

REFINITIV

# DELTA REPORT

## 10-Q

BKDT - BROOKDALE SENIOR LIVING I

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2166
CHANGES	225
DELETIONS	361
ADDITIONS	1580

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## Form 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2023** **March 31, 2024**

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-32641

### BROOKDALE SENIOR LIVING INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction  
of incorporation or organization)

20-3068069

(I.R.S. Employer Identification No.)

111 Westwood Place, Suite 400, Brentwood, Tennessee

(Address of principal executive offices)

37027

(Zip Code)

(Registrant's telephone number, including area code)

(615) 221-2250

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value Per Share	BKD	New York Stock Exchange
7.00% Tangible Equity Units	BKDT	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Non-accelerated filer ☐

Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of **November 3, 2023** **May 6, 2024**, **188,238,130** **193,012,561** shares of the registrant's common stock, \$0.01 par value, were outstanding (excluding restricted stock and restricted stock units).

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

**BROOKDALE SENIOR LIVING INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands, except stock amounts)

		September 30, 2023	December 31, 2022
	March 31, 2024	March 31, 2024	December 31, 2023
<b>Assets</b>	<b>Assets (Unaudited)</b>		
Current assets	Current assets		
Current assets			
Current assets			
Cash and cash equivalents			
Cash and cash equivalents			
Cash and cash equivalents	Cash and cash equivalents	\$ 331,716	\$ 398,850
Marketable securities	Marketable securities	66,233	48,680
Restricted cash	Restricted cash	41,265	27,735
Accounts receivable, net	Accounts receivable, net	47,522	55,761
Assets held for sale		12,675	—
Prepaid expenses and other current assets, net			
Prepaid expenses and other current assets, net			
Prepaid expenses and other current assets, net	Prepaid expenses and other current assets, net	94,536	106,067
Total current assets	Total current assets	593,947	637,093
Property, plant and equipment and leasehold intangibles, net	Property, plant and equipment and leasehold intangibles, net	4,372,072	4,535,702
Operating lease right-of-use assets	Operating lease right-of-use assets	707,434	597,130
Restricted cash	Restricted cash	30,295	47,963
Investment in unconsolidated ventures		55,973	55,333
Goodwill	Goodwill	27,321	27,321
Deferred tax asset		3,619	1,604
Goodwill			
Goodwill			
Other assets, net			
Other assets, net			
Other assets, net	Other assets, net	38,408	34,916

Total assets	Total assets	\$ 5,829,069	\$ 5,937,062
<b>Liabilities and Equity</b>	<b>Liabilities and Equity</b>		
Current liabilities	Current liabilities		
Current liabilities			
Current liabilities			
Current portion of long-term debt			
Current portion of long-term debt			
Current portion of long-term debt	Current portion of long-term debt	\$ 304,504	\$ 66,043
Current portion of financing lease obligations	Current portion of financing lease obligations	1,031	24,059
Current portion of operating lease obligations	Current portion of operating lease obligations	190,703	176,758
Trade accounts payable	Trade accounts payable	76,784	71,000
Accrued expenses			
Accrued expenses			
Accrued expenses	Accrued expenses	260,349	237,148
Refundable fees and deferred revenue	Refundable fees and deferred revenue	64,924	66,197
Total current liabilities	Total current liabilities	898,295	641,205
Long-term debt, less current portion	Long-term debt, less current portion	3,492,860	3,784,099
Financing lease obligations, less current portion	Financing lease obligations, less current portion	150,763	224,801
Operating lease obligations, less current portion	Operating lease obligations, less current portion	722,293	616,973
Deferred tax liability			
Deferred tax liability			
Deferred tax liability			
Other liabilities	Other liabilities	71,519	85,831
Total liabilities	Total liabilities	5,335,730	5,352,909
Preferred stock, \$0.01 par value, 50,000,000 shares authorized at September 30, 2023 and December 31, 2022; no shares issued and outstanding		—	—

Common stock, \$0.01 par value, 400,000,000 shares authorized at September 30, 2023 and December 31, 2022; 198,767,716 and 197,776,991 shares issued and 188,240,191 and 187,249,466 shares outstanding (including 2,061 and 422,542 unvested restricted shares), respectively			
		1,988	1,978
Preferred stock, \$0.01 par value, 50,000,000 shares authorized at March 31, 2024 and December 31, 2023; no shares issued and outstanding			
Common stock, \$0.01 par value, 400,000,000 shares authorized at March 31, 2024 and December 31, 2023; 203,540,086 and 198,780,826 shares issued and 193,012,561 and 188,253,301 shares outstanding, respectively			
Additional paid-in-capital	Additional paid-in-capital	4,339,378	4,332,302
Treasury stock, at cost; 10,527,525 shares at September 30, 2023 and December 31, 2022			
		(102,774)	(102,774)
Treasury stock, at cost; 10,527,525 shares at March 31, 2024 and December 31, 2023			
Accumulated deficit	Accumulated deficit	(3,746,756)	(3,648,901)
Total Brookdale Senior Living Inc. stockholders' equity	Total Brookdale Senior Living Inc. stockholders' equity	491,836	582,605
Noncontrolling interest	Noncontrolling interest	1,503	1,548

Total equity	Total equity	493,339	584,153
Total liabilities and equity	Total liabilities and equity	\$ 5,829,069	\$ 5,937,062

See accompanying notes to condensed consolidated financial statements.

**BROOKDALE SENIOR LIVING INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited, in thousands, except per share data)

		Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
		2024		2024		2024	
		Three Months Ended September 30,		Nine Months Ended September 30,			
Resident fees		2023		2022			
Resident fees							
Resident fees	Resident fees	\$	717,123	\$	650,248	\$	2,140,688
Management fees	Management fees		2,566		2,967		7,653
Management fees	Management fees						9,625
Reimbursed costs incurred on behalf of managed communities	Reimbursed costs incurred on behalf of managed communities						
Reimbursed costs incurred on behalf of managed communities	Reimbursed costs incurred on behalf of managed communities						
Reimbursed costs incurred on behalf of managed communities	Reimbursed costs incurred on behalf of managed communities		34,979		37,484		103,932
Other operating income	Other operating income		2,623		66,759		9,073
Other operating income	Other operating income						75,546
Other operating income	Other operating income						
Total revenue and other operating income	Total revenue and other operating income						
Total revenue and other operating income	Total revenue and other operating income						
Total revenue and other operating income	Total revenue and other operating income		757,291		757,458		2,261,346
Expense	Expense						
Expense	Expense						
Expense	Expense						

Facility operating expense (excluding facility depreciation and amortization of \$79,904 and \$79,317, respectively)				
Facility operating expense (excluding facility depreciation and amortization of \$79,904 and \$79,317, respectively)				
Facility operating expense (excluding facility depreciation and amortization of \$79,904 and \$79,317, respectively)				
General and administrative expense (including non-cash stock-based compensation expense of \$3,273 and \$3,104, respectively)				
General and administrative expense (including non-cash stock-based compensation expense of \$3,273 and \$3,104, respectively)				
General and administrative expense (including non-cash stock-based compensation expense of \$3,273 and \$3,104, respectively)				
Facility operating lease expense				
Facility operating lease expense				
Facility operating lease expense				
Depreciation and amortization				
Depreciation and amortization				
Depreciation and amortization				
Asset impairment				
Asset impairment				
Asset impairment				
Facility operating expense (excluding facility depreciation and amortization of \$79,384, \$81,405, \$236,547, and \$242,281, respectively)	537,411	525,510	1,599,336	1,551,938
Costs incurred on behalf of managed communities				
General and administrative expense (including non-cash stock-based compensation expense of \$2,893, \$3,403, \$8,966, and \$10,907, respectively)	43,076	41,331	137,021	128,209
Facility operating lease expense	53,145	41,317	149,784	124,419
Depreciation and amortization	85,932	86,922	255,314	259,229
Asset impairment	9,086	5,688	9,606	17,362
Loss (gain) on sale of communities, net	—	—	(36,296)	—
Costs incurred on behalf of managed communities				
Costs incurred on behalf of managed communities	34,979	37,484	103,932	112,013
Income (loss) from operations	(6,338)	19,206	42,649	(68,376)
Income (loss) from operations				
Income (loss) from operations				
Interest income				
Interest income				
Interest income	6,323	2,192	17,764	3,065



Interest expense:	Interest expense:				
Interest expense:					
Interest expense:					
Debt					
Debt					
Debt	Debt	(53,413)	(41,330)	(155,984)	(110,180)
Financing lease obligations	Financing lease obligations	(4,950)	(11,916)	(16,955)	(35,968)
Financing lease obligations					
Financing lease obligations					
Amortization of deferred financing costs	Amortization of deferred financing costs	(1,910)	(1,528)	(5,749)	(4,590)
Amortization of deferred financing costs					
Amortization of deferred financing costs					
Change in fair value of derivatives					
Change in fair value of derivatives					
Change in fair value of derivatives	Change in fair value of derivatives	861	4,901	5,130	9,277
Equity in earnings (loss) of unconsolidated ventures	Equity in earnings (loss) of unconsolidated ventures	(1,426)	(2,020)	(3,156)	(9,353)
Equity in earnings (loss) of unconsolidated ventures					
Equity in earnings (loss) of unconsolidated ventures					
Non-operating gain (loss) on sale of assets, net					
Non-operating gain (loss) on sale of assets, net					
Non-operating gain (loss) on sale of assets, net	Non-operating gain (loss) on sale of assets, net	—	(56)	860	611
Other non-operating income (loss)	Other non-operating income (loss)	10,166	1,877	16,512	1,739
Other non-operating income (loss)					
Other non-operating income (loss)					
Income (loss) before income taxes					
Income (loss) before income taxes					
Income (loss) before income taxes	Income (loss) before income taxes	(50,687)	(28,674)	(98,929)	(213,775)
Benefit (provision) for income taxes	Benefit (provision) for income taxes	1,876	300	1,029	1,086
Benefit (provision) for income taxes					
Benefit (provision) for income taxes					
Net income (loss)					
Net income (loss)					
Net income (loss)	Net income (loss)	(48,811)	(28,374)	(97,900)	(212,689)
Net (income) loss attributable to noncontrolling interest	Net (income) loss attributable to noncontrolling interest	15	15	45	(101)

Net (income) loss attributable to noncontrolling interest				
Net (income) loss attributable to noncontrolling interest				
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders	Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders	\$ (48,796)	\$ (28,359)	\$ (97,855)
				\$ (212,790)
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders				
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders				
Basic and diluted net income (loss) per share attributable to Brookdale Senior Living Inc. common stockholders				
Basic and diluted net income (loss) per share attributable to Brookdale Senior Living Inc. common stockholders				
Basic and diluted net income (loss) per share attributable to Brookdale Senior Living Inc. common stockholders	Basic and diluted net income (loss) per share attributable to Brookdale Senior Living Inc. common stockholders	\$ (0.22)	\$ (0.15)	\$ (0.43)
				\$ (1.14)
Weighted average shares used in computing basic and diluted net income (loss) per share	Weighted average shares used in computing basic and diluted net income (loss) per share	225,416	186,790	225,136
				186,493
Weighted average shares used in computing basic and diluted net income (loss) per share				
Weighted average shares used in computing basic and diluted net income (loss) per share				

See accompanying notes to condensed consolidated financial statements.

**BROOKDALE SENIOR LIVING INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF EQUITY**  
(Unaudited, in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Three Months Ended March 31,				
Three Months Ended March 31,				
Three Months Ended March 31,				
2024				

		2024			
		2024			
Total equity, balance at beginning of period					
Total equity, balance at beginning of period					
Total equity, balance at beginning of period	Total equity, balance at beginning of period	\$ 539,276	\$ 518,567	\$ 584,153	\$ 699,623
Common stock:	Common stock:				
Common stock:					
Common stock:					
Balance at beginning of period	Balance at beginning of period	\$ 1,988	\$ 1,978	\$ 1,978	\$ 1,975
Balance at beginning of period					
Balance at beginning of period					
Shares issued for settlement of prepaid stock purchase contracts					
Shares issued for settlement of prepaid stock purchase contracts					
Shares issued for settlement of prepaid stock purchase contracts					
Restricted stock and restricted stock units, net	Restricted stock and restricted stock units, net	—	—	16	9
Restricted stock and restricted stock units, net					
Restricted stock and restricted stock units, net					
Shares withheld for employee taxes					
Shares withheld for employee taxes					
Shares withheld for employee taxes	Shares withheld for employee taxes	—	—	(6)	(6)
Balance at end of period	Balance at end of period	\$ 1,988	\$ 1,978	\$ 1,988	\$ 1,978
Balance at end of period					
Balance at end of period					
Additional paid-in-capital:					
Additional paid-in-capital:					
Additional paid-in-capital:	Additional paid-in-capital:				
Balance at beginning of period	Balance at beginning of period	\$ 4,336,504	\$ 4,211,931	\$ 4,332,302	\$ 4,208,675
Balance at beginning of period					
Balance at beginning of period					
Compensation expense related to restricted stock grants					
Compensation expense related to restricted stock grants					
Compensation expense related to restricted stock grants	Compensation expense related to restricted stock grants	2,893	3,403	8,966	10,907
Shares issued for settlement of prepaid stock purchase contracts					
Shares issued for settlement of prepaid stock purchase contracts					
Shares issued for settlement of prepaid stock purchase contracts					

Restricted stock and restricted stock units, net	Restricted stock and restricted stock units, net	—	—	(16)	(9)
Restricted stock and restricted stock units, net					
Restricted stock and restricted stock units, net					
Shares withheld for employee taxes					
Shares withheld for employee taxes					
Shares withheld for employee taxes	Shares withheld for employee taxes	(19)	(37)	(1,874)	(4,276)
Balance at end of period	Balance at end of period	\$ 4,339,378	\$ 4,215,297	\$ 4,339,378	\$ 4,215,297
Balance at end of period					
Balance at end of period					
<b>Treasury stock:</b>	<b>Treasury stock:</b>				
<b>Treasury stock:</b>					
<b>Treasury stock:</b>					
Balance at beginning and end of period					
Balance at beginning and end of period					
Balance at beginning and end of period	Balance at beginning and end of period	\$ (102,774)	\$ (102,774)	\$ (102,774)	\$ (102,774)
<b>Accumulated deficit:</b>	<b>Accumulated deficit:</b>				
<b>Accumulated deficit:</b>					
<b>Accumulated deficit:</b>					
Balance at beginning of period					
Balance at beginning of period					
Balance at beginning of period	Balance at beginning of period	\$ (3,697,960)	\$ (3,594,905)	\$ (3,648,901)	\$ (3,410,474)
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders	Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders	(48,796)	(28,359)	(97,855)	(212,790)
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders					
Net income (loss) attributable to Brookdale Senior Living Inc. common stockholders					
Balance at end of period					
Balance at end of period					
Balance at end of period	Balance at end of period	\$ (3,746,756)	\$ (3,623,264)	\$ (3,746,756)	\$ (3,623,264)
<b>Noncontrolling interest:</b>	<b>Noncontrolling interest:</b>				
<b>Noncontrolling interest:</b>					
<b>Noncontrolling interest:</b>					
Balance at beginning of period					
Balance at beginning of period					
Balance at beginning of period	Balance at beginning of period	\$ 1,518	\$ 2,337	\$ 1,548	\$ 2,221
Net income (loss) attributable to noncontrolling interest	Net income (loss) attributable to noncontrolling interest	(15)	(15)	(45)	101
Noncontrolling interest distribution		—	(760)	—	(760)

Net income (loss) attributable to noncontrolling interest					
Net income (loss) attributable to noncontrolling interest					
Balance at end of period					
Balance at end of period					
Balance at end of period	Balance at end of period	<div></div>	<div></div>	<div></div>	<div></div>
		\$ 1,503	\$ 1,562	\$ 1,503	\$ 1,562
Total equity, balance at end of period	Total equity, balance at end of period	\$ 493,339	\$ 492,799	\$ 493,339	\$ 492,799
Total equity, balance at end of period					
Total equity, balance at end of period					
Common stock share activity					
Common stock share activity					
Common stock share activity	Common stock share activity				
Outstanding shares of common stock:	Outstanding shares of common stock:				
Outstanding shares of common stock:					
Outstanding shares of common stock:					
Balance at beginning of period					
Balance at beginning of period					
Balance at beginning of period	Balance at beginning of period	188,235	187,256	187,249	186,958
Shares issued for settlement of prepaid stock purchase contracts					
Shares issued for settlement of prepaid stock purchase contracts					
Shares issued for settlement of prepaid stock purchase contracts					
Restricted stock and restricted stock units, net	Restricted stock and restricted stock units, net	10	8	1,561	915
Restricted stock and restricted stock units, net					
Restricted stock and restricted stock units, net					
Shares withheld for employee taxes					
Shares withheld for employee taxes					
Shares withheld for employee taxes	Shares withheld for employee taxes	(5)	(8)	(570)	(617)
Balance at end of period	Balance at end of period	188,240	187,256	188,240	187,256
Balance at end of period					
Balance at end of period					

See accompanying notes to condensed consolidated financial statements.

**BROOKDALE SENIOR LIVING INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited, in thousands)

		Nine Months Ended September 30,	
		2023	2022
Three Months Ended March 31,		Three Months Ended March 31,	
2024		2024	2023
Cash Flows from Operating Activities	Cash Flows from Operating Activities		
Net income (loss)			
Net income (loss)			
Net income (loss)	Net income (loss)	\$ (97,900)	\$ (212,689)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization, net	Depreciation and amortization, net	261,063	263,819
Depreciation and amortization, net			
Depreciation and amortization, net			
Asset impairment	Asset impairment	9,606	17,362
Equity in (earnings) loss of unconsolidated ventures	Equity in (earnings) loss of unconsolidated ventures	3,156	9,353
Distributions from unconsolidated ventures from cumulative share of net earnings		430	561
Amortization of entrance fees			
Amortization of entrance fees			
Amortization of entrance fees	Amortization of entrance fees	(732)	(1,816)
Proceeds from deferred entrance fee revenue	Proceeds from deferred entrance fee revenue	477	2,360
Deferred income tax (benefit) provision	Deferred income tax (benefit) provision	(2,015)	(2,068)
Operating lease expense adjustment	Operating lease expense adjustment	(33,820)	(25,329)
Change in fair value of derivatives	Change in fair value of derivatives	(5,130)	(9,277)

Loss (gain) on sale of assets, net	Loss (gain) on sale of assets, net	(37,156)	(611)
Non-cash stock-based compensation expense	Non-cash stock-based compensation expense	8,966	10,907
Non-cash stock-based compensation expense			
Non-cash stock-based compensation expense			
Property and casualty insurance income	Property and casualty insurance income	(14,047)	(996)
Other non-operating (income) loss		(2,542)	—
Property and casualty insurance income			
Property and casualty insurance income			
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Changes in operating assets and liabilities:			
Changes in operating assets and liabilities:			
Accounts receivable, net			
Accounts receivable, net			
Accounts receivable, net	Accounts receivable, net	8,250	(411)
Prepaid expenses and other assets, net	Prepaid expenses and other assets, net	9,347	(11,807)
Prepaid insurance premiums financed with notes payable	Prepaid insurance premiums financed with notes payable	(6,530)	(5,552)
Trade accounts payable and accrued expenses	Trade accounts payable and accrued expenses	21,444	1,548
Refundable fees and deferred revenue	Refundable fees and deferred revenue	8,518	7,265
Operating lease assets and liabilities for lessor capital expenditure reimbursements	Operating lease assets and liabilities for lessor capital expenditure reimbursements	2,244	9,224

Net cash provided by (used in) operating activities	Net cash provided by (used in) operating activities	133,629	51,843
Net cash provided by (used in) operating activities			
Net cash provided by (used in) operating activities			
<b>Cash Flows from Investing Activities</b>	<b>Cash Flows from Investing Activities</b>		
Purchase of marketable securities			
Purchase of marketable securities			
Purchase of marketable securities	Purchase of marketable securities	(159,811)	(230,106)
Sale and maturities of marketable securities	Sale and maturities of marketable securities	145,100	323,765
Capital expenditures, net of related payables	Capital expenditures, net of related payables	(174,700)	(150,572)
Acquisition of assets, net of cash acquired		(574)	(6,004)
Investment in unconsolidated ventures		(7,589)	(192)
Proceeds from sale of assets, net			
Proceeds from sale of assets, net			
Proceeds from sale of assets, net	Proceeds from sale of assets, net	43,181	5,844
Property and casualty insurance proceeds	Property and casualty insurance proceeds	19,536	—
Purchase of interest rate cap instruments			
Proceeds from interest rate cap instruments			
Other	Other	(890)	(228)
Net cash provided by (used in) investing activities	Net cash provided by (used in) investing activities	(135,747)	(57,493)
<b>Cash Flows from Financing Activities</b>	<b>Cash Flows from Financing Activities</b>		
Proceeds from debt			
Proceeds from debt			
Proceeds from debt	Proceeds from debt	25,532	32,031



Repayment of debt and financing lease obligations	Repayment of debt and financing lease obligations	(91,866)	(64,190)
Payment of financing costs, net of related payables	Payment of financing costs, net of related payables	(940)	(646)
Payment of financing costs, net of related payables			
Payment of financing costs, net of related payables			
Payments of employee taxes for withheld shares	Payments of employee taxes for withheld shares	(1,880)	(4,282)
Other		—	(760)
Net cash provided by (used in) financing activities			
Net cash provided by (used in) financing activities			
Net cash provided by (used in) financing activities	Net cash provided by (used in) financing activities	(69,154)	(37,847)
Net increase (decrease) in cash, cash equivalents, and restricted cash	Net increase (decrease) in cash, cash equivalents, and restricted cash	(71,272)	(43,497)
Cash, cash equivalents, and restricted cash at beginning of period	Cash, cash equivalents, and restricted cash at beginning of period	474,548	438,314
Cash, cash equivalents, and restricted cash at end of period	Cash, cash equivalents, and restricted cash at end of period	\$403,276	\$ 394,817

See accompanying notes to condensed consolidated financial statements.

**BROOKDALE SENIOR LIVING INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**1. Description of Business**

Brookdale Senior Living Inc. together with its consolidated subsidiaries ("Brookdale" or the "Company") is an operator of 672 652 senior living communities throughout the United States. The Company is committed to its mission of enriching the lives of the people it serves with compassion, respect, excellence, and integrity. The Company operates and manages independent living, assisted living, memory care, and continuing care retirement communities ("CCRCs"). The Company's senior living communities and its

comprehensive network help to provide seniors with care, connection, and services in an environment that feels like home. As of **September 30, 2023** **March 31, 2024**, the Company owned **346** **345** communities, representing a majority of the Company's community portfolio, leased **295** **277** communities, and managed **81** **30** communities.

## 2. Summary of Significant Accounting Policies

### *Basis of Presentation*

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for quarterly reports on Form 10-Q. In the opinion of management, these financial statements include all adjustments, which are of a normal and recurring nature, necessary to present fairly the financial position, results of operations, and cash flows of the Company for all periods presented. Certain information and footnote disclosures included in annual financial statements have been condensed or omitted. The Company believes that the disclosures included are adequate and provide a fair presentation of interim period results. Interim financial statements are not necessarily indicative of the financial position or operating results for an entire year. These interim financial statements should be read in conjunction with the audited financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended **December 31, 2022** **December 31, 2023** filed with the SEC on **February 22, 2023** **February 21, 2024**.

### *Principles of Consolidation*

The condensed consolidated financial statements include the accounts of Brookdale and its consolidated subsidiaries. The ownership interest of consolidated entities not wholly-owned by the Company are presented as noncontrolling interests in the accompanying unaudited condensed consolidated financial statements. Intercompany balances and transactions have been eliminated in consolidation, and net income (loss) is reduced by the portion of net income (loss) attributable to noncontrolling interests. **The Company reports investments in unconsolidated entities over whose operating and financial policies it has the ability to exercise significant influence under the equity method of accounting.**

### *Use of Estimates*

The preparation of the condensed consolidated financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Estimates are used for, but not limited to, revenue, **other operating income**, asset impairments, self-insurance reserves, performance-based compensation, **the** allowance for credit losses, depreciation and amortization, leasing transactions, income taxes, and other contingencies. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future, actual results may differ from the original estimates.

### *Reclassifications*

Certain prior period amounts have been reclassified to conform to the current financial statement presentation, with no effect on the Company's condensed consolidated financial position or results of operations.

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## 3. Fair Value Measurements

### *Marketable Securities*

**As of September 30, 2023 and December 31, 2022, marketable securities of \$66.2 million and \$48.7 million, respectively, are stated at fair value based on valuations provided by third-party pricing services and are classified within Level 2 of the valuation hierarchy.**

### *Interest Rate Derivatives*

The Company's derivative assets include interest rate cap and swap instruments that effectively manage the risk above certain interest rates for a portion of the Company's long-term variable rate debt. The Company has not designated the interest rate cap and swap instruments as hedging instruments and as such, changes in the fair value of the instruments are recognized in earnings in the period of the change. The interest rate derivative positions are valued using models developed by the respective

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counterparty that use as their basis readily available observable market parameters (such as forward yield curves) and are classified within Level 2 of the valuation hierarchy. The Company considers the credit risk of its counterparties when evaluating the fair value of its derivatives.

The following table summarizes the Company's Secured Overnight Financing Rate ("SOFR") interest rate cap instruments as of **September 30, 2023** **March 31, 2024**.

(\$ in thousands) millions

Current notional balance	\$	1,231,920	1,281.9
Weighted average fixed cap rate		4.34	4.05 %
Weighted average remaining term		1.0 year	0.6 years
Estimated asset fair value (included in other assets, net) at September 30, 2023	\$	14,826	11.8
10,599			

As of December 31, 2023, the estimated fair value of the interest rate cap instruments was \$13.3 million.

The following table summarizes the Company's SOFR interest rate swap instrument as of September 30, 2023 March 31, 2024.

(\$ in thousands) millions

Current notional balance	\$	220,000	220.0
Fixed interest rate			3.00 %
Remaining term		0.6	0.1 years
Estimated asset fair value (included in other assets, net) at September 30, 2023	\$	3,488	0.9
4,834			

As of December 31, 2023, the estimated fair value of the interest rate swap instrument was \$1.6 million.

#### Long-term debt

The Company estimates the fair value of its debt primarily using a discounted cash flow analysis based upon the Company's current borrowing rate for debt with similar maturities and collateral securing the indebtedness. The Company estimates the fair value of its convertible senior notes based on valuations provided by third-party pricing services. The Company had outstanding long-term debt with a carrying amount of approximately \$3.8 billion and \$3.9 \$3.7 billion as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. Fair value of the long-term debt is approximately \$3.5 billion and \$3.4 billion as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The Company's fair value of long-term debt disclosure is classified within Level 2 of the valuation hierarchy.

## 4. Revenue

The For the three months ended March 31, 2024 and 2023, the Company disaggregates generated 93.9% and 93.6%, respectively, of its resident fee revenue from contracts with private pay customers by and the remainder from government reimbursement programs and other payor source as the Company believes it best depicts how the nature, amount, timing, and uncertainty of its revenue and cash flows are affected by economic factors. Resident fee revenue by payor source is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Private pay	93.7 %	93.6 %	93.7 %	93.5 %
Government reimbursement	4.9 %	5.1 %	4.9 %	5.1 %
Other third-party payor programs	1.4 %	1.3 %	1.4 %	1.4 %

sources. Refer to Note 14 13 for disaggregation of revenue by reportable segment.

The payment terms and conditions within the Company's revenue-generating contracts vary by contract type and payor source, although terms generally include payment to be made within 30 days. Resident fee revenue for recurring and routine monthly services is generally billed monthly in advance under the Company's independent living, assisted living, and memory care residency agreements. Resident fee revenue for standalone or certain healthcare services is generally billed monthly in arrears. Additionally, certain of the Company's revenue-generating contracts include non-refundable community fees that are generally billed and collected in advance or upon move-in of a resident under the Company's independent living, assisted living, and memory care residency agreements. Amounts of revenue that are collected from residents in advance are recognized as deferred revenue until the performance obligations are satisfied.

The Company had total deferred revenue (included within refundable fees and deferred revenue and other liabilities within the condensed consolidated balance sheets) of \$57.9 million \$51.3 million and \$67.3 million \$48.3 million, including \$31.6 million \$27.1 million and \$25.2 million \$24.1 million of monthly resident fees billed and received in advance, as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. For the nine three months ended September 30, 2023 March 31, 2024 and

2022, 2023, the Company recognized \$49.1 million \$35.2 million and \$53.1 million \$36.9 million, respectively, of revenue that was included in the deferred revenue balance as of January 1, 2023 January 1, 2024 and 2022, 2023, respectively. The Company applies the

practical expedient in ASC 606-10-50-14 and does not disclose amounts for remaining performance obligations that have original expected durations of one year or less.

## 5. Property, Plant and Equipment and Leasehold Intangibles, Net

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, net property, plant and equipment and leasehold intangibles, which include assets under financing leases, consisted of the following.

(in thousands)	September 30, 2023	December 31, 2022
Land	\$ 502,084	\$ 506,968
Buildings and improvements	5,331,202	5,323,736
Furniture and equipment	1,098,183	1,055,304
Resident and leasehold operating intangibles	283,711	286,122
Construction in progress	40,812	41,778
Assets under financing leases and leasehold improvements	1,083,714	1,375,521
Property, plant and equipment and leasehold intangibles	8,339,706	8,589,429
Accumulated depreciation and amortization	(3,967,634)	(4,053,727)
Property, plant and equipment and leasehold intangibles, net	\$ 4,372,072	\$ 4,535,702

Assets under financing leases and leasehold improvements includes \$29.9 million and \$98.4 million of financing lease right-of-use assets, net of accumulated amortization, as of September 30, 2023 and December 31, 2022, respectively. Refer to Note 7 for further information on the Company's financing leases.

(in thousands)	March 31, 2024	December 31, 2023
Land	\$ 500,649	\$ 500,649
Buildings and improvements	5,362,393	5,348,133
Furniture and equipment	1,125,892	1,111,408
Resident in-place lease intangibles	282,411	282,411
Construction in progress	38,763	33,905
Assets under financing leases and leasehold improvements	1,086,680	1,070,900
Property, plant and equipment and leasehold intangibles	8,396,788	8,347,406
Accumulated depreciation and amortization	(4,102,863)	(4,016,777)
Property, plant and equipment and leasehold intangibles, net	\$ 4,293,925	\$ 4,330,629

Long-lived assets with definite useful lives are depreciated or amortized on a straight-line basis over their estimated useful lives (or, in certain cases, the shorter of their estimated useful lives or the lease term) and are tested for impairment whenever indicators of impairment arise. The Company recognized depreciation and amortization expense on its property, plant and equipment and leasehold intangibles of \$85.9 million \$86.1 million and \$86.9 million \$84.9 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and \$255.3 million and \$259.2 million for the nine months ended September 30, 2023 and 2022.

2023, respectively. The Company recognized \$5.3 million and \$5.8 million \$1.7 million for the three and nine months ended September 30, 2023, respectively of non-cash impairment charges in its operating results for its property, plant and equipment and leasehold intangibles assets, primarily due to the potential disposition of up to five underperforming communities. The Company recognized \$3.8 million and \$5.9 million for the three and nine months ended September 30, 2022, respectively, March 31, 2024 of non-cash impairment charges in its operating results for its property, plant and equipment and leasehold intangibles assets, primarily due to property damage sustained at certain communities and decreased occupancy and future cash flow estimates at certain communities as a result of the continued impacts of the COVID-19 pandemic. communities.

## 6. Debt

Long-term debt consists of the following.

(in thousands)	September 30, 2023	December 31, 2022
Fixed rate mortgage notes payable due 2024 through 2047; weighted average interest rate of 4.14% as of both September 30, 2023 and December 31, 2022	\$ 2,040,563	\$ 2,055,867
Variable rate mortgage notes payable due 2025 through 2030; weighted average interest rate of 7.70% and 6.68% as of September 30, 2023 and December 31, 2022, respectively	1,528,667	1,568,555
Convertible notes payable due October 2026; interest rate of 2.00% as of both September 30, 2023 and December 31, 2022	230,000	230,000
Tangible equity units senior amortizing notes due November 2025; interest rate of 10.25% as of both September 30, 2023 and December 31, 2022	19,993	25,586
Other notes payable due 2023; interest rate of 5.90% as of September 30, 2023	2,673	—
Deferred financing costs, net	(24,532)	(29,866)
Total long-term debt	3,797,364	3,850,142
Current portion	304,504	66,043
Total long-term debt, less current portion	\$ 3,492,860	\$ 3,784,099

  

(in thousands)	March 31, 2024	December 31, 2023
Fixed rate mortgage notes payable due 2025 through 2047; weighted average interest rate of 4.26% as of both March 31, 2024 and December 31, 2023	\$ 1,947,548	\$ 1,953,414
Variable rate mortgage notes payable due 2025 through 2030; weighted average interest rate of 7.75% and 7.74% as of March 31, 2024 and December 31, 2023, respectively	1,570,918	1,524,907
Convertible notes payable due October 2026; interest rate of 2.00% as of both March 31, 2024 and December 31, 2023	230,000	230,000
Tangible equity units senior amortizing notes due November 2025; interest rate of 10.25% as of both March 31, 2024 and December 31, 2023	15,935	17,990
Notes payable for insurance premium financing due 2024; interest rate of 7.40% as of March 31, 2024	22,592	—
Deferred financing costs, net	(29,180)	(28,998)
Total long-term debt	3,757,813	3,697,313
Current portion	65,681	41,463
Total long-term debt, less current portion	\$ 3,692,132	\$ 3,655,850

As of **September 30, 2023** March 31, 2024, **92.0%** the long-term debt, less current portion within the Company's condensed consolidated balance sheet includes \$100.0 million of mortgage notes payable scheduled to mature in January 2025 with two one-year extension options, exercisable by the Company subject to the satisfaction of certain conditions.

As of March 31, 2024, **91.1%**, or **\$3.5 billion** **\$3.4 billion**, of the Company's total debt obligations represented non-recourse property-level mortgage financings.

The Company's remaining variable rate mortgage notes payable arrangements indexed to London Interbank Offered Rate ("LIBOR") were modified to reference SOFR rather than LIBOR prospectively after the discontinuance of LIBOR in July 2023. As of September 30, 2023, the Company's variable rate mortgage notes payable were indexed to SOFR plus a weighted average margin of 239 basis points. The Company applied the optional expedient provided by Accounting Standards Codification 848, *Reference Rate Reform*, for debt contract modifications related to the discontinuation of reference rates to ease the potential burden in accounting for reference rate reform.<sup>10</sup>

As of **September 30, 2023** March 31, 2024, **\$72.5** **\$63.5** million of letters of credit and no cash borrowings were outstanding under the Company's **\$80.0** **\$100.0** million secured credit facility. The credit facility matures on January 15, 2024 and the Company has the option to extend the facility for two additional terms of one year each subject to the satisfaction of certain conditions. The Company also had a separate secured letter of credit facility providing up to \$15.0 million of letters of credit as of **September 30, 2023** March 31, 2024 under which \$14.5 million had been issued as of that date.

## 2024 Mortgage Financing

In February 2024, the Company obtained \$50.0 million of debt secured by first priority mortgages on 11 communities. The loan bears interest at a variable rate equal to SOFR plus a margin of 350 basis points. The debt matures in February 2027 with two one-year extension options, exercisable subject to certain performance criteria.

## Financial Covenants

Certain of the Company's debt documents contain restrictions and financial covenants, such as those requiring the Company to maintain prescribed minimum liquidity, net worth, and stockholders' equity levels and debt service ratios, and requiring the Company not to exceed prescribed leverage ratios, in each case on a consolidated, portfolio-wide, multi-community, single-community, and/or entity basis. In addition, the Company's debt documents generally contain non-financial covenants, such as those requiring the Company to comply with Medicare or Medicaid provider requirements and maintain insurance coverage.

The Company's failure to comply with applicable covenants could constitute an event of default under the applicable debt documents. Many of the Company's debt documents contain cross-default provisions so that a default under one of these instruments could cause a default under other debt and lease documents (including documents with other lenders and lessors). Furthermore, the Company's long-term mortgage debt is secured by its communities and, in certain cases, a guaranty by the Company and/or one or more of its subsidiaries.

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As of September 30, 2023 March 31, 2024, the Company is in compliance with the financial covenants of its debt agreements.

7. Leases

As of September 30, 2023 March 31, 2024, the Company operated 295 277 communities under long-term leases 281 (263 operating leases and 14 financing leases). The substantial majority of the Company's lease arrangements are structured as master leases. Under a master lease, numerous communities are leased through an indivisible lease. In certain cases, the Company guarantees the performance and lease payment obligations of its subsidiary lessees under the master leases. An event of default related to an individual property or limited number of properties within a master lease portfolio may result in a default on the entire master lease portfolio.

The leases relating to these communities are generally fixed rate leases with annual escalators that are either fixed or based upon changes in the consumer price index or the leased property revenue. The Company is responsible for all operating costs, including repairs and maintenance, property taxes, and insurance. The leases generally provide for renewal or extension options from 5 to 20 years and in some instances, purchase options.

The community leases contain other customary terms, which may include assignment and change of control restrictions, maintenance and capital expenditure obligations, termination provisions and financial covenants, such as those requiring the Company to maintain prescribed minimum liquidity, net worth, and stockholders' equity levels and lease coverage ratios, in each case on a consolidated, portfolio-wide, multi-community, single-community and/or entity basis. In addition, the Company's lease documents generally contain non-financial covenants, such as those requiring the Company to comply with Medicare or Medicaid provider requirements and maintain insurance coverage.

The Company's failure to comply with applicable covenants could constitute an event of default under the applicable lease documents. Many of the Company's debt and lease documents contain cross-default provisions so that a default under one of these instruments could cause a default under other debt and lease documents (including documents with other lenders and lessors). Certain leases contain cure provisions, which generally allow the Company to post an additional lease security deposit if the required covenant is not met. Furthermore, the Company's leases are secured by its communities and, in certain cases, a guaranty by the Company and/or one or more of its subsidiaries.

As of September 30, 2023 March 31, 2024, the Company is in compliance with the financial covenants of its long-term leases.

Lease right-of-use assets are reviewed for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company recognized \$3.8 million for both the three and nine months ended September 30, 2023, of non-cash did not recognize any such impairment charges for its operating lease right-of-use assets, primarily due to lower than expected occupancy and decreased future cash flow estimates at certain communities. The Company recognized \$1.9 million and \$11.5 million for the three and nine months ended September 30, 2022, of non-cash impairment charges in its operating results for its operating lease right-of-use assets, primarily due to decreased occupancy March 31, 2024 and future cash flow estimates at certain communities as a result of the continued impacts of the COVID-19 pandemic and property damage sustained at certain communities. 2023.

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A summary of operating and financing lease expense (including the respective presentation on the condensed consolidated statements of operations) and net cash outflows from leases is as follows.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
Operating Leases (in thousands)					
Operating Leases (in thousands)					
Operating Leases (in thousands)	Operating Leases (in thousands)	2023	2022	2023	2022

Facility operating expense	Facility operating expense	\$ 1,853	\$ 1,621	\$ 5,211	\$ 4,705
Facility operating expense					
Facility operating expense					
Facility lease expense					
Facility lease expense					
Facility lease expense	Facility lease expense	53,145	41,317	149,784	124,419
Operating lease expense	Operating lease expense	54,998	42,938	154,995	129,124
Operating lease expense					
Operating lease expense					
Operating lease expense adjustment <sup>(1)</sup>					
Operating lease expense adjustment <sup>(1)</sup>					
Operating lease expense adjustment <sup>(1)</sup>	Operating lease expense adjustment <sup>(1)</sup>	11,458	8,714	33,820	25,329
Changes in operating lease assets and liabilities for lessor capital expenditure reimbursements	Changes in operating lease assets and liabilities for lessor capital expenditure reimbursements	—	(4,367)	(2,244)	(9,224)
Changes in operating lease assets and liabilities for lessor capital expenditure reimbursements					
Changes in operating lease assets and liabilities for lessor capital expenditure reimbursements					
Operating net cash outflows from operating leases	Operating net cash outflows from operating leases	\$ 66,456	\$ 47,285	\$ 186,571	\$ 145,229
Operating net cash outflows from operating leases					
Operating net cash outflows from operating leases					

(1) Represents the difference between the amount of cash operating lease payments and the amount of operating lease expense.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
<b>Financing Leases</b> (in thousands)					
<b>Financing Leases</b> (in thousands)					
<b>Financing Leases</b> (in thousands)	<b>Financing Leases</b> (in thousands)	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Depreciation and amortization	Depreciation and amortization	\$ 1,159	\$ 7,405	\$ 8,902	\$ 22,678
Depreciation and amortization					
Depreciation and amortization					

Interest expense: financing lease obligations	Interest expense: financing lease obligations	4,950	11,916	16,955	35,968
Interest expense: financing lease obligations					
Interest expense: financing lease obligations					
Financing lease expense					
Financing lease expense					
Financing lease expense	Financing lease expense	\$ 6,109	\$ 19,321	\$ 25,857	\$ 58,646
Operating cash outflows from financing leases	Operating cash outflows from financing leases	\$ 4,950	\$ 11,916	\$ 16,955	\$ 35,968
Operating cash outflows from financing leases					
Operating cash outflows from financing leases					
Financing cash outflows from financing leases	Financing cash outflows from financing leases	244	5,506	8,222	16,606
Changes in financing lease assets and liabilities for lessor capital expenditure reimbursement		—	(2,727)	—	(9,704)
Financing cash outflows from financing leases					
Financing cash outflows from financing leases					
Total net cash outflows from financing leases					
Total net cash outflows from financing leases					
Total net cash outflows from financing leases	Total net cash outflows from financing leases	\$ 5,194	\$ 14,695	\$ 25,177	\$ 42,870

The aggregate amounts of future minimum lease payments, including community, office, and equipment leases, recognized on the condensed consolidated balance sheet as of **September 30, 2023** **March 31, 2024** are as follows (in thousands).

Year Ending December 31,	Operating Leases	Financing Leases
2023 (three months)	\$ 66,197	\$ 5,026
2024	258,495	20,213
2025	258,356	6,798
2026	143,912	6,781
2027	145,751	6,029
Thereafter	330,095	26,302
Total	1,202,806	71,149
Purchase option liability and non-cash gain on future sale of property	—	145,136
Imputed interest and variable lease payments	(289,810)	(64,491)
Total lease obligations	\$ 912,996	\$ 151,794

#### Welltower Lease Amendments

During the three months ended June 30, 2023, the Company entered into amendments to its existing lease arrangements with Welltower Inc. ("Welltower") pursuant to which the Company continues to lease 74 communities. In connection with the amendments, the Company extended the maturity of one lease involving 39 communities from December 31,



2026 until June 30, 2032. As a result, the Company's amended lease arrangements provide that the current term for 69 of the communities will expire on June 30, 2032 and the current term for five of the communities will expire on December 31, 2024. The amendments did not change the amount of required lease payments over the previous term of the leases or the annual lease escalators. In addition, Welltower agreed to make available a pool in the aggregate amount of up to \$17.0 million to fund costs associated with certain capital expenditure projects for 69 of the communities. Upon reimbursement of such expenditures, the annual minimum rent under the lease will prospectively increase by the amount of the reimbursement multiplied by the sum of the then current SOFR (subject to a floor of 3.0%) and a margin of 4.0%, and such amount will escalate annually consistent with the minimum rent escalation provisions of the 39 community lease.

The amended leases for 35 of such communities were prospectively classified as operating leases subsequent to the amendment. The prospective change in classification of such lease costs to operating lease expense will result in a \$19.3 million increase in cash lease payments for operating leases for 2023 and an offsetting decrease in cash lease payments for financing leases. For the three and nine months ended September 30, 2023, the classification of such lease costs as operating lease expense resulted in a \$7.2 million and \$12.0 million, respectively, increase in cash lease payments for operating leases and an offsetting decrease in cash lease payments for financing leases. The amendment to the lease arrangements increased the right-of-use assets and lease obligations recognized on the Company's condensed consolidated balance sheet each by \$122.3 million.

The amendments replaced the net worth covenant provisions requiring the Company to maintain at least \$400.0 million of stockholders' equity with a consolidated tangible net worth covenant requiring the Company to maintain at least \$2.0 billion of

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tangible net worth, generally calculated as stockholders' equity plus accumulated depreciation and amortization less intangible assets and further adjusted for certain other items. Such calculation is generally similar to the tangible net worth covenants within certain of the Company's long-term debt documents. So long as it maintains tangible net worth as defined in the leases of at least \$1.5 billion, the Company will also be able to cure any breach by posting collateral with Welltower.

Year Ending December 31,	Operating Leases	Financing Leases
2024 (nine months)	\$ 196,034	\$ 15,198
2025	262,030	6,850
2026	147,485	6,834
2027	149,317	6,083
2028	86,181	5,917
Thereafter	251,474	20,626
Total lease payments	1,092,521	61,508
Purchase option liability and non-cash gain on future sale of property	—	145,136
Imputed interest and variable lease payments	(260,583)	(55,054)
Total lease obligations	\$ 831,938	\$ 151,590

## 8. Investment in Unconsolidated Ventures

As of September 30, 2023, the Company owns a 20% equity interest, and affiliates of HCA Healthcare Inc. own an 80% interest, in a health care services venture (the "HCS Venture"), which operates home health and hospice agencies in the United States. The Company's interest in the HCS Venture is accounted for under the equity method of accounting. The carrying amount of the Company's investment in the unconsolidated venture and maximum exposure to loss as a result of the Company's ownership interest in the HCS Venture is \$54.1 million, which is included in investment in unconsolidated ventures on the accompanying unaudited condensed consolidated balance sheet as of September 30, 2023. As of September 30, 2023, the Company is not required to provide financial support, through a liquidity arrangement or otherwise, to the HCS Venture. During the three months ended September 30, 2023, the Company contributed \$7.5 million to the HCS Venture.

## 9. Litigation

The Company has been and is currently involved in litigation and claims incidental to the conduct of its business, which it believes are generally comparable to other companies in the senior living and healthcare industries, including, but not limited to, putative class action claims from time to time regarding staffing at the Company's communities and compliance with consumer protection laws and the Americans with Disabilities Act. Certain claims and lawsuits allege large damage amounts and may require significant costs to defend and resolve. As a result, the Company maintains general liability, professional liability, and other insurance policies in amounts and with coverage and deductibles the Company believes are appropriate, based on the nature and risks of its business, historical experience, availability, and industry standards. The Company's current

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policies provide for deductibles for each claim and contain various exclusions from coverage. The Company uses its wholly-owned captive insurance company for the purpose of insuring certain portions of its risk retention under its general and professional liability insurance programs. Accordingly, the Company is, in effect, self-insured for claims that are

less than the deductible amounts, for claims that exceed the funding level of the Company's wholly-owned captive insurance company, and for claims or portions of claims that are not covered by such policies and/or exceed the policy limits.

