officer. "We appreciate Ally Bank, Freddie Mac, and CBRE for these financings and are grateful for their ongoing partnership."

### **ABOUT BROOKDALE SENIOR LIVING**

Brookdale Senior Living Inc. is the nation's premier operator of senior living communities. With 647 communities across 41 states and the ability to serve approximately 58,000 residents as of December 31, 2024, Brookdale is committed to its mission of enriching the lives of seniors through compassionate care, clinical expertise, and exceptional service. The Company, through its affiliates, operates independent living, assisted living, memory care, and continuing care retirement communities, offering tailored solutions that help empower seniors to live with dignity, connection, and purpose. Leveraging deep expertise in healthcare, hospitality, and real estate, Brookdale creates opportunities for wellness, personal growth, and meaningful relationships in settings that feel like home. Guided by its four cornerstones of passion, courage, partnership, and trust, Brookdale is committed to delivering exceptional value and redefining senior living for a brighter, healthier future. Brookdale's stock trades on the New York Stock Exchange under the ticker symbol BKD. For more information, visit [brookdale.com](http://brookdale.com) or connect with Brookdale on [Facebook](#) or [YouTube](#).

### **SAFE HARBOR**

Certain statements in this press release and the associated earnings call may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to various risks and uncertainties and include all statements that are not historical statements of fact and those regarding the Company's intent, belief, or expectations. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "could," "would," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "believe," "project," "predict," "continue," "plan," "target," or other similar words or expressions, and include statements regarding the Company's expected financial and operational results. These forward-looking statements are based on certain assumptions and expectations, and the Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Although the Company believes that expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that its assumptions or expectations will be attained and actual results and performance could differ materially from those projected. Factors which could have a material adverse effect on the Company's operations and future prospects or which could cause events or circumstances to differ from the forward-looking statements include, but are not limited to, events which adversely affect the ability of seniors to afford resident fees, including downturns in the economy, housing market, consumer confidence, or the equity markets and unemployment among resident family members; the effects of senior housing construction and development, lower industry occupancy, and increased competition; conditions of housing markets, regulatory changes, acts of nature, and the effects of climate change in geographic areas where the Company is concentrated; terminations of the Company's resident agreements and vacancies in the living spaces it leases; changes in reimbursement rates, methods, or timing under governmental reimbursement programs including the Medicare and Medicaid programs; failure to maintain the security and functionality of the Company's information systems, to prevent a cybersecurity attack or breach, or to comply with applicable privacy and consumer protection laws, including HIPAA; the Company's ability to complete its capital expenditures in accordance with its plans; the Company's ability to identify and pursue development, investment, and acquisition opportunities and its ability to successfully integrate acquisitions; competition for the acquisition of assets; the Company's ability to complete pending or expected disposition, acquisition, or other transactions on agreed upon terms or at all, including in respect of the satisfaction of closing conditions, the risk that regulatory approvals are not obtained or are subject to unanticipated conditions, and uncertainties as to the timing of closing, and the Company's ability to identify and pursue any such opportunities in the future; risks related to the implementation of the Company's strategy, including initiatives undertaken to execute on the Company's strategic priorities and their effect on its results; the impacts of the COVID-19 pandemic, including the pace and consistency of recovery from the pandemic and any resurgence or variants of the disease; limits on the Company's ability to use net operating loss carryovers to

reduce future tax payments; delays in obtaining regulatory approvals; disruptions in the financial markets or decreases in the appraised values or performance of the Company's communities that affect the Company's ability to obtain financing or extend or refinance debt as it matures and the Company's financing costs; the Company's ability to generate sufficient cash flow to cover required interest, principal, and long-term lease payments and to fund its planned capital projects; the effect of any non-compliance with any of the Company's debt or lease agreements (including the financial or other covenants contained therein), including the risk of lenders or lessors declaring a cross default in the event of the Company's non-compliance with any such agreements and the risk of loss of the Company's property securing leases and indebtedness due to any resulting lease terminations and foreclosure actions; the inability to renew, restructure, or extend leases, or exercise purchase options at or prior to the end of any existing lease term; the effect of the Company's indebtedness and long-term leases on the Company's liquidity and its ability to operate its business; increases in market interest rates that increase the costs of the Company's debt obligations; the Company's ability to obtain additional capital on terms acceptable to it; departures of key officers and potential disruption caused by changes in management; increased competition for, or a shortage of, associates, wage pressures resulting from increased competition, low unemployment levels, minimum wage increases and changes in overtime laws, and union activity; environmental contamination at any of the Company's communities; failure to comply with existing environmental laws; an adverse determination or resolution of complaints filed against the Company, including putative class action complaints; negative publicity with respect to any lawsuits, claims, or other legal or regulatory proceedings; costs to respond to, and adverse determinations resulting from, government inquiries, reviews, audits, and investigations; the cost and difficulty of complying with increasing and evolving regulation, including new disclosure obligations; changes in, or its failure to comply with, employment-related laws and regulations; the risks associated with current global economic conditions and general economic factors on the Company and the Company's business partners such as inflation, commodity costs, fuel and other energy costs, competition in the labor market, costs of salaries, wages, benefits, and insurance, interest rates, tax rates, geopolitical tensions or conflicts, and uncertainty surrounding a new presidential administration, the impact of seasonal contagious illness or other contagious disease in the markets in which the Company operates; actions of activist stockholders, including a proxy contest; as well as other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission ("SEC"), including those set forth in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in such SEC filings. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect management's views as of the date of this press release and/or associated earnings call. The Company cannot guarantee future results, levels of activity, performance or achievements, and, except as required by law, it expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained in this press release and/or associated earnings call to reflect any change in the Company's expectations with regard thereto or change in events, conditions, or circumstances on which any statement is based.

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