

SONIDA SENIOR LIVING, INC.

Amended and Restated Code of Business Conduct and Ethics

Introduction

Our Company's reputation for honesty and integrity is the sum of the personal reputations of our directors, officers and employees. To protect this reputation and to promote compliance with laws, rules and regulations, this Code of Business Conduct and Ethics has been adopted by our Board of Directors. This Code of Conduct is only one aspect of our commitment. You must also be familiar with and comply with all other policies contained in the applicable Corporate Employee Policy Manual.

This Code sets out the basic standards of ethics and conduct to which all of our directors, officers and employees are held. These standards are designed to deter wrongdoing and to promote honest and ethical conduct, but will not cover all situations. If a law or employment agreement conflicts with a policy in this Code, you must comply with the law or employment agreement; however, if a local custom or policy conflicts with this Code, you must comply with the Code.

If you have any doubts whatsoever as to the propriety of a particular situation, you should submit it in writing to our Company's General Counsel, who will review the situation and take appropriate action in keeping with this Code, our other corporate policies and the applicable law. If your concern relates to the General Counsel, you should submit your concern, in writing, to the President of the Company. The mailing address of each of those individuals is included at the end of this Code. The Company has a separate policy for "Whistle-blowers" for employees.

This Code of Business Conduct and Ethics shall constitute the Company's code of business conduct and ethics for directors, officers and employees contemplated by the rules of The New York Stock Exchange. Sections 2, 3, 4, 7, 13 and 14 of this Code of Business Conduct and Ethics also constitute the Company's Code of Ethics contemplated by Section 406 of the Sarbanes-Oxley Act of 2002, applicable to the Company's Chief Executive Officer, Chief Financial Officer, chief accounting officer or controller or persons performing similar functions.

1. Scope

If you are a director, officer or employee of the Company or any of its subsidiaries, you are subject to this Code as provided herein.

2. Honest and Ethical Conduct

For directors, officers and employees, we, as a Company, require honest and ethical conduct from everyone subject to this Code. Each of you has a responsibility to all other directors, officers and employees of our Company, and to our Company itself, to act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing your independent judgment to be subordinated and otherwise to conduct yourself in a manner that meets with our ethical and legal standards.

3. Compliance with Laws, Rules and Regulations

For directors, officers and employees, you are required to comply with all applicable governmental laws, rules and regulations, both in letter and in spirit, including, without limitation, federal and state securities laws. Although you are not expected to know the details of all the applicable laws, rules and regulations, we expect you to seek advice from our Company's legal department if you have any questions about whether the requirement applies to the situation or what conduct may be required to comply with any law, rule or regulation.

4. Conflicts of Interest

For directors, officers and employees, you must handle in an ethical manner any actual or apparent conflict of interest between your personal and business relationships. Conflicts of interest are prohibited as a matter of policy. A "conflict of interest" exists when a person's private interest interferes with the interests of our Company. For example, a conflict situation arises if you or a member of your family, receives an improper personal benefit as a result of your position with our Company. Conflicts of interest are not limited to family arrangements, but can extend to cover financial, investment, employment, consulting, advisory and similar arrangements, depending on the circumstances.

If you become aware of any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest, you should report it promptly to our Company's General Counsel or President.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines set forth in the Company By-Laws or approved by the Board of Directors. The following standards apply to certain common situations where potential conflicts of interest may arise:

A. Gifts and Entertainment

For directors, officers and non-property employees, personal gifts, which cannot be cash, or have a fair market value in excess of \$250.00, and entertainment offered by persons doing business with our Company may be accepted when offered in the ordinary and normal course of the business relationship. However, the frequency of any such gifts or entertainment and cost of any entertainment may not be so excessive that your ability to exercise independent judgment on behalf of our Company is or may appear to be compromised. Property employees must comply with the policies set forth in the Employee Handbook.

B. Financial and Other Interests In Other Organizations

For directors, officers and employees, the determination whether any outside investment, outside employment, business arrangement, financial arrangement or other interest in or with another organization is improper depends on the facts and circumstances of each case. Your interest or relationship with or in another organization may be inappropriate if the other organization has a material business relationship with, or is a direct competitor of, our Company and your interest is of such a size or type that your ability to exercise independent judgment on behalf of our Company is or may appear to be compromised. As a general rule, an investment

would not likely be considered improper if it: (1) is in publicly traded shares; (2) represents less than 5% of the outstanding equity of the organization in question; and (3) represents less than 5% of your net worth. Other interests also may not be improper, depending on the circumstances.