The senior living and healthcare industries are continuously subject to scrutiny by governmental regulators, which could result in reviews, audits, investigations, enforcement actions, or litigation related to regulatory compliance matters. In addition, the Company is subject to various government reviews, audits, and investigations to verify compliance with Medicare and Medicaid programs and other applicable laws and regulations. The Centers for Medicare & Medicaid Services ("CMS") has engaged third-party firms to review claims data to evaluate appropriateness of billings. In addition to identifying overpayments, audit contractors can refer suspected violations to government authorities. In addition, states' Attorneys General vigorously enforce consumer protection laws as those laws relate to the senior living industry. An adverse outcome of government scrutiny may result in citations, sanctions, other criminal or civil fines and penalties, the refund of overpayments, payment suspensions, termination of participation in Medicare and Medicaid programs, and damage to the Company's business reputation. The Company's costs to respond to and defend any such audits, reviews, and investigations may be significant.

In June 2020, the Company and several current and former executive officers were named as defendants in a putative class action lawsuit alleging violations of the federal securities laws filed in the federal court for the Middle District of Tennessee. The lawsuit asserted that the defendants made material misstatements and omissions concerning the Company's business, operational and compliance policies, compliance with applicable regulations and statutes, and staffing practices that caused the Company's stock price to be artificially inflated between August 2016 and April 2020. The district court dismissed the lawsuit and entered judgment in favor of the defendants in September 2021, and the plaintiffs did not file an appeal. Between October 2020 and June 2021, alleged stockholders of the Company filed several stockholder derivative lawsuits in the federal courts for the Middle District of Tennessee and the District of Delaware, which were subsequently transferred to the Middle District of Tennessee. Tennessee and consolidated into two lawsuits. In January 2024, the court dismissed one of the two derivative lawsuits. Plaintiffs have appealed the dismissal to the United States Court of Appeals for the Sixth Circuit. The other derivative lawsuits are currently lawsuit remains pending with the Middle District of Tennessee and assert asserts claims on behalf of the Company against certain current and former officers and directors for alleged breaches of duties owed to the Company. The complaints incorporate complaint incorporates substantively similar allegations to the securities lawsuit previously described.

10.9. Stock-Based Compensation

Grants of restricted stock units and stock awards under the Company's 2014 Omnibus Incentive Plan were as follows.

(in thousands, except weighted average amounts)	Restricted Stock Unit and Stock Award Grants	Weighted Average Grant Date Fair Value	Total Grant Date Fair Value
Three months ended March 31, 2023	3,959	\$ 2.97	\$ 11,778
Three months ended June 30, 2023	10	\$ 2.95	\$ 29
Three months ended September 30, 2023	16	\$ 4.01	\$ 65

(in thousands, except for weighted average amounts)	Restricted Stock Unit and Stock Award Grants	Weighted Average Grant Date Fair Value	Total Grant Date Fair Value
Three months ended March 31, 2024	2,224	\$ 6.36	\$ 14,148

11.10. Earnings Per Share

Potentially dilutive common stock equivalents for the Company include convertible senior notes, warrants, unvested restricted stock, restricted stock units, and prepaid stock purchase contracts.

On October 1, 2021, the Company issued \$230.0 million principal amount of 2.00% convertible senior notes due 2026 (the "Notes"). As of September 30, 2023 March 31, 2024, the maximum number of shares issuable upon settlement of the Notes is 38.3 million (after giving effect to additional shares that would be issuable upon conversion in connection with the occurrence of certain corporate or other events).

On July 26, 2020, the Company issued to Ventas, Inc. ("Ventas") a warrant (the "Warrant") to purchase 16.3 million shares of the Company's common stock, \$0.01 par value per share, at a price per share of \$3.00. The Warrant is exercisable at Ventas' option at any time and from time to time, in whole or in part, until December 31, 2025. The exercise price and the number of shares issuable on exercise of the Warrant are subject to certain anti-dilution adjustments, including for cash dividends, stock dividends, stock splits, reclassifications, non-cash distributions, certain repurchases of common stock, and business combination transactions.

During the three months ended December 31, 2022, the Company issued 2,875,000 of its 7.00% tangible equity units (the "Units") at a public offering price of \$50.00 per Unit for an aggregate offering of \$143.8 million. Each Unit is comprised of a prepaid stock purchase contract and a senior amortizing note with an initial principal amount of \$8.8996. Unless settled early in accordance with the terms of the instruments, under each purchase contract, the Company is obligated to deliver to the holder on November 15, 2025 a minimum of 12.9341, and a maximum of 15.1976, shares of the Company's common stock depending on the daily volume-weighted average price of its common stock for the 20 trading days preceding the settlement date. During the three months ended March 31, 2024, 275,000 of the Units were separated at the election of the holders into the two components, prepaid stock purchase contracts and senior amortizing notes, and the Company delivered 3,556,877 shares of the Company's common stock upon settlement of such prepaid stock purchase contracts. As of September 30, 2023 March 31, 2024, 2,600,000 prepaid stock purchase contracts remain outstanding, and the maximum number of shares issuable upon settlement of the Units' prepaid stock purchase contracts is 43.7 39.5 million.

Basic earnings per share ("EPS") is calculated by dividing net income (loss) by the weighted average number of shares of common stock outstanding, after giving effect to the minimum number of shares issuable upon settlement of the prepaid stock purchase contract component of the Units. For both The following table summarizes the three and nine months ended September 30, 2023, 37.2 million shares are included in computation of basic weighted average basic shares outstanding for presented in the minimum number condensed consolidated statements of shares issuable upon settlement of the Units' prepaid stock purchase contracts. operations.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
(in thousands)					
(in thousands)					
(in thousands)	(in thousands)	2023	2022	2023	2022
Weighted average common shares outstanding	Weighted average common shares outstanding	188,230	186,790	187,950	186,493
Weighted average common shares outstanding					
Weighted average common shares outstanding					
Weighted average minimum shares issuable under purchase contracts	Weighted average minimum shares issuable under purchase contracts	37,186	—	37,186	—
Weighted average minimum shares issuable under purchase contracts					
Weighted average minimum shares issuable under purchase contracts					
Weighted average shares outstanding - basic					
Weighted average shares outstanding - basic					
Weighted average shares outstanding - basic	Weighted average shares outstanding - basic	225,416	186,790	225,136	186,493

Diluted EPS includes the components of basic EPS and also gives effect to dilutive common stock equivalents. Diluted EPS reflects the potential dilution that could occur if securities or other instruments that are convertible into common stock were exercised or could result in the issuance of common stock. For the purposes of computing diluted EPS, weighted average shares outstanding do not include potentially dilutive securities that are anti-dilutive under the treasury stock method or if-converted method, and performance-based equity awards are included based on the attainment of the applicable performance metrics as of the end of the reporting period. The Company has the following potentially outstanding shares of common stock, which were excluded from the computation of diluted net income (loss) per share attributable to common stockholders in both periods as a result of the net loss.

		As of March 31,		As of March 31,		As of March 31,	
(in millions)		(in millions)		2024		2023	
		As of September 30,					
(in millions)		2023	2022				
Convertible senior notes							
Convertible senior notes							
Convertible senior notes	Convertible senior notes	38.3	38.3				
Warrants	Warrants	16.3	16.3				
Restricted stock and restricted stock units	Restricted stock and restricted stock units	6.5	5.4				
Incremental shares issuable under purchase contracts	Incremental shares issuable under purchase contracts	6.5	—				
Total	Total	67.6	60.0				
Total							
Total							

1211. Income Taxes

The difference between the Company's effective tax rate for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 was primarily due to a decrease in the valuation allowance recorded on operating losses during the three months ended September 30, 2023 as compared to the three months ended September 30, 2022. The difference between the Company's effective tax rate for the nine months ended September 30, 2023 and 2022 was primarily due to a decrease an increase in the tax benefit on the vesting of restricted stock units and restricted stock awards due to a lower market price for the Company's stock for the three months ended March 31, 2023 March 31, 2024 as compared to the three months ended March 31, 2022 March 31, 2023.

The Company recorded an aggregate deferred federal, state, and local tax benefit of \$12.2 million \$7.6 million for the three months ended September 30, 2023 March 31, 2024, which was partially offset by an increase to the valuation allowance of \$10.0 million \$7.2 million. The Company recorded an aggregate deferred federal, state, and local tax benefit of \$23.0 million \$9.4 million for the nine three months ended September 30, 2023 March 31, 2023, which was partially offset by an increase to the valuation allowance of \$21.0 million. The Company recorded an aggregate deferred federal, state, and local tax expense of \$7.3 million for the three months ended September 30, 2022, which was partially offset by a reduction to the valuation allowance of \$6.7 million. The Company recorded an aggregate deferred federal, state, and local tax expense of \$52.8 million for the nine months ended September 30, 2022, which was partially offset by a reduction to the valuation allowance of \$50.7 million \$9.7 million.

The Company evaluates its deferred tax assets each quarter to determine if a valuation allowance is required based on whether it is more likely than not that some portion of the deferred tax asset would not be realized. The Company's valuation allowance as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 was \$446.0 million \$481.4 million and \$425.0 million \$474.2 million, respectively.

The increase in the valuation allowance for both the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 is the result of current operating losses during the periods and by the anticipated reversal of future tax liabilities offset by future tax deductions.

The Company recorded interest charges related to its tax contingency reserve for cash tax positions for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 which are included in income tax expense or benefit for the period. As of September 30, 2023 March 31, 2024, tax returns for years 2019 through 2022 are subject to future examination by tax authorities. In addition, the net operating losses from prior years are subject to adjustment under examination.

### 13.12. Supplemental Disclosure of Cash Flow Information

During the period from January 1, 2022 through September 30, 2023, the Company disposed of three owned communities, the Company's triple-net lease obligations on four communities were terminated (including through the acquisition of one formerly leased community), and the Company acquired the remaining 50% equity interest in one community.

(in thousands)	Three Months Ended March 31,	
	2024	2023
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Interest paid	\$ 56,271	\$ 55,110
Income taxes paid, net of (refunds)	\$ 3	\$ (1,346)
Capital expenditures, net of related payables:		
Capital expenditures - non-development, net	\$ 50,591	\$ 62,912
Capital expenditures - development, net	218	519
Capital expenditures - non-development - reimbursable from lessor	249	2,244
Trade accounts payable	(6,659)	(15,975)
Net cash paid	\$ 44,399	\$ 49,700

On May 1, 2023, the Company completed the sale of its one remaining entrance fee community, which was included within the Company's CCRCs segment. The Company received cash proceeds of \$12.7 million, net of \$29.6 million in mortgage debt repaid and transaction costs, and recognized a net gain on sale of communities of \$36.3 million.

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On November 1, 2023, the Company completed the sale of a CCRC, for which the Company received cash proceeds of \$12.7 million, net of transaction costs, at closing. As of September 30, 2023, the community was classified as held for sale within the CCRCs segment, resulting in \$12.7 million of property, plant and equipment and leasehold intangibles being presented as assets held for sale within the condensed consolidated balance sheets.

The Company was eligible to claim the employee retention credit for certain of its associates under the Coronavirus Aid, Relief, and Economic Security Act of 2020 and subsequent legislation. During the years ended December 31, 2022 and 2021, the Company recognized \$9.4 million and \$9.9 million, respectively, of employee retention credits on wages paid from March 12, 2020 to December 31, 2021 within other operating income, for which the Company has received \$19.3 million in cash through September 30, 2023. During the nine months ended September 30, 2023 and 2022, the Company received cash of \$14.7 million and \$1.2 million, respectively, for such employee retention credits.

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(in thousands)	Nine Months Ended September 30,	
	2023	2022
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Interest paid	\$ 171,317	\$ 142,242
Income taxes paid, net of refunds	\$ (1,233)	\$ 581
Capital expenditures, net of related payables:		
Capital expenditures - non-development, net	\$ 174,975	\$ 128,831

Capital expenditures - development, net	1,309	4,357
Capital expenditures - non-development - reimbursable from lessor	2,244	18,927
Trade accounts payable	(3,828)	(1,543)
Net cash paid	<u>\$ 174,700</u>	<u>\$ 150,572</u>
Acquisition of assets, net of cash acquired:		
Prepaid expenses and other assets, net	\$ 23	\$ —
Property, plant and equipment and leasehold intangibles, net	6,872	4
Investment in unconsolidated ventures	(3,395)	—
Financing lease obligations	—	6,000
Other liabilities	(384)	—
Other non-operating loss (income)	(2,542)	—
Net cash paid	<u>\$ 574</u>	<u>\$ 6,004</u>
Proceeds from sale of assets, net:		
Prepaid expenses and other assets, net	\$ (1,660)	\$ (1,301)
Assets held for sale	—	(3,668)
Property, plant and equipment and leasehold intangibles, net	(23,733)	(100)
Refundable fees and deferred revenue	9,347	—
Other liabilities	10,021	(164)
Non-operating (gain) loss on sale of assets, net	(860)	(611)
Loss (gain) on sale of communities, net	(36,296)	—
Net cash received	<u>\$ (43,181)</u>	<u>\$ (5,844)</u>
<b>Supplemental Schedule of Non-cash Operating, Investing, and Financing Activities:</b>		
Non-cash lease transactions, net:		
Property, plant and equipment and leasehold intangibles, net	\$ (51,542)	\$ 11,067
Operating lease right-of-use assets	216,492	11,219
Financing lease obligations	88,844	(6,307)
Operating lease obligations	(253,794)	(15,979)
Net	<u>\$ —</u>	<u>\$ —</u>

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Restricted cash consists principally of escrow deposits for interest rate caps, real estate taxes, property insurance, capital expenditures, and debt service reserves required by certain lenders under mortgage debt agreements, deposits as security for self-insured retention risk under workers' compensation programs and property insurance programs, escrow deposits and regulatory reserves for real estate taxes, property insurance, and capital expenditures, and debt service reserve accounts required by certain lenders under mortgage debt agreements. CCRCs. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that sums to the total of the same such amounts shown in the condensed consolidated statements of cash flows.

		September	December		
(in thousands)	(in thousands)	30, 2023	31, 2022	(in thousands)	March 31, 2024
Reconciliation of cash, cash equivalents, and restricted cash:	Reconciliation of cash, cash equivalents, and restricted cash:				December 31, 2023
Cash and cash equivalents	Cash and cash equivalents	\$ 331,716	\$ 398,850		
Cash and cash equivalents					
Cash and cash equivalents					

Restricted cash	Restricted cash	41,265	27,735
Long-term restricted cash	Long-term restricted cash	30,295	47,963
Total cash, cash equivalents, and restricted cash	Total cash, cash equivalents, and restricted cash	\$ 403,276	\$ 474,548

#### 14.13. Segment Information

The Company has three reportable segments: Independent Living; Assisted Living and Memory Care; and CCRCs. Operating segments are defined as components of an enterprise that engage in business activities from which it may earn revenues and incur expenses; for which separate financial information is available; and whose operating results are regularly reviewed by the chief operating decision maker to assess the performance of the individual segment and make decisions about resources to be allocated to the segment.

*Independent Living.* The Company's Independent Living segment includes owned or leased communities that are primarily designed for middle to upper income seniors who desire to live in a residential setting that feels like home, without the efforts of ownership. The majority of the Company's independent living communities consist of both independent and assisted living units in a single community, which allows residents to age-in-place by providing them with a broad continuum of senior independent and assisted living services to accommodate their changing needs.

*Assisted Living and Memory Care.* The Company's Assisted Living and Memory Care segment includes owned or leased communities that offer housing and 24-hour assistance with activities of daily living for the Company's residents. The

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Company's assisted living and memory care communities include both freestanding, multi-story communities, as well as smaller, freestanding, single story communities. The Company also provides memory care services at freestanding memory care communities that are specially designed for residents with Alzheimer's disease and other dementias.

*CCRCs.* The Company's CCRCs segment includes large owned or leased communities that offer a variety of living arrangements and services to accommodate a broad spectrum of physical ability and healthcare needs. Most of the Company's CCRCs have independent living, assisted living, memory care, and skilled nursing available on one campus.

*All Other.* All Other includes communities operated by the Company pursuant to management agreements. Under the management agreements for these communities, the Company receives management fees as well as reimbursement of expenses it incurs on behalf of the owners.

The following tables set forth selected segment financial data.

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue and other operating income:				
Independent Living <sup>(1)</sup>	\$ 141,449	\$ 137,626	\$ 422,993	\$ 388,769
Assisted Living and Memory Care <sup>(1)</sup>	496,232	491,818	1,475,322	1,365,172
CCRCs <sup>(1)</sup>	82,065	87,563	251,446	249,215
All Other	37,545	40,451	111,585	121,638
Total revenue and other operating income	\$ 757,291	\$ 757,458	\$ 2,261,346	\$ 2,124,794

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		Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
(in thousands)							
(in thousands)							
(in thousands)							
Revenue and other operating income:							
Revenue and other operating income:							
Revenue and other operating income:							
Independent Living <sup>(1)</sup>							
Independent Living <sup>(1)</sup>							
Independent Living <sup>(1)</sup>							
Assisted Living and Memory Care <sup>(1)</sup>							
Assisted Living and Memory Care <sup>(1)</sup>							
Assisted Living and Memory Care <sup>(1)</sup>							
CCRCs <sup>(1)</sup>							
CCRCs <sup>(1)</sup>							
CCRCs <sup>(1)</sup>							
All Other							
All Other							
All Other							
Total revenue and other operating income							
Total revenue and other operating income							
Total revenue and other operating income							
		Three Months Ended September 30,		Nine Months Ended September 30,			
(in thousands)		2023	2022	2023		2022	
Segment operating income <sup>;(2)</sup>							
Segment operating income <sup>;(2)</sup>							
Segment operating income <sup>;(2)</sup>	Segment operating income <sup>;(2)</sup>						
Independent Living	Independent Living	\$ 44,702	\$ 46,395	\$ 137,896		\$ 122,788	
Independent Living							
Independent Living							
Assisted Living and Memory Care							
Assisted Living and Memory Care							
Assisted Living and Memory Care	Assisted Living and Memory Care	126,731	130,039	375,940		294,490	
CCRCs	CCRCs	10,902	15,063	36,589		33,940	
CCRCs							
CCRCs							
All Other							
All Other							
All Other	All Other	2,566	2,967	7,653		9,625	
Total segment operating income	Total segment operating income	184,901	194,464	558,078		460,843	
Total segment operating income							
Total segment operating income							



General and administrative expense (including non-cash stock-based compensation expense)					
General and administrative expense (including non-cash stock-based compensation expense)					
General and administrative expense (including non-cash stock-based compensation expense)	General and administrative expense (including non-cash stock-based compensation expense)	43,076	41,331	137,021	128,209
Facility operating lease expense	Facility operating lease expense	53,145	41,317	149,784	124,419
Facility operating lease expense					
Facility operating lease expense					
Depreciation and amortization	Depreciation and amortization	85,932	86,922	255,314	259,229
Depreciation and amortization					
Depreciation and amortization					
Asset impairment					
Asset impairment					
Asset impairment	Asset impairment	9,086	5,688	9,606	17,362
Loss (gain) on sale of communities, net		—	—	(36,296)	—
Income (loss) from operations	Income (loss) from operations	\$ (6,338)	\$ 19,206	\$ 42,649	\$ (68,376)
Income (loss) from operations					
Income (loss) from operations					

As of						
As of					As of	
(in thousands)	(in thousands)	September 30, 2023	December 31, 2022	(in thousands)	March 31, 2024	December 31, 2023
Total assets:	Total assets:					
Independent Living <sup>(3)</sup>						
Independent Living <sup>(3)</sup>						
Independent Living <sup>(3)</sup>	Independent Living <sup>(3)</sup>	\$1,223,941	\$1,267,825			
Assisted Living and Memory Care	Assisted Living and Memory Care	3,366,695	3,329,516			
CCRCs	CCRCs	631,255	664,502			
Corporate and All Other	Corporate and All Other	607,178	675,219			
Total assets	Total assets	<u>\$5,829,069</u>	<u>\$5,937,062</u>			

(1) All revenue and other operating income is earned from external third parties in the United States.

(2) Segment operating income is defined as segment revenues and other operating income less segment facility operating expenses (excluding facility depreciation and amortization) and costs incurred on behalf of managed communities.

(3) The Company's Independent Living segment had a total carrying amount of goodwill of \$27.3 million as of both September 30, 2023 and December 31, 2022.

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## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Certain statements in this Quarterly Report on Form 10-Q may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to various risks and uncertainties and include all statements that are not historical statements of fact and those regarding our intent, belief or expectations. 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 our expected financial and operational results. These forward-looking statements are based on certain assumptions and expectations, and our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Although we believe that expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our 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 our operations and future prospects or which could cause events or circumstances to differ from the forward-looking statements include, but are not limited to, the impacts of the COVID-19 pandemic, including on the nation's economy and debt and equity markets and the local economies in our markets, and on us and our business, results of operations, cash flow, revenue, expenses, liquidity, and our strategic initiatives, including plans for future growth, which will depend on many factors, some of which cannot be foreseen, including the pace and consistency of recovery from the pandemic and any resurgence or variants of the disease; the frequency and magnitude of legal actions and liability claims that may arise due to COVID-19 or our response efforts; 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; changes in reimbursement rates, methods, or timing under governmental reimbursement programs including the Medicare and Medicaid programs; 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 we are concentrated; terminations of our resident agreements and vacancies in the living spaces we lease; failure to maintain the security and functionality of our information systems, to prevent a cybersecurity attack or breach, or to comply with applicable privacy and consumer protection laws, including HIPAA; our ability to complete our capital expenditures in accordance with our plans; our ability to identify and pursue development, investment, and acquisition opportunities and our ability to successfully integrate acquisitions; competition for the acquisition of assets; our 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 our ability to identify and pursue any such opportunities in the future; risks related to the implementation of our strategy, including initiatives undertaken to execute on our strategic priorities and their effect on our results; the impacts of the COVID-19 pandemic, including on the nation's economy and debt and equity markets and the local economies in our markets, and on us and our business, results of operations, cash flow, revenue, expenses, liquidity, and our strategic initiatives, including plans for future growth, which will depend on many factors, some of which cannot be foreseen, including the pace and consistency of recovery from the pandemic and any resurgence or variants of the disease; limits on our 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 our communities that affect our ability to obtain financing or extend or refinance debt as it matures and our financing costs; our ability to generate sufficient cash flow to cover required interest, principal, and long-term lease payments and to fund our planned capital projects; the effect of any non-compliance with any of our 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 our non-compliance with any such agreements and the risk of loss of our 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 our indebtedness and long-term leases on our liquidity and our ability to operate our business; increases in market interest rates that increase the costs of our debt obligations; our ability to obtain additional capital on terms acceptable to us; departures of key officers and potential disruption caused by changes in management; increased competition for, or a shortage of, associates, (including due to general labor market conditions); 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 our communities; failure to comply with existing environmental laws; an adverse determination or resolution of complaints filed against us, including putative class action complaints; and the frequency and magnitude of legal actions and liability claims that may arise due to COVID-19 or our response efforts; 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; regulation, including new disclosure obligations; changes in, or our failure to comply with, employment-related laws and regulations; unanticipated costs to comply with legislative or regulatory developments; the risks associated with current global economic conditions and general economic factors on us and our business partners such as inflation, the consumer price index, 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 tax rates; uncertainty surrounding federal elections; the impact of seasonal contagious illness or an outbreak of COVID-19 or other contagious disease in the markets in which we operate; actions of activist stockholders, including a proxy contest; as well as other risks detailed from time to time in our filings with the Securities and Exchange Commission ("SEC"), including those set forth under "Item 1A. Risk Factors" contained in our Annual Report on Form 10-K for the year ended December 31, 2022.

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December 31, 2023. 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 forward-looking statements, which reflect management's views as of the date of this Quarterly Report on Form 10-Q. We cannot guarantee future results, levels of activity, performance or achievements, and, except as required by law, we expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements contained in this Quarterly Report on Form 10-Q to reflect any change in our expectations with regard thereto or change in events, conditions, or circumstances on which any statement is based.

Unless otherwise specified, references to "Brookdale," "we," "us," "our," or "the Company" in this Quarterly Report on Form 10-Q mean Brookdale Senior Living Inc. together with its consolidated subsidiaries.

## Overview

We are the nation's premier operator of senior living communities, operating and managing 672,652 communities in 41 states as of September 30, 2023 March 31, 2024, with the ability to serve more than 60,000 approximately 59,000 residents. We offer our residents access to a broad continuum of services across the most attractive sectors of the senior living industry. We operate and manage independent living, assisted living, memory care, and continuing care retirement communities ("CCRCs").

Our senior living communities and our comprehensive network help to provide seniors with care, connection, and services in an environment that feels like home. Our expertise in healthcare, hospitality, and real estate provides residents with opportunities to improve wellness, pursue passions, make new friends, and stay connected with loved ones. By providing residents with a range of service options as their needs change, we provide greater continuity of care, enabling seniors to age-in-place, which we believe enables them to maintain residency with us for a longer period of time. The ability of residents to age-in-place is also beneficial to our residents' families who are concerned with care decisions for their elderly relatives.

## Resident Fee Increases

The rates we charge our residents are highly dependent on local market conditions and the competitive environment in which the communities operate. As the senior living industry rebuilds occupancy lost due to the pandemic, we continue to experience a highly competitive environment for new residents. Generally, we have increased our monthly rates, including rates for care and other services, for private pay residents on an annual basis beginning January 1 each year.

We made the annual rate adjustment effective January 1, 2023 for our in-place private pay residents. The increase was again higher than our typical annual rate adjustment in order to help offset our recent increased costs as a result of labor pressures, high inflation, and increased interest rates, as described below. As a result of rate and occupancy increases, consolidated RevPAR (as defined below) for the nine months ended September 30, 2023 increased 11.8% compared to the prior year period. Due to the competitive environment for new residents in our recovering industry, our rate adjustments could slow our occupancy recovery progress or result in a decrease in occupancy in our communities. Any use of promotional or other discounting would offset a portion of such rate adjustments in our RevPAR and RevPOR (as defined below) results. In addition, our rate adjustments may not be sufficient to offset our increased costs in the event that labor expenses, inflation, or interest rates grow at rates higher than we anticipated.

## Macroeconomic Conditions

A confluence of macroeconomic conditions, including an intensely competitive labor environment and higher inflation and interest rates, has continued to affect our operations during 2023.

## Labor Pressures

Labor costs comprise approximately two-thirds of our total facility operating expense. We began to experience pressures associated with the intensely competitive labor environment during 2021, which have continued into 2023. Labor pressures have resulted in higher-than-typical associate turnover and wage growth, and we have experienced difficulty in filling open positions timely. We have increased our recruiting efforts to fill existing open positions, resulting in increasing the size of our workforce since the beginning of 2022. We continue to review wage rates in our markets and make competitive adjustments. Beginning in 2021, to cover existing open positions, we needed to rely on more expensive premium labor, primarily contract labor and overtime. From its peak in December 2021 to September 2023, we have decreased our monthly contract labor expense by approximately 90%, while maintaining focus on resident satisfaction and high-quality care. We continue to work to reduce our reliance on premium labor.

The labor component of our facility operating expense in our same community portfolio increased 1.3% during both the three and nine months ended September 30, 2023 compared to the prior year periods. The increases primarily resulted from wage rate

adjustments, partially offset by a decrease in the use of premium labor, primarily contract labor, as the Company's associate turnover has declined and the size of the Company's workforce has increased. We may continue to experience labor cost pressure as a result of the labor environment conditions described above. Continued increased competition for, or a shortage of, nurses or other associates and general inflationary pressures have required and may require that we enhance our pay and benefits package to compete effectively for such associates.

## Inflation

Our non-labor facility operating expense comprises approximately one-third of our total facility operating expense and is subject to inflationary pressures. The United States consumer price index increased more than 10% since December 2021. We mitigated a portion of an increase in food costs with the scale benefit of a higher number of residents, along with appropriate product substitution. We mitigated a portion of rising utility costs through sustainability investments we made in recent years, such as lighting retrofits and water consumption projects. Despite our mitigation efforts and with higher occupancy, for the three and nine months ended September 30, 2023 our non-labor facility operating expense in our same community portfolio increased 5.7% and 8.2%, respectively, compared to the prior year period. For the remainder of 2023, we may continue to experience inflationary pressures.

## Interest Rates

As of September 30, 2023, we had approximately \$1.5 billion of long-term variable rate debt outstanding which is indexed to the Secured Overnight Financing Rate ("SOFR") plus a weighted average margin of 239 basis points. Accordingly, our annual interest expense related to long-term variable rate debt is directly affected by movements in SOFR. The SOFR steadily increased since the beginning of 2022, ending the period more than 500 basis points higher than year-end 2021. Approximately 93% of our long-term variable rate debt is subject to interest rate cap or swap agreements, which had a weighted average fixed interest rate of 4.14% and a weighted average remaining term of one year as of September 30, 2023. Many of our long-term variable rate debt instruments include provisions that obligate us to obtain additional interest rate cap agreements upon the maturity of the existing interest rate cap agreements. The costs of obtaining additional interest rate cap agreements may offset the benefits of our existing interest rate cap agreements. For the three and nine months ended September 30, 2023, our debt interest expense increased 29.2% and 41.6%, respectively, compared to the prior year period, substantially all due to an increase in our interest expense associated with our long-term variable rate debt. Interest earned on our cash, cash equivalents, and marketable securities partially offset such increased interest expense.

## Community Transactions

On May 1, 2023, we completed the sale of our one remaining entrance fee community. We received cash proceeds of \$12.7 million, net of \$29.6 million in mortgage debt repaid and transaction costs, and recognized a net gain on sale of communities of \$36.3 million.

On November 1, 2023, we completed the sale of a CCRC community, for which we received cash proceeds of \$12.7 million, net of transaction costs, at closing.

We elected not to exercise our lease renewal option under the current terms for a master lease which expires on December 31, 2023. Pursuant to the master lease, as of September 30, 2023, we continued to lease 35 communities (1,468 units). In August 2023, we entered into a new master lease agreement pursuant to which we will continue to lease 10 of such communities (458 units) following the expiration of the existing lease. In October 2023, the new master lease agreement was amended to include seven additional communities (277 units) from the existing lease arrangement. The new lease contains purchase options on the 17 communities which become exercisable at the beginning of the final lease year. The term of the new lease will expire on December 31, 2029, subject to earlier termination if we exercise the purchase options. The landlord has also agreed to make available a pool to fund costs associated with certain capital expenditure projects in connection with the new lease.

## Welltower Lease Amendments

During the three months ended June 30, 2023, we entered into amendments to our existing lease arrangements with Welltower Inc. ("Welltower") pursuant to which we continue to lease 74 communities. In connection with the amendments, we extended the maturity of one lease involving 39 communities from December 31, 2026 until June 30, 2032. As a result, our amended lease arrangements provide that the current term for 69 of the communities will expire on June 30, 2032 and the current term for five of the communities will expire on December 31, 2024. The amendments did not change the amount of required lease payments over the previous term of the leases or the annual lease escalators. In addition, Welltower agreed to make available a pool in the aggregate amount of up to \$17.0 million to fund costs associated with certain capital expenditure projects for 69 of

the communities. Upon reimbursement of such expenditures, the annual minimum rent under the lease will prospectively increase by the amount of the reimbursement multiplied by the sum of the then current SOFR (subject to a floor of 3.0%) and a margin of 4.0%, and such amount will escalate annually consistent with the minimum rent escalation provisions of the 39 community lease.

The amended leases for 35 of such communities were prospectively classified as operating leases subsequent to the amendment. The prospective change in classification of such lease costs to operating lease expense will result in a \$19.3 million increase in cash lease payments for operating leases for 2023 and an offsetting decrease in cash lease payments for financing leases. For the three and nine months ended September 30, 2023, the classification of such lease costs as operating lease expense resulted in a \$7.2 million and \$12.0 million, respectively, increase in cash lease payments for operating leases and an offsetting decrease in cash lease payments for financing leases.

The amendments replaced the net worth covenant provisions requiring us to maintain at least \$400.0 million of stockholders' equity with a consolidated tangible net worth covenant requiring us to maintain at least \$2.0 billion of tangible net worth, generally calculated as stockholders' equity plus accumulated depreciation and amortization less intangible assets and further adjusted for certain other items. Such calculation is generally similar to the tangible net worth covenants within certain of our long-term debt documents. So long as we maintain tangible net worth as defined in the leases of at least \$1.5 billion, we will also be able to cure any breach by posting collateral with Welltower.

## Results of Operations

As of September 30, 2023 March 31, 2024, our total operations included 672 652 communities with a capacity to serve more than 60,000 approximately 59,000 residents. As of that date, we owned 346 345 communities (31,385 (31,169 units), leased 295 277 communities (20,572 (19,844 units), and managed 31 30 communities (4,685 (4,579 units). The following discussion should be read in conjunction with our condensed consolidated financial statements and the related notes, which are included in "Item 1. Financial Statements" of this Quarterly Report on Form 10-Q. The results of operations for any particular period are not necessarily indicative of results for any future period.

We use the operating measures described below in connection with operating and managing our business and reporting our results of operations.

- Senior housing operating results and data presented on a **same community basis** reflect results and data of a consistent population of communities by excluding the impact of changes in the composition of our portfolio of communities. The operating results exclude natural disaster expense and related insurance recoveries. We define our 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. Our management uses same community operating results and data for decision making and **components of executive compensation**, and we believe such results and data provide useful information to investors, because it enables comparisons of revenue, expense, and other operating measures for a consistent portfolio over time without giving effect to the impacts of communities that were not consolidated and operational for the comparison periods, communities acquired or disposed during the comparison periods (or planned for disposition), and communities with results that are or likely will be impacted by completed or in-process development-related capital expenditure projects.
- **RevPAR**, or average monthly senior housing resident fee revenue per available unit, is defined as resident fee revenue for the corresponding portfolio for the period (excluding revenue for private duty services provided to seniors living outside of our 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. We measure RevPAR at the consolidated level, as well as at the segment level with respect to our Independent Living, Assisted Living and Memory Care, and CCRCs segments. Our management uses RevPAR for decision making and **components of executive compensation**, and we believe the measure provides useful information to investors, because the measure is an indicator of senior housing resident fee revenue performance that reflects the impact of both senior housing occupancy and rate.

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- **RevPOR**, or average monthly senior housing resident fee revenue per occupied unit, is defined as resident fee revenue for the corresponding portfolio for the period (excluding revenue for private duty services provided to seniors living outside of our 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. We measure RevPOR at the consolidated level, as well as at the segment level with respect to our Independent Living, Assisted Living and Memory

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Care, and CCRCs segments. Our management uses RevPOR for decision making, and we believe the measure provides useful information to investors, because it reflects the average amount of senior housing resident fee revenue we derive from an occupied unit per month without factoring occupancy rates. RevPOR is a significant driver of our senior housing revenue performance.

- Weighted average occupancy rate reflects the percentage of units at our owned and leased communities being utilized by residents over a reporting period. We measure occupancy rates with respect to our Independent Living, Assisted Living and Memory Care, and CCRCs segments, and also measure this metric both on a consolidated senior housing and a same community basis. Our management uses weighted average occupancy, and we believe the measure provides useful information to investors, because it is a significant driver of our senior housing revenue performance.

This section includes the non-GAAP performance measure Adjusted EBITDA. See "Non-GAAP Financial Measures" below for our definition of the measure and other important information regarding such measure, including reconciliations to the most comparable measure in accordance with generally accepted accounting principles in the United States ("GAAP").

Comparison of Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

Summary Operating Results

The following table summarizes our overall operating results for the three months ended September 30, 2023 March 31, 2024 and 2022 2023.

Three Months Ended March 31,	Three Months Ended March 31,	Increase (Decrease)
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(in thousands)					(in thousands)									
					2024	2023				Amount		Percent		
Resident fees					Resident fees	\$744,241	\$ 713,404				\$30,837	4.3 %		
	Three Months Ended September 30,				Increase (Decrease)									
(in thousands)	2023	2022	Amount	Percent										
Total resident fees and management fees revenue					\$719,689	\$653,215	\$66,474	10.2 %						
Other operating income					2,623	66,759	(64,136)	(96.1) %						
Facility operating expense														
Facility operating expense														
Facility operating expense	Facility operating expense	537,411	525,510	11,901	2.3 %	542,550	530,807	530,807	11,743	11,743	2.2	2.2 %		
Net income (loss)	Net income (loss)	(48,811)	(28,374)	20,437	72.0 %	Net income (loss)	(29,581)	(44,563)	(44,563)	(14,982)	(14,982)	(33.6)	(33.6)	
Adjusted EBITDA	Adjusted EBITDA	80,220	106,851	(26,631)	(24.9) %	Adjusted EBITDA	97,616	88,623	88,623	8,993	8,993	10.1	10.1	

Three Months Ended September 30, Increase (Decrease)												
Three Months Ended March 31,						Three Months Ended March 31,						
(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	2023	2022	Amount	Percent	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	2024			2023		Amount
Resident fees	Resident fees	\$717,123	\$650,248	\$ 66,875	10.3 %	Resident fees	\$744,241	\$		\$713,404	\$	\$30,837
Other operating income	Other operating income	\$ 2,623	\$ 66,759	\$(64,136)	(96.1) %	Other operating income	\$ —	\$		\$ 2,328	\$	\$(2,328)
Facility operating expense	Facility operating expense	\$537,411	\$525,510	\$ 11,901	2.3 %	Facility operating expense	\$542,550	\$		\$530,807	\$	\$11,743
Number of communities (period end)	Number of communities (period end)	641	641	—	— %							
Number of communities (period end)							622			641		(19)
Total average units												
Total average units	Total average units	51,960	52,158	(198)	(0.4) %	51,039	52,177			52,177	(1,138)	(1,138)
RevPAR	RevPAR	\$ 4,596	\$ 4,150	\$ 446	10.7 %	RevPAR	\$ 4,854	\$		\$ 4,551	\$	\$ 303
Occupancy rate (weighted average)	Occupancy rate (weighted average)	77.6 %	76.4 %	120 bps	n/a	Occupancy rate (weighted average)	77.9 %			76.3 %		160 bps
RevPOR	RevPOR	\$ 5,919	\$ 5,432	\$ 487	9.0 %							
RevPOR							\$ 6,228			\$ 5,963		\$ 265
Same Community Operating Results and Data	Same Community Operating Results and Data											
Same Community Operating Results and Data												
Resident fees												
Resident fees	Resident fees	\$702,703	\$634,205	\$ 68,498	10.8 %	\$ 729,127	\$			\$685,944	\$	\$43,183
Other operating income	Other operating income	\$ 2,405	\$ 64,997	\$(62,592)	(96.3) %	Other operating income	\$ —	\$		\$ 2,215	\$	\$(2,215)



Facility operating expense	Facility operating expense	\$524,283	\$509,969	\$ 14,314	2.8 %	Facility operating expense	\$527,696	\$	\$506,111	\$	\$21,585	4
Number of communities	Number of communities	632	632	—	— %							
Number of communities												
Number of communities						611			611		—	
Total average units	Total average units	51,051	51,052	(1)	— %	Total average units	50,120	50,124	50,124	(4)	(4)	
RevPAR	RevPAR	\$ 4,588	\$ 4,141	\$ 447	10.8 %	RevPAR	\$ 4,849	\$	\$ 4,562	\$	\$ 287	6
Occupancy rate (weighted average)	Occupancy rate (weighted average)	77.9 %	76.5 %	140 bps	n/a	Occupancy rate (weighted average)	78.0 %		76.5 %		150 bps	
RevPOR	RevPOR	\$ 5,892	\$ 5,410	\$ 482	8.9 %	RevPOR	\$ 6,218	\$	\$ 5,960	\$	\$ 258	4

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#### Independent Living Segment

The following table summarizes the operating results and data for our Independent Living segment for the three months ended September 30, 2023, March 31, 2024 and 2022, 2023. All 68 of the communities in our Independent Living segment are included within our same community portfolio.

Three Months Ended September 30, Increase (Decrease)											
Three Months Ended March 31,						Three Months Ended March 31, Increase (Decrease)					
(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)					(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)					
		2023	2022	Amount	Percent		2024	2023	Amount	Percent	
Resident fees	Resident fees	\$141,234	\$128,106	\$13,128	10.2 %	Resident fees	\$148,948	\$140,602	\$8,346	5.9	5.9 %
Other operating income	Other operating income	\$ 215	\$ 9,520	\$ (9,305)	(97.7) %						
Other operating income											
Other operating income						\$ —	\$ 54	\$ (54)	(100.0) %		
Facility operating expense	Facility operating expense	\$ 96,747	\$ 91,231	\$ 5,516	6.0 %	Facility operating expense	\$100,305	\$ 93,823	\$ 6,482	6.9	6.9 %
Number of communities (period end)	Number of communities (period end)	68	68	—	— %						
Number of communities (period end)											



Number of communities (period end)											
						68	68	—	—	%	
Total average units											
Total average units											
Total average units	Total average units	12,569	12,569	—	— %	12,564	12,571	12,571	(7)	(7)	(0.1) %
RevPAR	RevPAR	\$ 3,746	\$ 3,397	\$ 349	10.3 %	RevPAR	\$ 3,952	\$ 3,728	\$ 224	6.0	6.0 %
Occupancy rate (weighted average)	Occupancy rate (weighted average)	79.6 %	78.3 %	130 bps	n/a	Occupancy rate (weighted average)	79.6 %	78.6 %	100 bps		n/a
RevPOR											
RevPOR											
RevPOR	RevPOR	\$ 4,705	\$ 4,337	\$ 368	8.5 %	\$ 4,963	\$ 4,741	\$ 222	4.7	4.7 %	

The increase in the segment's resident fees was primarily attributable to an increase in the segment's RevPAR, comprised of an 8.5% a 4.7% increase in RevPOR and a 130 basis point increase in weighted average occupancy. The increase in the segment's RevPOR was primarily the result of the current year annual in-place rate increase, increases effective January 1, 2024. The increase in the segment's weighted average occupancy primarily reflects the impact of our execution on key initiatives to rebuild occupancy lost due to the pandemic.

The increase in the segment's facility operating expense was primarily attributable to broad inflationary pressure, an additional day of expense due to the leap year, an increase in property repair expense primarily as a result of severe weather events, and increased wireless internet access provided for residents, partially offset by a decrease in the use of premium labor. The segment's same community facility operating expense for the three months ended March 31, 2024 and 2023 excludes \$0.4 million and \$0.2 million, respectively, of natural disaster expense.

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#### Assisted Living and Memory Care Segment

The following table summarizes the operating results and data for our Assisted Living and Memory Care segment for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, including operating results and data on a same community basis.

Three Months Ended September 30, Increase (Decrease)						Three Months Ended March 31,					
Three Months Ended March 31,						Three Months Ended March 31,					
(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	2023	2022	Amount	Percent	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	2024	2023	Amount		
Resident fees	Resident fees	\$494,014	\$442,097	\$ 51,917	11.7 %	Resident fees	\$510,872	\$486,777	\$24,095	4.9	
Other operating income	Other operating income	\$ 2,218	\$ 49,721	\$(47,503)	(95.5) %	Other operating income	\$ —	\$ 2,027	\$(2,027)	(100.0)	
Facility operating expense	Facility operating expense	\$369,501	\$361,779	\$ 7,722	2.1 %	Facility operating expense	\$373,414	\$364,211	\$ 9,203	2.5	

The increase in the segment's resident fees was primarily attributable to an increase in the segment's same community RevPAR, comprised of a 9.3% 4.4% increase in same community RevPOR and a 140 150 basis point increase in same community weighted average occupancy. The increase in the segment's same community RevPOR was primarily the result of the current year annual in-place rate increase, increases effective January 1, 2024. The increase in the segment's same community weighted average occupancy primarily reflects the impact of our execution on key initiatives to rebuild occupancy lost due to the pandemic. The increase in the segment's resident fees was partially offset by the

disposition of communities since the beginning of the prior year period, which resulted in \$9.5 million less in resident fees during the three months ended March 31, 2024 compared to the prior year period.

The increase in the segment's facility operating expense was primarily attributable to an increase in the segment's same community facility operating expense primarily resulting from attributable to broad inflationary pressure, an additional day of expense due to the leap year, and higher third-party referral source costs associated with resident move-ins, an increase in property repair expense primarily as a result of severe weather events, partially offset by a decrease in the use of premium labor, primarily contract labor, labor and a decrease in credit losses. The increase in the segment's facility operating expense was partially offset by the disposition of communities since the beginning of the prior year period, which resulted in \$7.4 million less in facility operating expense during the three months ended March 31, 2024 compared to the prior year period. The segment's same community facility operating expense for the three months ended March 31, 2024 and 2023 excludes \$2.4 million and \$0.3 million, respectively, of natural disaster expense, consisting primarily of remediation of winter storm damage.

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#### CCRCs Segment

The following table summarizes the operating results and data for our CCRCs segment for the three months ended September 30, 2023, March 31, 2024 and 2022, 2023, including operating results and data on a same community basis.

		Three Months Ended September 30, Increase (Decrease)						Three Months Ended March 31, Increase (Decrease)			
		Three Months Ended March 31, Increase (Decrease)						Three Months Ended March 31, Increase (Decrease)			
(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	2023	2022	Amount	Percent	(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	2024	2023	Amount	Percent	2022
Resident fees	Resident fees	\$81,875	\$80,045	\$ 1,830	2.3 %	Resident fees	\$84,421	\$86,025	\$(1,604)	(1.9) %	
Other operating income	Other operating income	\$ 190	\$ 7,518	\$(7,328)	(97.5) %	Other operating income	\$ —	\$ 247	\$(247)	(100.0) %	
Facility operating expense	Facility operating expense	\$71,163	\$72,500	\$(1,337)	(1.8) %	Facility operating expense	\$68,831	\$72,773	\$(3,942)	(5.4) %	
Number of communities (period end)	Number of communities (period end)	18	19	(1)	(5.3) %						
Number of communities (period end)	Number of communities (period end)					17	19	(2)	(10) %		
Total average units	Total average units										
Total average units	Total average units	4,911	5,191	(280)	(5.4) %	4,731	5,192	(461)	(461)	(8.9) %	
RevPAR	RevPAR	\$ 5,557	\$ 5,105	\$ 452	8.9 %	RevPAR	\$ 5,948	\$ 5,490	\$ 458	8.3 %	
Occupancy rate (weighted average)	Occupancy rate (weighted average)	73.2 %	73.3 %	(10) bps	n/a	Occupancy rate (weighted average)	76.1 %	73.4 %	270 bps		



The following table summarizes other income and expense items in our operating results for the three months ended **September 30, 2023**, **March 31, 2024** and **2022**, **2023**.

