

**CHARTER OF THE  
INVESTMENT COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
BROOKDALE SENIOR LIVING INC.  
(AS AMENDED OCTOBER 30, 2009)**

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**I. PURPOSE OF THE COMMITTEE**

The purposes of the Investment Committee (the “Committee”) of the Board of Directors (the “Board”) of Brookdale Senior Living Inc. (the “Corporation”) shall be to review and (if deemed desirable) approve, on behalf of the Board, certain acquisitions, expansion/development projects, financings, refinancings and other transactions proposed by management, and to perform such other tasks as may be delegated to it from time to time by the Board.

**II. COMPOSITION OF THE COMMITTEE**

The Committee shall consist of two or more directors, as determined from time to time by the Board. The chairperson of the Committee shall be designated by the Board, *provided* that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson.

Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less frequently than four times annually. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. At each regularly-scheduled meeting, management will update the Committee regarding recently-completed and proposed transactions entered into or proposed to be entered into by the Corporation (including any transactions that may have been approved pursuant to authority delegated to the Company’s executive officers by the Board). Unless such requirement is otherwise waived by the Committee in any particular instance, management shall ensure that detailed information regarding any proposed transaction is presented to the Committee for review at least 24 hours prior to seeking the Committee’s approval of the transaction.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that no subcommittee shall consist of fewer than two members; and *provided further* that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee shall maintain minutes of its meetings and records relating to those meetings and provide copies of such minutes to the Board.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The Committee shall have the following duties and responsibilities:

(a) to take any and all actions that the Committee may deem necessary or appropriate in order to negotiate, execute and deliver any agreement, or to cause the Corporation to enter into any transaction, to:

- i. acquire or dispose of senior living facilities or businesses, acquire or dispose of the business or assets of any ancillary services business (e.g., therapy services, home health services or other services related to the Corporation's business), or acquire or dispose of interests in entities that hold such assets or businesses (an "Acquisition/Disposition Transaction");
- ii. expand or modify existing senior living facilities or develop new senior living facilities (an "Expansion/Development Transaction");
- iii. make any other investment, incur any obligation, or engage in any other transaction in furtherance of the Corporation's business (an "Other Transaction");
- iv. obtain financing (or refinancing) for an Acquisition/Disposition Transaction, Expansion/Development Transaction, Other Transaction, or for any other purpose in furtherance of the Corporation's business (a "Financing Transaction"); or
- v. effect an interest rate hedging transaction in connection with, or in anticipation of, any Financing Transaction(s) (a "Hedging Transaction", and collectively with Acquisition/Disposition Transactions, Expansion/Development Transactions, Other Transactions and Financing Transactions, the "Transactions");

provided that: (i) any such Transaction shall not be in an aggregate amount that is deemed material for financial reporting purposes; and (ii) the amount involved in any single such Transaction does not exceed ***Two Hundred Fifty Million Dollars (\$250,000,000.00)*** (the requirements in clauses (i) and (ii), the "Consideration Requirements").

(b) to take any and all actions that the Committee may deem necessary or appropriate in order to negotiate, execute and deliver any agreement to enter into an interest rate hedge or swap in connection with any other transaction that has been previously approved by the Board regardless of amount.

(c) to take, on behalf of the Corporation, such other actions and perform such services as may be referred to it from time to time by the Board of Directors.

Notwithstanding anything in this Charter to the contrary, the Committee shall not have or assume, and there is hereby retained and reserved by the Board, any and all powers and duties vested in the Board which, under applicable law or any provision of the Amended and Restated Certificate of Incorporation of the Corporation or the Amended and Restated Bylaws, may not be delegated.

#### **V. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Corporation's expense, such independent counsel or other consultants or advisers as it deems necessary.

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