C. Outside Business Activities

For directors, officers and employees, the determination of whether any outside position or relationship such person may hold is improper will depend on the facts and circumstances of each case. Your involvement in trade associations, professional societies, and charitable and similar organizations will not normally be viewed as improper. However, if those activities are likely to take substantial time from or otherwise constitutes a conflict of interest with your responsibilities to our Company, you should obtain prior approval. Other outside associations or activities in which you may be involved are likely to be viewed as improper only if they would interfere with your ability to devote proper time and attention to your responsibilities to our Company or if your involvement is with another entity with which our Company does business or competes. For directors, officers and employees, the position of director or other affiliation with a company with which our Company does business or competes must be fully disclosed to our Company's General Counsel or President and must satisfy any other standards established by applicable law, rule (including rule of any applicable stock exchange) or regulation and any other corporate governance guidelines that our Company may establish.

D. Indirect Violations

For directors, officers and employees, you should not indirectly, through a spouse, family member, affiliate, friend, partner, or associate, have any interest or engage in any activity that would violate this Code if you directly had the interest or engaged in the activity. Any such relationship should be fully disclosed to our Company's General Counsel or President, who will make a determination whether the relationship is inappropriate, based upon the standards set forth in this Code.

5. Corporate Opportunities

For directors, officers and employees, you are prohibited from taking for yourself, personally, opportunities that are discovered through the use of corporate property, information or position, unless the Board of Directors has declined to pursue the opportunity. You may not use corporate property, information, or position for personal gain, or compete with our Company directly or indirectly. You owe a duty to our Company to advance its legitimate interests whenever the opportunity to do so arises.

6. Fair Dealing

For directors, officers and employees, you should endeavor to deal fairly with our Company's customers, suppliers, competitors and employees and with other persons with whom our Company does business. You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

7. Public Disclosures

For directors, officers and employees, it is our Company's policy to provide disclosure in accordance with applicable law in all reports and documents that we file with, or submit to, the Securities and Exchange Commission and in all other public communications made by our Company. The Company has adopted Corporate Governance Guidelines that specifies that only certain authorized persons in management should speak to the financial community regarding the Company's financial condition, results of operations or strategic or other business matters.

8. Confidentiality

For directors, officers and employees, you should maintain the confidentiality of all non-publicly disclosed information and/or confidential information entrusted to you by our Company or by persons with whom our Company does business, except when disclosure is authorized by the Company or legally mandated. Confidential information includes all non-public information concerning the Company, including any such information that might be of use to competitors of, or harmful to, our Company, customers, landlords, joint venture partners, or other persons with whom our Company does business, if disclosed. The Company has adopted Corporate Governance Guidelines that specifies that only certain authorized persons in management should speak to the financial community regarding the Company's financial condition, results of operations or strategic or other business matters. In addition, disclosure of material, non-public information concerning the Company by anyone acting on its behalf (which will generally include directors, officers and employees) can result in a violation of Regulation FD promulgated by the Securities and Exchange Commission. Violations of that Regulation can result in sanctions against the disclosing party as well as the Company itself.

9. Insider Trading

The Company has a separate policy for insider trading that covers directors, officers, and certain Company employees. For other employees, if you have access to material, non-public information concerning our Company, you are not permitted to use or share that information for stock trading purposes, or for any other purpose except the conduct of our Company's business. All non-public information about our Company should be considered confidential information. Insider trading, which is the use of material, non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information, is not only unethical but also illegal and can lead to sanctions against the violating individual as well as the Company itself. The prohibition on insider trading applies not only to our Company's securities, but also to securities of other companies if you learn of material, non-public information about these companies in the course of your duties to the Company. Violations of this prohibition against "insider trading" may subject you to criminal or civil liability, in addition to disciplinary action by our Company.