(in thousands)	Three Months Ended September 30,		Increase (Decrease)	
	2023	2022	Amount	Percent
Management fees	\$ 2,566	\$ 2,967	\$ (401)	(13.5)%
Reimbursed costs incurred on behalf of managed communities	34,979	37,484	(2,505)	(6.7)%
Costs incurred on behalf of managed communities	34,979	37,484	(2,505)	(6.7)%
General and administrative expense	43,076	41,331	1,745	4.2 %
Facility operating lease expense	53,145	41,317	11,828	28.6 %
Depreciation and amortization	85,932	86,922	(990)	(1.1)%
Asset impairment	9,086	5,688	3,398	59.7 %
Interest income	6,323	2,192	4,131	188.5 %
Interest expense	59,412	49,873	9,539	19.1 %
Equity in earnings (loss) of unconsolidated ventures	(1,426)	(2,020)	(594)	(29.4)%
Non-operating gain (loss) on sale of assets, net	—	(56)	(56)	NM
Other non-operating income (loss)	10,166	1,877	8,289	NM
Benefit (provision) for income taxes	1,876	300	1,576	NM

**Reimbursed Costs Incurred on Behalf of Managed Communities and Costs Incurred on Behalf of Managed Communities.** The decrease in reimbursed costs and costs incurred on behalf of managed communities was primarily attributable to terminations of management agreements subsequent to the beginning of the prior year period and a decrease in the use of premium labor, primarily contract labor.

(in thousands)	Three Months Ended March 31,		Increase (Decrease)	
	2024	2023	Amount	Percent
Management fees	\$ 2,618	\$ 2,577	\$ 41	1.6 %
Reimbursed costs incurred on behalf of managed communities	35,972	34,954	1,018	2.9 %
Costs incurred on behalf of managed communities	35,972	34,954	1,018	2.9 %
General and administrative expense	45,732	48,619	(2,887)	(5.9)%
Facility operating lease expense	51,496	46,127	5,369	11.6 %
Depreciation and amortization	86,127	84,934	1,193	1.4 %
Asset impairment	1,708	—	1,708	NM
Interest income	4,778	5,326	(548)	(10.3)%
Interest expense	57,687	59,711	(2,024)	(3.4)%
Equity in earnings (loss) of unconsolidated ventures	—	(577)	(577)	(100.0)%
Non-operating gain (loss) on sale of assets, net	704	—	704	NM
Other non-operating income (loss)	3,338	3,149	189	6.0 %
Benefit (provision) for income taxes	40	(572)	612	NM

**General and Administrative Expense.** The **increase** **decrease** in general and administrative expense was primarily attributable to **an increase** **a decrease** in **estimated incentive compensation costs**, **organizational restructuring costs** compared to the prior year period, primarily for severance costs for our senior leadership changes during the three months ended **March 31, 2023**. General and administrative expense includes transaction and organizational restructuring costs of **\$0.1 million** **\$0.4 million** and **\$0.3 million** **\$3.6 million** for the three months ended **September 30, 2023**, **March 31, 2024** and **2022**, **2023**, respectively. 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 our efforts to reduce general and administrative expense and our senior leadership changes, including severance costs.

**Facility Operating Lease Expense.** The increase in facility operating lease expense was primarily due to the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period.

**Depreciation and Amortization.** The **decrease** **increase** in depreciation and amortization expense was primarily due to the completion of community renovations, apartment upgrades, and other major building infrastructure projects since the beginning of the prior year period, partially offset by the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period.

**Asset Impairment.** During the three months ended March 31, 2024, we recorded \$1.7 million of non-cash impairment charges, primarily due to property damage sustained at certain communities.

**Interest Expense.** The decrease in interest expense was primarily due to an increase in the fair value of interest rate derivatives in the current period and a decrease in interest expense on financing lease obligations primarily due to the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period. These changes were partially offset by the completion of community renovations, apartment upgrades, and other major building infrastructure projects for leased communities since the beginning of the prior year period.

**Asset Impairment.** During the three months ended September 30, 2023, we recorded \$9.1 million of non-cash impairment charges, primarily due to the potential disposition of up to five underperforming communities and lower than expected occupancy and decreased future cash flow estimates at certain leased communities. During the three months ended September 30, 2022, we recorded \$5.7 million of non-cash impairment charges, primarily for property damage sustained at certain communities, including property damage sustained from Hurricane Ian in September 2022.

**Interest Expense.** The increase in interest expense was primarily due to an increase in interest expense on long-term debt primarily as a result of increases in variable interest rates and a decrease in the change in the fair value of interest rate derivatives. These changes were partially offset by a decrease in interest expense on financing lease obligations primarily due to

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the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period.

**Other Non-operating Income (Loss).** The increase in other non-operating income was primarily due to increased income recognized for insurance recoveries from our property and casualty insurance policies.

**Benefit (Provision) for Income Taxes.** The difference between our effective tax rate for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 was primarily due to an decrease increase in the valuation allowance recorded tax benefit on operating losses during the vesting of restricted stock units and restricted stock awards for the three months ended September 30, 2023 March 31, 2024 as compared to the three months ended September 30, 2022 March 31, 2023.

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We recorded an aggregate deferred federal, state, and local tax benefit of \$12.2 million \$7.6 million for the three months ended September 30, 2023 March 31, 2024, which was partially offset by an increase in the valuation allowance of \$10.0 million. We recorded an aggregate deferred federal, state, and local tax expense of \$7.3 million for the three months ended September 30, 2022, which was partially offset by a reduction to the valuation allowance of \$6.7 million \$7.2 million.

We evaluate our deferred tax assets each quarter to determine if a valuation allowance is required based on whether it is more likely than not that some portion of the deferred tax asset would not be realized. Our valuation allowance as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 was \$446.0 million \$481.4 million and \$425.0 million \$474.2 million, respectively.

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Comparison of Nine Months Ended September 30, 2023 and 2022

Summary Operating Results

The following table summarizes our overall operating results for the nine months ended September 30, 2023 and 2022.

(in thousands)	Nine Months Ended September 30,		Increase (Decrease)	
	2023	2022	Amount	Percent
	\$	\$	\$	%
Total resident fees and management fees revenue	2,148,341	1,937,235	211,106	10.9 %

Other operating income	9,073	75,546	(66,473)	(88.0) %
Facility operating expense	1,599,336	1,551,938	47,398	3.1 %
Net income (loss)	(97,900)	(212,689)	(114,789)	(54.0) %
Adjusted EBITDA	250,215	194,741	55,474	28.5 %

The increase in total resident fees and management fees revenue was primarily attributable to an 11.9% increase in same community RevPAR, comprised of an 8.8% increase in same community RevPOR and a 210 basis point increase in same community weighted average occupancy.

During the nine months ended September 30, 2023 and 2022, we recognized \$9.1 million and \$75.5 million, respectively, of government grants and employee retention credits as other operating income based on our estimates of our satisfaction of the conditions of the grants and credits during the period, including for the nine months ended September 30, 2022, \$61.1 million of grants from the Phase 4 general distribution of the Provider Relief Fund.

The increase in facility operating expense was primarily attributable to a 3.6% increase in same community facility operating expense, primarily resulting from broad inflationary pressure and higher third-party referral source costs associated with resident move-ins, partially offset by a decrease in the use of premium labor, primarily contract labor.

The decrease in net loss was primarily attributable to the increase in resident fee revenue and a \$36.3 million gain on sale of communities, net recognized during the nine months ended September 30, 2023 for the sale of our one remaining entrance fee community. These changes were partially offset by a decrease in other operating income recognized, an increase in facility operating expense, and an increase in debt interest expense compared to the prior year period.

The increase in Adjusted EBITDA was primarily attributable to the increase in resident fee revenue, partially offset by the decrease in other operating income, the increase in facility operating expense, and the change in classification of \$28.7 million of lease payments for 51 communities as cash facility operating lease payments as a result of lease amendments subsequent to the prior year period.

#### Operating Results - Senior Housing Segments

The following table summarizes the operating results and data of our three senior housing segments (Independent Living, Assisted Living and Memory Care, and CCRCs) on a combined basis for the nine months ended September 30, 2023 and 2022 including operating results and data on a same community basis. See management's discussion and analysis of the operating results on an individual segment basis on the following pages.

(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	Nine Months Ended September 30,		Increase (Decrease)	
	2023	2022	Amount	Percent
Resident fees	\$ 2,140,688	\$ 1,927,610	\$ 213,078	11.1 %
Other operating income	\$ 9,073	\$ 75,546	\$ (66,473)	(88.0) %
Facility operating expense	\$ 1,599,336	\$ 1,551,938	\$ 47,398	3.1 %
Number of communities (period end)	641	641	—	— %
Total average units	52,056	52,371	(315)	(0.6) %
RevPAR	\$ 4,564	\$ 4,084	\$ 480	11.8 %
Occupancy rate (weighted average)	76.8 %	74.8 %	200 bps	n/a
RevPOR	\$ 5,940	\$ 5,461	\$ 479	8.8 %
Same Community Operating Results and Data				
Resident fees	\$ 2,094,649	\$ 1,871,693	\$ 222,956	11.9 %
Other operating income	\$ 8,799	\$ 73,476	\$ (64,677)	(88.0) %
Facility operating expense	\$ 1,555,932	\$ 1,502,298	\$ 53,634	3.6 %
Number of communities	632	632	—	— %
Total average units	51,054	51,060	(6)	— %
RevPAR	\$ 4,559	\$ 4,073	\$ 486	11.9 %
Occupancy rate (weighted average)	77.0 %	74.9 %	210 bps	n/a
RevPOR	\$ 5,918	\$ 5,439	\$ 479	8.8 %

### Independent Living Segment

The following table summarizes the operating results and data for our Independent Living segment for the nine months ended September 30, 2023 and 2022, including operating results and data on a same community basis. All 68 of the communities in our Independent Living segment are included within our same community portfolio.

(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	Nine Months Ended		Increase (Decrease)	
	September 30,			
	2023	2022	Amount	Percent
Resident fees	\$ 422,506	\$ 378,088	\$ 44,418	11.7 %
Other operating income	\$ 487	\$ 10,681	\$ (10,194)	(95.4)%
Facility operating expense	\$ 285,097	\$ 265,981	\$ 19,116	7.2 %
Number of communities (period end)	68	68	—	— %
Total average units	12,571	12,569	2	— %
RevPAR	\$ 3,734	\$ 3,342	\$ 392	11.7 %
Occupancy rate (weighted average)	79.0 %	76.3 %	270 bps	n/a
RevPOR	\$ 4,724	\$ 4,379	\$ 345	7.9 %

The increase in the segment's resident fees was primarily attributable to an increase in the segment's RevPAR, comprised of a 7.9% increase in RevPOR and a 270 basis point increase in weighted average occupancy. The increase in the segment's RevPOR was primarily the result of the current year rate increase. The increase in the segment's weighted average occupancy primarily reflects the impact of our execution on key initiatives to rebuild occupancy lost due to the pandemic.

The increase in the segment's facility operating expense was primarily attributable to broad inflationary pressure and increased wireless internet access provided for residents, partially offset by a decrease in the use of premium labor, primarily contract labor.

### Assisted Living and Memory Care Segment

The following table summarizes the operating results and data for our Assisted Living and Memory Care segment for the nine months ended September 30, 2023 and 2022, including operating results and data on a same community basis.

(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	Nine Months Ended		Increase (Decrease)	
	September 30,			
	2023	2022	Amount	Percent
Resident fees	\$ 1,467,314	\$ 1,308,683	\$ 158,631	12.1 %
Other operating income	\$ 8,008	\$ 56,489	\$ (48,481)	(85.8)%
Facility operating expense	\$ 1,099,382	\$ 1,070,682	\$ 28,700	2.7 %
Number of communities (period end)	555	554	1	0.2 %
Total average units	34,446	34,604	(158)	(0.5)%
RevPAR	\$ 4,727	\$ 4,200	\$ 527	12.5 %
Occupancy rate (weighted average)	76.6 %	74.5 %	210 bps	n/a
RevPOR	\$ 6,172	\$ 5,640	\$ 532	9.4 %

### Same Community Operating Results and Data



Resident fees	\$	1,451,175	\$	1,290,392	\$	160,783	12.5 %
Other operating income	\$	7,932	\$	55,821	\$	(47,889)	(85.8)%
Facility operating expense	\$	1,085,165	\$	1,055,349	\$	29,816	2.8 %
Number of communities		548		548		—	— %
Total average units		34,169		34,170		(1)	— %
RevPAR	\$	4,719	\$	4,196	\$	523	12.5 %
Occupancy rate (weighted average)		76.6 %		74.5 %		210 bps	n/a
RevPOR	\$	6,159	\$	5,636	\$	523	9.3 %

The increase in the segment's resident fees was primarily attributable to an increase in the segment's same community RevPAR, comprised of a 9.3% increase in same community RevPOR and a 210 basis point increase in same community weighted average occupancy. The increase in the segment's same community RevPOR was primarily the result of the current year rate increase. The increase in the segment's same community weighted average occupancy primarily reflects the impact of our execution on key initiatives to rebuild occupancy lost due to the pandemic. The increase in the segment's resident fees was partially offset by the disposition of five communities since the beginning of the prior year period.

The increase in the segment's facility operating expense was primarily attributable to an increase in the segment's same community facility operating expense primarily resulting from broad inflationary pressure and higher third-party referral source costs associated with resident move ins, partially offset by a decrease in the use of premium labor, primarily contract labor. The increase in the segment's facility operating expense was partially offset by the disposition of communities since the beginning of the prior year period.

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#### CCRCs Segment

The following table summarizes the operating results and data for our CCRCs segment for the nine months ended September 30, 2023 and 2022, including operating results and data on a same community basis.

(in thousands, except communities, units, occupancy, RevPAR, and RevPOR)	Nine Months Ended		Increase (Decrease)	
	September 30,		Amount	Percent
	2023	2022		
Resident fees	\$ 250,868	\$ 240,839	\$ 10,029	4.2 %
Other operating income	\$ 578	\$ 8,376	\$ (7,798)	(93.1)%
Facility operating expense	\$ 214,857	\$ 215,275	\$ (418)	(0.2)%
Number of communities (period end)	18	19	(1)	(5.3)%
Total average units	5,039	5,198	(159)	(3.1)%
RevPAR	\$ 5,516	\$ 5,109	\$ 407	8.0 %
Occupancy rate (weighted average)	72.9 %	73.3 %	(40) bps	n/a
RevPOR	\$ 7,569	\$ 6,971	\$ 598	8.6 %
<b>Same Community Operating Results and Data</b>				
Resident fees	\$ 220,968	\$ 203,213	\$ 17,755	8.7 %
Other operating income	\$ 380	\$ 6,974	\$ (6,594)	(94.6)%
Facility operating expense	\$ 185,530	\$ 180,936	\$ 4,594	2.5 %
Number of communities	16	16	—	— %
Total average units	4,314	4,321	(7)	(0.2)%
RevPAR	\$ 5,691	\$ 5,226	\$ 465	8.9 %
Occupancy rate (weighted average)	74.5 %	74.0 %	50 bps	n/a
RevPOR	\$ 7,644	\$ 7,063	\$ 581	8.2 %

The increase in the segment's resident fees was primarily attributable to an increase in the segment's same community RevPAR, comprised of an 8.2% increase in same community RevPOR and a 50 basis point increase in same community weighted average occupancy. The increase in the segment's same community RevPOR was primarily the result of the current year rate increase. The increase in the segment's resident fees was partially offset by the disposition of one community since the beginning of the prior year period.

The decrease in the segment's facility operating expense was primarily attributable to the disposition of one community since the beginning of the prior year period, offset by an increase in the segment's same community facility operating expense, including a \$2.6 million, or 2.1%, increase in the segment's same community labor expense primarily resulting from wage rate adjustments. Additionally, broad inflationary pressure contributed to the increase in the segment's same community facility operating expense.

## Operating Results - Other Income and Expense Items

The following table summarizes other income and expense items in our operating results for the nine months ended September 30, 2023 and 2022.

(in thousands)	Nine Months Ended September 30,		Increase (Decrease)	
	2023	2022	Amount	Percent
Management fees	\$ 7,653	\$ 9,625	\$ (1,972)	(20.5)%
Reimbursed costs incurred on behalf of managed communities	103,932	112,013	(8,081)	(7.2)%
Costs incurred on behalf of managed communities	103,932	112,013	(8,081)	(7.2)%
General and administrative expense	137,021	128,209	8,812	6.9 %
Facility operating lease expense	149,784	124,419	25,365	20.4 %
Depreciation and amortization	255,314	259,229	(3,915)	(1.5)%
Asset impairment	9,606	17,362	(7,756)	(44.7)%
Loss (gain) on sale of communities, net	(36,296)	—	36,296	NM
Interest income	17,764	3,065	14,699	NM
Interest expense	173,558	141,461	32,097	22.7 %
Equity in earnings (loss) of unconsolidated ventures	(3,156)	(9,353)	(6,197)	(66.3)%
Non-operating gain (loss) on sale of assets, net	860	611	249	40.8 %
Other non-operating income (loss)	16,512	1,739	14,773	NM
Benefit (provision) for income taxes	1,029	1,086	(57)	(5.2)%

**Reimbursed Costs Incurred on Behalf of Managed Communities and Costs Incurred on Behalf of Managed Communities.** The decrease in reimbursed costs and costs incurred on behalf of managed communities was primarily attributable to terminations of management agreements subsequent to the beginning of the prior year period, partially offset by an increase in community costs incurred as a result of broad inflationary pressure for communities managed in both periods.

**General and Administrative Expense.** The increase in general and administrative expense was primarily attributable to an increase in estimated incentive compensation costs and an increase in organizational restructuring costs compared to the prior year period, primarily for severance costs for our senior leadership changes. General and administrative expense includes transaction and organizational restructuring costs of \$3.8 million and \$0.9 million for the nine months ended September 30, 2023 and 2022, respectively. 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 our efforts to reduce general and administrative expense and our senior leadership changes, including severance costs.

**Facility Operating Lease Expense.** The increase in facility operating lease expense was primarily due to the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period.

**Depreciation and Amortization.** The decrease in depreciation and amortization expense was primarily due to the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period, partially offset by the completion of community renovations, apartment upgrades, and other major building infrastructure projects for leased communities since the beginning of the prior year period.

**Asset Impairment.** During the nine months ended September 30, 2023, we recorded \$9.6 million of non-cash impairment charges, primarily due to the potential disposition of up to five underperforming communities and lower than expected occupancy and decreased future cash flow estimates at certain leased communities. During the nine months ended September 30, 2022, we recorded \$17.4 million of non-cash impairment charges, primarily for certain leased communities with decreased occupancy and future cash flow estimates as a result of the continued impacts of the COVID-19 pandemic.

**Loss (Gain) on Sale of Communities, net.** The increase in gain on sale of communities, net was due to the sale of our one remaining entrance fee community during the nine months ended September 30, 2023.

**Interest Expense.** The increase in interest expense was primarily due to an increase in interest expense on long-term debt primarily as a result of increases in variable interest rates, partially offset by a decrease in interest expense on financing lease obligations primarily due to the change in classification of lease costs from financing leases to operating leases as a result of lease amendments subsequent to the prior year period.

**Equity in Earnings (Loss) of Unconsolidated Ventures.** The decrease in equity in loss of unconsolidated ventures was primarily due to improved operating results for our health care services venture.

**Other Non-operating Income (Loss).** The increase in other non-operating income was primarily due to increased income recognized for insurance recoveries from our property and casualty insurance policies.

**Benefit (Provision) for Income Taxes.** The difference between our effective tax rate for the nine months ended September 30, 2023 and 2022 was primarily due to a decrease in the tax benefit on the vesting of restricted stock units and restricted stock awards due to a lower market price for our stock for the three months ended March 31, 2023 as compared to the three months ended March 31, 2022.

We recorded an aggregate deferred federal, state, and local tax benefit of \$23.0 million for the nine months ended September 30, 2023, which was partially offset by an increase in the valuation allowance of \$21.0 million. We recorded an aggregate deferred federal, state, and local tax expense of \$52.8 million for the nine months ended September 30, 2022, which was partially offset by a reduction to the valuation allowance of \$50.7 million.

## Liquidity and Capital Resources

This section includes the non-GAAP liquidity measure Adjusted Free Cash Flow. See "Non-GAAP Financial Measures" below for our definition of the measure and other important information regarding such measure, including reconciliations to the most comparable GAAP measure.

### Liquidity

The following is a summary of cash flows from operating, investing, and financing activities, as reflected in the condensed consolidated statements of cash flows, and our Adjusted Free Cash Flow.

Nine Months Ended September 30,						Increase (Decrease)							
Three Months Ended March 31,						Three Months Ended March 31,						Increase (Decrease)	
(in thousands)	(in thousands)	2023	2022	Amount	Percent	(in thousands)	2024		2023		Amount		Percent
Net cash provided by (used in) operating activities	Net cash provided by (used in) operating activities	\$133,629	\$ 51,843	\$81,786	157.8 %	activities	\$ (1,146)	\$	\$ 24,042	\$	\$(25,188)	NM	NM
Net cash provided by (used in) investing activities	Net cash provided by (used in) investing activities	(135,747)	(57,493)	78,254	136.1 %	activities	(6,946)	(62,019)	(62,019)	(55,073)	(55,073)	(88.8)	(88.8)
Net cash provided by (used in) financing activities	Net cash provided by (used in) financing activities	(69,154)	(37,847)	31,307	82.7 %	activities	54,090	171	171	53,919	53,919	NM	

Net increase (decrease) in cash, cash equivalents, and restricted cash	Net increase (decrease) in cash, cash equivalents, and restricted cash	(71,272)	(43,497)	27,775	63.9 %	Net increase (decrease) in cash, cash equivalents, and restricted cash	45,998	(37,806)	(37,806)	83,804		83,804	NM
Cash, cash equivalents, and restricted cash at beginning of period	Cash, cash equivalents, and restricted cash at beginning of period	474,548	438,314	36,234	8.3 %	Cash, cash equivalents, and restricted cash at beginning of period	349,668	474,548	474,548	(124,880)		(124,880)	(26.3)
Cash, cash equivalents, and restricted cash at end of period	Cash, cash equivalents, and restricted cash at end of period	\$403,276	\$394,817	\$ 8,459	2.1 %	Cash, cash equivalents, and restricted cash at end of period	\$395,666	\$	\$436,742	\$		\$ (41,076)	(9.4)
Adjusted Free Cash Flow	Adjusted Free Cash Flow	\$ (26,176)	\$ (97,827)	\$71,651	73.2 %	Adjusted Free Cash Flow	\$ (26,287)	\$	\$ (21,239)	\$		\$ (5,048)	(23.8)

The **increase change** in net cash provided by **(used in)** operating activities was primarily attributable to an increase in **resident fee revenue** compared to the prior year period, partially offset by **incentive compensation payments**, a **\$40.1 million** decrease in cash received associated with government grants and credits, and an increase in facility operating expense compared to the prior year period, partially offset by increases in resident fees compared to the prior year period. Net cash used in operating activities of \$1.1 million for the three months ended March 31, 2024 primarily reflects the impact of \$45.0 million of net cash used for changes in operating assets and liabilities, including payments under our annual and long-term incentive compensation programs and annual insurance premium payments made during the period. We expect that net cash provided by (used in) changes in operating assets and liabilities may fluctuate in future periods as a result of a number of factors, including the timing of collection of resident fees and the timing of payments for employee compensation and other expenditures. Changes in operating assets and liabilities are generally neutral over an **increase** entire annual period.

The decrease in **debt interest expense** net cash used in investing activities was primarily attributable to a \$49.7 million decrease in purchases of marketable securities and a \$5.3 million decrease in cash paid for capital expenditures compared to the prior year period.

The increase in net cash **used in investing activities** was primarily attributable to a \$178.7 million decrease in proceeds from sales and maturities of marketable securities compared to the prior year period, partially offset provided by a \$70.3 million decrease in purchases of marketable securities and a \$37.3 million increase in net proceeds from the sale of assets compared to the prior year period.

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The increase in net cash used in financing activities was primarily attributable to the **repayment \$50.0 million** of \$29.6 million of mortgage debt upon the sale of our one remaining **entrance fee community** secured by first priority mortgages on 11 communities during the **nine** three months ended **September 30, 2023** March 31, 2024.

The change in Adjusted Free Cash Flow was primarily attributable to the **increase change** in net cash provided by **(used in)** operating activities, and an increase in property and casualty insurance proceeds compared to the prior year period, partially offset by a **\$46.1 million increase** **\$12.3 million decrease** in non-development capital expenditures, net compared to the prior year period.

Our principal sources of liquidity have historically been from:

- cash balances on hand, cash equivalents, and marketable securities;
- cash flows from operations;
- proceeds from our credit facilities;

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- funds generated through unconsolidated venture arrangements;
- proceeds from mortgage financing or refinancing of various assets;
- funds raised in the debt or equity markets; and
- proceeds from the disposition of assets.

Over the longer-term, we expect to continue to fund our business through these principal sources of liquidity. We also have received pandemic-related government relief, including cash grants.

Over the near-term, we expect that our liquidity requirements will primarily arise from:

- working capital;
- operating costs such as labor costs, severance costs, general and administrative expense, and supply costs;
- debt, interest, and lease payments;
- transaction costs and investment in our healthcare and wellness initiatives;
- transaction consideration and related expenses;
- capital expenditures and improvements, including the renovation of our current communities and remediation or replacement of assets as a result of casualty losses; improvements;
- cash collateral required to be posted in connection with our financial instruments and insurance programs; and
- other corporate initiatives (including information systems and other strategic projects).

In addition, we may use liquidity to the extent that we identify potential lease restructuring opportunities or exercise available lease purchase options.

We are highly leveraged and have significant debt and lease obligations. As of September 30, 2023 March 31, 2024, we had \$3.8 billion of debt outstanding at a weighted average interest rate of 5.47% 5.62%. As of such date, 92.0% 91.1%, or \$3.5 billion \$3.4 billion, of our total debt obligations represented non-recourse property-level mortgage financings, of which \$257.1 million matures in September 2024. financings.

As of September 30, 2023 March 31, 2024, we had \$1.1 \$1.0 billion of operating and financing lease obligations, and for the twelve months ending September 30, 2024 March 31, 2025, we will be required to make approximately \$281.4 \$278.4 million of cash lease payments in connection with our existing operating and financing leases.

Total liquidity of \$405.4 million \$355.1 million as of September 30, 2023 March 31, 2024 included \$331.7 million \$318.5 million of unrestricted cash and cash equivalents (excluding restricted cash of \$71.6 million), \$66.2 million of marketable securities, \$77.1 million) and \$7.5 million \$36.5 million of availability on our secured credit facility. Total liquidity as of September 30, 2023 decreased \$47.2 million March 31, 2024 increased \$14.4 million from total liquidity of \$452.6 million \$340.7 million as of December 31, 2022 December 31, 2023. The decrease increase was primarily attributable to \$50.0 million of mortgage debt proceeds, partially offset by negative \$26.2 million \$26.3 million of Adjusted Free Cash Flow and repayments of mortgage debt, partially offset by the net proceeds from the sale of our one remaining entrance fee community. debt.

Our actual liquidity and capital funding requirements depend on numerous factors, including our operating results, our actual level of capital expenditures, general economic conditions, and the cost of capital, as well as other factors described in "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 filed with the Securities and Exchange Commission ("SEC") on February 22, 2023 February 21, 2024. Since the amount of mortgage financing available for our communities is generally dependent on their appraised values and performance, decreases in their appraised values, including due to adverse changes in real estate market conditions, or their performance, could result in available mortgage refinancing amounts that are less than the communities' maturing indebtedness. In addition, our inability to satisfy underwriting criteria for individual communities may limit our access to our historical lending sources for such communities, including Fannie Mae and Freddie Mac. Due to lower operating performance of our communities, generally, resulting from the COVID-19 pandemic, during 2021 and 2022 we sought and obtained non-agency mortgage financings to partially refinance maturing Freddie Mac and Fannie Mae indebtedness. As of September 30, 2023 March 31, 2024, 13% 10% of our owned communities were unencumbered by mortgage debt.

The \$257.1 million principal amount of debt maturing in September 2024 is secured by non-recourse first mortgages on 47 communities that are part of a common pool that also secures additional outstanding mortgage debt with a later maturity. We expect to refinance the \$257.1 million mortgage debt before the date it matures. We expect to utilize a portion of our current

liquidity to repay a portion of the principal amount in connection with such transaction. The terms and amount of such refinancing will depend on various factors, including the appraised values and performance of the communities securing the indebtedness and macroeconomic factors.

As of September 30, 2023 March 31, 2024, our current liabilities exceeded current assets by \$304.3 million \$98.5 million. In addition to the \$304.5 million current portion of long-term debt, included Included in our current liabilities is \$191.7 million \$197.7 million of the current portion of operating and financing lease obligations, for which the associated right-of-use assets are excluded from current assets on our condensed consolidated balance sheets. We currently estimate our historical principal sources of liquidity, primarily our cash flows from operations, together with cash balances on hand and cash equivalents, marketable securities, and proceeds from financings and refinancings of various assets will be sufficient to fund our liquidity needs for at least the next 12 months. We continue to seek opportunities to preserve and enhance our liquidity, including through increasing our RevPAR, maintaining appropriate expense discipline, continuing to refinance or exercise available extension options for maturing debt, continuing to evaluate our capital structure and the

state of debt and equity markets, and monetizing non-strategic or underperforming owned assets. There is no assurance that financing will continue to be available on terms consistent with our expectations or at all, or that our efforts will be successful in monetizing certain **assets, assets or exercising extension options.**

**We have completed the refinancing of all of our mortgage debt maturities due in 2024.** Our inability to **exercise available extension options or** obtain refinancing proceeds sufficient to cover **2024 2025** and later maturing indebtedness could adversely impact our liquidity, and may cause us to seek additional alternative sources of financing, which may be less attractive or

unavailable. Shortfalls in cash flows from estimated operating results or other principal sources of liquidity may have an adverse impact on our ability to fund our planned capital expenditures **to pursue any potential lease restructuring opportunities that we identify,** or to fund investments to support our strategy. In order to continue some of these activities at historical or planned levels, we may incur additional indebtedness or lease financing to provide additional funding. There can be no assurance that any such additional financing will be available or on terms that are acceptable to us.

Capital Expenditures

Our capital expenditures are comprised of community-level, corporate, and development capital expenditures. Community-level capital expenditures include maintenance expenditures (including routine maintenance of communities over \$1,500 per occurrence), community renovations, unit upgrades (including unit turnovers over \$500 per unit), and other major building infrastructure projects (including replacements of major building systems). Corporate capital expenditures include those for information technology systems and equipment and the remediation or replacement of assets as a result of casualty losses. Development capital expenditures include community expansions, major community redevelopment and repositioning projects, and the development of new communities.

The following table summarizes our capital expenditures for the nine months ended September 30, 2023 for our consolidated business.

<i>(in thousands)</i>		
Community-level capital expenditures, net <sup>(1)</sup>	\$	129,542
Corporate capital expenditures, net <sup>(2)</sup>		45,433
<b>Non-development capital expenditures, net<sup>(3)</sup></b>		<b>174,975</b>
Development capital expenditures, net		1,309
<b>Total capital expenditures, net</b>	<b>\$</b>	<b>176,284</b>

- (1) Reflects the amount invested, net of lessor reimbursements of \$2.2 million.
- (2) Includes \$29.2 million of remediation costs at our communities resulting from natural disasters, including \$25.5 million of capital expenditures resulting from the impact of Winter Storm Elliott. A portion of such costs are reimbursable under our property and casualty insurance policies.
- (3) Amount is included in Adjusted Free Cash Flow.

In the aggregate, we expect our full-year 2023 non-development capital expenditures, net of anticipated lessor reimbursements, to be approximately \$223.0 million, including remediation costs at our communities resulting from Winter Storm Elliott and Hurricane Ian. We anticipate that our 2023 capital expenditures will be funded from cash on hand, cash equivalents, marketable securities, cash flows from operations, reimbursements from lessors, and approximately \$28.0 million of reimbursement from our property and casualty insurance policies. We received \$19.5 million of such insurance reimbursements in the nine months ended September 30, 2023.

Funding our planned capital expenditures **any potential lease restructuring opportunities that we identify,** or investments to support our strategy may require additional capital. We expect to continue to assess our financing alternatives periodically and access the capital markets opportunistically. If our existing resources are insufficient to satisfy our liquidity requirements, we may need to sell additional equity or debt securities. Any such sale of additional equity securities will dilute the percentage ownership of our existing stockholders, and we cannot be certain that additional public or private financing will be available in amounts or on terms acceptable to us, if at all. Any newly issued equity securities may have rights, preferences, or privileges senior to those of our common stock. If we are unable to raise additional funds or obtain them on terms acceptable to us, we may have to delay or abandon our plans.

Capital Expenditures

Our capital expenditures are comprised of community-level, corporate, and development capital expenditures. Community-level capital expenditures include maintenance expenditures (including routine maintenance of communities over \$1,500 per occurrence), community renovations, unit upgrades (including unit turnovers over \$500 per unit), and other major building infrastructure projects (including replacements of major building systems). Corporate capital expenditures include those for information technology systems and equipment and the remediation or replacement of assets as a result of casualty losses. Development capital expenditures include community expansions, major community redevelopment and repositioning projects, and the development of new communities.

The following table summarizes our capital expenditures for the three months ended March 31, 2024 for our consolidated business.

(in thousands)

Community-level capital expenditures, net <sup>(1)</sup>	\$	40,374
Corporate capital expenditures, net		10,217
<b>Non-development capital expenditures, net<sup>(2)</sup></b>		<b>50,591</b>
Development capital expenditures, net		218
<b>Total capital expenditures, net</b>	<b>\$</b>	<b>50,809</b>

(1) Reflects the amount invested, net of lessor reimbursements of \$0.2 million.

(2) Amount is included in Adjusted Free Cash Flow.

In the aggregate, we expect our full-year 2024 non-development capital expenditures, net of anticipated lessor reimbursements, to be approximately \$180.0 million. We anticipate that our 2024 capital expenditures will be funded from cash on hand, cash equivalents, cash flows from operations, reimbursements from lessors, and reimbursement from our property and casualty insurance policies.

#### Credit Facilities

On December 11, 2020, in December 2023, we entered into a amended our revolving credit agreement with Capital One, National Association, as administrative agent and lender and the other lenders from time to time parties thereto. The amended agreement provides a an expanded commitment amount of up to \$80.0 million \$100.0 million which can be drawn in cash or as letters of credit. The credit facility matures on January 15, 2024 in January 2027, and we have the option to extend the facility for two additional terms of approximately one year each subject to the satisfaction of certain conditions. We expect to satisfy the conditions to exercise the option to extend the facility for the first additional one year term. Amounts drawn under the facility will bear interest at SOFR the Secured Overnight Financing Rate ("SOFR") plus an applicable margin which was 2.75% as ranging from 2.5% to 3.0% based upon the percentage of September 30, 2023, the total commitment drawn. Additionally, a quarterly commitment fee of 0.25% per annum was applicable on the unused portion of the facility as of September 30, 2023 March 31, 2024. The revolving credit facility is currently secured by first priority mortgages and negative pledges on certain of our communities. Available capacity under the facility will vary from time to time based upon borrowing base certain calculations related to the appraised value and performance of the communities securing the credit facility and the variable interest rate of the credit facility.

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As of September 30, 2023 March 31, 2024, \$72.5 \$63.5 million of letters of credit and no cash borrowings were outstanding under our \$80.0 \$100.0 million secured credit facility and the facility had \$7.5 million \$36.5 million of availability. We also had a separate secured letter of credit facility providing up to \$15.0 million of letters of credit as of September 30, 2023 March 31, 2024 under which \$14.5 million had been issued as of that date.

#### Long-Term Leases

As of September 30, 2023 March 31, 2024, we operated 295 277 communities under long-term leases (281 (263 operating leases and 14 financing leases). The substantial majority of our lease arrangements are structured as master leases. Under a master lease, numerous communities are leased through an indivisible lease. In certain cases, we guarantee the performance and lease payment obligations of our subsidiary lessees under the master leases. Due to the nature of such master leases, it is difficult to restructure the composition of our leased portfolios or economic terms of the leases without the consent of the applicable landlord. In addition, an event of default related to an individual property or limited number of properties within a master lease portfolio may result in a default on the entire master lease portfolio.

The leases relating to these communities are generally fixed rate leases with annual escalators that are either fixed or based upon changes in the consumer price index or leased property revenue. Approximately 89% 88% of our community lease payments for the three months ended March 31, 2024 are subject to a weighted average maximum annual increase of 2.7% for community leases subject to fixed annual escalators or variable annual escalators based on the consumer price index subject to a cap. The remaining community lease payments are subject to variable annual escalators primarily based upon the change in the consumer price index. An additional 1% increase in the consumer price index would have resulted in additional cash lease payments of approximately \$0.2 million for the twelve months ended September 30, 2023. We are responsible for all operating costs, including repairs and maintenance, property taxes, and insurance. The lease terms generally provide for renewal or extension options from 5 to 20 years, and, in some instances, purchase options.



The community leases contain other customary terms, which may include assignment and change of control restrictions, maintenance and capital expenditure obligations, termination provisions, and financial covenants, such as those requiring us to maintain prescribed minimum liquidity, net worth, and stockholders' equity levels and lease coverage ratios. Our lease documents generally contain non-financial covenants, such as those requiring us to comply with Medicare or Medicaid provider requirements and maintain insurance coverage. Certain leases contain cure provisions, which generally allow us to post an additional lease security deposit if the required covenant is not met.

Certain of our master leases contain radius restrictions, which limit our ability to own, develop, or acquire new communities within a specified distance from certain existing communities covered by such agreements. These radius restrictions could negatively affect our ability to expand, develop, or acquire senior housing communities and operating companies.

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For the three and nine months ended September 30, 2023, March 31, 2024 and 2023, our cash lease payments for our operating leases were \$66.5 million and \$188.8 million \$58.6 million, respectively, and for our financing leases were \$5.2 million \$5.3 million and \$25.2 million \$12.4 million, respectively. As of September 30, 2023, for For the twelve months ending September 30, 2024 March 31, 2025, we will be required to make \$281.4 \$278.4 million of cash lease payments in connection with our existing operating and financing leases.

#### Debt and Lease Covenants

Certain of our long-term debt and lease documents contain restrictions and financial covenants, such as those requiring us to maintain prescribed minimum liquidity, net worth, and stockholders' equity levels and debt service and lease coverage ratios, and requiring us not to exceed prescribed leverage ratios, in each case on a consolidated, portfolio-wide, multi-community, single-community, and/or entity basis. Net worth is generally calculated as stockholders' equity as calculated in accordance with GAAP, and in certain circumstances, reduced by intangible assets or liabilities and/or increased by accumulated depreciation and amortization, and/or further adjusted for certain other specified adjustments. The debt service and lease coverage ratios are generally calculated as revenues less operating expenses, including an implied management fee and a reserve for capital expenditures, divided by the debt (principal and interest) or lease payment. These covenants include a requirement contained in certain of our long-term debt documents for us to maintain liquidity of at least \$130.0 million at each quarter-end determination date. As of September 30, 2023 March 31, 2024, our liquidity was \$405.4 million \$355.1 million.

In addition, our debt and lease documents generally contain non-financial covenants, such as those requiring us to comply with Medicare or Medicaid provider requirements and maintain insurance coverage. Our failure to comply with applicable covenants could constitute an event of default under the applicable debt or lease documents. Many of our debt and lease documents contain cross-default provisions so that a default under one of these instruments could cause a default under other debt and lease documents (including documents with other lenders and lessors).

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Furthermore, our long-term mortgage debt is secured by our communities and, in certain cases, our long-term debt and leases are secured by a guaranty by us and/or one or more of our subsidiaries. Therefore, if an event of default has occurred under any of our debt or lease documents, subject to cure provisions in certain instances, the respective lender or lessor would have the right to declare all the related outstanding amounts of indebtedness or cash lease obligations immediately due and payable, to foreclose on our mortgaged communities, to terminate our leasehold interests, to foreclose on other collateral securing the indebtedness and leases, to discontinue our operation of leased communities, and/or to pursue other remedies available to such lender or lessor. Further, an event of default could trigger cross-default provisions in our other debt and lease documents (including documents with other lenders or lessors). We cannot provide assurance that we would be able to pay the debt or lease obligations if they became due upon acceleration following an event of default.

As of September 30, 2023 March 31, 2024, we are in compliance with the financial covenants of our debt agreements and long-term leases.

#### Non-GAAP Financial Measures

This Quarterly Report on Form 10-Q contains the financial measures Adjusted EBITDA and Adjusted Free Cash Flow, which are not calculated in accordance with GAAP. Presentations of these non-GAAP financial measures are intended to aid investors in better understanding the factors and trends affecting our 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, or net cash provided by (used in) operating activities. We caution investors that amounts presented in accordance with our 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. We urge investors to review the following reconciliations of these non-GAAP financial measures from the most comparable financial measures determined in accordance with GAAP.

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## Adjusted EBITDA

Adjusted EBITDA is a non-GAAP performance measure that we define 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 our 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. 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 our efforts to reduce general and administrative expense and our senior leadership changes, including severance.

We believe that presentation of Adjusted EBITDA as a performance measure is useful to investors because (i) it is one of the metrics used by our management for budgeting and other planning purposes, to review our historic and prospective core operating performance, and to make day-to-day operating decisions; (ii) it provides an assessment of operational factors that management can impact in the short-term, namely revenues and the controllable cost structure of the organization, by eliminating items related to our financing and capital structure and other items that management does not consider as part of our underlying core operating performance and that management believes impact the comparability of performance between periods; (iii) we believe that this measure is used by research analysts and investors to evaluate our operating results and to value companies in our industry; and (iv) we use the measure for components of executive compensation.

Adjusted EBITDA has material limitations as a performance measure, including: (i) excluded interest and income tax are necessary to operate our business under our current financing and capital structure; (ii) excluded depreciation, amortization, and impairment charges may represent the wear and tear and/or reduction in value of our communities, goodwill, and other assets and may be indicative of future needs for capital expenditures; and (iii) we may incur income/expense similar to those for which adjustments are made, such as gain/loss on sale of assets, facility operating lease termination, or debt modification and extinguishment, non-cash stock-based compensation expense, and transaction and other costs, and such income/expense may significantly affect our operating results.

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The table below reconciles Adjusted EBITDA from net income (loss).

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Net income (loss)</b>	\$ (48,811)	\$ (28,374)	\$ (97,900)	\$ (212,689)
Provision (benefit) for income taxes	(1,876)	(300)	(1,029)	(1,086)
Equity in (earnings) loss of unconsolidated ventures	1,426	2,020	3,156	9,353
Non-operating loss (gain) on sale of assets, net	—	56	(860)	(611)
Other non-operating (income) loss	(10,166)	(1,877)	(16,512)	(1,739)
Interest expense	59,412	49,873	173,558	141,461
Interest income	(6,323)	(2,192)	(17,764)	(3,065)
Income (loss) from operations	(6,338)	19,206	42,649	(68,376)
Depreciation and amortization	85,932	86,922	255,314	259,229
Asset impairment	9,086	5,688	9,606	17,362
Loss (gain) on sale of communities, net	—	—	(36,296)	—
Operating lease expense adjustment	(11,458)	(8,714)	(33,820)	(25,329)
Non-cash stock-based compensation expense	2,893	3,403	8,966	10,907
Transaction and organizational restructuring costs	105	346	3,796	948
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 80,220</b>	<b>\$ 106,851</b>	<b>\$ 250,215</b>	<b>\$ 194,741</b>

(1) Adjusted EBITDA includes a \$2.6 million and \$9.1 million benefit for the three and nine months ended September 30, 2023, respectively, and \$66.8 million and \$75.5 million benefit for the three and nine months ended September 30, 2022, respectively, of government grants and credits recognized in other operating income.

(in thousands)	Three Months Ended March 31,	
	2024	2023
<b>Net income (loss)</b>	\$ (29,581)	\$ (44,563)
Provision (benefit) for income taxes	(40)	572

Equity in (earnings) loss of unconsolidated ventures	—	577
Non-operating loss (gain) on sale of assets, net	(704)	—
Other non-operating (income) loss	(3,338)	(3,149)
Interest expense	57,687	59,711
Interest income	(4,778)	(5,326)
Income (loss) from operations	19,246	7,822
Depreciation and amortization	86,127	84,934
Asset impairment	1,708	—
Operating lease expense adjustment	(13,089)	(10,805)
Non-cash stock-based compensation expense	3,273	3,104
Transaction and organizational restructuring costs	351	3,568
<b>Adjusted EBITDA</b>	<b>\$ 97,616</b>	<b>\$ 88,623</b>

#### Adjusted Free Cash Flow

Adjusted Free Cash Flow is a non-GAAP liquidity measure that we define 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. Non-development capital expenditures are comprised of corporate and community-level capital expenditures, including those related to maintenance, renovations, upgrades, and other major building infrastructure projects for our communities and is presented net of lessor reimbursements. Non-development capital expenditures do not include capital expenditures for: community expansions, major community redevelopment and repositioning projects, and the development of new communities.

We believe that presentation of Adjusted Free Cash Flow as a liquidity measure is useful to investors because (i) it is one of the metrics used by our management for budgeting and other planning purposes, to review our historic and prospective sources of operating liquidity, and to review our ability to service our outstanding indebtedness, pay dividends to stockholders, engage in share repurchases, and make capital expenditures, including development capital expenditures; and (ii) it provides an indicator to management to determine if adjustments to current spending decisions are needed.

