

LANDandBUILDINGS

Land & Buildings Sends Letter to Brookdale Senior Living Shareholders

- *Believes Brookdale's Real Estate Value is Potentially Double its Current Share Price –*
- *Believes Substantial Work Needs to be Done to Modernize Corporate Governance –*
- *Disappointed that Brookdale Has Not Taken Steps to Implement its Recommendations, Including to Declassify the Board, to Help Improve Value at the Company –*
- *Remains Hopeful that the Board will Seriously Consider the Views of its Shareholders But Will Continue to Monitor the Company and Evaluate All Options –*

Stamford, CT (July 9, 2017) – Today Land and Buildings Investment Management LLC (“Land & Buildings”) issued the following open letter to shareholders of Brookdale Senior Living Inc. (NYSE: BKD) (the “Company” or “Brookdale”):

Dear Fellow Brookdale Shareholders:

We believe the Company's new CEO, Cindy Baier, and new Chairman, Lee Wielansky, are taking the bull by the horns at Brookdale and are singularly focused on maximizing shareholder value, as evidenced by the significant positive progress announced across all facets of the Company in the past few months.

With Brookdale's stock trading in the \$9 - \$10 range, and the real estate value of the Company potentially double its stock price based on recent transaction comps and the likely bottoming of fundamentals this year, significant upside remains to be realized. Therefore, we believe any shareholder feedback the Company receives should and will be taken seriously.

Over the past year and a half, since our initial public engagement with Brookdale in late 2016, we have received feedback from many of you and have repeatedly heard similar sentiments and ideas regarding Brookdale, particularly surrounding corporate governance.

We believe substantial work needs to be done to modernize the Company's corporate governance and as such, we privately encouraged the Company to seriously consider a number of areas for improvement. Specifically, we recommended that the Board of Directors (“Board”) consider taking the following steps, which we believe will help improve value at the Company:

1. Take all necessary actions to fully de-stagger the Board at the 2018 Annual Meeting, which is in line with governance best practices.
2. Refrain from expanding the size of the Board beyond nine (9) members.
3. Refresh the Board with at least two (2) individuals with relevant health care experience and expertise in REITs, tax structuring, real estate and finance and ask two (2) long-standing Board members to tender their resignation.
4. Appoint the new finance-oriented Board member to the Investment Committee of the Board.
5. Charge the Investment Committee with evaluating ways to maximize the value of the owned real estate, particularly in light of recent lease restructuring that has removed prior obstacles to real estate monetization, including evaluating splitting up the Company, joint ventures or outright sales.
6. Charge the Investment Committee with evaluating strategies to further eliminate lease structures to transform Brookdale into a best-in-class manager of senior housing, including evaluating

converting leases into management contracts, which relieves Brookdale of the lease liability while providing the landlords with additional upside opportunity.

7. Provide additional disclosures to Brookdale shareholders on which properties are owned and which are leased, including property listings and new supply statistics.

Unfortunately, it appears that the Board has not taken steps in furtherance of implementing any of our recommendations. While we are disappointed with the lack of urgency, we remain hopeful that the Board will seriously consider the views of its shareholders, including those set forth above, and that it will work to improve value on behalf of all Brookdale shareholders. We nonetheless must continue to monitor the Company and evaluate all options available to maximize shareholder value.

If shareholders have specific views on corporate governance, including Board composition, we would encourage you to reach out to the Chairman of the Board or CEO directly.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jonathan Litt".

Jonathan Litt

Founder & Chief Investment Officer

Land and Buildings