Adjusted Free Cash Flow has material limitations as a liquidity measure, including: (i) it does not represent cash available for dividends, share repurchases, or discretionary expenditures since certain non-discretionary expenditures, including mandatory debt principal payments, are not reflected in this measure; (ii) the cash portion of non-recurring charges related to gain/loss on facility lease termination generally represent charges/gains that may significantly affect our liquidity; and (iii) the impact of timing of cash expenditures, including the timing of non-development capital expenditures, limits the usefulness of the measure for short-term comparisons. **Additionally, Adjusted Free Cash Flow excludes cash used to purchase interest rate cap instruments, as well as any cash provided by settlements of interest rate cap instruments.**

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The table below reconciles Adjusted Free Cash Flow from net cash provided by (used in) operating activities.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		Three Months Ended March 31,		Three Months Ended March 31,	
		Three Months Ended March 31,		Three Months Ended March 31,	
(in thousands)					
(in thousands)					
(in thousands)	(in thousands)	2023	2022	2023	2022
<b>Net cash provided by (used in) operating activities</b>	<b>Net cash provided by (used in) operating activities</b>	\$ 45,763	\$ 63,521	\$ 133,629	\$ 51,843
<b>Net cash provided by (used in) operating activities</b>					

<b>Net cash provided by (used in) operating activities</b>					
Net cash provided by (used in) investing activities					
Net cash provided by (used in) investing activities					
Net cash provided by (used in) investing activities	Net cash provided by (used in) investing activities	(31,837)	22,508	(135,747)	(57,493)
Net cash provided by (used in) financing activities	Net cash provided by (used in) financing activities	(19,232)	(19,754)	(69,154)	(37,847)
Net cash provided by (used in) financing activities					
Net cash provided by (used in) financing activities					
Net increase (decrease) in cash, cash equivalents, and restricted cash					
Net increase (decrease) in cash, cash equivalents, and restricted cash					
Net increase (decrease) in cash, cash equivalents, and restricted cash	Net increase (decrease) in cash, cash equivalents, and restricted cash	\$ (5,306)	\$ 66,275	\$ (71,272)	\$ (43,497)
<b>Net cash provided by (used in) operating activities</b>	<b>Net cash provided by (used in) operating activities</b>	<b>\$ 45,763</b>	<b>\$ 63,521</b>	<b>\$ 133,629</b>	<b>\$ 51,843</b>
Distributions from unconsolidated ventures from cumulative share of net earnings		—	—	(430)	(561)
<b>Net cash provided by (used in) operating activities</b>					
<b>Net cash provided by (used in) operating activities</b>					
Changes in prepaid insurance premiums financed with notes payable					
Changes in prepaid insurance premiums financed with notes payable					
Changes in prepaid insurance premiums financed with notes payable	Changes in prepaid insurance premiums financed with notes payable	(6,474)	(5,700)	6,530	5,552
Changes in assets and liabilities for lessor capital expenditure reimbursements under operating leases	Changes in assets and liabilities for lessor capital expenditure reimbursements under operating leases	—	(4,367)	(2,244)	(9,224)
Changes in assets and liabilities for lessor capital expenditure reimbursements under operating leases					
Changes in assets and liabilities for lessor capital expenditure reimbursements under operating leases					
Non-development capital expenditures, net					
Non-development capital expenditures, net					

Non-development capital expenditures, net	Non-development capital expenditures, net	(47,248)	(43,819)	(174,975)	(128,831)
Property and casualty insurance proceeds	Property and casualty insurance proceeds	10,747	—	19,536	—
Property and casualty insurance proceeds					
Property and casualty insurance proceeds					
Payment of financing lease obligations	Payment of financing lease obligations	(244)	(5,506)	(8,222)	(16,606)
<b>Adjusted Free Cash Flow<sup>(1)</sup></b>		<b>\$ 2,544</b>	<b>\$ 4,129</b>	<b>\$ (26,176)</b>	<b>\$ (97,827)</b>
Payment of financing lease obligations					
Payment of financing lease obligations					
<b>Adjusted Free Cash Flow</b>					
<b>Adjusted Free Cash Flow</b>					
<b>Adjusted Free Cash Flow</b>					

(1) Adjusted Free Cash Flow includes:

- \$2.7 million and \$28.0 million benefit for the three and nine months ended September 30, 2023, respectively, and \$62.8 million and \$68.1 million benefit for the three and nine months ended September 30, 2022, respectively, from government grants and credits received.
- \$3.1 million recoupment for the nine months ended September 30, 2022, of accelerated/advanced Medicare payments, of which none were recouped during the three months ended September 30, 2022.
- \$0.1 million and \$3.8 million for the three and nine months ended September 30, 2023, respectively, and \$0.3 million and \$0.9 million for the three and nine months ended September 30, 2022, respectively, for transaction and organizational restructuring costs.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are subject to market risks from changes in interest rates charged on our credit facilities and other variable rate indebtedness. The impact on earnings and the value of our long-term debt are subject to change as a result of movements in market rates and prices. As of September 30, 2023 March 31, 2024, 60.0% 58.5%, or \$2.3 billion \$2.2 billion, of our long-term debt had a weighted average fixed interest rate of 3.98% 4.10%. As of September 30, 2023 March 31, 2024, we had \$1.5 billion \$1.6 billion of long-term variable rate debt, at a weighted average interest rate of 7.70% 7.75%.

In the normal course of business, we enter into certain interest rate cap and swap agreements with major financial institutions to manage our risk above certain interest rates on variable rate debt. As of September 30, 2023 March 31, 2024, our \$1.5 billion \$1.6 billion of outstanding long-term variable rate debt is indexed to SOFR plus a weighted average margin of 239 242 basis points. Accordingly, our annual interest expense related to long-term variable rate debt is directly affected by movements in SOFR. As of September 30, 2023 March 31, 2024, \$1.4 billion \$1.5 billion, or 93% 94%, of our long-term variable rate debt is subject to interest rate cap or swap agreements and \$99.4 million \$0.1 billion of our variable rate debt is not subject to any interest rate cap or swap agreements. For our SOFR interest rate cap and swap agreements as of September 30, 2023 March 31, 2024, the weighted average fixed interest rate is 4.14% 3.90%, and the weighted average remaining term is one year 0.5 years. Many of our long-term variable rate debt instruments include provisions that obligate us to obtain additional interest rate cap agreements upon the maturity of the existing interest rate cap agreements. The costs of obtaining additional interest rate cap agreements may offset the benefits of our existing interest rate cap agreements.

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The table below reflects the additional annual debt interest expense that would have resulted for the respective basis point increases in SOFR as of September 30, 2023 March 31, 2024.

Increase in Index (in basis points)	Annual Interest Expense Increase <sup>(1)</sup> (in millions)
100	\$ 1.5
200	2.9
500	6.4
1,000	11.5

(1) Amounts are after consideration of interest rate cap and swap agreements in place as of September 30, 2023, for which the weighted average remaining term is one year. March 31, 2024.

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#### Item 4. Controls and Procedures

##### Evaluation of Disclosure Controls and Procedures

Our management, under the supervision of and with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined under Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer each concluded that, as of **September 30, 2023** **March 31, 2024**, our disclosure controls and procedures were effective.

##### Changes in Internal Control over Financial Reporting

There has not been any change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended **September 30, 2023** **March 31, 2024** that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

The information contained in Note **9** **8** to the condensed consolidated financial statements contained in Part I, Item 1 of this Quarterly Report on Form 10-Q is incorporated herein by this reference.

### Item 1A. Risk Factors

There have been no material changes to the risk factors set forth in Part I, Item 1A of our Annual Report on Form 10-K for the year ended **December 31, 2022** **December 31, 2023**.

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### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table contains information regarding purchases of our common stock made during the quarter ended **September 30, 2023** **March 31, 2024** by or on behalf of the Company or any "affiliated purchaser," as defined by Rule 10b-18(a)(3) of the Exchange Act.

Period	Total Number of Shares Purchased <sup>(1)</sup>	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (\$ in thousands) <sup>(2)</sup>
7/1/2023 - 7/31/2023	—	\$ —	—	\$ 44,026
8/1/2023 - 8/31/2023	4,537	4.16	—	44,026
9/1/2023 - 9/30/2023	—	—	—	44,026
Total	4,537	\$ 4.16	—	—

Period	Total Number of Shares Purchased <sup>(1)</sup>	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (\$ in thousands) <sup>(2)</sup>
1/1/2024 - 1/31/2024	—	\$ —	—	\$ 44,026
2/1/2024 - 2/29/2024	573,062	5.91	—	44,026
3/1/2024 - 3/31/2024	1,911	5.57	—	44,026
Total	574,973	\$ 5.91	—	—

- (1) Consists entirely of shares withheld to satisfy tax liabilities due upon the vesting of restricted stock and restricted stock units. The average price paid per share for such share withholding is based on the closing price per share on the vesting date of the restricted stock and restricted stock units or, if such date is not a trading day, the trading day immediately prior to such vesting date.
- (2) On November 1, 2016, we announced that in 2016, our Board of Directors had approved a share repurchase program that authorizes us to purchase up to \$100.0 million in the aggregate of our common stock. The share repurchase program is intended to be implemented through purchases made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or block trades, or by any combination of such methods, in accordance with applicable insider trading and other securities laws and regulations. The size, scope and timing of any purchases will be based on business, market and other conditions and factors, including price, regulatory and contractual requirements, and capital availability. The repurchase program does not obligate us to acquire any particular amount of common stock and the program may be suspended, modified or discontinued at any time at our discretion without prior notice. Shares of stock repurchased under the program will be held as treasury shares. As of September 30, 2023 March 31, 2024, \$44.0 million remained available under the repurchase program.

## Item 5. Other Information

### *Insider Adoption or Termination of Trading Arrangements*

During the fiscal quarter ended September 30, 2023 March 31, 2024, none of our directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

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## Item 6. Exhibits

Exhibit No.	Description
3.1	<a href="#">Amended and Restated Certificate of Incorporation of the Company, as amended (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q filed on November 5, 2019 (File No. 001-32641)).</a>
3.2	<a href="#">Amended and Restated Bylaws of the Company dated October 29, 2019 (incorporated by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K filed on October 29, 2019 (File No. 001-32641)).</a>
4.1	<a href="#">Form of Certificate for common stock (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1 (Amendment No. 3) filed on November 7, 2005 (File No. 333-127372)).</a>
4.2	<a href="#">Description of the Company's securities(incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2023 (File No. 001-32641)).</a>
4.3	<a href="#">Indenture, dated as of October 1, 2021, by and among the Company and American Stock Transfer &amp; Trust Company, LLC, as trustee, governing the 2.00% Convertible Senior Notes due 2026 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 1, 2021 (File No. 001-32641)).</a>
4.4	<a href="#">Form of 2.00% Convertible Senior Notes due 2026 (included in Exhibit 4.3).</a>
4.5	<a href="#">Indenture, dated as of November 21, 2022, between the Company and American Stock Transfer &amp; Trust Company, LLC, as trustee (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on November 22, 2022 (File No. 001-32641)).</a>
4.6	<a href="#">First Supplemental Indenture, dated as of November 21, 2022, between the Company and American Stock Transfer &amp; Trust Company, LLC, as trustee (incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed on November 22, 2022 (File No. 001-32641)).</a>
4.7	<a href="#">Form of 10.25% Senior Amortizing Notes due 2025 (included in Exhibit 4.6).</a>
4.8	<a href="#">Purchase Contract Agreement dated as of November 21, 2022, between the Company and American Stock Transfer &amp; Trust Company, LLC, as purchase contract agent, as attorney-in-fact for holders of the purchase contracts referred to therein and as trustee under the indenture referred to therein (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 22, 2022 (File No. 001-32641)).</a>
4.9	<a href="#">Form of 7.00% Tangible Equity Units (included in Exhibit 4.8).</a>
4.10	<a href="#">Form of Purchase Contracts (included in Exhibit 4.8).</a>
10.1	<a href="#">Restricted Stock Unit Agreement under the Amended and Restated Brookdale Senior Living Inc. 2014 Omnibus Incentive Plan (the "Omnibus Incentive Plan") dated as of February 15, 2024, by and between the Company and Lucinda M. Baier.</a>
10.2	<a href="#">Form of Restricted Stock Unit Agreement under the Omnibus Incentive Plan (2024 Time-Based Form for Executive Officers other than CEO).</a>
10.3	<a href="#">Performance-Based Restricted Stock Unit Agreement under the Omnibus Incentive Plan dated as of February 15, 2024, by and between the Company and Lucinda M. Baier.†</a>
10.4	<a href="#">Form of Restricted Stock Unit Agreement under the Omnibus Incentive Plan (2024 Performance-Based Form for Executive Officers other than CEO).†</a>
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32	<a href="#">Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended <b>September 30, 2023</b> <b>March 31, 2024</b> , formatted in Inline XBRL (included in Exhibit 101).

† Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**BROOKDALE SENIOR LIVING INC.**

(Registrant)

By: /s/ Dawn L. Kussow  
Name: Dawn L. Kussow  
Title: Executive Vice President and Chief Financial Officer  
(Authorized Officer and Principal Financial Officer)  
Date: November 7, 2023 May 8, 2024

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**Exhibit 10.1**

**RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN**

This Award Agreement, including the Addendum hereto (this “Agreement”), dated as of February 15, 2024 (the “Date of Grant”), is made by and between Brookdale Senior Living Inc., a Delaware corporation (the “Company”), and Lucinda M. Baier (the “Participant”). Capitalized terms not defined herein shall have the meaning ascribed to them in the Brookdale Senior Living Inc. 2014 Omnibus Incentive Plan (as amended and/or restated from time to time, the “Plan”). Where the context permits, references to the Company shall include any successor to the Company.

1. **Grant of RSUs.** The Company hereby grants to the Participant 397,457 restricted stock units (the “RSUs”) under the Plan, which shall be subject to all of the terms and conditions of this Agreement and the Plan.

2. **Vesting.**

(a) **General.** Subject to the provisions set forth below, the RSUs shall vest at such times (each, including as provided in subparagraphs (b) and (c), a “Vesting Date”) and in the amounts set forth below, subject to the continued employment of the Participant by the Company or one of its Subsidiaries or Affiliates (or a successor to any of them) from the Date of Grant to such Vesting Date:

<b>Incremental Number of RSUs Vested</b>	<b>Scheduled Vesting Date</b>
132,485	February 27, 2025
132,486	February 27, 2026
132,486	February 27, 2027

(b) **Award Not Assumed Following Change in Control.** Upon the occurrence of a Change in Control, if the outstanding RSUs are not assumed, continued or substituted with an award relating to a publicly-traded security of the acquirer (or the Company) on the same terms and conditions that were applicable to the outstanding RSUs immediately prior to the Change in Control, then all outstanding RSUs immediately prior to the Change in Control shall vest and be settled upon the consummation of the Change in Control.

(c) **Following Termination of Employment.** Except as otherwise provided in Section 2 of the Addendum, which is incorporated herein, upon termination of the Participant’s employment with the Company and its Subsidiaries and Affiliates for any reason, all unvested RSUs outstanding as of the date of such termination shall automatically and without notice terminate and be forfeited and neither the Participant nor any of the Participant’s successors, heirs, assigns, or personal representatives shall thereafter have any further rights or interests in such RSUs.

3. **Settlement of Restricted Stock Units.** As soon as practicable following each Vesting Date (but in no event later than 30 days following the Vesting Date or such earlier time specified in this



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Agreement), the Company shall issue to the Participant the number of shares of Stock equal to the aggregate number of RSUs that have vested pursuant to this Agreement on such date and the Participant shall thereafter have all the rights of a stockholder of the Company with respect to such shares. Notwithstanding anything in this Agreement to the contrary, no fractional shares shall vest or be issuable under this Agreement, and any such fractional shares shall be rounded down to the next whole share; *provided*, that the Administrator may, in its sole discretion, provide a cash payment in lieu of any such fractional share.

4. Rights as a Stockholder. Section 4 of the Addendum is incorporated herein.

5. Adjustments. Pursuant to Section 5 of the Plan, in the event of a change in capitalization as described therein, the Administrator shall make such equitable changes or adjustments, as it deems necessary or appropriate, in its discretion, to the number and kind of securities or other property (including cash) issued or issuable in respect of outstanding RSUs.

6. Certain Changes. The Administrator may accelerate the vesting dates or otherwise adjust any of the terms of the RSUs; provided that, subject to Section 5 of the Plan and Section 11(f) of the Addendum to this Agreement, no action under this Section shall adversely affect the Participant's rights hereunder.

7. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by facsimile or first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing or 24 hours after transmission by facsimile to the respective parties, as follows: (i) if to the Company, at Brookdale Senior Living Inc., 111 Westwood Place, Suite 400, Brentwood, TN 37027, Facsimile: (615) 564-8204, Attn: General Counsel and (ii) if to the Participant, using the contact information on file with the Company. Either party hereto may change such party's address for notices by notice duly given pursuant hereto. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any notice or other communications related to the RSUs, this Agreement or current or future participation in the Plan by electronic means. The Participant hereby consents to receive such notices and other communications by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company (including the Company's stock plan service provider's website).

8. Taxes. The Participant has reviewed with the Participant's own tax advisors the Federal, state, local and foreign tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant acknowledges and agrees that the Participant is responsible for the tax consequences associated with the award and vesting of the RSUs.

9. Withholding. The provisions of Section 9 of the Addendum to this Agreement are incorporated herein.

10. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

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11. Restrictive Covenants. The provisions of Section 11 of the Addendum to this Agreement are incorporated herein.

12. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws. If during the Participant's employment with Company, the Participant primarily resides or is primarily assigned to Company or one of its Subsidiary or Affiliate location(s) in California, Colorado, Minnesota, or Washington, then for so long as the Participant primarily resides in such state or is primarily assigned to location(s) in such states during the Participant's employment, this Section 12 shall not apply to the covenants in Section 11 of the Addendum.

13. Incorporation of Plan. The Plan is hereby incorporated by reference and made a part hereof, and the RSUs and this Agreement shall be subject to all terms and conditions of the Plan.

14. Amendments; Construction. The Administrator may amend the terms of this Agreement prospectively or retroactively at any time, but no such amendment shall impair the rights of the Participant hereunder without the Participant's consent. Headings to Sections of this Agreement are intended for convenience of reference only, are not part of this Agreement and shall have no effect on the interpretation hereof.

15. Survival of Terms. This Agreement shall apply to and bind the Participant and the Company and their respective permitted assignees and transferees, heirs, legatees, executors, administrators and legal successors. The terms of Section 11 of the Addendum shall expressly survive the vesting and/or forfeiture of the RSUs and any expiration or termination of this Agreement.

16. Compliance with Stock Ownership and Retention Guidelines. The Participant hereby agrees to comply with the Company's Stock Ownership and Retention Guidelines (as amended from time to time, the "Guidelines"), to the extent such Guidelines are applicable, or become applicable, to the Participant. The Participant further acknowledges that, if the Participant is not in compliance with such Guidelines (if applicable), the Administrator may refrain from issuing additional equity awards to the Participant and/or elect to pay the Participant's annual bonus in the form of vested or unvested Common Stock.

17. Agreement Not a Contract for Services. Neither the Plan, the granting of the RSUs, this Agreement nor any other action taken pursuant to the Plan shall constitute or be evidence of any agreement or understanding, express or implied, that the Participant has a right to continue to provide services as an officer, director, employee, consultant or advisor of the Company or any Subsidiary or Affiliate for any period of time or at any specific rate of compensation.

18. Restrictions. The RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Participant, and any shares of Stock issuable with respect to the RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until such shares of Stock have been issued to the Participant upon vesting of the RSUs in accordance with the terms of the Plan and this Agreement. Unless the Administrator determines otherwise, upon any attempt to transfer RSUs or any rights in respect of RSUs before the lapse of such restrictions, such

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RSUs, and all of the rights related thereto, shall be immediately forfeited by the Participant and transferred to, and reacquired by, the Company without consideration of any kind.

19. Authority of the Administrator. The Administrator shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Administrator as to any such matter of interpretation or construction shall be final, binding and conclusive.

20. Severability. Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable, or enforceable only if modified, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the parties hereto with any such modification (if any) to become a part hereof and treated as though contained in this original Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable, in lieu of severing such unenforceable provision, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear, and such determination by such judicial body shall not affect the enforceability of such provision or provisions in any other jurisdiction.

21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the RSUs subject to all the terms and conditions of the Plan and this Agreement. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under this Agreement. By the Participant's electronically accepting the award of the RSUs using an online or electronic system established and maintained by the Company or a third party designated by the Company (including the Company's stock plan service provider's website), the Participant agrees to be bound by the terms and conditions of the Plan and this Agreement. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Participant's

electronic acceptance of the award of the RSUs shall have the same validity and effect as a signature affixed to this Agreement by the Participant's hand. Participant understands their participation in the terms of the Plan and this Agreement through acceptance of RSUs is entirely voluntary, and is not a term and/or condition of employment but is instead an award granted on a discretionary basis to align Participant's interests with those of the Company's stockholders and is an award that Participant is free to decline at Participant's discretion.

22. Section 409A. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSUs are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code. Notwithstanding anything to the contrary in this Agreement or an accompanying election form executed by the Participant, if (i) on the date of the Participant's Separation from Service with the Company the Participant is a "specified employee" (as such term is defined under Section 1.409A-1(i) of the Treasury Regulations promulgated under Section 409A of the Code) of the Company and (ii) any payments to be provided to the Participant pursuant to this Agreement are or may become subject to the additional tax under Section 409A(a)(1)(B) of the Code, or any other taxes or penalties imposed under Section 409A of the Code if

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provided at the time otherwise required under this Agreement, then such payments shall be delayed until the date that is six months after the date of the Participant's separation from service from the Company, or if earlier, his or her death. Any payments delayed pursuant to this paragraph shall be made in a lump sum on the first day of the seventh month following the Participant's separation from service, or if earlier, the Participant's death. Each payment upon settlement of RSUs (and any related dividend or related dividend equivalent rights) constitutes a "separate payment" for purposes of Section 409A of the Code. Notwithstanding any other provision of this Agreement, if and to the extent that any payment under this Agreement constitutes non-qualified deferred compensation under Section 409A of the Code, and is payable upon (i) the Participant's termination of employment, then such payment shall be made or provided to the Participant only upon a "separation from service" as defined for purposes of Section 409A of the Code, or (ii) a Change in Control, then such payment shall be made or provided to the Participant only upon a "change in the ownership", a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the applicable corporation as defined for purposes of Section 409A of the Code.

*[signature page follows]*

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**BROOKDALE SENIOR LIVING INC.**

By: /s/ Chad C. White

Name: Chad C. White

Title: Executive Vice President, General Counsel and Secretary

**PARTICIPANT**

/s/ Lucinda M. Baier

Lucinda M. Baier

**ADDENDUM TO  
RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN**

**Section 2:**

Notwithstanding Section 2(c) or anything in the Agreement to the contrary:

(i) In the event that the Participant's employment is terminated (other than as described in subparagraph (ii)) (A) by the Company and its Subsidiaries and Affiliates without Cause or by the Participant for Good Reason (as defined in the Employment Agreement by and between the Company and the Participant dated as of November 3, 2021), (B) by death, or (C) due to Disability, the RSUs subject to vesting at the next Vesting Date shall vest effective upon the date of such termination and be settled within 30 days following such termination, and any remaining outstanding and unvested RSUs shall be forfeited, effective upon the date of such termination; provided, however, that the acceleration provided by clause (C) shall not apply unless Participant actively provided services on at least one day in the one-year period immediately preceding such next Vesting Date.

(ii) In the event that the Participant's employment is terminated (A) by the Company (or its successor) and its Subsidiaries and Affiliates without Cause on or after the effective date of a Change in Control but prior to twelve (12) months following such Change in Control, or (B) by the Participant for Good Reason on or after the effective date of a Change in Control but prior to twelve (12) months following such Change in Control, then any unvested RSUs outstanding upon the date of such termination shall vest effective upon the date of such termination and be settled within 30 days following such termination.

(iii) In the event the Participant retires from the Company and its Subsidiaries and Affiliates (A) on or after attaining age sixty (60) with a minimum of five (5) years of service with the Company and its Subsidiaries and Affiliates and (B) after providing no less than six (6) months' advance written notice to the Company of the anticipated retirement, then any unvested RSUs outstanding upon the date of such retirement shall continue to vest (without any requirement of continued employment) effective at each applicable Vesting Date as follows:

(1) for a retirement date that occurs prior to February 15, 2025, unvested RSUs outstanding shall continue to vest on each applicable Vesting Date in an amount equal to the percentage of the number of full months employed since February 15, 2024 divided by 12 (with the remaining percentage of the unvested RSUs to be forfeited upon the date of such retirement); and

(2) for a retirement date that occurs on or after February 15, 2025, 100% of the unvested RSUs outstanding shall continue to fully vest on each applicable Vesting Date.

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**Section 4:**

The Participant shall have no voting rights with respect to RSUs outstanding on any applicable record date. Any ordinary or extraordinary cash or stock dividend that may be declared and paid on the Common Stock with a record date on or after the Date of Grant and prior to the settlement date of the RSUs shall be deposited (in the same form as was payable to the holders of Common Stock) in an account and be paid upon, and subject to, the

vesting and settlement of the RSUs. For the avoidance of doubt, the Participant shall not be entitled to payment of dividends or dividend equivalents with respect to an RSU unless and until the vesting and settlement of such RSU in accordance with this Agreement, and all such dividends or dividend equivalents with respect to any RSU shall forfeit upon the forfeiture of such RSU.

#### **Section 9:**

Delivery of shares of Stock is conditioned upon Participant's making arrangements satisfactory to the Administrator regarding payment of income and employment tax withholding requirements as set forth in Section 15 of the Plan; provided, however, that the Participant may elect, without the consent of the Company, to have the Company withhold from delivery of shares of Stock issuable upon the settlement of the RSUs such number of shares of Stock having a Fair Market Value not exceeding the applicable taxes to be withheld and applied to the tax obligations of the Participant as determined by the Company. In making its determination, the Company may calculate such amount by taking into account applicable withholding rates not exceeding the maximum individual statutory tax rates in the Participant's applicable jurisdictions.

#### **Section 11: Commitment to Avoid Detrimental Activities.**

The Participant understands the Company has developed, and is continuing to develop, substantial relationships with actual and prospective officers, directors, employees, consultants, agents, customers, residents, patients, referral sources, clients, vendors, suppliers, investors, and equity and financing sources, associate and customer goodwill, and confidential and proprietary business information and trade secrets, which the Company and its Subsidiaries and Affiliates have the right to protect in order to safeguard their legitimate business interests. Any misappropriation of such relationships or goodwill, or any improper disclosure or use of the Company's and its Subsidiaries' and Affiliates' confidential and proprietary business information and trade secrets would be highly detrimental to their business interests in that serious and substantial loss of business and pecuniary damages would result therefrom. The Participant also acknowledges and recognizes that an important purpose of this Agreement is to align the interests of Participant with those of the Company's stockholders and to ensure that the Participant does not engage in activity detrimental to the interests of the Company's stockholders if Participant is going to be allowed the opportunity to participate in the financial rewards that result from the RSUs and their relationship to the value of equity participation in the Company. In addition, Participant acknowledges that an ancillary purpose consistent with protecting the interests of the stockholders arises with respect to Participant because during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, the Participant shall have access to the Company's Confidential Information (as defined below) and will meet and

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develop such relationships and goodwill. Participant accordingly agrees to comply with the provisions of this Section 11 as a condition of receipt and retention of the RSUs provided for in this Agreement and their beneficial value. Participant acknowledges and agrees not to contest or dispute the Company's position that the prohibition of unfair competition provided for in this Section 11 is inextricably connected to and part of the Company's governance of its internal affairs and relates directly to the interests of the Company's stockholders. Nothing contained in this Section 11 shall limit any common law or statutory obligation that the Participant may have to the Company or any Subsidiary or Affiliate. For purposes of this Section 11, the "Company" refers to the Company and any incorporated or unincorporated affiliates of the Company, including any entity which becomes the Participant's employer as a result of any reorganization or restructuring of the Company for any reason. The Company shall be entitled, in connection with its tax planning or other reasons, to terminate the Participant's employment (which termination shall not be considered a termination for any purposes of this Agreement, any employment agreement, or otherwise) in connection with an invitation from another affiliate of the Company to accept employment with such affiliate in which case the terms and conditions hereof shall apply to the Participant's employment relationship with such entity *mutatis mutandis*.

For purposes of this Section 11, "Competing Business" means a business (which shall include any sole proprietorship, partnership, limited partnership, limited liability partnership, limited liability company, corporation or other for-profit or not-for-profit business organization) (A) engaged in the business of owning, operating, or managing senior living facilities within the United States or (B) that, itself or with its affiliates, provides private duty healthcare or other private duty services to patients or customers within any state that the Company or its subsidiaries or affiliates provides now, or provides during the Participant's employment, such private duty healthcare or other private duty services to patients or customers, and that derives, together with its controlled affiliates or together with its affiliates, more than 10% of its and its controlled affiliates or 10% of its and its affiliates, respectively, revenue from the provision of private duty healthcare or other private duty services to patients or customers.

**(a) Avoidance of Competition and Other Detrimental Acts During Engagement.** While employed or otherwise engaged as an individual to provide services to the Company (as an employee, consultant, or otherwise), Participant will comply with each of the restrictions and obligations below.

**(1)** While employed with the Company, Participant will comply at all times with Participant's duty of loyalty to the Company as an employee or agent of the Company placed in a position of special trust and confidence. This duty shall be understood to include, but not be limited to,

**(i)** an obligation not to engage or participate in the business of a Competing Business (defined below), or become employed with a Competing Business as an employee, owner, member, partner, consultant, director, or otherwise, without the express written consent of the Company,

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**(ii)** an obligation not to interfere with or otherwise knowingly cause harm to the Company's ongoing or prospective business relationship with a Company employee, consultant, or individual providing services as an independent contractor, or a supplier, distributor, vendor, customer, or other person or entity that does business with the Company or that the Company has a reasonable expectation of doing business with, and

**(iii)** an obligation to inform the Company of business opportunities that fall within the Company's line of business and not pursue them for personal gain separate from the Company without the Company's express written consent in advance, or otherwise participate in any conduct or relationship that creates a conflict of interest in violation of Company policies.

**(2)** Participant will not knowingly participate in or pursue activities that harm the value of the Company's intellectual property and will honor all agreements with the Company concerning the ownership and protection of proprietary works and intellectual property.

**(b) Avoidance of Competition and Other Detrimental Acts After Engagement.**

**(1) Noncompete.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate and for the one (1) year period immediately following the termination of such employment for any reason or for no reason, the Participant shall not directly or through the direction or control of others, either as a principal, agent, employee, employer, consultant, partner, shareholder of a closely held corporation or shareholder in excess of five percent of a publicly traded corporation, corporate officer or director, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is a Competing Business (as defined herein).

**(2) Solicitation of Employees, Clients, Referral Sources, Vendors, Etc.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and for the two (2) year period immediately following the date of termination of such employment for any reason (the "Non-Solicit Restricted Period"), the Participant shall not, directly or indirectly, jointly or individually, on Participant's own behalf or on behalf of or in assistance to any individual, person or entity, for any purpose or in any place:

**(i)** solicit, or attempt to solicit, for employment or service, or recruit or facilitate the hire, or attempt to recruit or facilitate the hire, of any Covered Employee (as defined below) or otherwise induce or encourage any Covered Employee to terminate or sever his, her, or its employment or other relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns; or

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(ii) (x) solicit business from any Covered Person (as defined below) in connection with, on behalf of or for the benefit of a Competing Business; or (y) otherwise induce or encourage any Covered Person to terminate, change, or reduce his, her, or its relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns for any reason.

Notwithstanding the foregoing, a general advertisement or solicitation for employment that is not targeted and that does not have the effect of being targeted to any current or former Covered Employee or Covered Person shall not, by itself, be deemed to be a violation of the restrictions on solicitation contained in this Section 11(b)(2). For purposes of this Section 11(b)(2), "Covered Employee" shall mean any officer, director, employee, or agent who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed or engaged at any time during the twelve (12) months prior to the Participant's termination of employment; provided, however, that any such individual who has ceased to be employed by or engaged with the Company or any Subsidiary or Affiliate for a period of at least six (6) months shall no longer be deemed a Covered Employee. "Covered Person" shall mean any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate or any of their successors or assigns. The restrictions contained in Section 11(b)(2) are understood to be reasonably limited by geography to those locations, and counties, where the Covered Employee and Covered Person are present and available for solicitation. However, to the extent additional geographic limitations are required to make the restrictions enforceable, they shall be deemed limited to the Territory.

"Territory" means: (i) those states and counties in which the Company is engaged in business (or actively planning to engage in business in the near term) (including state and state-equivalents and county and county-equivalents therein) at the time Participant's employment ends and/or about which Participant was provided access to Confidential Information during the Look Back Period (as defined below); and, (ii) the state and county where Participant resides.

"Look Back Period" means the last two years of Participant's employment or such shorter period of time as Participant was actually employed or engaged to provide personal services to the Company or its subsidiaries.

(c) **Disparaging Comments.** The Company and the Participant agree that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and any time thereafter, the Participant shall not make any disparaging or defamatory comments regarding the Company or any Subsidiary or Affiliate or any of their successors or assigns, and the Company and its Affiliates shall not make or issue any public statements which are disparaging or defamatory regarding the Participant, and after termination of such employment neither party shall make any comments concerning any aspect of the termination of their relationship. The obligations of the Company and the Participant under this Section 11(c) shall not apply to disclosures, reports, or communications required or protected by applicable law, regulation, or order of any court, arbitrator, or governmental agency.

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(d) **Confidentiality.** All books of account, records, systems, correspondence, documents, memoranda, manuals, email, electronic or magnetic recordings or data and any and all other data, or compilations of such data or information, in whatever form and any copies thereof, concerning or containing any reference to the works and business of the Company or any Subsidiary or Affiliate shall belong to the Company and shall be given up to the Company whenever the Company requires the Participant to do so, other than documents pertaining to Participant's individual compensation (such as pay stubs and benefit plan booklets). The Participant agrees that the Participant shall not at any time during the term of the Participant's employment with the Company or any Subsidiary or Affiliate, or at any time thereafter, without the Company's prior written consent, disclose to any individual, person or entity any Confidential Information, nor will Participant use, store, transmit, upload, copy, or download any Confidential Information, except as necessary in the performance of their job duties for the Company.

"Confidential Information" means any item or compilation of information or data, in whatever form (tangible or intangible), related to the Company's business that Participant acquires or gains access to in the course of their employment with the Company that the Company has not authorized public disclosure of, and that is not readily available to the public or persons outside the Company through proper means. By way of example and not limitation, Confidential Information is understood to include: (1) any financing strategies and practices, pricing strategies, structures and methods,



underlying pricing-related variables such as costs, volume discounting options, and profit margins; training and operational procedures, advertising, marketing, and sales information or methodologies or financial information, business forecasts and expansion plans; (2) information relating to the Company's or any Subsidiary's or Affiliate's or any of their customers', referral sources' or clients' practices, businesses, procedures, systems, plans or policies, client lists, or prospective client lists; (3) information relating to residents or patients and their contract terms; and (4) associate/personnel data, including contact information. Confidential Information shall be understood to include any and all Company trade secrets (as defined under applicable state or federal law), but an item need not be a trade secret to qualify as Confidential Information. An item of Confidential Information will ordinarily constitute a trade secret under state or federal law if (a) it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) it is the subject of efforts that are reasonable under the circumstances (or under federal law, using reasonable measures) to maintain its secrecy. Something is not acquired through proper means if acquired through theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy by contract or otherwise, or espionage through electronic or other means. For purpose of clarity, it shall still be a violation of this Agreement for a non-management employee to wrongfully compete by sharing Confidential Information, which was obtained through the course of employment with the Company, with a competitor about other employees' compensation and benefits for purposes of assisting such competitor in soliciting Company employees.

The Participant hereby confirms that all Confidential Information constitutes the Company's exclusive property, and that all of the restrictions on the Participant's activities contained in this Agreement and such other nondisclosure policies of the Company are required for the

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Company's reasonable protection. Confidential Information shall not include any information that has otherwise been disclosed to the public not in violation of this Agreement. This confidentiality provision shall survive the termination of this Agreement and shall not be limited by any other confidentiality agreements entered into with the Company or any Subsidiary or Affiliate. Notwithstanding the foregoing, nothing in this Agreement (or any other Company policy or contract to which the Participant is or was subject) shall be construed to prohibit the Participant from communicating with any federal, state or local governmental agency or commission with oversight of the Company without notice to the Company, as provided for, protected under or warranted by applicable law. Further, the restrictions provided for in this Section 11(d) shall not be construed to prohibit the use of general knowledge and experience customarily relied upon in Participant's trade or profession that is not specific to the particular business matters of the Company (such as its business transactions, customers, residents, clients, or employees).

With respect to any Confidential Information that constitutes a "trade secret" pursuant to applicable law, the restrictions described above shall remain in force for so long as the particular information remains a trade secret or for the two (2) year period immediately following termination of the Participant's employment for any reason, whichever is longer. With respect to any Confidential Information that does not constitute a "trade secret" pursuant to applicable law, the restrictions described above shall remain in force during Participant's employment and for the two (2) year period immediately following termination of such employment for any reason. Nothing in the foregoing shall be construed to permit Participant to recreate records of Confidential Information from memory or retain copies of Confidential Information in any form after their employment or engagement with the Company ends. Participant understands that they should have no records of this kind in their possession or control with which to refresh their memory after Participant's employment with the Company or any Subsidiary or Affiliate ends.

The Participant agrees that the Participant shall promptly disclose to the Company in writing all information and inventions generated, conceived or first reduced to practice by the Participant alone or in conjunction with others, during or after working hours, while in the employ of the Company or any Subsidiary or Affiliate (all of which is collectively referred to in this Agreement as "Proprietary Information"); provided, however, that such Proprietary Information shall not include (a) any information that has otherwise been disclosed to the public not in violation of this Agreement and (b) general business knowledge and work skills of the Participant, even if developed or improved by the Participant while in the employ of the Company or any Subsidiary of Affiliate. All such Proprietary Information shall be the exclusive property of the Company and is hereby assigned by the Participant to the Company. The Participant's obligation relative to the disclosure to the Company of such Proprietary Information anticipated in this Section 11(d) shall continue beyond the Participant's termination of employment and the Participant shall, at the Company's expense, give the Company all assistance it reasonably requires to perfect, protect and use its right to the Proprietary Information.

DTSA Notice: The Defend Trade Secrets Act of 2016 (DTSA) provides that no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a Federal, State, or local government official, either



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directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public. It also provides that an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret except as permitted by court order.

**(e) Enforcement.**

(1) The Participant acknowledges that compliance with all provisions, covenants and agreements set forth in this Agreement, and the duration, terms and geographical area thereof, are reasonable and necessary to protect the legitimate business interests of the Company and its Subsidiaries and Affiliates.

(2) The Participant acknowledges that a breach of the Participant's obligations under this Section 11 may result in irreparable and continuing damage to the Company and/or its Subsidiaries and Affiliates for which there is no adequate remedy at law.

(3) The Participant acknowledges that the Participant's education, experience and/or abilities are such that the enforcement of the restrictive covenants in this Agreement will not prevent the Participant from earning a living and will not cause any undue hardship upon the Participant.

(4) In the event of the violation by the Participant of any of the covenants contained in Section 11 the terms of each such covenant so violated shall be automatically extended from the date on which the Participant permanently ceases such violation for a period equal to the period in which the Participant was in breach of the covenant or for a period of twelve (12) months from the date of the entry by a court of competent jurisdiction of an order or judgment enforcing such covenant(s), whichever period is later; provided, however, this extension of time shall be capped, except as to violations of Section 11(d), so that the extension of time does not exceed two years from the date Participant's employment ended, and if this extension would make the restriction unenforceable under applicable law it will not be applied.

(5) Each of the restrictive covenants contained in this Agreement is independent of any other contractual obligations of this Agreement or otherwise owed by the Participant to the Company and/or its Subsidiaries and Affiliates. Further, should Participant be subject to an agreement with the Company containing confidentiality, non-solicitation, and/or noncompetition provisions, the restrictive covenants in this Agreement shall supplement (rather than supersede) the covenants in such other agreements ("Other Covenants"), and the Other Covenants shall remain in full force and effect. The existence of any claim or cause of action by the Participant against the Company and/or its Subsidiaries or Affiliates, whether based on this Agreement or otherwise, shall not create a defense to the enforcement by the Company and/or its Subsidiaries and Affiliates of any restrictive covenant contained in this Agreement.

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(6) Unless otherwise stated in Section 11(h), the Participant received a copy of this Agreement at least fourteen (14) days in advance of the date Participant was expected to sign it. Participant understands that the Company has advised them to use this time to consult with an attorney regarding this Agreement and that Participant has a right to do so.

**(7) Protected Conduct.** Nothing in this Agreement prohibits Participant from: (i) opposing an event or conduct that Participant reasonably believes is a violation of law, including criminal conduct, discrimination, harassment, retaliation, a safety or health violation, or other unlawful employment practices (whether in the workplace or at a work-related event); or (ii) disclosing sexual assault or sexual harassment (in the workplace, at work-related events, between employees, or between an employer and an employee or otherwise); or (iii) reporting such an event or conduct to Participant's attorney, law enforcement, or the relevant law-enforcement agency (such as the Securities and Exchange Commission, Department of Labor, Occupational Safety and Health Administration, Equal Employment Opportunity Commission, or any equivalent state or local government agencies), or (iv) making any truthful statements or disclosures required by law or otherwise cooperating in an investigation conducted by any government agency (collectively referred to as "Protected Conduct"). Further, nothing requires notice to or approval from the Company before engaging in such Protected Conduct.

**(f) Remedies.**

**(1)** It is intended that, in view of the nature of the Company's and its Subsidiaries' and Affiliates' business, the restrictions contained in this Agreement are considered reasonable and necessary to protect the Company's and its Subsidiaries' and Affiliates' legitimate business interests and that any violation of these restrictions would result in irreparable injury to the Company and/or its Subsidiaries and Affiliates. In the event of a breach (a "Covenant Breach") or threatened breach by the Participant of any provision contained herein, the Company and its Subsidiaries and Affiliates may seek a temporary restraining order and injunctive relief without the posting of a bond. Nothing contained herein shall be construed as prohibiting the Company or its Subsidiaries or Affiliates from pursuing any other legal or equitable remedies available to it or them for any breach or threatened breach of these provisions, including, without limitation, recoupment and other remedies specified in the Agreement. In the event of a dispute regarding, arising out of, or in connection with the breach, enforcement or interpretation of this Agreement, including, without limitation, any action seeking injunctive relief, and provided that the Company is the prevailing party, the Company shall recover from the Participant all reasonable attorneys' fees and costs incurred by the Company in connection therewith ("Attorneys' Fees Remedy"). The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified. If under applicable law, the foregoing cannot be enforced without also giving Participant the right to recover attorneys' fees and costs if deemed the prevailing party, then the foregoing sentence shall not apply and both parties shall bear their own attorney's fees and costs instead.

**(2)** In the event of a Covenant Breach, the Company shall have the authority to (i) cancel all outstanding RSUs, whether vested or unvested; (ii) cancel all shares of Stock

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beneficially owned by the Participant that were issued in settlement of RSUs within 12 months on or prior, or at any time after, the date of Participant's termination of employment ("Cancellable Shares"); and (iii) recoup from the Participant any proceeds from the Participant's sale, transfer or other disposition of Cancellable Shares; provided, however, that in the case of a Covenant Breach with respect to Section 11(b)(1) of this Addendum, the Company may not exercise such remedy unless Participant shall not have fully corrected such circumstances giving rise to the Covenant Breach under Section 11(b)(1) within thirty (30) days following written notification from the Company. The Company is hereby authorized by the Participant, as the Participant's attorney-in-fact, to execute all documents and undertake any required action on behalf of the Participant to transfer any Cancellable Shares back to the Company, after which the Participant shall not have any right, title, or interest of any kind to the Cancellable Shares. Participant acknowledges and agrees that the Company has no obligation of any kind to the Participant with respect to the cancellation of RSUs or the Cancellable Shares, or the recoupment of proceeds from the disposition of Cancellable Shares, pursuant to this Section, including, but not limited to, reimbursement for any taxes previously paid by the Participant with respect to Cancellable Shares. This remedy shall be in addition to all other remedies, including those set forth in this Agreement and any other agreements between the parties. If Participant resides in California, for so long as Participant resides in California, this subsection (f)(2) shall not apply.

**(g) Company Intellectual Property.** Participant recognizes that all Works conceived, created, or reduced to practice by Participant, alone or jointly with others, during Participant's employment related to the business of owning, operating, or managing senior living facilities or providing private duty healthcare or other services to patients or customers shall to the fullest extent permissible by law be considered the Company's sole and exclusive property and "works made for hire" as defined in the U.S. Copyright Laws for purposes of United States law and the law of any other country adhering to the "works made for hire" or similar notion or doctrine, and will be considered the Company's property from the moment of creation or conception forward for all purposes without the need for any further action or agreement by Participant or the Company. If any such Works or portions

thereof shall not be legally qualified as a work made for hire in the United States or elsewhere, or shall subsequently be held to not be a work made for hire or not the exclusive property of the Company, Participant hereby assigns to the Company all of Participant's rights, title and interest, past, present, and future, to such Works. Participant will not engage in any unauthorized publication or use of such Company Works, nor will Participant use same to compete with or otherwise cause damage to the business interests of the Company. "Works" mean original works of authorship, including, but not limited to: literary works (including all written material), mask works, computer programs, formulas, tests, notes, data compilations, databases, artistic and graphic works (including designs, graphs, drawings, blueprints, and other works), recordings, models, photographs, slides, motion pictures, and audio visual works; whether copyrightable or not, and regardless of the form or manner in which documented or recorded.

**(h) State-Specific Modifications.**

**(1) Alabama Addendum.** If a court of competent jurisdiction deems that Alabama law applies, then: (i) the definition of "Non-Solicit Restricted Period" shall be modified

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to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the eighteen (18) month period immediately following the date of termination of such employment for any reason; and (ii) the definition of "Covered Employee" shall be modified to be further limited to those employees who are uniquely essential to the management, organization, or service of the business (such as an employee involved in management or significant customer sales or servicing).

**(2) California Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in California during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in California:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of California law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of California. Section 11(b)(1) and (2) shall not apply after Participant's employment with the Company ends. However, any conduct relating to the solicitation of Company's residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, consultants, or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times, and nothing in this Agreement shall be construed to limit or eliminate any rights or remedies the Company would have against Participant under trade secret law, unfair competition law, or other laws applicable in California absent this Agreement. In addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful. The Attorneys' Fees Remedy in the last three sentences of Section 11(f)(1) shall be replaced with the following language: "In the event that the Company is successful in securing any temporary, preliminary, and/or permanent injunctive relief, and/or an award of damages or other judicial relief against Participant in connection with any breach of this Agreement, Participant agrees that the Company shall also be entitled to recover all remedies that may be awarded by a court of competent jurisdiction or arbitrator and any other legal or equitable relief allowed by law."

**(3) Colorado Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Colorado during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Colorado:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Colorado law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Colorado. The non-competition covenant in Section 11(b)(1) and the Covered Person non-solicitation in Section 11(b)(2)(ii) will not be enforceable against Participant unless Participant's

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earnings from the Company, when annualized, exceed the equivalent of \$112,500 per year or the earnings threshold in effect as adjusted annually by the Colorado Division of Labor Standards and Statistics in the Department of Labor and Employment. The definition of "Covered Person" shall be modified to cover only those customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants with respect to which Participant would have been provided trade secret information during the last two years of Participant's employment with the Company. Participant stipulates that the non-competition and covered person non-solicitation obligations in Sections 11(a), 11(b)(1), and 11(b)(2)(ii) are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act"). Participant acknowledges that they received notice of the covenant not to compete and its terms before Participant accepted an offer of employment, or, if a current employee at the time Participant enters into this Agreement, at least fourteen (14) days before the earlier of the effective date of the Agreement or the effective date of any additional compensation or change in the terms or conditions of employment that provides consideration for the covenant not to compete. The Confidential Information restrictions in this Agreement do not prohibit disclosure of information that arises from the worker's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that a worker otherwise has a right to disclose as legally protected conduct. Nothing in this Agreement or Company policy limits or prevents a worker from disclosing information about workplace health and safety practices or hazards. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing or discussing (either orally or in writing) information about unlawful acts in the workplace, such as any alleged discriminatory or unfair employment practice.

**(4) Georgia Addendum.** If a court of competent jurisdiction deems that Georgia law applies, then: (a) the definition of "Confidential Information" will be understood to exclude information voluntarily disclosed to the public by the Company (excluding unauthorized disclosures by Participant or others), information that is the result of independent development by others, and information that is otherwise available in the public domain through lawful means. Nothing in this Agreement, including the definition of Confidential Information, limits or alters the definition of what constitutes a trade secret under any federal or state law designed to protect trade secrets; (b) Participant acknowledges that the employee non-solicit obligations in Section 11(b)(2)(i) are limited to the Territory; and (c) nothing in the covered person non-solicitation obligations in Section 11(b)(2)(ii) shall restrict Participant from accepting business from a Covered Person so long as Participant did not solicit, assist in soliciting, facilitate the solicitation of, provide, or offer to provide services to the Covered Person (regardless of who first initiated contact) or use Confidential Information to encourage or induce the Covered Person to withdraw, curtail, or cancel its business with the Company or in any other manner modify or fail to enter into any actual or potential business relationship with the Company.

**(5) Idaho Addendum.** If a court of competent jurisdiction deems that Idaho law applies, then the definition of "Non-Compete Restricted Period" shall be modified to include

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the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

**(6) Illinois Addendum.** If a court of competent jurisdiction deems that Illinois law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11 immediately binding and enforceable against them; (ii) the non-competition restrictions in Section 11(b)(1) shall not apply if Participant earns equal to or less than \$75,000 annually ("Non-Competition Earnings Threshold") (with the Non-Competition Earnings Threshold increasing by \$5,000 every five years from January 1, 2027 through January 1, 2037); (iii) the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) shall not apply if Participant earns equal or less than \$45,000 annually ("Non-Solicit Earnings Threshold") (with the Non-Solicit Earnings Threshold increasing by \$2,500 every five years from January 1, 2027 through January 1, 2037). Participant further agrees that if, at the time Participant signs the Agreement, Participant's earnings do not meet the Non-Competition Earnings Threshold and/or the Non-Solicit Earnings Threshold, then the non-competition provision contained in Section 11(b)(1), will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Competition Earnings Threshold, and the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Solicit Earnings Threshold; and (iv) the Attorneys' Fees Remedy in the last three

sentences of Section 11(f)(1) relating to attorneys' fees shall be replaced with the following language: "In the event that any action is filed to enforce the terms and conditions of Section 11 of this Agreement, the prevailing party in the action will recover from the non-prevailing party, in addition to any other sum that either party may be called upon to pay, a reasonable sum for the prevailing party's attorney's fees and costs. The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified."

**(7) Indiana Addendum.** If a court of competent jurisdiction deems that Indiana law applies, then: the definition of "Covered Employee" shall be modified to be further limited to employees who have access to or possess any Confidential Information that would give a competitor an unfair advantage.

**(8) Louisiana Addendum.** If a court of competent jurisdiction deems that Louisiana law applies, then: (a) the meaning of Participant's "Territory" shall be understood to include the parishes (and equivalents) in the following list so long as Company continues to carry on business therein: Acadia, Allen, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Cameron, Catahoula, Desoto, Evangeline, Grant, Iberia, Jefferson Davis, Jefferson, Lafayette, LaSalle, Natchitoches, Orleans, Rapides, Red River, St. Charles, St. John the Baptist, St. Landry, St. Martin, St. Tammany, Tangipahoa, Vermillion, Vernon, Washington, Webster; and (b) Participant's Covered Person non-solicit obligations (as well as their non-compete obligations) shall be limited to the parishes and counties (or their equivalents) from the foregoing list that fall

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within Participant's Territory. Participant agrees that the foregoing provides Participant with adequate notice of the geographic scope of the restrictions contained in the Agreement by name of specific parish or parishes (and equivalents), municipality or municipalities, and/or parts thereof.

**(9) Maine Addendum.** If a court of competent jurisdiction deems that Maine law applies, then: (i) Participant acknowledges that if Participant is being initially hired by Company (or its Subsidiary or Affiliate) that Participant was notified a noncompete agreement would be required prior to their receiving a formal offer of employment from Company (or its Subsidiary or Affiliate) and Participant received a copy of the Agreement at least three business days before they were required to sign the Agreement; (ii) Section 11(b)(1) will not take effect (to restrict Participant post-employment) until one year of employment or a period of six months from the date the agreement is signed, whichever is later; and (iii) Section 11(b)(1) shall not apply if Participant earns at or below 400% of the federal poverty level.

**(10) Massachusetts Addendum.** If a court of competent jurisdiction deems that Massachusetts law applies, then: (i) Participant acknowledges that the opportunity to receive equity under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; however, if Participant breaches their fiduciary duty to the Company (or any Subsidiary or Affiliate) and/or has unlawfully taken, physically or electronically, any Company records, then the Non-Compete Restricted Period shall be extended to a period of two (2) years from the cessation of employment with the Company or any Subsidiary or Affiliate; (iii) the non-compete in Section 11(b)(1) shall only apply post-employment if Participant's employment ends voluntarily or involuntarily for cause. Participant understands that for the limited purposes of the application of the non-competition restriction in Section 11(b)(1) of the Agreement, "cause" to terminate Participant's employment exists if Participant has: (A) materially breached any obligations under any applicable employment, confidentiality, nonsolicitation, invention assignment, or noncompetition agreement with the Company; (B) been convicted of or entered a plea of guilty or nolo contendere to, or admission to facts sufficient for a finding of guilt for, any crime constituting a felony or any misdemeanor involving fraud, dishonesty and/or moral turpitude; (C) neglected, refused, or failed to discharge their duties (other than due to physical or mental illness) commensurate with their title and function, or their failure to comply with a lawful direction of the Company; (D) breached their duty of loyalty or fiduciary duty to the Company; (E) violated the Company's policy or policies; (F) engaged in unlawful discrimination or harassment; (G) engaged in any other willful misconduct which is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; and/or (H) engaged in any other act that is accepted as cause for termination under the common law of the Commonwealth of Massachusetts. Nothing in this herein shall be construed to eliminate or modify the "at-will" nature of the parties' relationship; (iv) Participant acknowledges that they have been advised of their right to consult with an attorney about this Agreement and has been given an opportunity to do so; (v) Participant acknowledges that if they

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are being initially hired by the Company that they received a copy of this Agreement with their first formal offer of employment from the Company or at least ten (10) business days before commencement of Participant's employment by the Company, whichever came first; and if Participant was already employed by the Company at the time of signing this Agreement, that Participant was provided a copy hereof at least ten (10) business days before the effective date of this Agreement; (vi) the tolling language in Section 11(e)(4) shall only apply to any breach of Section 11(b)(2) (i.e., the tolling language shall not apply to Section 11(b)(1)); and (vii) any dispute relating to or arising out of Section 11 shall be exclusively finally resolved by a state or federal court located in the county where Participant resides or the business litigation session of the superior court in Suffolk County, Massachusetts and the parties to this Agreement hereby consent to personal jurisdiction therein.

**(11) Minnesota Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Minnesota during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Minnesota: The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Minnesota law, and nothing in this Agreement shall require Participant to litigate a claim relating to Section 11 outside of Minnesota. In addition, the non-compete in Section 11(b)(1) shall not apply after Participant's employment with the Company ends.

**(12) Missouri Addendum.** If a court of competent jurisdiction deems that Missouri law applies, then: the definition of "Covered Employee" will be modified to exclude from its definition any employee who provides only secretarial or clerical services.

**(13) Nebraska Addendum.** If a court of competent jurisdiction deems that Nebraska law applies, then: (a) the definition of "Covered Person" shall be further limited to those Covered Persons with which Participant, alone or in combination with others, handled, serviced, or solicited at any time during the Look Back Period; and (b) the non-compete in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends.

**(14) Nevada Addendum.** If a court of competent jurisdiction deems that Nevada law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is valuable and sufficient to make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the non-competition in Section 11(b)(1) and the Covered Person non-solicit obligations in Section 11(b)(2)(ii) do not preclude Participant from providing services to any former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant of the Company if: (A) Participant did not solicit the former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant; (B) the customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant voluntarily chose to leave and seek services from Participant; and (C) Participant is otherwise complying with the limitations in Section 11 of this Agreement as to time, geographical area, and scope of activity to be restrained; and (iii) if

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Participant's employment with the Company (or its Subsidiary or Affiliate) is terminated as a result of a reduction in force, reorganization, or similar restructuring of the Company (or its Subsidiary or Affiliate), the noncompetition covenant in Section 11(b)(1) will only be enforceable during the period in which Company is paying Participant's salary, benefits, or equivalent compensation, including without limitation, severance pay, if it elects to make such a payment.

**(15) New Hampshire Addendum.** If a court of competent jurisdiction deems that New Hampshire law applies, then Participant acknowledges that Participant was given a copy of this Agreement prior to a change in job classification or acceptance of an offer of employment.

**(16) New York Addendum.** If a court of competent jurisdiction deems that New York law applies, then: "Covered Person" shall be modified to exclude from its definition any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate which entered into a business relationship with the Company (or its Subsidiary or



Affiliate) as a result of Participant's independent contact and business development efforts with the customer prior to and independent from Participant's employment with Company (or its Subsidiary or Affiliate).

**(17) North Carolina Addendum.** If a court of competent jurisdiction deems that North Carolina law applies, then: the Look Back Period shall be calculated looking back one year from the date the employment ends or two years from the date of enforcement and not from the date employment ends, whichever provides the Company the greatest protection and is enforceable under applicable law.

**(18) Oklahoma Addendum.** If a court of competent jurisdiction deems that Oklahoma law applies, then: (i) the non-competition restrictions in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends; and (ii) the Covered Person non-solicit obligations shall all be amended to provide that notwithstanding anything in it to the contrary, Participant shall be permitted to engage in the same business as that conducted by Company or in a similar business as long as Participant does not directly solicit the sale of goods, services or a combination of goods and services from the established customers, residents or patients of the Company or its Subsidiary or Affiliate.

**(19) Oregon Addendum.** If a court of competent jurisdiction deems that Oregon law applies, then: (i) the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; and (ii) unless the Company chooses to compensate Participant as allowed under the Oregon Noncompete Act (Or. Rev. Stat. § 653 et seq.), the restrictions in Section 11(b)(1) shall only apply to Participant if: (A) they are engaged in administrative, executive or professional work and perform predominantly intellectual, managerial, or creative tasks, exercise discretion and independent judgment and earn a salary and am paid on a salary basis; (B) the Company has a "protectable interest" (meaning, access to trade

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secrets or competitively sensitive confidential business or professional information that otherwise would not qualify as a trade secret, including product development plans, product launch plans, marketing strategy or sales plans); and (C) the total amount of Participant's annual gross salary and commission, calculated on an annual basis, at the time of my termination, exceeds \$100,533 (or the earnings threshold in effect based on annual adjustment for inflation pursuant to the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor immediately preceding the calendar year of Participant's termination). In addition, if Participant is a new employee, Participant acknowledges that they were notified in a written offer of employment received two weeks before the commencement of employment that a noncompetition agreement was a condition of employment.

**(20) Utah Addendum.** If a court of competent jurisdiction deems that Utah law applies, the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

**(21) Virginia Addendum.** If a court of competent jurisdiction deems that Virginia law applies, then: (i) the parties agree that the non-competition and non-solicitation obligations are reasonably limited in nature and do not prohibit employment with a competing business in a non-competitive position; and (ii) if Participant resides in Virginia and their average weekly earnings calculated as provided for under Code of Virginia § 40.1-28.7:7 (the "Virginia Act"), are less than the average weekly wage of the Commonwealth as determined pursuant to subsection B of § 65.2-500 or Participant otherwise qualifies as a "low-wage employee" under the Virginia Act then the non-competition obligations in Section 11(b)(1) shall not apply to Participant and nothing in the Covered Person non-solicit obligations in Section 11(b)(2)(ii) shall restrict Participant from providing a service to a Covered Person if Participant does not initiate contact with or solicit the Covered Person. Participant shall not be considered a "low-wage employee" if Participant's earnings are derived, in whole or in predominant part, from sales commissions, incentives, or bonuses paid to the employee by Company (or its Subsidiary or Affiliate).

**(22) Washington Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Washington during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Washington:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of the Washington Noncompete Act (Rev. Code of Wash. (RCW) §§ 49.62.005 - 900) (the "Washington Act") and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Washington. Section 11(b)(2) of this Addendum is modified to during employment and for a period of eighteen (18) months immediately following the date of Participant's termination from the Company and to only prohibit solicitation by Participant (i) of any Covered Employee

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of the Company to leave employment with the Company, and (ii) of any Covered Person of the Company to cease or reduce the extent to which it is doing business with the Company; in accordance with the definition of an enforceable "Nonsolicitation Agreement" under the Washington Act. The non-competition covenant in Section 11(b)(1) will not be or become enforceable against Participant unless or until Participant's earnings from the Company over the prior year (or the portion thereof for which Participant was employed), when annualized, exceed the equivalent of \$116,594 per year or the then inflation-adjusted equivalent in accordance with the requirements of the Washington Act. "Covered Person" means a customer (including a resident or patient) of the Company or any Subsidiary or Affiliate or any of their successors or assigns that Participant had material contact with during the two (2) years prior to Participant's termination of employment. Material contact will be presumed present if in the two-year period Participant (or persons under Participant's supervision) had contact with the customer, resident, or patient, or Participant was provided Confidential Information about the customer, resident, or patient, or Participant received commissions or other beneficial credit for business conducted with the customer, resident, or patient. "Covered Employee" shall mean any employee who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed at any time during the twelve (12) months prior to the Participant's termination of employment and with whom Participant worked, whom Participant supervised, or about whom Participant acquired Confidential Information. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement prohibits disclosure or discussion of conduct Participant reasonably believes to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as against a clear mandate of public policy.

**(23) Wisconsin Addendum.** If a court of competent jurisdiction deems that Wisconsin law applies, then: (i) the tolling language in Section 11(e)(4) shall not apply; and (ii) the definition of "Covered Employee" shall be modified to be further limited to those employees who are either entrusted with Confidential Information or employed in a position essential to the management, organization, or service of the business (such as, but not limited to maintaining Company's or its Subsidiary's or Affiliate's customer and other key relationships).

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**Exhibit 10.2**

**RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN**

This Award Agreement, including the Addendum hereto (this "Agreement"), dated as of February 15, 2024 (the "Date of Grant"), is made by and between Brookdale Senior Living Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ (the "Participant"). Capitalized terms not defined herein shall have the meaning ascribed to them in the Brookdale Senior Living Inc. 2014 Omnibus Incentive Plan (as amended and/or restated from time to time, the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

**1. Grant of RSUs.** The Company hereby grants to the Participant \_\_\_\_\_ restricted stock units (the "RSUs") under the Plan, which shall be subject to all of the terms and conditions of this Agreement and the Plan.

**2. Vesting.**



(a) **General.** Subject to the provisions set forth below, the RSUs shall vest at such times (each, including as provided in subparagraphs (b) and (c), a "Vesting Date") and in the amounts set forth below, subject to the continued employment of the Participant by the Company or one of its Subsidiaries or Affiliates (or a successor to any of them) from the Date of Grant to such Vesting Date:

Incremental Number of RSUs Vested	Scheduled Vesting Date
	February 27, 2025
	February 27, 2026
	February 27, 2027

(b) **Award Not Assumed Following Change in Control.** Upon the occurrence of a Change in Control, if the outstanding RSUs are not assumed, continued or substituted with an award relating to a publicly-traded security of the acquirer (or the Company) on the same terms and conditions that were applicable to the outstanding RSUs immediately prior to the Change in Control, then all outstanding RSUs immediately prior to the Change in Control shall vest and be settled upon the consummation of the Change in Control.

(c) **Following Termination of Employment.** Except as otherwise provided in Section 2 of the Addendum, which is incorporated herein, upon termination of the Participant's employment with the Company and its Subsidiaries and Affiliates for any reason, all unvested RSUs outstanding as of the date of such termination shall automatically and without notice terminate and be forfeited and neither the Participant nor any of the Participant's successors,

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heirs, assigns, or personal representatives shall thereafter have any further rights or interests in such RSUs.

3. **Settlement of Restricted Stock Units.** As soon as practicable following each Vesting Date (but in no event later than 30 days following the Vesting Date or such earlier time specified in this Agreement), the Company shall issue to the Participant the number of shares of Stock equal to the aggregate number of RSUs that have vested pursuant to this Agreement on such date and the Participant shall thereafter have all the rights of a stockholder of the Company with respect to such shares. Notwithstanding anything in this Agreement to the contrary, no fractional shares shall vest or be issuable under this Agreement, and any such fractional shares shall be rounded down to the next whole share; *provided*, that the Administrator may, in its sole discretion, provide a cash payment in lieu of any such fractional share.

4. **Rights as a Stockholder.** Section 4 of the Addendum is incorporated herein.

5. **Adjustments.** Pursuant to Section 5 of the Plan, in the event of a change in capitalization as described therein, the Administrator shall make such equitable changes or adjustments, as it deems necessary or appropriate, in its discretion, to the number and kind of securities or other property (including cash) issued or issuable in respect of outstanding RSUs.

6. **Certain Changes.** The Administrator may accelerate the vesting dates or otherwise adjust any of the terms of the RSUs; provided that, subject to Section 5 of the Plan and Section 11(f) of the Addendum to this Agreement, no action under this Section shall adversely affect the Participant's rights hereunder.

7. **Notices.** All notices and other communications under this Agreement shall be in writing and shall be given by facsimile or first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing or 24 hours after transmission by facsimile to the respective parties, as follows: (i) if to the Company, at Brookdale Senior Living Inc., 111 Westwood Place, Suite 400, Brentwood, TN 37027, Facsimile: (615) 564-8204, Attn: General Counsel and (ii) if to the Participant, using the contact information on file with the Company. Either party hereto may change such party's address for notices by notice duly given pursuant hereto. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any notice or other communications related to the RSUs, this Agreement or current or future participation in the Plan by electronic means. The Participant hereby consents to receive such notices and other communications by electronic

delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company (including the Company's stock plan service provider's website).

8. Taxes. The Participant has reviewed with the Participant's own tax advisors the Federal, state, local and foreign tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant acknowledges and agrees that the Participant is responsible for the tax consequences associated with the award and vesting of the RSUs.

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9. Withholding. The provisions of Section 9 of the Addendum to this Agreement are incorporated herein.

10. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. Restrictive Covenants. The provisions of Section 11 of the Addendum to this Agreement are incorporated herein.

12. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws. If during the Participant's employment with Company, the Participant primarily resides or is primarily assigned to Company or one of its Subsidiary or Affiliate location(s) in California, Colorado, Minnesota, or Washington, then for so long as the Participant primarily resides in such state or is primarily assigned to location(s) in such states during the Participant's employment, this Section 12 shall not apply to the covenants in Section 11 of the Addendum.

13. Incorporation of Plan. The Plan is hereby incorporated by reference and made a part hereof, and the RSUs and this Agreement shall be subject to all terms and conditions of the Plan.

14. Amendments; Construction. The Administrator may amend the terms of this Agreement prospectively or retroactively at any time, but no such amendment shall impair the rights of the Participant hereunder without the Participant's consent. Headings to Sections of this Agreement are intended for convenience of reference only, are not part of this Agreement and shall have no effect on the interpretation hereof.

15. Survival of Terms. This Agreement shall apply to and bind the Participant and the Company and their respective permitted assignees and transferees, heirs, legatees, executors, administrators and legal successors. The terms of Section 11 of the Addendum shall expressly survive the vesting and/or forfeiture of the RSUs and any expiration or termination of this Agreement.

16. Compliance with Stock Ownership and Retention Guidelines. The Participant hereby agrees to comply with the Company's Stock Ownership and Retention Guidelines (as amended from time to time, the "Guidelines"), to the extent such Guidelines are applicable, or become applicable, to the Participant. The Participant further acknowledges that, if the Participant is not in compliance with such Guidelines (if applicable), the Administrator may refrain from issuing additional equity awards to the Participant and/or elect to pay the Participant's annual bonus in the form of vested or unvested Common Stock.

17. Agreement Not a Contract for Services. Neither the Plan, the granting of the RSUs, this Agreement nor any other action taken pursuant to the Plan shall constitute or be evidence of any agreement or understanding, express or implied, that the Participant has a right to continue to provide services as an officer, director, employee, consultant or advisor of the

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Company or any Subsidiary or Affiliate for any period of time or at any specific rate of compensation.

18. **Restrictions.** The RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Participant, and any shares of Stock issuable with respect to the RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until such shares of Stock have been issued to the Participant upon vesting of the RSUs in accordance with the terms of the Plan and this Agreement. Unless the Administrator determines otherwise, upon any attempt to transfer RSUs or any rights in respect of RSUs before the lapse of such restrictions, such RSUs, and all of the rights related thereto, shall be immediately forfeited by the Participant and transferred to, and reacquired by, the Company without consideration of any kind.

19. **Authority of the Administrator.** The Administrator shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Administrator as to any such matter of interpretation or construction shall be final, binding and conclusive.

20. **Severability.** Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable, or enforceable only if modified, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the parties hereto with any such modification (if any) to become a part hereof and treated as though contained in this original Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable, in lieu of severing such unenforceable provision, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear, and such determination by such judicial body shall not affect the enforceability of such provision or provisions in any other jurisdiction.

21. **Acceptance.** The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the RSUs subject to all the terms and conditions of the Plan and this Agreement. The Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under this Agreement. By the Participant's electronically accepting the award of the RSUs using an online or electronic system established and maintained by the Company or a third party designated by the Company (including the Company's stock plan service provider's website), the Participant agrees to be bound by the terms and conditions of the Plan and this Agreement. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Participant's electronic acceptance of the award of the RSUs shall have the same validity and effect as a signature affixed to this Agreement by the Participant's hand. Participant understands their participation in the terms of the Plan and this Agreement through acceptance of RSUs is entirely voluntary, and is not a term

and/or condition of employment but is instead an award granted on a discretionary basis to align Participant's interests with those of the Company's stockholders and is an award that Participant is free to decline at Participant's discretion.

22. **Limitation on Rights; Extraordinary Item of Compensation.** By accepting this Agreement and the grant of the RSUs contemplated hereunder, the Participant expressly acknowledges that (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be suspended or terminated by the Company at any time, to the extent permitted by the Plan; (b) the grant of RSUs is exceptional, voluntary, and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past; (c) all determinations with respect to future grants of RSUs, if any, including the date of grant, the number of units granted and the applicable vesting terms, will be at the sole discretion of the Company; (d) the Participant's participation in the Plan is voluntary; and (e) the future value of the underlying Shares is unknown and cannot be predicted with certainty. In addition, the Participant understands, acknowledges and agrees that the Participant will have no rights to compensation or damages related to RSU proceeds in consequence of the termination of the Participant's employment for any reason whatsoever and whether or not in breach of contract, other than as set forth in the Plan or in this Agreement.

23. **Section 409A.** This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSUs are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code. Notwithstanding anything to the contrary in this Agreement or an accompanying election form executed by the Participant, if (i) on the date of the Participant's Separation from Service with the Company the Participant is a "specified employee" (as such term is defined under Section 1.409A-1(i) of the

Treasury Regulations promulgated under Section 409A of the Code) of the Company and (ii) any payments to be provided to the Participant pursuant to this Agreement are or may become subject to the additional tax under Section 409A(a)(1)(B) of the Code, or any other taxes or penalties imposed under Section 409A of the Code if provided at the time otherwise required under this Agreement, then such payments shall be delayed until the date that is six months after the date of the Participant's separation from service from the Company, or if earlier, his or her death. Any payments delayed pursuant to this paragraph shall be made in a lump sum on the first day of the seventh month following the Participant's separation from service, or if earlier, the Participant's death. Each payment upon settlement of RSUs (and any related dividend or related dividend equivalent rights) constitutes a "separate payment" for purposes of Section 409A of the Code. Notwithstanding any other provision of this Agreement, if and to the extent that any payment under this Agreement constitutes non-qualified deferred compensation under Section 409A of the Code, and is payable upon (i) the Participant's termination of employment, then such payment shall be made or provided to the Participant only upon a "separation from service" as defined for purposes of Section 409A of the Code, or (ii) a Change in Control, then such payment shall be made or provided to the Participant only upon a "change in the ownership", a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the applicable corporation as defined for purposes of Section 409A of the Code.

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*[signature page follows]*

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**BROOKDALE SENIOR LIVING INC.**

By:

Name:

Title:

**PARTICIPANT**

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**ADDENDUM TO  
RESTRICTED STOCK UNIT AGREEMENT**

**UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN**

**Section 2:**

Notwithstanding Section 2(c) or anything in the Agreement to the contrary:

(i) In the event that the Participant's employment is terminated (other than as described in subparagraph (ii)) (A) by the Company and its Subsidiaries and Affiliates without Cause, (B) by death, or (C) due to Disability, the RSUs subject to vesting at the next Vesting Date shall vest effective upon the date of such termination and be settled within 30 days following such termination, and any remaining outstanding and unvested RSUs shall be forfeited, effective upon the date of such termination; provided, however, that the acceleration provided by clause (C) shall not apply unless Participant actively provided services on at least one day in the one-year period immediately preceding such next Vesting Date.

(ii) In the event that the Participant's employment is terminated (A) by the Company (or its successor) and its Subsidiaries and Affiliates without Cause on or after the effective date of a Change in Control but prior to twelve (12) months following such Change in Control, or (B) by the Participant for Good Reason (as defined in the Company's Amended and Restated Tier I Severance Pay Policy or the Company's Amended and Restated Tier II Severance Pay Policy, whichever is applicable to the Participant) on or after the effective date of a Change in Control but prior to twelve (12) months following such Change in Control, then any unvested RSUs outstanding upon the date of such termination shall vest effective upon the date of such termination and be settled within 30 days following such termination.

(iii) In the event the Participant retires from the Company and its Subsidiaries and Affiliates (A) on or after attaining age sixty (60) with a minimum of five (5) years of service with the Company and its Subsidiaries and Affiliates and (B) after providing no less than six (6) months' advance written notice to the Company of the anticipated retirement, then any unvested RSUs outstanding upon the date of such retirement shall continue to vest (without any requirement of continued employment) effective at each applicable Vesting Date as follows:

(1) for a retirement date that occurs prior to February 15, 2025, unvested RSUs outstanding shall continue to vest on each applicable Vesting Date in an amount equal to the percentage of the number of full months employed since February 15, 2024 divided by 12 (with the remaining percentage of the unvested RSUs to be forfeited upon the date of such retirement); and

(2) for a retirement date that occurs on or after February 15, 2025, 100% of the unvested RSUs outstanding shall continue to fully vest on each applicable Vesting Date.

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**Section 4:**

The Participant shall have no voting rights with respect to RSUs outstanding on any applicable record date. Any ordinary or extraordinary cash or stock dividend that may be declared and paid on the Common Stock with a record date on or after the Date of Grant and prior to the settlement date of the RSUs shall be deposited (in the same form as was payable to the holders of Common Stock) in an account and be paid upon, and subject to, the vesting and settlement of the RSUs. For the avoidance of doubt, the Participant shall not be entitled to payment of dividends or dividend equivalents with respect to an RSU unless and until the vesting and settlement of such RSU in accordance with this Agreement, and all such dividends or dividend equivalents with respect to any RSU shall forfeit upon the forfeiture of such RSU.

**Section 9:**

Delivery of shares of Stock is conditioned upon Participant's making arrangements satisfactory to the Administrator regarding payment of income and employment tax withholding requirements as set forth in Section 15 of the Plan; provided, however, that the Participant may elect, without the consent of the Company, to have the Company withhold from delivery of shares of Stock issuable upon the settlement of the RSUs such number of shares of Stock having a Fair Market Value not exceeding the applicable taxes to be withheld and applied to the tax obligations of the Participant as determined by the Company. In making its determination, the Company may calculate such amount by taking into account applicable withholding rates not exceeding the maximum individual statutory tax rates in the Participant's applicable jurisdictions.

## **Section 11: Commitment to Avoid Detrimental Activities.**

The Participant understands the Company has developed, and is continuing to develop, substantial relationships with actual and prospective officers, directors, employees, consultants, agents, customers, residents, patients, referral sources, clients, vendors, suppliers, investors, and equity and financing sources, associate and customer goodwill, and confidential and proprietary business information and trade secrets, which the Company and its Subsidiaries and Affiliates have the right to protect in order to safeguard their legitimate business interests. Any misappropriation of such relationships or goodwill, or any improper disclosure or use of the Company's and its Subsidiaries' and Affiliates' confidential and proprietary business information and trade secrets would be highly detrimental to their business interests in that serious and substantial loss of business and pecuniary damages would result therefrom. The Participant also acknowledges and recognizes that an important purpose of this Agreement is to align the interests of Participant with those of the Company's stockholders and to ensure that the Participant does not engage in activity detrimental to the interests of the Company's stockholders if Participant is going to be allowed the opportunity to participate in the financial rewards that result from the RSUs and their relationship to the value of equity participation in the Company. In addition, Participant acknowledges that an ancillary purpose consistent with protecting the interests of the stockholders arises with respect to Participant because during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, the Participant shall have access to the Company's Confidential Information (as defined below) and will meet and

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develop such relationships and goodwill. Participant accordingly agrees to comply with the provisions of this Section 11 as a condition of receipt and retention of the RSUs provided for in this Agreement and their beneficial value. Participant acknowledges and agrees not to contest or dispute the Company's position that the prohibition of unfair competition provided for in this Section 11 is inextricably connected to and part of the Company's governance of its internal affairs and relates directly to the interests of the Company's stockholders. Nothing contained in this Section 11 shall limit any common law or statutory obligation that the Participant may have to the Company or any Subsidiary or Affiliate. For purposes of this Section 11, the "Company" refers to the Company and any incorporated or unincorporated affiliates of the Company, including any entity which becomes the Participant's employer as a result of any reorganization or restructuring of the Company for any reason. The Company shall be entitled, in connection with its tax planning or other reasons, to terminate the Participant's employment (which termination shall not be considered a termination for any purposes of this Agreement, any employment agreement, or otherwise) in connection with an invitation from another affiliate of the Company to accept employment with such affiliate in which case the terms and conditions hereof shall apply to the Participant's employment relationship with such entity *mutatis mutandis*.

For purposes of this Section 11, "Competing Business" means a business (which shall include any sole proprietorship, partnership, limited partnership, limited liability partnership, limited liability company, corporation or other for-profit or not-for-profit business organization) (A) engaged in the business of owning, operating, or managing senior living facilities within the United States or (B) that, itself or with its affiliates, provides private duty healthcare or other private duty services to patients or customers within any state that the Company or its subsidiaries or affiliates provides now, or provides during the Participant's employment, such private duty healthcare or other private duty services to patients or customers, and that derives, together with its controlled affiliates or together with its affiliates, more than 10% of its and its controlled affiliates or 10% of its and its affiliates, respectively, revenue from the provision of private duty healthcare or other private duty services to patients or customers.

**(a) Avoidance of Competition and Other Detrimental Acts During Engagement.** While employed or otherwise engaged as an individual to provide services to the Company (as an employee, consultant, or otherwise), Participant will comply with each of the restrictions and obligations below.

**(1)** While employed with the Company, Participant will comply at all times with Participant's duty of loyalty to the Company as an employee or agent of the Company placed in a position of special trust and confidence. This duty shall be understood to include, but not be limited to,

**(i)** an obligation not to engage or participate in the business of a Competing Business (defined below), or become employed with a Competing Business as an employee, owner, member, partner, consultant, director, or otherwise, without the express written consent of the Company,

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(ii) an obligation not to interfere with or otherwise knowingly cause harm to the Company's ongoing or prospective business relationship with a Company employee, consultant, or individual providing services as an independent contractor, or a supplier, distributor, vendor, customer, or other person or entity that does business with the Company or that the Company has a reasonable expectation of doing business with, and

(iii) an obligation to inform the Company of business opportunities that fall within the Company's line of business and not pursue them for personal gain separate from the Company without the Company's express written consent in advance, or otherwise participate in any conduct or relationship that creates a conflict of interest in violation of Company policies.

(2) Participant will not knowingly participate in or pursue activities that harm the value of the Company's intellectual property and will honor all agreements with the Company concerning the ownership and protection of proprietary works and intellectual property.

**(b) Avoidance of Competition and Other Detrimental Acts After Engagement.**

**(1) Noncompete.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate and for the one (1) year period immediately following the termination of such employment for any reason or for no reason, the Participant shall not directly or through the direction or control of others, either as a principal, agent, employee, employer, consultant, partner, shareholder of a closely held corporation or shareholder in excess of five percent of a publicly traded corporation, corporate officer or director, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is a Competing Business (as defined herein). Notwithstanding the foregoing, (i) if the Participant's employment is terminated by the Participant after Participant experiences an aggregate reduction to the Participant's annual target cash compensation by 20% or more, the covenant in this Section 11(b)(1) shall not apply; and (ii) the covenant in this Section 11(b)(1) shall not be interpreted to restrict the Participant's right to practice law in violation of any rules of professional conduct applicable to the Participant.

**(2) Solicitation of Employees, Clients, Referral Sources, Vendors, Etc.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and for the two (2) year period immediately following the date of termination of such employment for any reason (the "Non-Solicit Restricted Period"), the Participant shall not, directly or indirectly, jointly or individually, on Participant's own behalf or on behalf of or in assistance to any individual, person or entity, for any purpose or in any place:

(i) solicit, or attempt to solicit, for employment or service, or recruit or facilitate the hire, or attempt to recruit or facilitate the hire, of any Covered Employee (as defined below) or otherwise induce or encourage any Covered

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Employee to terminate or sever his, her, or its employment or other relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns; or

(ii) (x) solicit business from any Covered Person (as defined below) in connection with, on behalf of or for the benefit of a Competing Business; or (y) otherwise induce or encourage any Covered Person to terminate, change, or reduce his, her, or its relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns for any reason.



Notwithstanding the foregoing, a general advertisement or solicitation for employment that is not targeted and that does not have the effect of being targeted to any current or former Covered Employee or Covered Person shall not, by itself, be deemed to be a violation of the restrictions on solicitation contained in this Section 11(b)(2). For purposes of this Section 11(b)(2), "Covered Employee" shall mean any officer, director, employee, or agent who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed or engaged at any time during the twelve (12) months prior to the Participant's termination of employment; provided, however, that any such individual who has ceased to be employed by or engaged with the Company or any Subsidiary or Affiliate for a period of at least six (6) months shall no longer be deemed a Covered Employee. "Covered Person" shall mean any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate or any of their successors or assigns. The restrictions contained in Section 11(b)(2) are understood to be reasonably limited by geography to those locations, and counties, where the Covered Employee and Covered Person are present and available for solicitation. However, to the extent additional geographic limitations are required to make the restrictions enforceable, they shall be deemed limited to the Territory.

"Territory" means: (i) those states and counties in which the Company is engaged in business (or actively planning to engage in business in the near term) (including state and state-equivalents and county and county-equivalents therein) at the time Participant's employment ends and/or about which Participant was provided access to Confidential Information during the Look Back Period (as defined below); and, (ii) the state and county where Participant resides.

"Look Back Period" means the last two years of Participant's employment or such shorter period of time as Participant was actually employed or engaged to provide personal services to the Company or its subsidiaries.

(c) **Disparaging Comments.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and any time thereafter, the Participant shall not make any disparaging or defamatory comments regarding the Company or any Subsidiary or Affiliate or any of their successors or assigns, or any time after termination of such employment, make any comments concerning any aspect of the termination of their relationship.

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(d) **Confidentiality.** All books of account, records, systems, correspondence, documents, memoranda, manuals, email, electronic or magnetic recordings or data and any and all other data, or compilations of such data or information, in whatever form and any copies thereof, concerning or containing any reference to the works and business of the Company or any Subsidiary or Affiliate shall belong to the Company and shall be given up to the Company whenever the Company requires the Participant to do so, other than documents pertaining to Participant's individual compensation (such as pay stubs and benefit plan booklets). The Participant agrees that the Participant shall not at any time during the term of the Participant's employment with the Company or any Subsidiary or Affiliate, or at any time thereafter, without the Company's prior written consent, disclose to any individual, person or entity any Confidential Information, nor will Participant use, store, transmit, upload, copy, or download any Confidential Information, except as necessary in the performance of their job duties for the Company.

"Confidential Information" means any item or compilation of information or data, in whatever form (tangible or intangible), related to the Company's business that Participant acquires or gains access to in the course of their employment with the Company that the Company has not authorized public disclosure of, and that is not readily available to the public or persons outside the Company through proper means. By way of example and not limitation, Confidential Information is understood to include: (1) any financing strategies and practices, pricing strategies, structures and methods, underlying pricing-related variables such as costs, volume discounting options, and profit margins; training and operational procedures, advertising, marketing, and sales information or methodologies or financial information, business forecasts and expansion plans; (2) information relating to the Company's or any Subsidiary's or Affiliate's or any of their customers', referral sources' or clients' practices, businesses, procedures, systems, plans or policies, client lists, or prospective client lists; (3) information relating to residents or patients and their contract terms; and (4) associate/personnel data, including contact information. Confidential Information shall be understood to include any and all Company trade secrets (as defined under applicable state or federal law), but an item need not be a trade secret to qualify as Confidential Information. An item of Confidential Information will ordinarily constitute a trade secret under state or federal law if (a) it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) it is the subject of efforts that are reasonable under the circumstances (or under federal law, using reasonable measures) to maintain its secrecy. Something is not acquired through proper means if acquired through theft, bribery, misrepresentation, breach or inducement of a breach of a duty to



maintain secrecy by contract or otherwise, or espionage through electronic or other means. For purpose of clarity, it shall still be a violation of this Agreement for a non-management employee to wrongfully compete by sharing Confidential Information, which was obtained through the course of employment with the Company, with a competitor about other employees' compensation and benefits for purposes of assisting such competitor in soliciting Company employees.

The Participant hereby confirms that all Confidential Information constitutes the Company's exclusive property, and that all of the restrictions on the Participant's activities contained in this Agreement and such other nondisclosure policies of the Company are required for the

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Company's reasonable protection. Confidential Information shall not include any information that has otherwise been disclosed to the public not in violation of this Agreement. This confidentiality provision shall survive the termination of this Agreement and shall not be limited by any other confidentiality agreements entered into with the Company or any Subsidiary or Affiliate. Notwithstanding the foregoing, nothing in this Agreement (or any other Company policy or contract to which the Participant is or was subject) shall be construed to prohibit the Participant from communicating with any federal, state or local governmental agency or commission with oversight of the Company without notice to the Company, as provided for, protected under or warranted by applicable law. Further, the restrictions provided for in this Section 11(d) shall not be construed to prohibit the use of general knowledge and experience customarily relied upon in Participant's trade or profession that is not specific to the particular business matters of the Company (such as its business transactions, customers, residents, clients, or employees).

With respect to any Confidential Information that constitutes a "trade secret" pursuant to applicable law, the restrictions described above shall remain in force for so long as the particular information remains a trade secret or for the two (2) year period immediately following termination of the Participant's employment for any reason, whichever is longer. With respect to any Confidential Information that does not constitute a "trade secret" pursuant to applicable law, the restrictions described above shall remain in force during Participant's employment and for the two (2) year period immediately following termination of such employment for any reason. Nothing in the foregoing shall be construed to permit Participant to recreate records of Confidential Information from memory or retain copies of Confidential Information in any form after their employment or engagement with the Company ends. Participant understands that they should have no records of this kind in their possession or control with which to refresh their memory after Participant's employment with the Company or any Subsidiary or Affiliate ends.

The Participant agrees that the Participant shall promptly disclose to the Company in writing all information and inventions generated, conceived or first reduced to practice by the Participant alone or in conjunction with others, during or after working hours, while in the employ of the Company or any Subsidiary or Affiliate (all of which is collectively referred to in this Agreement as "Proprietary Information"); provided, however, that such Proprietary Information shall not include (a) any information that has otherwise been disclosed to the public not in violation of this Agreement and (b) general business knowledge and work skills of the Participant, even if developed or improved by the Participant while in the employ of the Company or any Subsidiary of Affiliate. All such Proprietary Information shall be the exclusive property of the Company and is hereby assigned by the Participant to the Company. The Participant's obligation relative to the disclosure to the Company of such Proprietary Information anticipated in this Section 11(d) shall continue beyond the Participant's termination of employment and the Participant shall, at the Company's expense, give the Company all assistance it reasonably requires to perfect, protect and use its right to the Proprietary Information.

DTSA Notice: The Defend Trade Secrets Act of 2016 (DTSA) provides that no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a Federal, State, or local government official, either

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directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public. It also provides that an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret except as permitted by court order.

**(e) Enforcement.**

(1) The Participant acknowledges that compliance with all provisions, covenants and agreements set forth in this Agreement, and the duration, terms and geographical area thereof, are reasonable and necessary to protect the legitimate business interests of the Company and its Subsidiaries and Affiliates.

(2) The Participant acknowledges that a breach of the Participant's obligations under this Section 11 may result in irreparable and continuing damage to the Company and/or its Subsidiaries and Affiliates for which there is no adequate remedy at law.

(3) The Participant acknowledges that the Participant's education, experience and/or abilities are such that the enforcement of the restrictive covenants in this Agreement will not prevent the Participant from earning a living and will not cause any undue hardship upon the Participant.

(4) In the event of the violation by the Participant of any of the covenants contained in Section 11 the terms of each such covenant so violated shall be automatically extended from the date on which the Participant permanently ceases such violation for a period equal to the period in which the Participant was in breach of the covenant or for a period of twelve (12) months from the date of the entry by a court of competent jurisdiction of an order or judgment enforcing such covenant(s), whichever period is later; provided, however, this extension of time shall be capped, except as to violations of Section 11(d), so that the extension of time does not exceed two years from the date Participant's employment ended, and if this extension would make the restriction unenforceable under applicable law it will not be applied.

(5) Each of the restrictive covenants contained in this Agreement is independent of any other contractual obligations of this Agreement or otherwise owed by the Participant to the Company and/or its Subsidiaries and Affiliates. Further, should Participant be subject to an agreement with the Company containing confidentiality, non-solicitation, and/or noncompetition provisions, the restrictive covenants in this Agreement shall supplement (rather than supersede) the covenants in such other agreements ("Other Covenants"), and the Other Covenants shall remain in full force and effect. The existence of any claim or cause of action by the Participant against the Company and/or its Subsidiaries or Affiliates, whether based on this Agreement or otherwise, shall not create a defense to the enforcement by the Company and/or its Subsidiaries and Affiliates of any restrictive covenant contained in this Agreement.

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(6) Unless otherwise stated in Section 11(h), the Participant received a copy of this Agreement at least fourteen (14) days in advance of the date Participant was expected to sign it. Participant understands that the Company has advised them to use this time to consult with an attorney regarding this Agreement and that Participant has a right to do so.

(7) **Protected Conduct.** Nothing in this Agreement prohibits Participant from: (i) opposing an event or conduct that Participant reasonably believes is a violation of law, including criminal conduct, discrimination, harassment, retaliation, a safety or health violation, or other unlawful employment practices (whether in the workplace or at a work-related event); or (ii) disclosing sexual assault or sexual harassment (in the workplace, at work-related events, between employees, or between an employer and an employee or otherwise); or (iii) reporting such an event or conduct to Participant's attorney, law enforcement, or the relevant law-enforcement agency (such as the Securities and Exchange Commission, Department of Labor, Occupational Safety and Health Administration, Equal Employment Opportunity Commission, or any equivalent state or local government agencies), or (iv) making any truthful statements or disclosures required by law or otherwise cooperating in an investigation conducted by any government agency (collectively referred to as "Protected Conduct"). Further, nothing requires notice to or approval from the Company before engaging in such Protected Conduct.

**(f) Remedies.**

**(1)** It is intended that, in view of the nature of the Company's and its Subsidiaries' and Affiliates' business, the restrictions contained in this Agreement are considered reasonable and necessary to protect the Company's and its Subsidiaries' and Affiliates' legitimate business interests and that any violation of these restrictions would result in irreparable injury to the Company and/or its Subsidiaries and Affiliates. In the event of a breach (a "Covenant Breach") or threatened breach by the Participant of any provision contained herein, the Company and its Subsidiaries and Affiliates may seek a temporary restraining order and injunctive relief without the posting of a bond. Nothing contained herein shall be construed as prohibiting the Company or its Subsidiaries or Affiliates from pursuing any other legal or equitable remedies available to it or them for any breach or threatened breach of these provisions, including, without limitation, recoupment and other remedies specified in the Agreement. In the event of a dispute regarding, arising out of, or in connection with the breach, enforcement or interpretation of this Agreement, including, without limitation, any action seeking injunctive relief, and provided that the Company is the prevailing party, the Company shall recover from the Participant all reasonable attorneys' fees and costs incurred by the Company in connection therewith ("Attorneys' Fees Remedy"). The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified. If under applicable law, the foregoing cannot be enforced without also giving Participant the right to recover attorneys' fees and costs if deemed the prevailing party, then the foregoing sentence shall not apply and both parties shall bear their own attorney's fees and costs instead.

**(2)** In the event of a Covenant Breach, the Company shall have the authority to (i) cancel all outstanding RSUs, whether vested or unvested; (ii) cancel all shares of Stock

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beneficially owned by the Participant that were issued in settlement of RSUs within 12 months on or prior, or at any time after, the date of Participant's termination of employment ("Cancellable Shares"); and (iii) recoup from the Participant any proceeds from the Participant's sale, transfer or other disposition of Cancellable Shares. The Company is hereby authorized by the Participant, as the Participant's attorney-in-fact, to execute all documents and undertake any required action on behalf of the Participant to transfer any Cancellable Shares back to the Company, after which the Participant shall not have any right, title, or interest of any kind to the Cancellable Shares. Participant acknowledges and agrees that the Company has no obligation of any kind to the Participant with respect to the cancellation of RSUs or the Cancellable Shares, or the recoupment of proceeds from the disposition of Cancellable Shares, pursuant to this Section, including, but not limited to, reimbursement for any taxes previously paid by the Participant with respect to Cancellable Shares. This remedy shall be in addition to all other remedies, including those set forth in this Agreement and any other agreements between the parties. If Participant resides in California, for so long as Participant resides in California, this subsection (f)(2) shall not apply.

**(g) Company Intellectual Property.** Participant recognizes that all Works conceived, created, or reduced to practice by Participant, alone or jointly with others, during Participant's employment related to the business of owning, operating, or managing senior living facilities or providing private duty healthcare or other services to patients or customers shall to the fullest extent permissible by law be considered the Company's sole and exclusive property and "works made for hire" as defined in the U.S. Copyright Laws for purposes of United States law and the law of any other country adhering to the "works made for hire" or similar notion or doctrine, and will be considered the Company's property from the moment of creation or conception forward for all purposes without the need for any further action or agreement by Participant or the Company. If any such Works or portions thereof shall not be legally qualified as a works made for hire in the United States or elsewhere, or shall subsequently be held to not be a work made for hire or not the exclusive property of the Company, Participant hereby assigns to the Company all of Participant's rights, title and interest, past, present, and future, to such Works. Participant will not engage in any unauthorized publication or use of such Company Works, nor will Participant use same to compete with or otherwise cause damage to the business interests of the Company. "Works" mean original works of authorship, including, but not limited to: literary works (including all written material), mask works, computer programs, formulas, tests, notes, data compilations, databases, artistic and graphic works (including designs, graphs, drawings, blueprints, and other works), recordings, models, photographs, slides, motion pictures, and audio visual works; whether copyrightable or not, and regardless of the form or manner in which documented or recorded.

**(h) State-Specific Modifications.**

**(1) Alabama Addendum.** If a court of competent jurisdiction deems that Alabama law applies, then: (i) the definition of "Non-Solicit Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the

eighteen (18) month period immediately following the date of termination of such employment for any reason; and (ii) the definition of "Covered Employee" shall be

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modified to be further limited to those employees who are uniquely essential to the management, organization, or service of the business (such as an employee involved in management or significant customer sales or servicing).

**(2) California Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in California during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in California:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of California law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of California. Section 11(b)(1) and (2) shall not apply after Participant's employment with the Company ends. However, any conduct relating to the solicitation of Company's residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, consultants, or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times, and nothing in this Agreement shall be construed to limit or eliminate any rights or remedies the Company would have against Participant under trade secret law, unfair competition law, or other laws applicable in California absent this Agreement. In addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful. The Attorneys' Fees Remedy in the last three sentences of Section 11(f)(1) shall be replaced with the following language: "In the event that the Company is successful in securing any temporary, preliminary, and/or permanent injunctive relief, and/or an award of damages or other judicial relief against Participant in connection with any breach of this Agreement, Participant agrees that the Company shall also be entitled to recover all remedies that may be awarded by a court of competent jurisdiction or arbitrator and any other legal or equitable relief allowed by law."

**(3) Colorado Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Colorado during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Colorado:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Colorado law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Colorado. The non-competition covenant in Section 11(b)(1) and the Covered Person non-solicitation in Section 11(b)(2)(ii) will not be enforceable against Participant unless Participant's earnings from the Company, when annualized, exceed the equivalent of \$112,500 per year or the earnings threshold in effect as adjusted annually by the Colorado Division of Labor Standards and Statistics in the Department of Labor and Employment. The

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definition of "Covered Person" shall be modified to cover only those customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants with respect to which Participant would have been provided trade secret information during the last two years of Participant's employment with the Company. Participant stipulates that the non-competition and covered person non-solicitation obligations in Sections 11(a), 11(b)(1), and 11(b)(2)(ii) are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act"). Participant acknowledges that they received notice of the covenant not to compete and its terms before Participant accepted an offer of employment, or, if a current employee at the time Participant enters into this Agreement, at least fourteen (14) days before the earlier of the effective date of the Agreement or the effective date of any additional

compensation or change in the terms or conditions of employment that provides consideration for the covenant not to compete. The Confidential Information restrictions in this Agreement do not prohibit disclosure of information that arises from the worker's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that a worker otherwise has a right to disclose as legally protected conduct. Nothing in this Agreement or Company policy limits or prevents a worker from disclosing information about workplace health and safety practices or hazards. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing or discussing (either orally or in writing) information about unlawful acts in the workplace, such as any alleged discriminatory or unfair employment practice.

**(4) Georgia Addendum.** If a court of competent jurisdiction deems that Georgia law applies, then: (a) the definition of "Confidential Information" will be understood to exclude information voluntarily disclosed to the public by the Company (excluding unauthorized disclosures by Participant or others), information that is the result of independent development by others, and information that is otherwise available in the public domain through lawful means. Nothing in this Agreement, including the definition of Confidential Information, limits or alters the definition of what constitutes a trade secret under any federal or state law designed to protect trade secrets; (b) Participant acknowledges that the employee non-solicit obligations in Section 11(b)(2)(i) are limited to the Territory; and (c) nothing in the covered person non-solicitation obligations in Section 11(b)(2)(ii) shall restrict Participant from accepting business from a Covered Person so long as Participant did not solicit, assist in soliciting, facilitate the solicitation of, provide, or offer to provide services to the Covered Person (regardless of who first initiated contact) or use Confidential Information to encourage or induce the Covered Person to withdraw, curtail, or cancel its business with the Company or in any other manner modify or fail to enter into any actual or potential business relationship with the Company.

**(5) Idaho Addendum.** If a court of competent jurisdiction deems that Idaho law applies, then the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

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**(6) Illinois Addendum.** If a court of competent jurisdiction deems that Illinois law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11 immediately binding and enforceable against them; (ii) the non-competition restrictions in Section 11(b)(1) shall not apply if Participant earns equal to or less than \$75,000 annually ("Non-Competition Earnings Threshold") (with the Non-Competition Earnings Threshold increasing by \$5,000 every five years from January 1, 2027 through January 1, 2037); (iii) the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) shall not apply if Participant earns equal to or less than \$45,000 annually ("Non-Solicit Earnings Threshold") (with the Non-Solicit Earnings Threshold increasing by \$2,500 every five years from January 1, 2027 through January 1, 2037). Participant further agrees that if, at the time Participant signs the Agreement, Participant's earnings do not meet the Non-Competition Earnings Threshold and/or the Non-Solicit Earnings Threshold, then the non-competition provision contained in Section 11(b)(1), will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Competition Earnings Threshold, and the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Solicit Earnings Threshold; and (iv) the Attorneys' Fees Remedy in the last three sentences of Section 11(f)(1) relating to attorneys' fees shall be replaced with the following language: "In the event that any action is filed to enforce the terms and conditions of Section 11 of this Agreement, the prevailing party in the action will recover from the non-prevailing party, in addition to any other sum that either party may be called upon to pay, a reasonable sum for the prevailing party's attorney's fees and costs. The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified."

**(7) Indiana Addendum.** If a court of competent jurisdiction deems that Indiana law applies, then: the definition of "Covered Employee" shall be modified to be further limited to employees who have access to or possess any Confidential Information that would give a competitor an unfair advantage.

**(8) Louisiana Addendum.** If a court of competent jurisdiction deems that Louisiana law applies, then: (a) the meaning of Participant's "Territory" shall be understood to include the parishes (and equivalents) in the following list so long as Company continues to carry on business

therein: Acadia, Allen, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Cameron, Catahoula, Desoto, Evangeline, Grant, Iberia, Jefferson Davis, Jefferson, Lafayette, LaSalle, Natchitoches, Orleans, Rapides, Red River, St. Charles, St. John the Baptist, St. Landry, St. Martin, St. Tammany, Tangipahoa, Vermillion, Vernon, Washington, Webster; and (b) Participant's Covered Person non-solicit obligations (as well as their non-compete obligations) shall be limited to the parishes and counties (or their equivalents) from the foregoing list that fall within Participant's Territory. Participant agrees that the foregoing provides Participant with adequate notice of the geographic scope of the restrictions contained in the Agreement by name

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of specific parish or parishes (and equivalents), municipality or municipalities, and/or parts thereof.

**(9) Maine Addendum.** If a court of competent jurisdiction deems that Maine law applies, then: (i) Participant acknowledges that if Participant is being initially hired by Company (or its Subsidiary or Affiliate) that Participant was notified a noncompete agreement would be required prior to their receiving a formal offer of employment from Company (or its Subsidiary or Affiliate) and Participant received a copy of the Agreement at least three business days before they were required to sign the Agreement; (ii) Section 11(b)(1) will not take effect (to restrict Participant post-employment) until one year of employment or a period of six months from the date the agreement is signed, whichever is later; and (iii) Section 11(b)(1) shall not apply if Participant earns at or below 400% of the federal poverty level.

**(10) Massachusetts Addendum.** If a court of competent jurisdiction deems that Massachusetts law applies, then: (i) Participant acknowledges that the opportunity to receive equity under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; however, if Participant breaches their fiduciary duty to the Company (or any Subsidiary or Affiliate) and/or has unlawfully taken, physically or electronically, any Company records, then the Non-Compete Restricted Period shall be extended to a period of two (2) years from the cessation of employment with the Company or any Subsidiary or Affiliate; (iii) the non-compete in Section 11(b)(1) shall only apply post-employment if Participant's employment ends voluntarily or involuntarily for cause. Participant understands that for the limited purposes of the application of the non-competition restriction in Section 11(b)(1) of the Agreement, "cause" to terminate Participant's employment exists if Participant has: (A) materially breached any obligations under any applicable employment, confidentiality, nonsolicitation, invention assignment, or noncompetition agreement with the Company; (B) been convicted of or entered a plea of guilty or nolo contendere to, or admission to facts sufficient for a finding of guilt for, any crime constituting a felony or any misdemeanor involving fraud, dishonesty and/or moral turpitude; (C) neglected, refused, or failed to discharge their duties (other than due to physical or mental illness) commensurate with their title and function, or their failure to comply with a lawful direction of the Company; (D) breached their duty of loyalty or fiduciary duty to the Company; (E) violated the Company's policy or policies; (F) engaged in unlawful discrimination or harassment; (G) engaged in any other willful misconduct which is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; and/or (H) engaged in any other act that is accepted as cause for termination under the common law of the Commonwealth of Massachusetts. Nothing in this herein shall be construed to eliminate or modify the "at-will" nature of the parties' relationship; (iv) Participant acknowledges that they have been advised of their right to consult with an attorney about this Agreement and has been given an opportunity to do so; (v) Participant acknowledges that if they are being initially hired by the Company that they received a copy of this Agreement with their first formal offer of employment from the Company or at least ten (10) business days before

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commencement of Participant's employment by the Company, whichever came first; and if Participant was already employed by the Company at the time of signing this Agreement, that Participant was provided a copy hereof at least ten (10) business days before the effective date of this Agreement; (vi) the tolling language in Section 11(e)(4) shall only apply to any breach of Section 11(b)(2) (i.e., the tolling language shall not apply to Section 11(b)(1)); and (vii) any dispute relating to or arising out of Section 11 shall be exclusively finally resolved by a state or federal court located in the county



where Participant resides or the business litigation session of the superior court in Suffolk County, Massachusetts and the parties to this Agreement hereby consent to personal jurisdiction therein.

**(11) Minnesota Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Minnesota during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Minnesota: The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Minnesota law, and nothing in this Agreement shall require Participant to litigate a claim relating to Section 11 outside of Minnesota. In addition, the non-compete in Section 11(b)(1) shall not apply after Participant's employment with the Company ends.

**(12) Missouri Addendum.** If a court of competent jurisdiction deems that Missouri law applies, then: the definition of "Covered Employee" will be modified to exclude from its definition any employee who provides only secretarial or clerical services.

**(13) Nebraska Addendum.** If a court of competent jurisdiction deems that Nebraska law applies, then: (a) the definition of "Covered Person" shall be further limited to those Covered Persons with which Participant, alone or in combination with others, handled, serviced, or solicited at any time during the Look Back Period; and (b) the non-compete in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends.

**(14) Nevada Addendum.** If a court of competent jurisdiction deems that Nevada law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is valuable and sufficient to make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the non-competition in Section 11(b)(1) and the Covered Person non-solicit obligations in Section 11(b)(2)(ii) do not preclude Participant from providing services to any former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant of the Company if: (A) Participant did not solicit the former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant; (B) the customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant voluntarily chose to leave and seek services from Participant; and (C) Participant is otherwise complying with the limitations in Section 11 of this Agreement as to time, geographical area, and scope of activity to be restrained; and (iii) if Participant's employment with the Company (or its Subsidiary or Affiliate) is terminated as a result of a reduction in force, reorganization, or similar restructuring of the Company (or its

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Subsidiary or Affiliate), the noncompetition covenant in Section 11(b)(1) will only be enforceable during the period in which Company is paying Participant's salary, benefits, or equivalent compensation, including without limitation, severance pay, if it elects to make such a payment.

**(15) New Hampshire Addendum.** If a court of competent jurisdiction deems that New Hampshire law applies, then Participant acknowledges that Participant was given a copy of this Agreement prior to a change in job classification or acceptance of an offer of employment.

**(16) New York Addendum.** If a court of competent jurisdiction deems that New York law applies, then: "Covered Person" shall be modified to exclude from its definition any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate which entered into a business relationship with the Company (or its Subsidiary or Affiliate) as a result of Participant's independent contact and business development efforts with the customer prior to and independent from Participant's employment with Company (or its Subsidiary or Affiliate).

**(17) North Carolina Addendum.** If a court of competent jurisdiction deems that North Carolina law applies, then: the Look Back Period shall be calculated looking back one year from the date the employment ends or two years from the date of enforcement and not from the date employment ends, whichever provides the Company the greatest protection and is enforceable under applicable law.

**(18) Oklahoma Addendum.** If a court of competent jurisdiction deems that Oklahoma law applies, then: (i) the non-competition restrictions in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends; and (ii) the Covered Person non-solicit obligations shall all be amended to provide that notwithstanding anything in it to the contrary, Participant shall be permitted to engage in the same business as that conducted by Company or in a similar business as long as Participant does not directly solicit the sale of goods, services or a combination of goods and services from the established customers, residents or patients of the Company or its Subsidiary or Affiliate.

**(19) Oregon Addendum.** If a court of competent jurisdiction deems that Oregon law applies, then: (i) the definition of “Non-Compete Restricted Period” shall be modified to include the period of the Participant’s employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; and (ii) unless the Company chooses to compensate Participant as allowed under the Oregon Noncompete Act (Or. Rev. Stat. § 653 et seq.), the restrictions in Section 11(b)(1) shall only apply to Participant if: (A) they are engaged in administrative, executive or professional work and perform predominantly intellectual, managerial, or creative tasks, exercise discretion and independent judgment and earn a salary and am paid on a salary basis; (B) the Company has a “protectable interest” (meaning, access to trade secrets or competitively sensitive confidential business or professional information that otherwise would not qualify as a trade secret, including product development plans, product

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launch plans, marketing strategy or sales plans); and (C) the total amount of Participant’s annual gross salary and commission, calculated on an annual basis, at the time of my termination, exceeds \$100,533 (or the earnings threshold in effect based on annual adjustment for inflation pursuant to the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor immediately preceding the calendar year of Participant’s termination). In addition, if Participant is a new employee, Participant acknowledges that they were notified in a written offer of employment received two weeks before the commencement of employment that a noncompetition agreement was a condition of employment.

**(20) Utah Addendum.** If a court of competent jurisdiction deems that Utah law applies, the definition of “Non-Compete Restricted Period” shall be modified to include the period of the Participant’s employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

**(21) Virginia Addendum.** If a court of competent jurisdiction deems that Virginia law applies, then: (i) the parties agree that the non-competition and non-solicitation obligations are reasonably limited in nature and do not prohibit employment with a competing business in a non-competitive position; and (ii) if Participant resides in Virginia and their average weekly earnings calculated as provided for under Code of Virginia § 40.1-28.7:7 (the “Virginia Act”), are less than the average weekly wage of the Commonwealth as determined pursuant to subsection B of § 65.2-500 or Participant otherwise qualifies as a “low-wage employee” under the Virginia Act then the non-competition obligations in Section 11(b)(1) shall not apply to Participant and nothing in the Covered Person non-solicit obligations in Section 11(b)(2)(ii) shall restrict Participant from providing a service to a Covered Person if Participant does not initiate contact with or solicit the Covered Person. Participant shall not be considered a “low-wage employee” if Participant’s earnings are derived, in whole or in predominant part, from sales commissions, incentives, or bonuses paid to the employee by Company (or its Subsidiary or Affiliate).

**(22) Washington Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Washington during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Washington:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of the Washington Noncompete Act (Rev. Code of Wash. (RCW) §§ 49.62.005 - 900) (the “Washington Act”) and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Washington. Section 11(b)(2) of this Addendum is modified to during employment and for a period of eighteen (18) months immediately following the date of Participant’s termination from the Company and to only prohibit solicitation by Participant (i) of any Covered Employee of the Company to leave employment with the Company, and (ii) of any Covered Person of the Company to cease or reduce the extent to which it is doing business with the

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Company; in accordance with the definition of an enforceable “Nonsolicitation Agreement” under the Washington Act. The non-competition covenant in Section 11(b)(1) will not be or become enforceable against Participant unless or until Participant’s earnings from the Company over the prior year (or the portion thereof for which Participant was employed), when annualized, exceed the equivalent of \$116,594 per year or the then inflation-adjusted equivalent in accordance with the requirements of the Washington Act. “Covered Person” means a customer (including a resident or patient) of the Company or any Subsidiary or Affiliate or any of their successors or assigns that Participant had material contact with during the two (2) years prior to Participant’s termination of employment. Material contact will be presumed present if in the two-year period Participant (or persons under Participant’s supervision) had contact with the customer, resident, or patient, or Participant was provided Confidential Information about the customer, resident, or patient, or Participant received commissions or other beneficial credit for business conducted with the customer, resident, or patient. “Covered Employee” shall mean any employee who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed at any time during the twelve (12) months prior to the Participant’s termination of employment and with whom Participant worked, whom Participant supervised, or about whom Participant acquired Confidential Information. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement prohibits disclosure or discussion of conduct Participant reasonably believes to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as against a clear mandate of public policy.

**(23) Wisconsin Addendum.** If a court of competent jurisdiction deems that Wisconsin law applies, then: (i) the tolling language in Section 11(e)(4) shall not apply; and (ii) the definition of “Covered Employee” shall be modified to be further limited to those employees who are either entrusted with Confidential Information or employed in a position essential to the management, organization, or service of the business (such as, but not limited to maintaining Company’s or its Subsidiary’s or Affiliate’s customer and other key relationships).

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Exhibit 10.3

Portions of this exhibit that have been marked by [\*\*\*] have been omitted because the Registrant has determined they are not material and would likely cause competitive harm to the Registrant if publicly disclosed.

**PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN**

This Award Agreement, including the Addendum hereto (this “Agreement”), dated as of February 15, 2024 (the “Date of Grant”), is made by and between Brookdale Senior Living Inc., a Delaware corporation (the “Company”), and Lucinda M. Baier (the “Participant”). Capitalized terms not defined herein shall have the meaning ascribed to them in the Brookdale Senior Living Inc. 2014 Omnibus Incentive Plan (as amended and/or restated from time to time, the “Plan”). Where the context permits, references to the Company shall include any successor to the Company.

**1. Grant of RSUs.**

(a) The Company hereby grants to the Participant 397,456 performance-based restricted stock units under the Plan (the “RSUs”). The RSUs are comprised of four tranches (each a “Tranche”), each of which shall be subject to the applicable performance criteria set forth below and the terms and conditions of the Plan and this Agreement.

	% of Initial RSUs	Performance Criteria	Scheduled Vesting Date
First Tranche	25%	Exhibit A	February 27, 2027
Second Tranche	25%	Exhibit B	February 27, 2027
Third Tranche	25%	Exhibit C	February 27, 2027
Fourth Tranche	25%	Exhibit D	February 27, 2027

(b) Additional performance-based restricted stock units may become issuable to the Participant under the Plan as set forth in Section 2(a). If and when any such additional units become issuable, they shall be part of the applicable Tranche and subject to all of the terms and conditions of the Plan and this Agreement as RSUs.

## 2. Vesting.

(a) General. Except as otherwise provided in this Section 2 and in Section 2 of the Addendum to this Agreement, vesting with respect to each Tranche is subject to the satisfaction of both the Performance Criteria and the Service Condition (each as defined below) applicable to the Tranche. Subject to the provisions set forth below, each Tranche may vest on the scheduled vesting date set forth in Section 1(a) (together with any other date on which any portion of the RSUs may vest pursuant to this Section 2 and Section 2 of the Addendum, a "Vesting Date"), with the exact percentage of each Tranche that vests to be determined by the degree to which the Company's performance results meet the applicable performance criteria set forth on Exhibit A through Exhibit D hereto (the "Performance Criteria"). Following the

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completion of the performance period on December 31, 2024 (for the First Tranche), December 31, 2025 (for the Second Tranche), and December 31, 2026 (for the Third Tranche and Fourth Tranche) (as applicable, the "Measurement Date"), the Administrator shall determine the Company's performance results relative to the applicable Performance Criteria. If the Company's performance results are less than 100% on the scale set forth in the applicable Performance Criteria, any RSUs comprising a portion of the applicable Tranche that is not earned shall be forfeited and be deemed no longer to be part of this Agreement effective as of the Measurement Date. If the Company's performance results exceed 100% on the scale set forth in the applicable Performance Criteria, the Company shall issue such number of additional RSUs as calculated in the applicable Exhibit (the "Additional RSUs"), which shall become part of the applicable Tranche effective as of the applicable Measurement Date. Except as otherwise specifically set forth in this Agreement and Section 2 of the Addendum to this Agreement, vesting of any portion of the RSUs on any Vesting Date is subject to the continued employment of the Participant by the Company or one of its Subsidiaries or Affiliates (or a successor to any of them) from the Date of Grant to such Vesting Date (the "Service Condition"), and upon termination of the Participant's employment with the Company and its Subsidiaries and Affiliates for any reason, all unvested RSUs outstanding as of the date of such termination shall automatically and without notice terminate and be forfeited and neither the Participant nor any of the Participant's successors, heirs, assigns, or personal representatives shall thereafter have any further rights or interests in such RSUs.

(b) Award Not Assumed Following Change in Control. Upon the occurrence of a Change in Control, if the RSUs that are outstanding effective immediately prior to such Change in Control are not assumed, continued or substituted with an award relating to a publicly-traded security of the acquirer (or the Company) on the same terms and conditions that were applicable to such outstanding RSUs, then all such outstanding RSUs shall vest and be settled upon the consummation of the Change in Control.

(c) Award Assumed Following Change in Control. Upon the occurrence of a Change in Control in which the RSUs that are outstanding effective immediately prior to such Change in Control are assumed, continued or substituted with an award relating to a publicly-traded security of the acquirer (or the Company) on the same terms and conditions that were applicable to such outstanding RSUs, then such outstanding RSUs shall continue to vest subject to the Service Condition, and the Performance Criteria with respect to a particular Tranche shall no longer apply if the Change in Control occurs prior to the Measurement Date applicable to such Tranche (and for the avoidance of doubt, no Additional RSUs shall be paid or payable under this Agreement with respect to a particular Tranche in the event that a Change in Control occurs prior to the Measurement Date for such Tranche).

3. Settlement of Restricted Stock Units. As soon as practicable following each Vesting Date (but in no event later than 30 days following the Vesting Date or such earlier time specified in this Agreement), the Company shall issue to the Participant the number of shares of Stock equal to the aggregate number of RSUs that have vested pursuant to this Agreement on such date and the Participant shall thereafter have all the rights of a stockholder of the Company with respect to such shares. Notwithstanding anything in this Agreement to the contrary, no

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fractional shares shall vest or be issuable under this Agreement, and any such fractional shares shall be rounded down to the next whole share; *provided*, that the Administrator may, in its sole discretion, provide a cash payment in lieu of any such fractional share.

4. Rights as a Stockholder. Section 4 of the Addendum is incorporated herein.

5. Adjustments. Pursuant to Section 5 of the Plan, in the event of a change in capitalization as described therein, the Administrator shall make such equitable changes or adjustments, as it deems necessary or appropriate, in its discretion, to the number and kind of securities or other property (including cash) issued or issuable in respect of outstanding RSUs.

6. Certain Changes. The Administrator may accelerate the vesting dates or otherwise adjust any of the terms of the RSUs; provided that, subject to Section 5 of the Plan, Section 11(f) of the Addendum to this Agreement and Section 22 of this Agreement, no action under this Section shall adversely affect the Participant's rights hereunder.

7. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by facsimile or first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing or 24 hours after transmission by facsimile to the respective parties, as follows: (i) if to the Company, at Brookdale Senior Living Inc., 111 Westwood Place, Suite 400, Brentwood, TN 37027, Facsimile: (615) 564-8204, Attn: General Counsel and (ii) if to the Participant, using the contact information on file with the Company. Either party hereto may change such party's address for notices by notice duly given pursuant hereto. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any notice or other communications related to the RSUs, this Agreement or current or future participation in the Plan by electronic means. The Participant hereby consents to receive such notices and other communications by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company (including the Company's stock plan service provider's website).

8. Taxes. The Participant has reviewed with the Participant's own tax advisors the Federal, state, local and foreign tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant acknowledges and agrees that the Participant is responsible for the tax consequences associated with the award and vesting of the RSUs.

9. Withholding. Delivery of shares of Stock is conditioned upon Participant's making arrangements satisfactory to the Administrator regarding payment of income and employment tax withholding requirements as set forth in Section 15 of the Plan; provided, however, that the Participant may elect, without the consent of the Company, to have the Company withhold from delivery of shares of Stock issuable upon the settlement of the RSUs such number of shares of Stock having a Fair Market Value not exceeding the applicable taxes to be withheld and applied to the tax obligations of the Participant as determined by the Company. In making its determination, the Company may calculate such amount by taking into account

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applicable withholding rates not exceeding the maximum individual statutory tax rates in the Participant's applicable jurisdictions.

10. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. Restrictive Covenants. The provisions of Section 11 of the Addendum to this Agreement are incorporated herein.

12. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws. If during the Participant's employment with Company, the Participant primarily resides or is primarily assigned to Company or one of its Subsidiary or Affiliate location(s) in California, Colorado, Minnesota, or Washington, then for so long as the Participant primarily

resides in such state or is primarily assigned to location(s) in such states during the Participant's employment, this Section 12 shall not apply to the covenants in Section 11 of the Addendum.

13. **Incorporation of Plan.** The Plan is hereby incorporated by reference and made a part hereof, and the RSUs and this Agreement shall be subject to all terms and conditions of the Plan.

14. **Amendments; Construction.** The Administrator may amend the terms of this Agreement prospectively or retroactively at any time, but no such amendment shall impair the rights of the Participant hereunder without the Participant's consent. Headings to Sections of this Agreement are intended for convenience of reference only, are not part of this Agreement and shall have no effect on the interpretation hereof.

15. **Survival of Terms.** This Agreement shall apply to and bind the Participant and the Company and their respective permitted assignees and transferees, heirs, legatees, executors, administrators and legal successors. The terms of Section 11 of the Addendum to this Agreement and Section 22 of this Agreement shall expressly survive the vesting and/or forfeiture of the RSUs and any expiration or termination of this Agreement.

16. **Compliance with Stock Ownership and Retention Guidelines.** The Participant hereby agrees to comply with the Company's Stock Ownership and Retention Guidelines (as amended from time to time, the "Guidelines"), to the extent such Guidelines are applicable, or become applicable, to the Participant. The Participant further acknowledges that, if the Participant is not in compliance with such Guidelines (if applicable), the Administrator may refrain from issuing additional equity awards to the Participant and/or elect to pay the Participant's annual bonus in the form of vested or unvested Common Stock.

17. **Agreement Not a Contract for Services.** Neither the Plan, the granting of the RSUs, this Agreement nor any other action taken pursuant to the Plan shall constitute or be evidence of any agreement or understanding, express or implied, that the Participant has a right to continue to provide services as an officer, director, employee, consultant or advisor of the

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Company or any Subsidiary or Affiliate for any period of time or at any specific rate of compensation.

18. **Restrictions.** The RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Participant, and any shares of Stock issuable with respect to the RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until such shares of Stock have been issued to the Participant upon vesting of the RSUs in accordance with the terms of the Plan and this Agreement. Unless the Administrator determines otherwise, upon any attempt to transfer RSUs or any rights in respect of RSUs before the lapse of such restrictions, such RSUs, and all of the rights related thereto, shall be immediately forfeited by the Participant and transferred to, and reacquired by, the Company without consideration of any kind.

19. **Authority of the Administrator.** The Administrator shall have full authority to interpret and construe the terms of the Plan and this Agreement (including, without limitation, the authority to determine whether, and the extent to which, any Performance Criteria have been achieved). Pursuant to the terms of the Plan, the Administrator shall also have full authority to make equitable adjustments to the Performance Criteria in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or Affiliate or the financial statements of the Company or any Subsidiary or Affiliate, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in accounting principles. The determination of the Administrator as to any such matter of interpretation or construction shall be final, binding and conclusive.

20. **Severability.** Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable, or enforceable only if modified, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the parties hereto with any such modification (if any) to become a part hereof and treated as though contained in this original Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable, in lieu of severing such unenforceable provision, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear, and such determination by such judicial body shall not affect the enforceability of such provision or provisions in any other jurisdiction.

21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the RSUs subject to all the terms and conditions of the Plan and this Agreement. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator upon any questions arising under this Agreement. By the Participant's electronically accepting the award of the RSUs using an online or electronic system established and maintained by the Company or a third party designated by

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the Company (including the Company's stock plan service provider's website), the Participant agrees to be bound by the terms and conditions of the Plan and this Agreement. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Participant's electronic acceptance of the award of the RSUs shall have the same validity and effect as a signature affixed to this Agreement by the Participant's hand. Participant understands their participation in the terms of the Plan and this Agreement through acceptance of RSUs is entirely voluntary, and is not a term and/or condition of employment but is instead an award granted on a discretionary basis to align Participant's interests with those of the Company's stockholders and is an award that Participant is free to decline at Participant's discretion.

22. Clawback. Notwithstanding anything herein to the contrary, the RSUs (including any shares of Stock issued to the Participant upon settlement thereof) shall be subject to forfeiture, reduction, and/or recoupment (i) to the extent provided in the Company's Clawback and Forfeiture Policy, as it may be amended from time to time; (ii) to the extent that Participant becomes subject to any other recoupment or clawback policy hereafter adopted by the Company, including any such policy adopted by the Company to comply with the requirements of any applicable laws, rules, regulations, or stock exchange listing requirements, including pursuant to final SEC rules under the Dodd-Frank Wall Street Reform and Consumer Protection Act, or (iii) to the extent provided under applicable legal requirements which impose recoupment, under circumstances set forth in such applicable legal requirements, including the Sarbanes-Oxley Act of 2002.

23. Section 409A. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSUs are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code. Notwithstanding anything to the contrary in this Agreement or an accompanying election form executed by the Participant, if (i) on the date of the Participant's Separation from Service with the Company the Participant is a "specified employee" (as such term is defined under Section 1.409A-1(i) of the Treasury Regulations promulgated under Section 409A of the Code) of the Company and (ii) any payments to be provided to the Participant pursuant to this Agreement are or may become subject to the additional tax under Section 409A(a)(1)(B) of the Code, or any other taxes or penalties imposed under Section 409A of the Code if provided at the time otherwise required under this Agreement, then such payments shall be delayed until the date that is six months after the date of the Participant's separation from service from the Company, or if earlier, his or her death. Any payments delayed pursuant to this paragraph shall be made in a lump sum on the first day of the seventh month following the Participant's separation from service, or if earlier, the Participant's death. Each payment upon settlement of RSUs (and any related dividend or related dividend equivalent rights) constitutes a "separate payment" for purposes of Section 409A of the Code. Notwithstanding any other provision of this Agreement, if and to the extent that any payment under this Agreement constitutes non-qualified deferred compensation under Section 409A of the Code, and is payable upon (i) the Participant's termination of employment, then such payment shall be made or provided to the Participant only upon a "separation from service" as defined for purposes of Section 409A of the Code, or (ii) a Change in Control, then such payment shall be made or provided to the Participant only upon a

“change in the ownership”, a “change in effective control” or a “change in the ownership of a substantial portion of the assets” of the applicable corporation as defined for purposes of Section 409A of the Code.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**BROOKDALE SENIOR LIVING INC.**

By: /s/ Chad C. White  
Name: Chad C. White  
Title: Executive Vice President, General Counsel and Secretary

**PARTICIPANT**

/s/ Lucinda M. Baier  
Lucinda M. Baier

**EXHIBIT A**

**2024 RevPAR Growth\***

Vesting of the First Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company’s one-year growth of Same Community RevPAR for fiscal 2024 compared to a base year of fiscal 2023 as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results. Same Community RevPAR means the Same Community RevPAR as reported by the Company in its Annual Report on Form 10-K, earnings release and/or supplemental information for the year ended December 31, 2024.

Growth Rate	% of Target First Tranche to Vest
[***]% or Above (Maximum)	150%
[***]% (Target)	100%
[***]% (Threshold)	50%
Below [***]%	No Vesting

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

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## EXHIBIT B

### 2025 RevPAR Growth\*

Vesting of the Second Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's one-year growth of Same Community RevPAR for fiscal 2025 compared to a base year of fiscal 2024 as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results. Same Community RevPAR means the Same Community RevPAR as reported by the Company in its Annual Report on Form 10-K, earnings release and/or supplemental information for the year ended December 31, 2025.

Growth Rate	% of Target Second Tranche to Vest
[***]% or Above (Maximum)	150%
[***]% (Target)	100%
[***]% (Threshold)	50%
Below [***]%	No Vesting

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

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## EXHIBIT C

### 2026 RevPAR Growth\*

Vesting of the Third Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's one-year growth of Same Community RevPAR for fiscal 2026 compared to a base year of fiscal 2025 as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results. Same Community RevPAR means the Same Community RevPAR as reported by the Company in its Annual Report on Form 10-K, earnings release and/or supplemental information for the year ended December 31, 2026.

Growth Rate	% of Target Third Tranche to Vest
[***]% or Above (Maximum)	150%
[***]% (Target)	100%
[***]% (Threshold)	50%
Below [***]%	No Vesting

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

**EXHIBIT D**

**Relative TSR\***

Vesting of the Fourth Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's TSR ranking relative to the TSRs of the companies in the Comparator Group during the Performance Period as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results; provided, however, that in no event shall any Additional RSUs (above 100%) vest and be issued with respect to the Fourth Tranche if the Company's TSR is negative for the Performance Period.

Relative TSR Performance	% of Target Fourth Tranche to Vest
75th Percentile or Above (Maximum)	150%
50th Percentile (Target)	100%
25th Percentile (Threshold)	50%
Below 25th Percentile	No Vesting

For purposes of the foregoing:

- Performance Period shall mean January 1, 2024 through December 31, 2026.
- Comparator Group shall mean the constituent companies of the S&P Midcap 400 as of the beginning of the Performance Period, except that any such companies that have been acquired or delisted from a national securities exchange during the Performance Period will be excluded.
- TSR shall mean the compound annual total stockholder return calculated using a beginning price equal to the average closing price over the 20-trading days preceding the beginning of the Performance Period, using an ending price equal to the average closing price over the 20-trading days immediately prior to the end of the Performance Period, and assuming the reinvestment of any dividends or distributions as of the ex-dividend date.

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

**ADDENDUM TO  
PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT**



**UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN.**

**Section 2:**

Notwithstanding Section 2 or anything in the Agreement to the contrary:

(i) In the event that the Participant's employment with the Company and its Subsidiaries and Affiliates (or a successor to any of them) is terminated within twelve months following a Change in Control by the Company (or such other entity) without Cause or by the Participant for Good Reason (as defined in the Employment Agreement by and between the Company and the Participant dated as of November 3, 2021), then the RSUs that are outstanding effective on the date of such termination shall vest effective upon such termination and be settled within 30 days following such termination.

(ii) In the event that the Participant's employment with the Company and its Subsidiaries and Affiliates is terminated by the Company without Cause or by the Participant with Good Reason (other than as described in paragraph (i) above) or on account of the Participant's death or Disability, the following percentages of the applicable Tranches that are outstanding effective on the date of such termination of employment shall remain outstanding following such termination and shall be eligible to vest (including any Additional RSUs) subject to the achievement of the Performance Criteria as if the Service Condition shall have been met as of the applicable Vesting Date:

(A) 100% of the First Tranche and 33.33% of the Fourth Tranche for such termination that occurs on or prior to February 27, 2025 (with 100% of the Second Tranche and Third Tranche, and 66.67% of the Fourth Tranche, to be forfeited at termination);

(B) 100% of the First Tranche and Second Tranche, and 66.67% of the Fourth Tranche, for such termination that occurs after February 27, 2025 and on or prior to February 27, 2026 (with 100% of the Third Tranche and 33.33% of the Fourth Tranche to be forfeited at termination); and

(C) 100% of the First Tranche, Second Tranche, Third Tranche, and Fourth Tranche, for such termination that occurs after February 27, 2026 and on or prior to February 27, 2027.

Notwithstanding the foregoing, (A) in the event of a Change in Control following a termination event described in this subparagraph (ii), the RSUs outstanding effective immediately prior to such Change in Control shall vest and be settled upon the consummation of the Change in Control; and (B) in the event Participant's employment is terminated on account of Disability and Participant did not actively provide services on at least one day in the one-year period immediately preceding the date set forth in clause (A) or the later date set forth in the applicable clause (B), or (C), then the treatment of the outstanding Tranches shall be as set forth

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in the earlier clause for which Participant actively provided services at least one day in the one-year period immediately preceding such date or later date, as applicable, set forth in such clause (and in the event that Participant did not actively provide services on at least one day in the one-year period immediately preceding the date set forth in clause (A), then 100% of the Tranches shall be forfeited at termination).

(iii) In the event the Participant retires from the Company and its Subsidiaries and Affiliates (i) on or after attaining age sixty (60) with a minimum of five (5) years of service with the Company and its Subsidiaries and Affiliates and (ii) after providing no less than six (6) months' advance written notice to the Company of the anticipated retirement, the following percentages of the Tranches that are outstanding effective on the date of such retirement shall remain outstanding following such retirement and shall be eligible to vest (including any Additional RSUs) subject to the achievement of the Performance Criteria as if the Service Condition shall have been met as of the applicable Vesting Date:

(A) for a retirement date that occurs prior to February 15, 2025, the percentage equal to the number of full months employed since February 15, 2024 divided by 12 (with the remaining percentage of the Tranches to be forfeited upon the date of such retirement); and

(B) for a retirement date that occurs on or after February 15, 2025, 100% of the Tranches.

**Section 4:**

The Participant shall have no voting rights with respect to RSUs outstanding on any applicable record date. Any ordinary or extraordinary cash or stock dividend that may be declared and paid on the Common Stock with a record date on or after the Date of Grant and prior to the settlement date of the RSUs shall be deposited (in the same form as was payable to the holders of Common Stock) in an account and be paid upon, and subject to, the vesting and settlement of the RSUs. For the avoidance of doubt, the Participant shall not be entitled to payment of dividends or dividend equivalents with respect to an RSU unless and until the vesting and settlement of such RSU in accordance with this Agreement, and all such dividends or dividend equivalents with respect to any RSU shall forfeit upon the forfeiture of such RSU.

#### **Section 11: Commitment to Avoid Detrimental Activities**

The Participant understands the Company has developed, and is continuing to develop, substantial relationships with actual and prospective officers, directors, employees, consultants, agents, customers, residents, patients, referral sources, clients, vendors, suppliers, investors, and equity and financing sources, associate and customer goodwill, and confidential and proprietary business information and trade secrets, which the Company and its Subsidiaries and Affiliates have the right to protect in order to safeguard their legitimate business interests. Any misappropriation of such relationships or goodwill, or any improper disclosure or use of the Company's and its Subsidiaries' and Affiliates' confidential and proprietary business information and trade secrets would be highly detrimental to their business interests in that serious and substantial loss of business and pecuniary damages would result therefrom. The

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Participant also acknowledges and recognizes that an important purpose of this Agreement is to align the interests of Participant with those of the Company's stockholders and to ensure that the Participant does not engage in activity detrimental to the interests of the Company's stockholders if Participant is going to be allowed the opportunity to participate in the financial rewards that result from the RSUs and their relationship to the value of equity participation in the Company. In addition, Participant acknowledges that an ancillary purpose consistent with protecting the interests of the stockholders arises with respect to Participant because during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, the Participant shall have access to the Company's Confidential Information (as defined below) and will meet and develop such relationships and goodwill. Participant accordingly agrees to comply with the provisions of this Section 11 as a condition of receipt and retention of the RSUs provided for in this Agreement and their beneficial value. Participant acknowledges and agrees not to contest or dispute the Company's position that the prohibition of unfair competition provided for in this Section 11 is inextricably connected to and part of the Company's governance of its internal affairs and relates directly to the interests of the Company's stockholders. Nothing contained in this Section 11 shall limit any common law or statutory obligation that the Participant may have to the Company or any Subsidiary or Affiliate. For purposes of this Section 11, the "Company" refers to the Company and any incorporated or unincorporated affiliates of the Company, including any entity which becomes the Participant's employer as a result of any reorganization or restructuring of the Company for any reason. The Company shall be entitled, in connection with its tax planning or other reasons, to terminate the Participant's employment (which termination shall not be considered a termination for any purposes of this Agreement, any employment agreement, or otherwise) in connection with an invitation from another affiliate of the Company to accept employment with such affiliate in which case the terms and conditions hereof shall apply to the Participant's employment relationship with such entity mutatis mutandis.

For purposes of this Section 11, "Competing Business" means a business (which shall include any sole proprietorship, partnership, limited partnership, limited liability partnership, limited liability company, corporation or other for-profit or not-for-profit business organization) (A) engaged in the business of owning, operating, or managing senior living facilities within the United States or (B) that, itself or with its affiliates, provides private duty healthcare or other private duty services to patients or customers within any state that the Company or its subsidiaries or affiliates provides now, or provides during the Participant's employment, such private duty healthcare or other private duty services to patients or customers, and that derives, together with its controlled affiliates or together with its affiliates, more than 10% of its and its controlled affiliates or 10% of its and its affiliates, respectively, revenue from the provision of private duty healthcare or other private duty services to patients or customers.

**(a) Avoidance of Competition and Other Detrimental Acts During Engagement.** While employed or otherwise engaged as an individual to provide services to the Company (as an employee, consultant, or otherwise), Participant will comply with each of the restrictions and obligations below.

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(1) While employed with the Company, Participant will comply at all times with Participant's duty of loyalty to the Company as an employee or agent of the Company placed in a position of special trust and confidence. This duty shall be understood to include, but not be limited to,

(i) an obligation not to engage or participate in the business of a Competing Business (defined below), or become employed with a Competing Business as an employee, owner, member, partner, consultant, director, or otherwise, without the express written consent of the Company,

(ii) an obligation not to interfere with or otherwise knowingly cause harm to the Company's ongoing or prospective business relationship with a Company employee, consultant, or individual providing services as an independent contractor, or a supplier, distributor, vendor, customer, or other person or entity that does business with the Company or that the Company has a reasonable expectation of doing business with, and

(iii) an obligation to inform the Company of business opportunities that fall within the Company's line of business and not pursue them for personal gain separate from the Company without the Company's express written consent in advance, or otherwise participate in any conduct or relationship that creates a conflict of interest in violation of Company policies.

(2) Participant will not knowingly participate in or pursue activities that harm the value of the Company's intellectual property and will honor all agreements with the Company concerning the ownership and protection of proprietary works and intellectual property.

**(b) Avoidance of Competition and Other Detrimental Acts After Engagement.**

(1) **Noncompete.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate and for the one (1) year period immediately following the termination of such employment for any reason or for no reason, the Participant shall not directly or through the direction or control of others, either as a principal, agent, employee, employer, consultant, partner, shareholder of a closely held corporation or shareholder in excess of five percent of a publicly traded corporation, corporate officer or director, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is a Competing Business (as defined herein).

(2) **Solicitation of Employees, Clients, Referral Sources, Vendors, Etc.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and for the two (2) year period immediately following the date of termination of such employment for any reason (the "Non-Solicit Restricted Period"), the

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Participant shall not, directly or indirectly, jointly or individually, on Participant's own behalf or on behalf of or in assistance to any individual, person or entity, for any purpose or in any place:

(i) solicit, or attempt to solicit, for employment or service, or recruit or facilitate the hire, or attempt to recruit or facilitate the hire, of any Covered Employee (as defined below) or otherwise induce or encourage any Covered Employee to terminate or sever his, her, or its employment or other relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns; or

(ii) (x) solicit business from any Covered Person (as defined below) in connection with, on behalf of or for the benefit of a Competing Business; or (y) otherwise induce or encourage any Covered Person to terminate, change, or reduce his, her, or its relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns for any reason.

Notwithstanding the foregoing, a general advertisement or solicitation for employment that is not targeted and that does not have the effect of being targeted to any current or former Covered Employee or Covered Person shall not, by itself, be deemed to be a violation of the restrictions on solicitation contained in this Section 11(b)(2). For purposes of this Section 11(b)(2), "Covered Employee" shall mean any officer, director, employee, or agent who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed or engaged at any time during the twelve (12) months prior to the Participant's termination of employment; provided, however, that any such individual who has ceased to be employed by or engaged with the Company or any Subsidiary or Affiliate for a period of at least six (6) months shall no longer be deemed a Covered Employee. "Covered Person" shall mean any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate or any of their successors or assigns. The restrictions contained in Section 11(b)(2) are understood to be reasonably limited by geography to those locations, and counties, where the Covered Employee and Covered Person are present and available for solicitation. However, to the extent additional geographic limitations are required to make the restrictions enforceable, they shall be deemed limited to the Territory.

"Territory" means: (i) those states and counties in which the Company is engaged in business (or actively planning to engage in business in the near term) (including state and state-equivalents and county and county-equivalents therein) at the time Participant's employment ends and/or about which Participant was provided access to Confidential Information during the Look Back Period (as defined below); and, (ii) the state and county where Participant resides.

"Look Back Period" means the last two years of Participant's employment or such shorter period of time as Participant was actually employed or engaged to provide personal services to the Company or its subsidiaries.

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**(c) Disparaging Comments.** The Company and the Participant agree that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and any time thereafter, the Participant shall not make any disparaging or defamatory comments regarding the Company or any Subsidiary or Affiliate or any of their successors or assigns, and the Company and its Affiliates shall not make or issue any public statements which are disparaging or defamatory regarding the Participant, and after termination of such employment neither party shall make any comments concerning any aspect of the termination of their relationship. The obligations of the Company and the Participant under this Section 11(c) shall not apply to disclosures, reports, or communications required or protected by applicable law, regulation, or order of any court, arbitrator, or governmental agency.

**(d) Confidentiality.** All books of account, records, systems, correspondence, documents, memoranda, manuals, email, electronic or magnetic recordings or data and any and all other data, or compilations of such data or information, in whatever form and any copies thereof, concerning or containing any reference to the works and business of the Company or any Subsidiary or Affiliate shall belong to the Company and shall be given up to the Company whenever the Company requires the Participant to do so, other than documents pertaining to Participant's individual compensation (such as pay stubs and benefit plan booklets). The Participant agrees that the Participant shall not at any time during the term of the Participant's employment with the Company or any Subsidiary or Affiliate, or at any time thereafter, without the Company's prior written consent, disclose to any individual, person or entity any Confidential Information, nor will Participant use, store, transmit, upload, copy, or download any Confidential Information, except as necessary in the performance of their job duties for the Company.

"Confidential Information" means any item or compilation of information or data, in whatever form (tangible or intangible), related to the Company's business that Participant acquires or gains access to in the course of their employment with the Company that the Company has not authorized public disclosure of, and that is not readily available to the public or persons outside the Company through proper means. By way of example and not limitation, Confidential Information is understood to include: (1) any financing strategies and practices, pricing strategies, structures and methods, underlying pricing-related variables such as costs, volume discounting options, and profit margins; training and operational procedures, advertising, marketing, and sales information or methodologies or financial information, business forecasts and expansion plans; (2) information relating to the Company's or any Subsidiary's or Affiliate's or any of their customers', referral sources' or clients' practices, businesses, procedures, systems, plans or policies, client lists, or prospective client lists; (3) information relating to residents or patients and their contract terms; and (4) associate/personnel data, including contact information. Confidential Information shall be understood to include any and all Company trade secrets (as defined under applicable state or federal law), but an item need not be a trade secret to qualify as Confidential Information. An item of Confidential Information will

ordinarily constitute a trade secret under state or federal law if (a) it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) it is the subject of efforts that are reasonable under the circumstances (or under federal law, using reasonable

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measures) to maintain its secrecy. Something is not acquired through proper means if acquired through theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy by contract or otherwise, or espionage through electronic or other means. For purpose of clarity, it shall still be a violation of this Agreement for a non-management employee to wrongfully compete by sharing Confidential Information, which was obtained through the course of employment with the Company, with a competitor about other employees' compensation and benefits for purposes of assisting such competitor in soliciting Company employees.

The Participant hereby confirms that all Confidential Information constitutes the Company's exclusive property, and that all of the restrictions on the Participant's activities contained in this Agreement and such other nondisclosure policies of the Company are required for the Company's reasonable protection. Confidential Information shall not include any information that has otherwise been disclosed to the public not in violation of this Agreement. This confidentiality provision shall survive the termination of this Agreement and shall not be limited by any other confidentiality agreements entered into with the Company or any Subsidiary or Affiliate. Notwithstanding the foregoing, nothing in this Agreement (or any other Company policy or contract to which the Participant is or was subject) shall be construed to prohibit the Participant from communicating with any federal, state or local governmental agency or commission with oversight of the Company without notice to the Company, as provided for, protected under or warranted by applicable law. Further, the restrictions provided for in this Section 11(d) shall not be construed to prohibit the use of general knowledge and experience customarily relied upon in Participant's trade or profession that is not specific to the particular business matters of the Company (such as its business transactions, customers, residents, clients, or employees).

With respect to any Confidential Information that constitutes a "trade secret" pursuant to applicable law, the restrictions described above shall remain in force for so long as the particular information remains a trade secret or for the two (2) year period immediately following termination of the Participant's employment for any reason, whichever is longer. With respect to any Confidential Information that does not constitute a "trade secret" pursuant to applicable law, the restrictions described above shall remain in force during Participant's employment and for the two (2) year period immediately following termination of such employment for any reason. Nothing in the foregoing shall be construed to permit Participant to recreate records of Confidential Information from memory or retain copies of Confidential Information in any form after their employment or engagement with the Company ends. Participant understands that they should have no records of this kind in their possession or control with which to refresh their memory after Participant's employment with the Company or any Subsidiary or Affiliate ends.

The Participant agrees that the Participant shall promptly disclose to the Company in writing all information and inventions generated, conceived or first reduced to practice by the Participant alone or in conjunction with others, during or after working hours, while in the employ of the Company or any Subsidiary or Affiliate (all of which is collectively referred to in this Agreement as "Proprietary Information"); provided, however, that such Proprietary Information shall not include (a) any information that has otherwise been disclosed to the public not in violation of this Agreement and (b) general business knowledge and work skills of the Participant, even if

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developed or improved by the Participant while in the employ of the Company or any Subsidiary or Affiliate. All such Proprietary Information shall be the exclusive property of the Company and is hereby assigned by the Participant to the Company. The Participant's obligation relative to the disclosure to the Company of such Proprietary Information anticipated in this Section 11(d) shall continue beyond the Participant's termination of employment and

the Participant shall, at the Company's expense, give the Company all assistance it reasonably requires to perfect, protect and use its right to the Proprietary Information.

DTSA Notice: The Defend Trade Secrets Act of 2016 (DTSA) provides that no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public. It also provides that an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret except as permitted by court order.

**(e) Enforcement.**

(1) The Participant acknowledges that compliance with all provisions, covenants and agreements set forth in this Agreement, and the duration, terms and geographical area thereof, are reasonable and necessary to protect the legitimate business interests of the Company and its Subsidiaries and Affiliates.

(2) The Participant acknowledges that a breach of the Participant's obligations under this Section 11 may result in irreparable and continuing damage to the Company and/or its Subsidiaries and Affiliates for which there is no adequate remedy at law.

(3) The Participant acknowledges that the Participant's education, experience and/or abilities are such that the enforcement of the restrictive covenants in this Agreement will not prevent the Participant from earning a living and will not cause any undue hardship upon the Participant.

(4) In the event of the violation by the Participant of any of the covenants contained in Section 11 the terms of each such covenant so violated shall be automatically extended from the date on which the Participant permanently ceases such violation for a period equal to the period in which the Participant was in breach of the covenant or for a period of twelve (12) months from the date of the entry by a court of competent jurisdiction of an order or judgment enforcing such covenant(s), whichever period is later; provided, however, this extension of time shall be capped, except as to violations of Section 11(d), so that the extension of time does not exceed two years from the date Participant's employment ended, and if this extension would make the restriction unenforceable under applicable law it will not be applied.

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(5) Each of the restrictive covenants contained in this Agreement is independent of any other contractual obligations of this Agreement or otherwise owed by the Participant to the Company and/or its Subsidiaries and Affiliates. Further, should Participant be subject to an agreement with the Company containing confidentiality, non-solicitation, and/or noncompetition provisions, the restrictive covenants in this Agreement shall supplement (rather than supersede) the covenants in such other agreements ("Other Covenants"), and the Other Covenants shall remain in full force and effect. The existence of any claim or cause of action by the Participant against the Company and/or its Subsidiaries or Affiliates, whether based on this Agreement or otherwise, shall not create a defense to the enforcement by the Company and/or its Subsidiaries and Affiliates of any restrictive covenant contained in this Agreement.

(6) Unless otherwise stated in Section 11(h), the Participant received a copy of this Agreement at least fourteen (14) days in advance of the date Participant was expected to sign it. Participant understands that the Company has advised them to use this time to consult with an attorney regarding this Agreement and that Participant has a right to do so.

(7) **Protected Conduct.** Nothing in this Agreement prohibits Participant from: (i) opposing an event or conduct that Participant reasonably believes is a violation of law, including criminal conduct, discrimination, harassment, retaliation, a safety or health violation, or other unlawful employment practices (whether in the workplace or at a work-related event); or (ii) disclosing sexual assault or sexual harassment (in the workplace, at work-related events, between employees, or between an employer and an employee or otherwise); or (iii) reporting such an event or conduct to Participant's attorney, law enforcement, or the relevant law-enforcement agency (such as the Securities and Exchange Commission, Department of



Labor, Occupational Safety and Health Administration, Equal Employment Opportunity Commission, or any equivalent state or local government agencies), or (iv) making any truthful statements or disclosures required by law or otherwise cooperating in an investigation conducted by any government agency (collectively referred to as "Protected Conduct"). Further, nothing requires notice to or approval from the Company before engaging in such Protected Conduct.

**(f) Remedies.**

**(1)** It is intended that, in view of the nature of the Company's and its Subsidiaries' and Affiliates' business, the restrictions contained in this Agreement are considered reasonable and necessary to protect the Company's and its Subsidiaries' and Affiliates' legitimate business interests and that any violation of these restrictions would result in irreparable injury to the Company and/or its Subsidiaries and Affiliates. In the event of a breach (a "Covenant Breach") or threatened breach by the Participant of any provision contained herein, the Company and its Subsidiaries and Affiliates may seek a temporary restraining order and injunctive relief without the posting of a bond. Nothing contained herein shall be construed as prohibiting the Company or its Subsidiaries or Affiliates from pursuing any other legal or equitable remedies available to it or them for any breach or threatened breach of these provisions, including, without limitation, recoupment and other remedies specified in the Agreement. In the event of a dispute regarding, arising out of, or in connection with the breach,

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enforcement or interpretation of this Agreement, including, without limitation, any action seeking injunctive relief, and provided that the Company is the prevailing party, the Company shall recover from the Participant all reasonable attorneys' fees and costs incurred by the Company in connection therewith ("Attorneys' Fees Remedy"). The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified. If under applicable law, the foregoing cannot be enforced without also giving Participant the right to recover attorneys' fees and costs if deemed the prevailing party, then the foregoing sentence shall not apply and both parties shall bear their own attorney's fees and costs instead.

**(2)** In the event of a Covenant Breach, the Company shall have the authority to (i) cancel all outstanding RSUs, whether vested or unvested; (ii) cancel all shares of Stock beneficially owned by the Participant that were issued in settlement of RSUs within 12 months on or prior, or at any time after, the date of Participant's termination of employment ("Cancellable Shares"); and (iii) recoup from the Participant any proceeds from the Participant's sale, transfer or other disposition of Cancellable Shares; provided, however, that in the case of a Covenant Breach with respect to Section 11(b)(1) of this Addendum, the Company may not exercise such remedy unless Participant shall not have fully corrected such circumstances giving rise to the Covenant Breach under Section 11(b)(1) within thirty (30) days following written notification from the Company. The Company is hereby authorized by the Participant, as the Participant's attorney-in-fact, to execute all documents and undertake any required action on behalf of the Participant to transfer any Cancellable Shares back to the Company, after which the Participant shall not have any right, title, or interest of any kind to the Cancellable Shares. Participant acknowledges and agrees that the Company has no obligation of any kind to the Participant with respect to the cancellation of RSUs or the Cancellable Shares, or the recoupment of proceeds from the disposition of Cancellable Shares, pursuant to this Section, including, but not limited to, reimbursement for any taxes previously paid by the Participant with respect to Cancellable Shares. This remedy shall be in addition to all other remedies, including those set forth in this Agreement and any other agreements between the parties. If Participant resides in California, for so long as Participant resides in California, this subsection (f)(2) shall not apply.

**(g) Company Intellectual Property.** Participant recognizes that all Works conceived, created, or reduced to practice by Participant, alone or jointly with others, during Participant's employment related to the business of owning, operating, or managing senior living facilities or providing private duty healthcare or other services to patients or customers shall to the fullest extent permissible by law be considered the Company's sole and exclusive property and "works made for hire" as defined in the U.S. Copyright Laws for purposes of United States law and the law of any other country adhering to the "works made for hire" or similar notion or doctrine, and will be considered the Company's property from the moment of creation or conception forward for all purposes without the need for any further action or agreement by Participant or the Company. If any such Works or portions thereof shall not be legally qualified as a works made for hire in the United States or elsewhere, or shall subsequently be held to not be a work made for hire or not the exclusive property of the Company, Participant hereby assigns to the Company all of Participant's rights, title and interest, past, present, and future, to such Works. Participant will not engage in any unauthorized publication or use of such Company

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Works, nor will Participant use same to compete with or otherwise cause damage to the business interests of the Company. "Works" mean original works of authorship, including, but not limited to: literary works (including all written material), mask works, computer programs, formulas, tests, notes, data compilations, databases, artistic and graphic works (including designs, graphs, drawings, blueprints, and other works), recordings, models, photographs, slides, motion pictures, and audio visual works; whether copyrightable or not, and regardless of the form or manner in which documented or recorded.

**(h) State-Specific Modifications.**

**(1) Alabama Addendum.** If a court of competent jurisdiction deems that Alabama law applies, then: (i) the definition of "Non-Solicit Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the eighteen (18) month period immediately following the date of termination of such employment for any reason; and (ii) the definition of "Covered Employee" shall be modified to be further limited to those employees who are uniquely essential to the management, organization, or service of the business (such as an employee involved in management or significant customer sales or servicing).

**(2) California Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in California during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in California:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of California law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of California. Section 11(b)(1) and (2) shall not apply after Participant's employment with the Company ends. However, any conduct relating to the solicitation of Company's residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, consultants, or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times, and nothing in this Agreement shall be construed to limit or eliminate any rights or remedies the Company would have against Participant under trade secret law, unfair competition law, or other laws applicable in California absent this Agreement. In addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful. The Attorneys' Fees Remedy in the last three sentences of Section 11(f)(1) shall be replaced with the following language: "In the event that the Company is successful in securing any temporary, preliminary, and/or permanent injunctive relief, and/or an award of damages or other judicial relief against Participant in connection with any breach of this Agreement, Participant agrees that the Company shall also be entitled to recover all remedies that

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may be awarded by a court of competent jurisdiction or arbitrator and any other legal or equitable relief allowed by law."

**(3) Colorado Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Colorado during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Colorado:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Colorado law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Colorado. The non-competition covenant in Section 11(b)(1) and the Covered Person non-solicitation in Section 11(b)(2)(ii) will not be enforceable against Participant unless Participant's earnings from the Company, when annualized, exceed the equivalent of \$112,500 per year or the earnings threshold in effect as adjusted annually by the Colorado Division of Labor Standards and Statistics in the Department of Labor and Employment. The definition of "Covered



Person" shall be modified to cover only those customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants with respect to which Participant would have been provided trade secret information during the last two years of Participant's employment with the Company. Participant stipulates that the non-competition and covered person non-solicitation obligations in Sections 11(a), 11(b)(1), and 11(b)(2)(ii) are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act"). Participant acknowledges that they received notice of the covenant not to compete and its terms before Participant accepted an offer of employment, or, if a current employee at the time Participant enters into this Agreement, at least fourteen (14) days before the earlier of the effective date of the Agreement or the effective date of any additional compensation or change in the terms or conditions of employment that provides consideration for the covenant not to compete. The Confidential Information restrictions in this Agreement do not prohibit disclosure of information that arises from the worker's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that a worker otherwise has a right to disclose as legally protected conduct. Nothing in this Agreement or Company policy limits or prevents a worker from disclosing information about workplace health and safety practices or hazards. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing or discussing (either orally or in writing) information about unlawful acts in the workplace, such as any alleged discriminatory or unfair employment practice.

**(4) Georgia Addendum.** If a court of competent jurisdiction deems that Georgia law applies, then: (a) the definition of "Confidential Information" will be understood to exclude information voluntarily disclosed to the public by the Company (excluding unauthorized disclosures by Participant or others), information that is the result of independent development by others, and information that is otherwise available in the public domain through lawful means.

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Nothing in this Agreement, including the definition of Confidential Information, limits or alters the definition of what constitutes a trade secret under any federal or state law designed to protect trade secrets; (b) Participant acknowledges that the employee non-solicit obligations in Section 11 (b)(2)(i) are limited to the Territory; and (c) nothing in the covered person non-solicitation obligations in Section 11(b)(2)(ii) shall restrict Participant from accepting business from a Covered Person so long as Participant did not solicit, assist in soliciting, facilitate the solicitation of, provide, or offer to provide services to the Covered Person (regardless of who first initiated contact) or use Confidential Information to encourage or induce the Covered Person to withdraw, curtail, or cancel its business with the Company or in any other manner modify or fail to enter into any actual or potential business relationship with the Company.

**(5) Idaho Addendum.** If a court of competent jurisdiction deems that Idaho law applies, then the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

**(6) Illinois Addendum.** If a court of competent jurisdiction deems that Illinois law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11 immediately binding and enforceable against them; (ii) the non-competition restrictions in Section 11(b)(1) shall not apply if Participant earns equal to or less than \$75,000 annually ("Non-Competition Earnings Threshold") (with the Non-Competition Earnings Threshold increasing by \$5,000 every five years from January 1, 2027 through January 1, 2037); (iii) the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) shall not apply if Participant earns equal to or less than \$45,000 annually ("Non-Solicit Earnings Threshold") (with the Non-Solicit Earnings Threshold increasing by \$2,500 every five years from January 1, 2027 through January 1, 2037). Participant further agrees that if, at the time Participant signs the Agreement, Participant's earnings do not meet the Non-Competition Earnings Threshold and/or the Non-Solicit Earnings Threshold, then the non-competition provision contained in Section 11(b)(1), will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Competition Earnings Threshold, and the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Solicit Earnings Threshold; and (iv) the Attorneys' Fees Remedy in the last three sentences of Section 11(f)(1) relating to attorneys' fees shall be replaced with the following language: "In the event that any action is filed to enforce the terms and conditions of Section 11 of this Agreement, the prevailing party in the action will recover from the non-prevailing party, in addition to any other sum that either party may be called upon to pay, a reasonable sum for the prevailing party's attorney's fees and costs. The Company shall be

deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified.”

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**(7) Indiana Addendum.** If a court of competent jurisdiction deems that Indiana law applies, then: the definition of “Covered Employee” shall be modified to be further limited to employees who have access to or possess any Confidential Information that would give a competitor an unfair advantage.

**(8) Louisiana Addendum.** If a court of competent jurisdiction deems that Louisiana law applies, then: (a) the meaning of Participant’s “Territory” shall be understood to include the parishes (and equivalents) in the following list so long as Company continues to carry on business therein: Acadia, Allen, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Cameron, Catahoula, Desoto, Evangeline, Grant, Iberia, Jefferson Davis, Jefferson, Lafayette, LaSalle, Natchitoches, Orleans, Rapides, Red River, St. Charles, St. John the Baptist, St. Landry, St. Martin, St. Tammany, Tangipahoa, Vermillion, Vernon, Washington, Webster; and (b) Participant’s Covered Person non-solicit obligations (as well as their non-compete obligations) shall be limited to the parishes and counties (or their equivalents) from the foregoing list that fall within Participant’s Territory. Participant agrees that the foregoing provides Participant with adequate notice of the geographic scope of the restrictions contained in the Agreement by name of specific parish or parishes (and equivalents), municipality or municipalities, and/or parts thereof.

**(9) Maine Addendum.** If a court of competent jurisdiction deems that Maine law applies, then: (i) Participant acknowledges that if Participant is being initially hired by Company (or its Subsidiary or Affiliate) that Participant was notified a noncompete agreement would be required prior to their receiving a formal offer of employment from Company (or its Subsidiary or Affiliate) and Participant received a copy of the Agreement at least three business days before they were required to sign the Agreement; (ii) Section 11(b)(1) will not take effect (to restrict Participant post-employment) until one year of employment or a period of six months from the date the agreement is signed, whichever is later; and (iii) Section 11(b)(1) shall not apply if Participant earns at or below 400% of the federal poverty level.

**(10) Massachusetts Addendum.** If a court of competent jurisdiction deems that Massachusetts law applies, then: (i) Participant acknowledges that the opportunity to receive equity under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the definition of “Non-Compete Restricted Period” shall be modified to include the period of the Participant’s employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; however, if Participant breaches their fiduciary duty to the Company (or any Subsidiary or Affiliate) and/or has unlawfully taken, physically or electronically, any Company records, then the Non-Compete Restricted Period shall be extended to a period of two (2) years from the cessation of employment with the Company or any Subsidiary or Affiliate; (iii) the non-compete in Section 11(b)(1) shall only apply post-employment if Participant’s employment ends voluntarily or involuntarily for cause. Participant understands that for the limited purposes of the application of the non-competition restriction in Section 11(b)(1) of the Agreement, “cause” to terminate Participant’s employment exists if Participant has: (A) materially breached any obligations under any applicable employment, confidentiality, nonsolicitation, invention

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assignment, or noncompetition agreement with the Company; (B) been convicted of or entered a plea of guilty or nolo contendere to, or admission to facts sufficient for a finding of guilt for, any crime constituting a felony or any misdemeanor involving fraud, dishonesty and/or moral turpitude; (C) neglected, refused, or failed to discharge their duties (other than due to physical or mental illness) commensurate with their title and function, or their failure to comply with a lawful direction of the Company; (D) breached their duty of loyalty or fiduciary duty to the Company; (E) violated the Company’s policy or policies; (F) engaged in unlawful discrimination or harassment; (G) engaged in any other willful misconduct which is materially

injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; and/or (H) engaged in any other act that is accepted as cause for termination under the common law of the Commonwealth of Massachusetts. Nothing in this herein shall be construed to eliminate or modify the "at-will" nature of the parties' relationship; (iv) Participant acknowledges that they have been advised of their right to consult with an attorney about this Agreement and has been given an opportunity to do so; (v) Participant acknowledges that if they are being initially hired by the Company that they received a copy of this Agreement with their first formal offer of employment from the Company or at least ten (10) business days before commencement of Participant's employment by the Company, whichever came first; and if Participant was already employed by the Company at the time of signing this Agreement, that Participant was provided a copy hereof at least ten (10) business days before the effective date of this Agreement; (vi) the tolling language in Section 11(e)(4) shall only apply to any breach of Section 11(b)(2) (i.e., the tolling language shall not apply to Section 11(b)(1)); and (vii) any dispute relating to or arising out of Section 11 shall be exclusively finally resolved by a state or federal court located in the county where Participant resides or the business litigation session of the superior court in Suffolk County, Massachusetts and the parties to this Agreement hereby consent to personal jurisdiction therein.

**(11) Minnesota Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Minnesota during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Minnesota: The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Minnesota law, and nothing in this Agreement shall require Participant to litigate a claim relating to Section 11 outside of Minnesota. In addition, the non-compete in Section 11(b)(1) shall not apply after Participant's employment with the Company ends.

**(12) Missouri Addendum.** If a court of competent jurisdiction deems that Missouri law applies, then: the definition of "Covered Employee" will be modified to exclude from its definition any employee who provides only secretarial or clerical services.

**(13) Nebraska Addendum.** If a court of competent jurisdiction deems that Nebraska law applies, then: (a) the definition of "Covered Person" shall be further limited to those Covered Persons with which Participant, alone or in combination with others, handled, serviced, or solicited at any time during the Look Back Period; and (b) the non-compete in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends.

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**(14) Nevada Addendum.** If a court of competent jurisdiction deems that Nevada law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is valuable and sufficient to make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the non-competition in Section 11(b)(1) and the Covered Person non-solicit obligations in Section 11(b)(2)(ii) do not preclude Participant from providing services to any former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant of the Company if: (A) Participant did not solicit the former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant; (B) the customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant voluntarily chose to leave and seek services from Participant; and (C) Participant is otherwise complying with the limitations in Section 11 of this Agreement as to time, geographical area and scope of activity to be restrained; and (iii) if Participant's employment with the Company (or its Subsidiary or Affiliate) is terminated as a result of a reduction in force, reorganization or similar restructuring of the Company (or its Subsidiary or Affiliate), the noncompetition covenant in Section 11(b)(1) will only be enforceable during the period in which Company is paying Participant's salary, benefits, or equivalent compensation, including without limitation, severance pay, if it elects to make such a payment.

**(15) New Hampshire Addendum.** If a court of competent jurisdiction deems that New Hampshire law applies, then Participant acknowledges that Participant was given a copy of this Agreement prior to a change in job classification or acceptance of an offer of employment.

**(16) New York Addendum.** If a court of competent jurisdiction deems that New York law applies, then: "Covered Person" shall be modified to exclude from its definition any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate which entered into a business relationship with the Company (or its Subsidiary or Affiliate) as a result of Participant's independent contact and business development efforts with the customer prior to and independent from Participant's employment with Company (or its Subsidiary or Affiliate).

**(17) North Carolina Addendum.** If a court of competent jurisdiction deems that North Carolina law applies, then: the Look Back Period shall be calculated looking back one year from the date the employment ends or two years from the date of enforcement and not from the date employment ends, whichever provides the Company the greatest protection and is enforceable under applicable law.

**(18) Oklahoma Addendum.** If a court of competent jurisdiction deems that Oklahoma law applies, then: (i) the non-competition restrictions in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends; and (ii) the Covered Person non-solicit obligations shall all be amended to provide that notwithstanding anything in it to the contrary, Participant shall be permitted to engage in the same business as

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that conducted by Company or in a similar business as long as Participant does not directly solicit the sale of goods, services or a combination of goods and services from the established customers, residents or patients of the Company or its Subsidiary or Affiliate.

**(19) Oregon Addendum.** If a court of competent jurisdiction deems that Oregon law applies, then: (i) the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; and (ii) unless the Company chooses to compensate Participant as allowed under the Oregon Noncompete Act (Or. Rev. Stat. § 653 et seq.), the restrictions in Section 11(b)(1) shall only apply to Participant if: (A) they are engaged in administrative, executive or professional work and perform predominantly intellectual, managerial, or creative tasks, exercise discretion and independent judgment and earn a salary and am paid on a salary basis; (B) the Company has a "protectable interest" (meaning, access to trade secrets or competitively sensitive confidential business or professional information that otherwise would not qualify as a trade secret, including product development plans, product launch plans, marketing strategy or sales plans); and (C) the total amount of Participant's annual gross salary and commission, calculated on an annual basis, at the time of my termination, exceeds \$100,533 (or the earnings threshold in effect based on annual adjustment for inflation pursuant to the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor immediately preceding the calendar year of Participant's termination). In addition, if Participant is a new employee, Participant acknowledges that they were notified in a written offer of employment received two weeks before the commencement of employment that a noncompetition agreement was a condition of employment.

**(20) Utah Addendum.** If a court of competent jurisdiction deems that Utah law applies, the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

**(21) Virginia Addendum.** If a court of competent jurisdiction deems that Virginia law applies, then: (i) the parties agree that the non-competition and non-solicitation obligations are reasonably limited in nature and do not prohibit employment with a competing business in a non-competitive position; and (ii) if Participant resides in Virginia and their average weekly earnings calculated as provided for under Code of Virginia § 40.1-28.7:7 (the "Virginia Act"), are less than the average weekly wage of the Commonwealth as determined pursuant to subsection B of § 65.2-500 or Participant otherwise qualifies as a "low-wage employee" under the Virginia Act then the non-competition obligations in Section 11(b)(1) shall not apply to Participant and nothing in the Covered Person non-solicit obligations in Section 11(b)(2)(ii) shall restrict Participant from providing a service to a Covered Person if Participant does not initiate contact with or solicit the Covered Person. Participant shall not be considered a "low-wage employee" if Participant's earnings are derived, in whole or in predominant part,

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from sales commissions, incentives, or bonuses paid to the employee by Company (or its Subsidiary or Affiliate).

**(22) Washington Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Washington during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Washington:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of the Washington Noncompete Act (Rev. Code of Wash. (RCW) §§ 49.62.005 - 900) (the "Washington Act") and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Washington. Section 11(b)(2) of this Addendum is modified to during employment and for a period of eighteen (18) months immediately following the date of Participant's termination from the Company and to only prohibit solicitation by Participant (i) of any Covered Employee of the Company to leave employment with the Company, and (ii) of any Covered Person of the Company to cease or reduce the extent to which it is doing business with the Company; in accordance with the definition of an enforceable "Nonsolicitation Agreement" under the Washington Act. The non-competition covenant in Section 11(b)(1) will not be or become enforceable against Participant unless or until Participant's earnings from the Company over the prior year (or the portion thereof for which Participant was employed), when annualized, exceed the equivalent of \$116,594 per year or the then inflation-adjusted equivalent in accordance with the requirements of the Washington Act. "Covered Person" means a customer (including a resident or patient) of the Company or any Subsidiary or Affiliate or any of their successors or assigns that Participant had material contact with during the two (2) years prior to Participant's termination of employment. Material contact will be presumed present if in the two-year period Participant (or persons under Participant's supervision) had contact with the customer, resident, or patient, or Participant was provided Confidential Information about the customer, resident, or patient, or Participant received commissions or other beneficial credit for business conducted with the customer, resident, or patient. "Covered Employee" shall mean any employee who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed at any time during the twelve (12) months prior to the Participant's termination of employment and with whom Participant worked, whom Participant supervised, or about whom Participant acquired Confidential Information. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement prohibits disclosure or discussion of conduct Participant reasonably believes to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as against a clear mandate of public policy.

**(23) Wisconsin Addendum.** If a court of competent jurisdiction deems that Wisconsin law applies, then: (i) the tolling language in Section 11(e)(4) shall not apply; and (ii) the definition of "Covered Employee" shall be modified to be further limited to those employees who are either entrusted with Confidential Information or employed in a position essential to the

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management, organization, or service of the business (such as, but not limited to maintaining Company's or its Subsidiary's or Affiliate's customer and other key relationships).

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Exhibit 10.4

Portions of this exhibit that have been marked by [\*\*\*] have been omitted because the Registrant has determined they are not material and would likely cause competitive harm to the Registrant if publicly disclosed.

**PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN**

This Award Agreement, including the Addendum hereto (this “Agreement”), dated as of February 15, 2024 (the “Date of Grant”), is made by and between Brookdale Senior Living Inc., a Delaware corporation (the “Company”), and \_\_\_\_\_ (the “Participant”). Capitalized terms not defined herein shall have the meaning ascribed to them in the Brookdale Senior Living Inc. 2014 Omnibus Incentive Plan (as amended and/or restated from time to time, the “Plan”). Where the context permits, references to the Company shall include any successor to the Company.

1. Grant of RSUs.

(a) The Company hereby grants to the Participant \_\_\_\_\_ performance-based restricted stock units under the Plan (the “RSUs”). The RSUs are comprised of four tranches (each a “Tranche”), each of which shall be subject to the applicable performance criteria set forth below and the terms and conditions of the Plan and this Agreement.

	% of Initial RSUs	Performance Criteria	Scheduled Vesting Date
First Tranche	25%	Exhibit A	February 27, 2027
Second Tranche	25%	Exhibit B	February 27, 2027
Third Tranche	25%	Exhibit C	February 27, 2027
Fourth Tranche	25%	Exhibit D	February 27, 2027

(b) Additional performance-based restricted stock units may become issuable to the Participant under the Plan as set forth in Section 2(a). If and when any such additional units become issuable, they shall be part of the applicable Tranche and subject to all of the terms and conditions of the Plan and this Agreement as RSUs.

2. Vesting.

(a) General. Except as otherwise provided in this Section 2 and in Section 2 of the Addendum to this Agreement, vesting with respect to each Tranche is subject to the satisfaction of both the Performance Criteria and the Service Condition (each as defined below) applicable to the Tranche. Subject to the provisions set forth below, each Tranche may vest on the scheduled vesting date set forth in Section 1(a) (together with any other date on which any portion of the RSUs may vest pursuant to this Section 2 and Section 2 of the Addendum, a “Vesting Date”), with the exact percentage of each Tranche that vests to be determined by the degree to which the Company’s performance results meet the applicable performance criteria set forth on Exhibit A through Exhibit D hereto (the “Performance Criteria”). Following the completion of the performance period on December 31, 2024 (for the First Tranche), December

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31, 2025 (for the Second Tranche), and December 31, 2026 (for the Third Tranche and Fourth Tranche) (as applicable, the “Measurement Date”), the Administrator shall determine the Company’s performance results relative to the applicable Performance Criteria. If the Company’s performance results are less than 100% on the scale set forth in the applicable Performance Criteria, any RSUs comprising a portion of the applicable Tranche that is not earned shall be forfeited and be deemed no longer to be part of this Agreement effective as of the Measurement Date. If the Company’s performance results exceed 100% on the scale set forth in the applicable Performance Criteria, the Company shall issue such number of additional RSUs as calculated in the applicable Exhibit (the “Additional RSUs”), which shall become part of the applicable Tranche effective as of the applicable Measurement Date. Except as otherwise specifically set forth in this Agreement and Section 2 of the Addendum to this Agreement, vesting of any portion of the RSUs on any Vesting Date is subject to the continued employment of the Participant by the Company or one of its Subsidiaries or Affiliates (or a successor to any of them) from the Date of Grant to such Vesting Date (the “Service Condition”), and upon termination of the Participant’s employment with the Company and its Subsidiaries and Affiliates for any reason, all unvested RSUs outstanding as of the date of such termination shall automatically and without notice terminate and be forfeited and neither the Participant nor any of the Participant’s successors, heirs, assigns, or personal representatives shall thereafter have any further rights or interests in such RSUs.

(b) Award Not Assumed Following Change in Control. Upon the occurrence of a Change in Control, if the RSUs that are outstanding effective immediately prior to such Change in Control are not assumed, continued or substituted with an award relating to a publicly-traded security of



the acquirer (or the Company) on the same terms and conditions that were applicable to such outstanding RSUs, then all such outstanding RSUs shall vest and be settled upon the consummation of the Change in Control.

(c) Award Assumed Following Change in Control. Upon the occurrence of a Change in Control in which the RSUs that are outstanding effective immediately prior to such Change in Control are assumed, continued or substituted with an award relating to a publicly-traded security of the acquirer (or the Company) on the same terms and conditions that were applicable to such outstanding RSUs, then such outstanding RSUs shall continue to vest subject to the Service Condition, and the Performance Criteria with respect to a particular Tranche shall no longer apply if the Change in Control occurs prior to the Measurement Date applicable to such Tranche (and for the avoidance of doubt, no Additional RSUs shall be paid or payable under this Agreement with respect to a particular Tranche in the event that a Change in Control occurs prior to the Measurement Date for such Tranche).

3. Settlement of Restricted Stock Units. As soon as practicable following each Vesting Date (but in no event later than 30 days following the Vesting Date or such earlier time specified in this Agreement), the Company shall issue to the Participant the number of shares of Stock equal to the aggregate number of RSUs that have vested pursuant to this Agreement on such date and the Participant shall thereafter have all the rights of a stockholder of the Company with respect to such shares. Notwithstanding anything in this Agreement to the contrary, no fractional shares shall vest or be issuable under this Agreement, and any such fractional shares

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shall be rounded down to the next whole share; *provided*, that the Administrator may, in its sole discretion, provide a cash payment in lieu of any such fractional share.

4. Rights as a Stockholder. Section 4 of the Addendum is incorporated herein.

5. Adjustments. Pursuant to Section 5 of the Plan, in the event of a change in capitalization as described therein, the Administrator shall make such equitable changes or adjustments, as it deems necessary or appropriate, in its discretion, to the number and kind of securities or other property (including cash) issued or issuable in respect of outstanding RSUs.

6. Certain Changes. The Administrator may accelerate the vesting dates or otherwise adjust any of the terms of the RSUs; provided that, subject to Section 5 of the Plan, Section 11(f) of the Addendum to this Agreement and Section 22 of this Agreement, no action under this Section shall adversely affect the Participant's rights hereunder.

7. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by facsimile or first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing or 24 hours after transmission by facsimile to the respective parties, as follows: (i) if to the Company, at Brookdale Senior Living Inc., 111 Westwood Place, Suite 400, Brentwood, TN 37027, Facsimile: (615) 564-8204, Attn: General Counsel and (ii) if to the Participant, using the contact information on file with the Company. Either party hereto may change such party's address for notices by notice duly given pursuant hereto. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any notice or other communications related to the RSUs, this Agreement or current or future participation in the Plan by electronic means. The Participant hereby consents to receive such notices and other communications by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company (including the Company's stock plan service provider's website).

8. Taxes. The Participant has reviewed with the Participant's own tax advisors the Federal, state, local and foreign tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant acknowledges and agrees that the Participant is responsible for the tax consequences associated with the award and vesting of the RSUs.

9. Withholding. Delivery of shares of Stock is conditioned upon Participant's making arrangements satisfactory to the Administrator regarding payment of income and employment tax withholding requirements as set forth in Section 15 of the Plan; provided, however, that the Participant may elect, without the consent of the Company, to have the Company withhold from delivery of shares of Stock issuable upon the settlement of the RSUs such number of shares of Stock having a Fair Market Value not exceeding the applicable taxes to be withheld and applied to

the tax obligations of the Participant as determined by the Company. In making its determination, the Company may calculate such amount by taking into account

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applicable withholding rates not exceeding the maximum individual statutory tax rates in the Participant's applicable jurisdictions.

10. Failure to Enforce Not a Waiver. The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. Restrictive Covenants. The provisions of Section 11 of the Addendum to this Agreement are incorporated herein.

12. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Delaware without regard to its principles of conflict of laws. If during the Participant's employment with Company, the Participant primarily resides or is primarily assigned to Company or one of its Subsidiary or Affiliate location(s) in California, Colorado, Minnesota, or Washington, then for so long as the Participant primarily resides in such state or is primarily assigned to location(s) in such states during the Participant's employment, this Section 12 shall not apply to the covenants in Section 11 of the Addendum.

13. Incorporation of Plan. The Plan is hereby incorporated by reference and made a part hereof, and the RSUs and this Agreement shall be subject to all terms and conditions of the Plan.

14. Amendments; Construction. The Administrator may amend the terms of this Agreement prospectively or retroactively at any time, but no such amendment shall impair the rights of the Participant hereunder without the Participant's consent. Headings to Sections of this Agreement are intended for convenience of reference only, are not part of this Agreement and shall have no effect on the interpretation hereof.

15. Survival of Terms. This Agreement shall apply to and bind the Participant and the Company and their respective permitted assignees and transferees, heirs, legatees, executors, administrators and legal successors. The terms of Section 11 of the Addendum to this Agreement and Section 22 of this Agreement shall expressly survive the vesting and/or forfeiture of the RSUs and any expiration or termination of this Agreement.

16. Compliance with Stock Ownership and Retention Guidelines. The Participant hereby agrees to comply with the Company's Stock Ownership and Retention Guidelines (as amended from time to time, the "Guidelines"), to the extent such Guidelines are applicable, or become applicable, to the Participant. The Participant further acknowledges that, if the Participant is not in compliance with such Guidelines (if applicable), the Administrator may refrain from issuing additional equity awards to the Participant and/or elect to pay the Participant's annual bonus in the form of vested or unvested Common Stock.

17. Agreement Not a Contract for Services. Neither the Plan, the granting of the RSUs, this Agreement nor any other action taken pursuant to the Plan shall constitute or be evidence of any agreement or understanding, express or implied, that the Participant has a right to continue to provide services as an officer, director, employee, consultant or advisor of the

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Company or any Subsidiary or Affiliate for any period of time or at any specific rate of compensation.

18. Restrictions. The RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Participant, and any shares of Stock issuable with respect to the RSUs may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until



such shares of Stock have been issued to the Participant upon vesting of the RSUs in accordance with the terms of the Plan and this Agreement. Unless the Administrator determines otherwise, upon any attempt to transfer RSUs or any rights in respect of RSUs before the lapse of such restrictions, such RSUs, and all of the rights related thereto, shall be immediately forfeited by the Participant and transferred to, and reacquired by, the Company without consideration of any kind.

19. Authority of the Administrator. The Administrator shall have full authority to interpret and construe the terms of the Plan and this Agreement (including, without limitation, the authority to determine whether, and the extent to which, any Performance Criteria have been achieved). Pursuant to the terms of the Plan, the Administrator shall also have full authority to make equitable adjustments to the Performance Criteria in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or Affiliate or the financial statements of the Company or any Subsidiary or Affiliate, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in accounting principles. The determination of the Administrator as to any such matter of interpretation or construction shall be final, binding and conclusive.

20. Severability. Should any provision of this Agreement be held by a court of competent jurisdiction to be unenforceable, or enforceable only if modified, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the parties hereto with any such modification (if any) to become a part hereof and treated as though contained in this original Agreement. Moreover, if one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to scope, activity, subject or otherwise so as to be unenforceable, in lieu of severing such unenforceable provision, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear, and such determination by such judicial body shall not affect the enforceability of such provision or provisions in any other jurisdiction.

21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the RSUs subject to all the terms and conditions of the Plan and this Agreement. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator upon any questions arising under this Agreement. By the Participant's electronically accepting the award of the RSUs using an online or electronic system established and maintained by the Company or a third party designated by

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the Company (including the Company's stock plan service provider's website), the Participant agrees to be bound by the terms and conditions of the Plan and this Agreement. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Participant's electronic acceptance of the award of the RSUs shall have the same validity and effect as a signature affixed to this Agreement by the Participant's hand. Participant understands their participation in the terms of the Plan and this Agreement through acceptance of RSUs is entirely voluntary, and is not a term and/or condition of employment but is instead an award granted on a discretionary basis to align Participant's interests with those of the Company's stockholders and is an award that Participant is free to decline at Participant's discretion.

22. Clawback. Notwithstanding anything herein to the contrary, the RSUs (including any shares of Stock issued to the Participant upon settlement thereof) shall be subject to forfeiture, reduction, and/or recoupment (i) to the extent provided in the Company's Clawback and Forfeiture Policy, as it may be amended from time to time; (ii) to the extent that Participant becomes subject to any other recoupment or clawback policy hereafter adopted by the Company, including any such policy adopted by the Company to comply with the requirements of any applicable laws, rules, regulations, or stock exchange listing requirements, including pursuant to final SEC rules under the Dodd-Frank Wall Street Reform and Consumer Protection Act, or (iii) to the extent provided under applicable legal requirements which impose recoupment, under circumstances set forth in such applicable legal requirements, including the Sarbanes-Oxley Act of 2002.

23. Limitation on Rights; Extraordinary Item of Compensation. By accepting this Agreement and the grant of the RSUs contemplated hereunder, the Participant expressly acknowledges that (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be suspended or terminated by the Company at any time, to the extent permitted by the Plan; (b) the grant of RSUs is exceptional, voluntary, and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been

granted in the past; (c) all determinations with respect to future grants of RSUs, if any, including the date of grant, the number of units granted and the applicable vesting terms, will be at the sole discretion of the Company; (d) the Participant's participation in the Plan is voluntary; and (e) the future value of the underlying Shares is unknown and cannot be predicted with certainty. In addition, the Participant understands, acknowledges and agrees that the Participant will have no rights to compensation or damages related to RSU proceeds in consequence of the termination of the Participant's employment for any reason whatsoever and whether or not in breach of contract, other than as set forth in the Plan or in this Agreement.

24. Section 409A. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the RSUs are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code. Notwithstanding anything to the contrary in this Agreement or an accompanying election form executed by the Participant, if (i) on the date of the Participant's Separation from Service with the Company the Participant is a "specified employee" (as such term is defined under Section 1.409A-1(i) of the Treasury Regulations promulgated under Section 409A of the Code) of the

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Company and (ii) any payments to be provided to the Participant pursuant to this Agreement are or may become subject to the additional tax under Section 409A(a)(1)(B) of the Code, or any other taxes or penalties imposed under Section 409A of the Code if provided at the time otherwise required under this Agreement, then such payments shall be delayed until the date that is six months after the date of the Participant's separation from service from the Company, or if earlier, his or her death. Any payments delayed pursuant to this paragraph shall be made in a lump sum on the first day of the seventh month following the Participant's separation from service, or if earlier, the Participant's death. Each payment upon settlement of RSUs (and any related dividend or related dividend equivalent rights) constitutes a "separate payment" for purposes of Section 409A of the Code. Notwithstanding any other provision of this Agreement, if and to the extent that any payment under this Agreement constitutes non-qualified deferred compensation under Section 409A of the Code, and is payable upon (i) the Participant's termination of employment, then such payment shall be made or provided to the Participant only upon a "separation from service" as defined for purposes of Section 409A of the Code, or (ii) a Change in Control, then such payment shall be made or provided to the Participant only upon a "change in the ownership", a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the applicable corporation as defined for purposes of Section 409A of the Code.

*[signature page follows]*

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**BROOKDALE SENIOR LIVING INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PARTICIPANT**

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## **EXHIBIT A**

### **2024 RevPAR Growth\***

Vesting of the First Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's one-year growth of Same Community RevPAR for fiscal 2024 compared to a base year of fiscal 2023 as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results. Same Community RevPAR means the Same Community RevPAR as reported by the Company in its Annual Report on Form 10-K, earnings release and/or supplemental information for the year ended December 31, 2024.

<b>Growth Rate</b>	<b>% of Target First Tranche to Vest</b>
[***]% or Above (Maximum)	150%
[***]% (Target)	100%
[***]% (Threshold)	50%
Below [***]%	No Vesting

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

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## **EXHIBIT B**

### **2025 RevPAR Growth\***

Vesting of the Second Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's one-year growth of Same Community RevPAR for fiscal 2025 compared to a base year of fiscal 2024 as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results. Same Community RevPAR means the Same Community RevPAR as reported by the Company in its Annual Report on Form 10-K, earnings release and/or supplemental information for the year ended December 31, 2025.

<b>Growth Rate</b>	<b>% of Target Second Tranche to Vest</b>
[***]% or Above (Maximum)	150%
[***]% (Target)	100%
[***]% (Threshold)	50%
Below [***]%	No Vesting

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

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## EXHIBIT C

### 2026 RevPAR Growth\*

Vesting of the Third Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's one-year growth of Same Community RevPAR for fiscal 2026 compared to a base year of fiscal 2025 as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results. Same Community RevPAR means the Same Community RevPAR as reported by the Company in its Annual Report on Form 10-K, earnings release and/or supplemental information for the year ended December 31, 2026.

Growth Rate	% of Target Third Tranche to Vest
[***]% or Above (Maximum)	150%
[***]% (Target)	100%
[***]% (Threshold)	50%
Below [***]%	No Vesting

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

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## EXHIBIT D

### Relative TSR\*

Vesting of the Fourth Tranche (plus any Additional RSUs that become issuable pursuant to Section 2(a) of the Agreement) will be dependent upon the Company's TSR ranking relative to the TSRs of the companies in the Comparator Group during the Performance Period as set forth in the grid below, with vesting to be interpolated on a straight-line basis between the applicable levels based on actual results; provided, however, that in no event shall any Additional RSUs (above 100%) vest and be issued with respect to the Fourth Tranche if the Company's TSR is negative for the Performance Period.

Relative TSR Performance	% of Target Fourth Tranche to Vest
75th Percentile or Above (Maximum)	150%
50th Percentile (Target)	100%
25th Percentile (Threshold)	50%
Below 25th Percentile	No Vesting

For purposes of the foregoing:

- Performance Period shall mean January 1, 2024 through December 31, 2026.
- Comparator Group shall mean the constituent companies of the S&P Midcap 400 as of the beginning of the Performance Period, except that any such companies that have been acquired or delisted from a national securities exchange during the Performance Period will be excluded.
- TSR shall mean the compound annual total stockholder return calculated using a beginning price equal to the average closing price over the 20-trading days preceding the beginning of the Performance Period, using an ending price equal to the average closing price over the 20-trading days immediately prior to the end of the Performance Period, and assuming the reinvestment of any dividends or distributions as of the ex-dividend date.

\*Subject in all cases to the terms of the Plan and the Agreement, including the discretionary and interpretative authority of the Administrator set forth in the Plan and the Agreement.

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**ADDENDUM TO  
PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT  
UNDER THE BROOKDALE SENIOR LIVING INC.  
2014 OMNIBUS INCENTIVE PLAN.**

**Section 2:**

Notwithstanding Section 2 or anything in the Agreement to the contrary:

(i) In the event that the Participant's employment with the Company and its Subsidiaries and Affiliates (or a successor to any of them) is terminated within twelve months following a Change in Control by the Company (or such other entity) without Cause or by the Participant for Good Reason (as defined in the Company's Amended and Restated Tier I Severance Pay Policy or the Company's Amended and Restated Tier II Severance Pay Policy, whichever is applicable to Participant), then the RSUs that are outstanding effective on the date of such termination shall vest effective upon such termination and be settled within 30 days following such termination.

(ii) In the event that the Participant's employment with the Company and its Subsidiaries and Affiliates is terminated by the Company without Cause (other than as described in paragraph (i) above) or on account of the Participant's death or Disability, the following percentages of the applicable Tranches that are outstanding effective on the date of such termination of employment shall remain outstanding following such termination and shall be eligible to vest (including any Additional RSUs) subject to the achievement of the Performance Criteria as if the Service Condition shall have been met as of the applicable Vesting Date:

(A) 100% of the First Tranche and 33.33% of the Fourth Tranche for such termination that occurs on or prior to February 27, 2025 (with 100% of the Second Tranche and Third Tranche, and 66.67% of the Fourth Tranche, to be forfeited at termination);

(B) 100% of the First Tranche and Second Tranche, and 66.67% of the Fourth Tranche, for such termination that occurs after February 27, 2025 and on or prior to February 27, 2026 (with 100% of the Third Tranche and 33.33% of the Fourth Tranche to be forfeited at termination); and

(C) 100% of the First Tranche, Second Tranche, Third Tranche, and Fourth Tranche, for such termination that occurs after February 27, 2026 and on or prior to February 27, 2027.

Notwithstanding the foregoing, (A) in the event of a Change in Control following a termination event described in this subparagraph (ii), the RSUs outstanding effective immediately prior to such Change in Control shall vest and be settled upon the consummation of the Change in Control; and (B) in the event Participant's employment is terminated on account of Disability and Participant did not actively provide services on at least one day in the one-year period immediately preceding the date set forth in clause (A) or the later date set forth in the applicable clause (B), or (C), then the treatment of the outstanding Tranches shall be as set forth

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in the earlier clause for which Participant actively provided services at least one day in the one-year period immediately preceding such date or later date, as applicable, set forth in such clause (and in the event that Participant did not actively provide services on at least one day in the one-year period immediately preceding the date set forth in clause (A), then 100% of the Tranches shall be forfeited at termination).

(iii) In the event the Participant retires from the Company and its Subsidiaries and Affiliates (i) on or after attaining age sixty (60) with a minimum of five (5) years of service with the Company and its Subsidiaries and Affiliates and (ii) after providing no less than six (6) months' advance written notice to the Company of the anticipated retirement, the following percentages of the Tranches that are outstanding effective on the date of such retirement shall remain outstanding following such retirement and shall be eligible to vest (including any Additional RSUs) subject to the achievement of the Performance Criteria as if the Service Condition shall have been met as of the applicable Vesting Date:

(A) for a retirement date that occurs prior to February 15, 2025, the percentage equal to the number of full months employed since February 15, 2024 divided by 12 (with the remaining percentage of the Tranches to be forfeited upon the date of such retirement); and

(B) for a retirement date that occurs on or after February 15, 2025, 100% of the Tranches.

#### **Section 4:**

The Participant shall have no voting rights with respect to RSUs outstanding on any applicable record date. Any ordinary or extraordinary cash or stock dividend that may be declared and paid on the Common Stock with a record date on or after the Date of Grant and prior to the settlement date of the RSUs shall be deposited (in the same form as was payable to the holders of Common Stock) in an account and be paid upon, and subject to, the vesting and settlement of the RSUs. For the avoidance of doubt, the Participant shall not be entitled to payment of dividends or dividend equivalents with respect to an RSU unless and until the vesting and settlement of such RSU in accordance with this Agreement, and all such dividends or dividend equivalents with respect to any RSU shall forfeit upon the forfeiture of such RSU.

#### **Section 11: Commitment to Avoid Detrimental Activities.**

The Participant understands the Company has developed, and is continuing to develop, substantial relationships with actual and prospective officers, directors, employees, consultants, agents, customers, residents, patients, referral sources, clients, vendors, suppliers, investors, and equity and financing sources, associate and customer goodwill, and confidential and proprietary business information and trade secrets, which the Company and its Subsidiaries and Affiliates have the right to protect in order to safeguard their legitimate business interests. Any misappropriation of such relationships or goodwill, or any improper disclosure or use of the Company's and its Subsidiaries' and Affiliates' confidential and proprietary business information and trade secrets would be highly detrimental to their business interests in that serious and substantial loss of business and pecuniary damages would result therefrom. The

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Participant also acknowledges and recognizes that an important purpose of this Agreement is to align the interests of Participant with those of the Company's stockholders and to ensure that the Participant does not engage in activity detrimental to the interests of the Company's stockholders if Participant is going to be allowed the opportunity to participate in the financial rewards that result from the RSUs and their relationship to the value of equity participation in the Company. In addition, Participant acknowledges that an ancillary purpose consistent with protecting the interests of the stockholders arises with respect to Participant because during the period of the Participant's employment with the Company or any Subsidiary or

Affiliate, the Participant shall have access to the Company's Confidential Information (as defined below) and will meet and develop such relationships and goodwill. Participant accordingly agrees to comply with the provisions of this Section 11 as a condition of receipt and retention of the RSUs provided for in this Agreement and their beneficial value. Participant acknowledges and agrees not to contest or dispute the Company's position that the prohibition of unfair competition provided for in this Section 11 is inextricably connected to and part of the Company's governance of its internal affairs and relates directly to the interests of the Company's stockholders. Nothing contained in this Section 11 shall limit any common law or statutory obligation that the Participant may have to the Company or any Subsidiary or Affiliate. For purposes of this Section 11, the "Company" refers to the Company and any incorporated or unincorporated affiliates of the Company, including any entity which becomes the Participant's employer as a result of any reorganization or restructuring of the Company for any reason. The Company shall be entitled, in connection with its tax planning or other reasons, to terminate the Participant's employment (which termination shall not be considered a termination for any purposes of this Agreement, any employment agreement, or otherwise) in connection with an invitation from another affiliate of the Company to accept employment with such affiliate in which case the terms and conditions hereof shall apply to the Participant's employment relationship with such entity mutatis mutandis.

For purposes of this Section 11, "Competing Business" means a business (which shall include any sole proprietorship, partnership, limited partnership, limited liability partnership, limited liability company, corporation or other for-profit or not-for-profit business organization) (A) engaged in the business of owning, operating, or managing senior living facilities within the United States or (B) that, itself or with its affiliates, provides private duty healthcare or other private duty services to patients or customers within any state that the Company or its subsidiaries or affiliates provides now, or provides during the Participant's employment, such private duty healthcare or other private duty services to patients or customers, and that derives, together with its controlled affiliates or together with its affiliates, more than 10% of its and its controlled affiliates or 10% of its and its affiliates, respectively, revenue from the provision of private duty healthcare or other private duty services to patients or customers.

**(a) Avoidance of Competition and Other Detrimental Acts During Engagement.** While employed or otherwise engaged as an individual to provide services to the Company (as an employee, consultant, or otherwise), Participant will comply with each of the restrictions and obligations below.

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**(1)** While employed with the Company, Participant will comply at all times with Participant's duty of loyalty to the Company as an employee or agent of the Company placed in a position of special trust and confidence. This duty shall be understood to include, but not be limited to,

(i) an obligation not to engage or participate in the business of a Competing Business (defined below), or become employed with a Competing Business as an employee, owner, member, partner, consultant, director, or otherwise, without the express written consent of the Company,

(ii) an obligation not to interfere with or otherwise knowingly cause harm to the Company's ongoing or prospective business relationship with a Company employee, consultant, or individual providing services as an independent contractor, or a supplier, distributor, vendor, customer, or other person or entity that does business with the Company or that the Company has a reasonable expectation of doing business with, and

(iii) an obligation to inform the Company of business opportunities that fall within the Company's line of business and not pursue them for personal gain separate from the Company without the Company's express written consent in advance, or otherwise participate in any conduct or relationship that creates a conflict of interest in violation of Company policies.

**(2)** Participant will not knowingly participate in or pursue activities that harm the value of the Company's intellectual property and will honor all agreements with the Company concerning the ownership and protection of proprietary works and intellectual property.

**(b) Avoidance of Competition and Other Detrimental Acts After Engagement.**

**(1) Noncompete.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate and for the one (1) year period immediately following the termination of such employment for any reason or for no reason, the Participant shall

not directly or through the direction or control of others, either as a principal, agent, employee, employer, consultant, partner, shareholder of a closely held corporation or shareholder in excess of five percent of a publicly traded corporation, corporate officer or director, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is a Competing Business (as defined herein). Notwithstanding the foregoing, (i) if the Participant's employment is terminated by the Participant after Participant experiences an aggregate reduction to the Participant's annual target cash compensation by 20% or more, the covenant in this Section 11(b)(1) shall not apply; and (ii) the covenant in this Section 11(b)(1) shall not be interpreted to restrict the Participant's right to practice law in violation of any rules of professional conduct applicable to the Participant.

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**(2) Solicitation of Employees, Clients, Referral Sources, Vendors, Etc.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and for the two (2) year period immediately following the date of termination of such employment for any reason (the "Non-Solicit Restricted Period"), the Participant shall not, directly or indirectly, jointly or individually, on Participant's own behalf or on behalf of or in assistance to any individual, person or entity, for any purpose or in any place:

(i) solicit, or attempt to solicit, for employment or service, or recruit or facilitate the hire, or attempt to recruit or facilitate the hire, of any Covered Employee (as defined below) or otherwise induce or encourage any Covered Employee to terminate or sever his, her, or its employment or other relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns; or

(ii) (x) solicit business from any Covered Person (as defined below) in connection with, on behalf of or for the benefit of a Competing Business; or (y) otherwise induce or encourage any Covered Person to terminate, change, or reduce his, her, or its relationship with the Company or any Subsidiary or Affiliate or any of their successors or assigns for any reason.

Notwithstanding the foregoing, a general advertisement or solicitation for employment that is not targeted and that does not have the effect of being targeted to any current or former Covered Employee or Covered Person shall not, by itself, be deemed to be a violation of the restrictions on solicitation contained in this Section 11(b)(2). For purposes of this Section 11(b)(2), "Covered Employee" shall mean any officer, director, employee, or agent who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed or engaged at any time during the twelve (12) months prior to the Participant's termination of employment; provided, however, that any such individual who has ceased to be employed by or engaged with the Company or any Subsidiary or Affiliate for a period of at least six (6) months shall no longer be deemed a Covered Employee. "Covered Person" shall mean any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate or any of their successors or assigns. The restrictions contained in Section 11(b)(2) are understood to be reasonably limited by geography to those locations, and counties, where the Covered Employee and Covered Person are present and available for solicitation. However, to the extent additional geographic limitations are required to make the restrictions enforceable, they shall be deemed limited to the Territory.

"Territory" means: (i) those states and counties in which the Company is engaged in business (or actively planning to engage in business in the near term) (including state and state-equivalents and county and county-equivalents therein) at the time Participant's employment ends and/or about which Participant was provided access to Confidential Information during the Look Back Period (as defined below); and, (ii) the state and county where Participant resides.

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"Look Back Period" means the last two years of Participant's employment or such shorter period of time as Participant was actually employed or engaged to provide personal services to the Company or its subsidiaries.

**(c) Disparaging Comments.** The Participant agrees that during the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and any time thereafter, the Participant shall not make any disparaging or defamatory comments regarding the Company or any Subsidiary or Affiliate or any of their successors or assigns, or any time after termination of such employment, make any comments concerning any aspect of the termination of their relationship.

**(d) Confidentiality.** All books of account, records, systems, correspondence, documents, memoranda, manuals, email, electronic or magnetic recordings or data and any and all other data, or compilations of such data or information, in whatever form and any copies thereof, concerning or containing any reference to the works and business of the Company or any Subsidiary or Affiliate shall belong to the Company and shall be given up to the Company whenever the Company requires the Participant to do so, other than documents pertaining to Participant's individual compensation (such as pay stubs and benefit plan booklets). The Participant agrees that the Participant shall not at any time during the term of the Participant's employment with the Company or any Subsidiary or Affiliate, or at any time thereafter, without the Company's prior written consent, disclose to any individual, person or entity any Confidential Information, nor will Participant use, store, transmit, upload, copy, or download any Confidential Information, except as necessary in the performance of their job duties for the Company.

"Confidential Information" means any item or compilation of information or data, in whatever form (tangible or intangible), related to the Company's business that Participant acquires or gains access to in the course of their employment with the Company that the Company has not authorized public disclosure of, and that is not readily available to the public or persons outside the Company through proper means. By way of example and not limitation, Confidential Information is understood to include: (1) any financing strategies and practices, pricing strategies, structures and methods, underlying pricing-related variables such as costs, volume discounting options, and profit margins; training and operational procedures, advertising, marketing, and sales information or methodologies or financial information, business forecasts and expansion plans; (2) information relating to the Company's or any Subsidiary's or Affiliate's or any of their customers', referral sources' or clients' practices, businesses, procedures, systems, plans or policies, client lists, or prospective client lists; (3) information relating to residents or patients and their contract terms; and (4) associate/personnel data, including contact information. Confidential Information shall be understood to include any and all Company trade secrets (as defined under applicable state or federal law), but an item need not be a trade secret to qualify as Confidential Information. An item of Confidential Information will ordinarily constitute a trade secret under state or federal law if (a) it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) it is the subject of efforts that are reasonable under the circumstances (or under federal law, using reasonable

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measures) to maintain its secrecy. Something is not acquired through proper means if acquired through theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy by contract or otherwise, or espionage through electronic or other means. For purpose of clarity, it shall still be a violation of this Agreement for a non-management employee to wrongfully compete by sharing Confidential Information, which was obtained through the course of employment with the Company, with a competitor about other employees' compensation and benefits for purposes of assisting such competitor in soliciting Company employees.

The Participant hereby confirms that all Confidential Information constitutes the Company's exclusive property, and that all of the restrictions on the Participant's activities contained in this Agreement and such other nondisclosure policies of the Company are required for the Company's reasonable protection. Confidential Information shall not include any information that has otherwise been disclosed to the public not in violation of this Agreement. This confidentiality provision shall survive the termination of this Agreement and shall not be limited by any other confidentiality agreements entered into with the Company or any Subsidiary or Affiliate. Notwithstanding the foregoing, nothing in this Agreement (or any other Company policy or contract to which the Participant is or was subject) shall be construed to prohibit the Participant from communicating with any federal, state or local governmental agency or commission with oversight of the Company without notice to the Company, as provided for, protected under or warranted by applicable law. Further, the restrictions provided for in this Section 11(d) shall not be construed to prohibit the use of general knowledge and experience customarily relied upon in Participant's trade or profession that is not specific to the particular business matters of the Company (such as its business transactions, customers, residents, clients, or employees).

With respect to any Confidential Information that constitutes a “trade secret” pursuant to applicable law, the restrictions described above shall remain in force for so long as the particular information remains a trade secret or for the two (2) year period immediately following termination of the Participant’s employment for any reason, whichever is longer. With respect to any Confidential Information that does not constitute a “trade secret” pursuant to applicable law, the restrictions described above shall remain in force during Participant’s employment and for the two (2) year period immediately following termination of such employment for any reason. Nothing in the foregoing shall be construed to permit Participant to recreate records of Confidential Information from memory or retain copies of Confidential Information in any form after their employment or engagement with the Company ends. Participant understands that they should have no records of this kind in their possession or control with which to refresh their memory after Participant’s employment with the Company or any Subsidiary or Affiliate ends.

The Participant agrees that the Participant shall promptly disclose to the Company in writing all information and inventions generated, conceived or first reduced to practice by the Participant alone or in conjunction with others, during or after working hours, while in the employ of the Company or any Subsidiary or Affiliate (all of which is collectively referred to in this Agreement as “Proprietary Information”); provided, however, that such Proprietary Information shall not include (a) any information that has otherwise been disclosed to the public not in violation of this Agreement and (b) general business knowledge and work skills of the Participant, even if

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developed or improved by the Participant while in the employ of the Company or any Subsidiary of Affiliate. All such Proprietary Information shall be the exclusive property of the Company and is hereby assigned by the Participant to the Company. The Participant’s obligation relative to the disclosure to the Company of such Proprietary Information anticipated in this Section 11(d) shall continue beyond the Participant’s termination of employment and the Participant shall, at the Company’s expense, give the Company all assistance it reasonably requires to perfect, protect and use its right to the Proprietary Information.

**DTSA Notice:** The Defend Trade Secrets Act of 2016 (DTSA) provides that no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public. It also provides that an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret except as permitted by court order.

**(e) Enforcement.**

**(1)** The Participant acknowledges that compliance with all provisions, covenants and agreements set forth in this Agreement, and the duration, terms and geographical area thereof, are reasonable and necessary to protect the legitimate business interests of the Company and its Subsidiaries and Affiliates.

**(2)** The Participant acknowledges that a breach of the Participant’s obligations under this Section 11 may result in irreparable and continuing damage to the Company and/or its Subsidiaries and Affiliates for which there is no adequate remedy at law.

**(3)** The Participant acknowledges that the Participant’s education, experience and/or abilities are such that the enforcement of the restrictive covenants in this Agreement will not prevent the Participant from earning a living and will not cause any undue hardship upon the Participant.

**(4)** In the event of the violation by the Participant of any of the covenants contained in Section 11 the terms of each such covenant so violated shall be automatically extended from the date on which the Participant permanently ceases such violation for a period equal to the period in which the Participant was in breach of the covenant or for a period of twelve (12) months from the date of the entry by a court of competent jurisdiction of an order or judgment enforcing such covenant(s), whichever period is later; provided, however, this extension of time shall be capped, except as to violations of Section 11(d), so that the extension of time does not exceed two years from the date Participant’s employment ended, and if this extension would make the restriction unenforceable under applicable law it will not be applied.

(5) Each of the restrictive covenants contained in this Agreement is independent of any other contractual obligations of this Agreement or otherwise owed by the Participant to the Company and/or its Subsidiaries and Affiliates. Further, should Participant be subject to an agreement with the Company containing confidentiality, non-solicitation, and/or noncompetition provisions, the restrictive covenants in this Agreement shall supplement (rather than supersede) the covenants in such other agreements ("Other Covenants"), and the Other Covenants shall remain in full force and effect. The existence of any claim or cause of action by the Participant against the Company and/or its Subsidiaries or Affiliates, whether based on this Agreement or otherwise, shall not create a defense to the enforcement by the Company and/or its Subsidiaries and Affiliates of any restrictive covenant contained in this Agreement.

(6) Unless otherwise stated in Section 11(h), the Participant received a copy of this Agreement at least fourteen (14) days in advance of the date Participant was expected to sign it. Participant understands that the Company has advised them to use this time to consult with an attorney regarding this Agreement and that Participant has a right to do so.

(7) **Protected Conduct.** Nothing in this Agreement prohibits Participant from: (i) opposing an event or conduct that Participant reasonably believes is a violation of law, including criminal conduct, discrimination, harassment, retaliation, a safety or health violation, or other unlawful employment practices (whether in the workplace or at a work-related event); or (ii) disclosing sexual assault or sexual harassment (in the workplace, at work-related events, between employees, or between an employer and an employee or otherwise); or (iii) reporting such an event or conduct to Participant's attorney, law enforcement, or the relevant law-enforcement agency (such as the Securities and Exchange Commission, Department of Labor, Occupational Safety and Health Administration, Equal Employment Opportunity Commission, or any equivalent state or local government agencies), or (iv) making any truthful statements or disclosures required by law or otherwise cooperating in an investigation conducted by any government agency (collectively referred to as "Protected Conduct"). Further, nothing requires notice to or approval from the Company before engaging in such Protected Conduct.

**(f) Remedies.**

(1) It is intended that, in view of the nature of the Company's and its Subsidiaries' and Affiliates' business, the restrictions contained in this Agreement are considered reasonable and necessary to protect the Company's and its Subsidiaries' and Affiliates' legitimate business interests and that any violation of these restrictions would result in irreparable injury to the Company and/or its Subsidiaries and Affiliates. In the event of a breach (a "Covenant Breach") or threatened breach by the Participant of any provision contained herein, the Company and its Subsidiaries and Affiliates may seek a temporary restraining order and injunctive relief without the posting of a bond. Nothing contained herein shall be construed as prohibiting the Company or its Subsidiaries or Affiliates from pursuing any other legal or equitable remedies available to it or them for any breach or threatened breach of these provisions, including, without limitation, recoupment and other remedies specified in the Agreement. In the event of a dispute regarding, arising out of, or in connection with the breach,

enforcement or interpretation of this Agreement, including, without limitation, any action seeking injunctive relief, and provided that the Company is the prevailing party, the Company shall recover from the Participant all reasonable attorneys' fees and costs incurred by the Company in connection therewith ("Attorneys' Fees Remedy"). The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified. If under applicable law, the foregoing cannot be enforced without also giving Participant the right to recover attorneys' fees and costs if deemed the prevailing party, then the foregoing sentence shall not apply and both parties shall bear their own attorney's fees and costs instead.

(2) In the event of a Covenant Breach, the Company shall have the authority to (i) cancel all outstanding RSUs, whether vested or unvested; (ii) cancel all shares of Stock beneficially owned by the Participant that were issued in settlement of RSUs within 12 months on or prior, or at any time after, the date of Participant's termination of employment ("Cancellable Shares"); and (iii) recoup from the Participant any proceeds from the Participant's sale, transfer or other disposition of Cancellable Shares. The Company is hereby authorized by the Participant, as the Participant's attorney-in-fact, to execute all documents and undertake any required action on behalf of the Participant to transfer any Cancellable Shares back to the Company, after which the Participant shall not have any right, title, or interest of any kind to the Cancellable Shares. Participant acknowledges and agrees that the Company has no obligation of any kind to the Participant with respect to the cancellation of RSUs or the Cancellable Shares, or the recoupment of proceeds from the disposition of Cancellable Shares, pursuant to this Section, including, but not limited to, reimbursement for any taxes previously paid by the Participant with respect to Cancellable Shares. This remedy shall be in addition to all other remedies, including those set forth in this Agreement and any other agreements between the parties. If Participant resides in California, for so long as Participant resides in California, this subsection (f)(2) shall not apply.

(g) **Company Intellectual Property.** Participant recognizes that all Works conceived, created, or reduced to practice by Participant, alone or jointly with others, during Participant's employment related to the business of owning, operating, or managing senior living facilities or providing private duty healthcare or other services to patients or customers shall to the fullest extent permissible by law be considered the Company's sole and exclusive property and "works made for hire" as defined in the U.S. Copyright Laws for purposes of United States law and the law of any other country adhering to the "works made for hire" or similar notion or doctrine, and will be considered the Company's property from the moment of creation or conception forward for all purposes without the need for any further action or agreement by Participant or the Company. If any such Works or portions thereof shall not be legally qualified as a works made for hire in the United States or elsewhere, or shall subsequently be held to not be a work made for hire or not the exclusive property of the Company, Participant hereby assigns to the Company all of Participant's rights, title and interest, past, present, and future, to such Works. Participant will not engage in any unauthorized publication or use of such Company Works, nor will Participant use same to compete with or otherwise cause damage to the business interests of the Company. "Works" mean original works of authorship, including, but not limited to: literary works (including all written material), mask works, computer programs, formulas,

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tests, notes, data compilations, databases, artistic and graphic works (including designs, graphs, drawings, blueprints, and other works), recordings, models, photographs, slides, motion pictures, and audio visual works; whether copyrightable or not, and regardless of the form or manner in which documented or recorded.

(h) **State-Specific Modifications.**

(1) **Alabama Addendum.** If a court of competent jurisdiction deems that Alabama law applies, then: (i) the definition of "Non-Solicit Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the eighteen (18) month period immediately following the date of termination of such employment for any reason; and (ii) the definition of "Covered Employee" shall be modified to be further limited to those employees who are uniquely essential to the management, organization, or service of the business (such as an employee involved in management or significant customer sales or servicing).

(2) **California Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in California during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in California:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of California law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of California. Section 11(b)(1) and (2) shall not apply after Participant's employment with the Company ends. However, any conduct relating to the solicitation of Company's residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, consultants, or employees that involves the misappropriation of the Company's trade secret information, such as its protected customer information, will remain prohibited conduct at all times, and nothing in this Agreement shall be construed to limit or eliminate any rights or remedies the Company would have against Participant under trade secret law, unfair competition law, or other laws applicable in California absent this Agreement. In addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing information about unlawful acts in the

workplace, such as harassment or discrimination or any other conduct that Participant has reason to believe is unlawful. The Attorneys' Fees Remedy in the last three sentences of Section 11(f)(1) shall be replaced with the following language: "In the event that the Company is successful in securing any temporary, preliminary, and/or permanent injunctive relief, and/or an award of damages or other judicial relief against Participant in connection with any breach of this Agreement, Participant agrees that the Company shall also be entitled to recover all remedies that may be awarded by a court of competent jurisdiction or arbitrator and any other legal or equitable relief allowed by law."

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**(3) Colorado Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Colorado during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Colorado:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Colorado law, and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Colorado. The non-competition covenant in Section 11(b)(1) and the Covered Person non-solicitation in Section 11(b)(2)(ii) will not be enforceable against Participant unless Participant's earnings from the Company, when annualized, exceed the equivalent of \$112,500 per year or the earnings threshold in effect as adjusted annually by the Colorado Division of Labor Standards and Statistics in the Department of Labor and Employment. The definition of "Covered Person" shall be modified to cover only those customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants with respect to which Participant would have been provided trade secret information during the last two years of Participant's employment with the Company. Participant stipulates that the non-competition and covered person non-solicitation obligations in Sections 11(a), 11(b)(1), and 11(b)(2)(ii) are reasonable and necessary for the protection of trade secrets within the meaning § 8-2-113(2)(b) (the "Colorado Noncompete Act"). Participant acknowledges that they received notice of the covenant not to compete and its terms before Participant accepted an offer of employment, or, if a current employee at the time Participant enters into this Agreement, at least fourteen (14) days before the earlier of the effective date of the Agreement or the effective date of any additional compensation or change in the terms or conditions of employment that provides consideration for the covenant not to compete. The Confidential Information restrictions in this Agreement do not prohibit disclosure of information that arises from the worker's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that a worker otherwise has a right to disclose as legally protected conduct. Nothing in this Agreement or Company policy limits or prevents a worker from disclosing information about workplace health and safety practices or hazards. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement shall be construed to prohibit Participant from disclosing or discussing (either orally or in writing) information about unlawful acts in the workplace, such as any alleged discriminatory or unfair employment practice.

**(4) Georgia Addendum.** If a court of competent jurisdiction deems that Georgia law applies, then: (a) the definition of "Confidential Information" will be understood to exclude information voluntarily disclosed to the public by the Company (excluding unauthorized disclosures by Participant or others), information that is the result of independent development by others, and information that is otherwise available in the public domain through lawful means. Nothing in this Agreement, including the definition of Confidential Information, limits or alters the definition of what constitutes a trade secret under any federal or state law designed to protect trade secrets; (b) Participant acknowledges that the employee non-solicit obligations in Section

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11(b)(2)(i) are limited to the Territory; and (c) nothing in the covered person non-solicitation obligations in Section 11(b)(2)(ii) shall restrict Participant from accepting business from a Covered Person so long as Participant did not solicit, assist in soliciting, facilitate the solicitation of, provide, or offer to

provide services to the Covered Person (regardless of who first initiated contact) or use Confidential Information to encourage or induce the Covered Person to withdraw, curtail, or cancel its business with the Company or in any other manner modify or fail to enter into any actual or potential business relationship with the Company.

**(5) Idaho Addendum.** If a court of competent jurisdiction deems that Idaho law applies, then the definition of “Non-Compete Restricted Period” shall be modified to include the period of the Participant’s employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason.

**(6) Illinois Addendum.** If a court of competent jurisdiction deems that Illinois law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is adequate and sufficient to make the covenants in Section 11 immediately binding and enforceable against them; (ii) the non-competition restrictions in Section 11(b)(1) shall not apply if Participant earns equal to or less than \$75,000 annually (“Non-Competition Earnings Threshold”) (with the Non-Competition Earnings Threshold increasing by \$5,000 every five years from January 1, 2027 through January 1, 2037); (iii) the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) shall not apply if Participant earns equal or less than \$45,000 annually (“Non-Solicit Earnings Threshold”) (with the Non-Solicit Earnings Threshold increasing by \$2,500 every five years from January 1, 2027 through January 1, 2037). Participant further agrees that if, at the time Participant signs the Agreement, Participant’s earnings do not meet the Non-Competition Earnings Threshold and/or the Non-Solicit Earnings Threshold, then the non-competition provision contained in Section 11(b)(1), will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Competition Earnings Threshold, and the Covered Person non-solicit obligations and employee non-solicit obligations in Section 11(b)(2) will automatically become enforceable against Participant if and when Participant begins earning an amount equal to or greater than the Non-Solicit Earnings Threshold; and (iv) the Attorneys’ Fees Remedy in the last three sentences of Section 11(f)(1) relating to attorneys’ fees shall be replaced with the following language: “In the event that any action is filed to enforce the terms and conditions of Section 11 of this Agreement, the prevailing party in the action will recover from the non-prevailing party, in addition to any other sum that either party may be called upon to pay, a reasonable sum for the prevailing party’s attorney’s fees and costs. The Company shall be deemed the prevailing party if it is awarded any part of the legal or equitable relief it seeks, irrespective of whether some of the relief it seeks is denied or modified.”

**(7) Indiana Addendum.** If a court of competent jurisdiction deems that Indiana law applies, then: the definition of “Covered Employee” shall be modified to be further limited to employees who have access to or possess any Confidential Information that would give a competitor an unfair advantage.

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**(8) Louisiana Addendum.** If a court of competent jurisdiction deems that Louisiana law applies, then: (a) the meaning of Participant’s “Territory” shall be understood to include the parishes (and equivalents) in the following list so long as Company continues to carry on business therein: Acadia, Allen, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Cameron, Catahoula, Desoto, Evangeline, Grant, Iberia, Jefferson Davis, Jefferson, Lafayette, LaSalle, Natchitoches, Orleans, Rapides, Red River, St. Charles, St. John the Baptist, St. Landry, St. Martin, St. Tammany, Tangipahoa, Vermillion, Vernon, Washington, Webster; and (b) Participant’s Covered Person non-solicit obligations (as well as their non-compete obligations) shall be limited to the parishes and counties (or their equivalents) from the foregoing list that fall within Participant’s Territory. Participant agrees that the foregoing provides Participant with adequate notice of the geographic scope of the restrictions contained in the Agreement by name of specific parish or parishes (and equivalents), municipality or municipalities, and/or parts thereof.

**(9) Maine Addendum.** If a court of competent jurisdiction deems that Maine law applies, then: (i) Participant acknowledges that if Participant is being initially hired by Company (or its Subsidiary or Affiliate) that Participant was notified a noncompete agreement would be required prior to their receiving a formal offer of employment from Company (or its Subsidiary or Affiliate) and Participant received a copy of the Agreement at least three business days before they were required to sign the Agreement; (ii) Section 11(b)(1) will not take effect (to restrict Participant post-employment) until one year of employment or a period of six months from the date the agreement is signed, whichever is later; and (iii) Section 11(b)(1) shall not apply if Participant earns at or below 400% of the federal poverty level.

**(10) Massachusetts Addendum.** If a court of competent jurisdiction deems that Massachusetts law applies, then: (i) Participant acknowledges that the opportunity to receive equity under this Agreement is mutually agreed upon consideration that is adequate and sufficient to



make the covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; however, if Participant breaches their fiduciary duty to the Company (or any Subsidiary or Affiliate) and/or has unlawfully taken, physically or electronically, any Company records, then the Non-Compete Restricted Period shall be extended to a period of two (2) years from the cessation of employment with the Company or any Subsidiary or Affiliate; (iii) the non-compete in Section 11(b)(1) shall only apply post-employment if Participant's employment ends voluntarily or involuntarily for cause. Participant understands that for the limited purposes of the application of the non-competition restriction in Section 11(b)(1) of the Agreement, "cause" to terminate Participant's employment exists if Participant has: (A) materially breached any obligations under any applicable employment, confidentiality, nonsolicitation, invention assignment, or noncompetition agreement with the Company; (B) been convicted of or entered a plea of guilty or nolo contendere to, or admission to facts sufficient for a finding of guilt for, any crime constituting a felony or any misdemeanor involving fraud, dishonesty and/or moral turpitude; (C) neglected, refused, or failed to discharge their duties (other than due to physical or

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mental illness) commensurate with their title and function, or their failure to comply with a lawful direction of the Company; (D) breached their duty of loyalty or fiduciary duty to the Company; (E) violated the Company's policy or policies; (F) engaged in unlawful discrimination or harassment; (G) engaged in any other willful misconduct which is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company; and/or (H) engaged in any other act that is accepted as cause for termination under the common law of the Commonwealth of Massachusetts. Nothing in this herein shall be construed to eliminate or modify the "at-will" nature of the parties' relationship; (iv) Participant acknowledges that they have been advised of their right to consult with an attorney about this Agreement and has been given an opportunity to do so; (v) Participant acknowledges that if they are being initially hired by the Company that they received a copy of this Agreement with their first formal offer of employment from the Company or at least ten (10) business days before commencement of Participant's employment by the Company, whichever came first; and if Participant was already employed by the Company at the time of signing this Agreement, that Participant was provided a copy hereof at least ten (10) business days before the effective date of this Agreement; (vi) the tolling language in Section 11(e)(4) shall only apply to any breach of Section 11(b)(2) (i.e., the tolling language shall not apply to Section 11(b)(1)); and (vii) any dispute relating to or arising out of Section 11 shall be exclusively finally resolved by a state or federal court located in the county where Participant resides or the business litigation session of the superior court in Suffolk County, Massachusetts and the parties to this Agreement hereby consent to personal jurisdiction therein.

**(11) Minnesota Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in Minnesota during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Minnesota: The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of Minnesota law, and nothing in this Agreement shall require Participant to litigate a claim relating to Section 11 outside of Minnesota. In addition, the non-compete in Section 11(b)(1) shall not apply after Participant's employment with the Company ends.

**(12) Missouri Addendum.** If a court of competent jurisdiction deems that Missouri law applies, then: the definition of "Covered Employee" will be modified to exclude from its definition any employee who provides only secretarial or clerical services.

**(13) Nebraska Addendum.** If a court of competent jurisdiction deems that Nebraska law applies, then: (a) the definition of "Covered Person" shall be further limited to those Covered Persons with which Participant, alone or in combination with others, handled, serviced, or solicited at any time during the Look Back Period; and (b) the non-compete in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends.

**(14) Nevada Addendum.** If a court of competent jurisdiction deems that Nevada law applies, then: (i) Participant acknowledges that the equity they receive under this Agreement is mutually agreed upon consideration that is valuable and sufficient to make the

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covenants in Section 11(b)(1) to be immediately binding and enforceable against them; (ii) the non-competition in Section 11(b)(1) and the Covered Person non-solicit obligations in Section 11(b)(2)(ii) do not preclude Participant from providing services to any former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant of the Company if: (A) Participant did not solicit the former customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant; (B) the customer, resident, patient, referral source, client, vendor, supplier, investor, equity or financing source, or consultant voluntarily chose to leave and seek services from Participant; and (C) Participant is otherwise complying with the limitations in Section 11 of this Agreement as to time, geographical area and scope of activity to be restrained; and (iii) if Participant's employment with the Company (or its Subsidiary or Affiliate) is terminated as a result of a reduction in force, reorganization or similar restructuring of the Company (or its Subsidiary or Affiliate), the noncompetition covenant in Section 11(b)(1) will only be enforceable during the period in which Company is paying Participant's salary, benefits, or equivalent compensation, including without limitation, severance pay, if it elects to make such a payment.

**(15) New Hampshire Addendum.** If a court of competent jurisdiction deems that New Hampshire law applies, then Participant acknowledges that Participant was given a copy of this Agreement prior to a change in job classification or acceptance of an offer of employment.

**(16) New York Addendum.** If a court of competent jurisdiction deems that New York law applies, then: "Covered Person" shall be modified to exclude from its definition any customers, residents, patients, referral sources, clients, vendors, suppliers, investors, equity or financing sources, or consultants of the Company or any Subsidiary or Affiliate which entered into a business relationship with the Company (or its Subsidiary or Affiliate) as a result of Participant's independent contact and business development efforts with the customer prior to and independent from Participant's employment with Company (or its Subsidiary or Affiliate).

**(17) North Carolina Addendum.** If a court of competent jurisdiction deems that North Carolina law applies, then: the Look Back Period shall be calculated looking back one year from the date the employment ends or two years from the date of enforcement and not from the date employment ends, whichever provides the Company the greatest protection and is enforceable under applicable law.

**(18) Oklahoma Addendum.** If a court of competent jurisdiction deems that Oklahoma law applies, then: (i) the non-competition restrictions in Section 11(b)(1) shall not apply after Participant's employment with Company (or its Subsidiary or Affiliate) ends; and (ii) the Covered Person non-solicit obligations shall all be amended to provide that notwithstanding anything in it to the contrary, Participant shall be permitted to engage in the same business as that conducted by Company or in a similar business as long as Participant does not directly solicit the sale of goods, services or a combination of goods and services from the established customers, residents or patients of the Company or its Subsidiary or Affiliate.

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**(19) Oregon Addendum.** If a court of competent jurisdiction deems that Oregon law applies, then: (i) the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12) month period immediately following the date of termination of such employment for any reason; and (ii) unless the Company chooses to compensate Participant as allowed under the Oregon Noncompete Act (Or. Rev. Stat. § 653 et seq.), the restrictions in Section 11(b)(1) shall only apply to Participant if: (A) they are engaged in administrative, executive or professional work and perform predominantly intellectual, managerial, or creative tasks, exercise discretion and independent judgment and earn a salary and am paid on a salary basis; (B) the Company has a "protectable interest" (meaning, access to trade secrets or competitively sensitive confidential business or professional information that otherwise would not qualify as a trade secret, including product development plans, product launch plans, marketing strategy or sales plans); and (C) the total amount of Participant's annual gross salary and commission, calculated on an annual basis, at the time of my termination, exceeds \$100,533 (or the earnings threshold in effect based on annual adjustment for inflation pursuant to the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor immediately preceding the calendar year of Participant's termination). In addition, if Participant is a new employee, Participant acknowledges that they were notified in a written offer of employment received two weeks before the commencement of employment that a noncompetition agreement was a condition of employment.

**(20) Utah Addendum.** If a court of competent jurisdiction deems that Utah law applies, the definition of "Non-Compete Restricted Period" shall be modified to include the period of the Participant's employment with the Company or any Subsidiary or Affiliate, and the twelve (12)



month period immediately following the date of termination of such employment for any reason.

**(21) Virginia Addendum.** If a court of competent jurisdiction deems that Virginia law applies, then: (i) the parties agree that the non-competition and non-solicitation obligations are reasonably limited in nature and do not prohibit employment with a competing business in a non-competitive position; and (ii) if Participant resides in Virginia and their average weekly earnings calculated as provided for under Code of Virginia § 40.1-28.7:7 (the "Virginia Act"), are less than the average weekly wage of the Commonwealth as determined pursuant to subsection B of § 65.2-500 or Participant otherwise qualifies as a "low-wage employee" under the Virginia Act then the non-competition obligations in Section 11(b)(1) shall not apply to Participant and nothing in the Covered Person non-solicit obligations in Section 11(b)(2)(ii) shall restrict Participant from providing a service to a Covered Person if Participant does not initiate contact with or solicit the Covered Person. Participant shall not be considered a "low-wage employee" if Participant's earnings are derived, in whole or in predominant part, from sales commissions, incentives, or bonuses paid to the employee by Company (or its Subsidiary or Affiliate).

**(22) Washington Addendum.** Notwithstanding anything in the Agreement or the Addendum to the contrary, while Participant resides or is primarily assigned to work in

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Washington during their employment by Company or its Subsidiaries or Affiliates, then for so long as Participant resides or is primarily assigned to work in Washington:

The Governing Law clause in Section 12 shall not be applied to deprive Participant of the protections or benefits of the Washington Noncompete Act (Rev. Code of Wash. (RCW) §§ 49.62.005 - 900) (the "Washington Act") and nothing in this Agreement shall require Participant to litigate a claim relating to this Section 11 outside of Washington. Section 11(b)(2) of this Addendum is modified to during employment and for a period of eighteen (18) months immediately following the date of Participant's termination from the Company and to only prohibit solicitation by Participant (i) of any Covered Employee of the Company to leave employment with the Company, and (ii) of any Covered Person of the Company to cease or reduce the extent to which it is doing business with the Company; in accordance with the definition of an enforceable "Nonsolicitation Agreement" under the Washington Act. The non-competition covenant in Section 11(b)(1) will not be or become enforceable against Participant unless or until Participant's earnings from the Company over the prior year (or the portion thereof for which Participant was employed), when annualized, exceed the equivalent of \$116,594 per year or the then inflation-adjusted equivalent in accordance with the requirements of the Washington Act. "Covered Person" means a customer (including a resident or patient) of the Company or any Subsidiary or Affiliate or any of their successors or assigns that Participant had material contact with during the two (2) years prior to Participant's termination of employment. Material contact will be presumed present if in the two-year period Participant (or persons under Participant's supervision) had contact with the customer, resident, or patient, or Participant was provided Confidential Information about the customer, resident, or patient, or Participant received commissions or other beneficial credit for business conducted with the customer, resident, or patient. "Covered Employee" shall mean any employee who is employed by the Company or any Subsidiary or Affiliate or any of their successors or assigns or was so employed at any time during the twelve (12) months prior to the Participant's termination of employment and with whom Participant worked, whom Participant supervised, or about whom Participant acquired Confidential Information. Further, in addition to the other forms of Protected Conduct, nothing in the Agreement prohibits disclosure or discussion of conduct Participant reasonably believes to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as against a clear mandate of public policy.

**(23) Wisconsin Addendum.** If a court of competent jurisdiction deems that Wisconsin law applies, then: (i) the tolling language in Section 11(e)(4) shall not apply; and (ii) the definition of "Covered Employee" shall be modified to be further limited to those employees who are either entrusted with Confidential Information or employed in a position essential to the management, organization, or service of the business (such as, but not limited to maintaining Company's or its Subsidiary's or Affiliate's customer and other key relationships).

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**EXHIBIT 31.1**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**

**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Lucinda M. Baier, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Brookdale Senior Living Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **November 7, 2023** May 8, 2024

/s/ Lucinda M. Baier

Lucinda M. Baier

President and Chief Executive Officer

**EXHIBIT 31.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**

**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Dawn L. Kussow, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Brookdale Senior Living Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **November 7, 2023** May 8, 2024

/s/ Dawn L. Kussow

Dawn L. Kussow

Executive Vice President and Chief Financial Officer

#### **EXHIBIT 32**

#### **CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Brookdale Senior Living Inc. (the "Company" "Company") for the period ended **September 30, 2023** March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report" "Report"), Lucinda M. Baier, as President and Chief Executive Officer of the Company, and Dawn L. Kussow, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lucinda M. Baier

Name: Lucinda M. Baier

Title: President and Chief Executive Officer

Date: **November 7, 2023** May 8, 2024

/s/ Dawn L. Kussow

Name: Dawn L. Kussow  
Title: Executive Vice President and Chief Financial Officer  
Date: ~~November 7, 2023~~ May 8, 2024

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