10. Protection and Proper Use of Company Assets

For directors, officers and employees, you should protect our Company's assets and promote their efficient use. Theft, carelessness, and waste have a direct impact on our Company's profitability. All corporate assets should be used for legitimate business purposes. The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks,

and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports, or information described as proprietary in any employment agreement with our Company. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties.

11. Interpretations and Waivers of the Code of Business Conduct and Ethics

For directors, officers and employees, if you are uncertain whether a particular activity or relationship is improper under this Code or requires a waiver of this Code, you should disclose it to our Company's General Counsel or President, who will make a determination first whether a waiver of this Code is required and second, if required, whether a waiver will be granted. You may be required to agree to conditions before a waiver or a continuing waiver is granted. However, any waiver of this Code for an executive officer or director may be made only by the Company's Board of Directors and will be promptly disclosed to the extent required by applicable law, rule (including any rule of any applicable stock exchange) or regulation.

12. Office Decorum

The Company maintains a harassment free workplace policy that allows its directors, officers and employees to faithfully and fully discharge their duties and responsibilities without disruption. The Company requires all directors, officers and employees to treat each other and its customers, residents and other persons encountered in the course of business with respect. The Company also requires all directors, officers, and employees to communicate, deal with, correspond and otherwise interact with each other director, officer, and employee in a professional manner that allows the directors, officers, and employees to faithfully and fully discharge their duties and responsibilities.

13. Reporting any Illegal or Unethical Behavior

The Company has a separate policy for "whistle-blowers". Any report or allegation of a violation of this Code need not be signed and may be sent anonymously. All reports of violations of this Code, including reports sent anonymously, will be promptly investigated and, if found to be accurate, acted upon in a timely manner. If any report of wrongdoing relates to accounting or financial reporting matters, or relates to persons involved in the development or implementation of our Company's system of internal controls, a copy of the report will be promptly provided to the chairman of the Audit Committee of the Board of Directors, which may direct and/or participate in the investigation and resolution of the matter. It is the policy of our Company not to allow actual or threatened retaliation, harassment or discrimination due to reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct.

14. Compliance Standards and Procedures

This Code is intended as a statement of basic principles and standards and does not include specific rules that apply to every situation. Its contents have to be viewed within the framework of our Company's employment agreements, other policies, practices, instructions and the requirements of the law. This Code is in addition to other policies, practices or instructions of our Company that must be observed. Moreover, the absence of a specific corporate policy,

practice or instruction covering a particular situation does not relieve you of the responsibility for exercising ethical standards applicable to the circumstances.

In some situations, it is difficult to know right from wrong. Because this Code does not anticipate every situation that will arise, it is important that each of you approach a new question or problem in a deliberate fashion:

- (a) Determine if you know all the facts.
- (b) Identify exactly what it is that concerns you.
- (c) Discuss the problem with a supervisor.
- (d) Seek help from other resources such as other management personnel or our Company's legal department.
- (e) Seek guidance before taking any action that you believe may be unethical or dishonest.

You will be governed by the following compliance standards:

- You are personally responsible for your own conduct and for complying with the provisions of this Code and for properly reporting known or suspected violations;
- No one has the authority or right to order, request or even influence you to violate this Code or the law; a request or order from another person will not be an excuse for your violation of this Code;
- Any attempt by you to induce another director, officer or employee of our Company to violate this Code, whether successful or not, is itself a violation of this Code and may be a violation of law; and
- Any retaliation or threat of retaliation against any director, officer or employee of our Company for refusing to violate this Code, or for reporting in good faith the violation or suspected violation of this Code, is itself a violation of this Code and may be a violation of law.

Violation of any of the standards contained in this Code, or in any other policy, practice or instruction of our Company, can result in disciplinary actions, including dismissal and civil or criminal action against the violator. This Code should not be construed as a contract of employment and does not change any employment agreement or any person's status as an at-will employee.

This Code is for the benefit of our Company, and no other person is entitled to enforce this Code. This Code does not, and should not be construed to, create any private cause of action or remedy in any other person for a violation of the Code.

The names, addresses, telephone numbers, facsimile numbers and e-mail addresses of the General Counsel and Executive Vice President/Chief Operating Officer of our Company are set forth below:

**Executive Vice President/
Chief Operating Officer**

Mr. Brandon Ribar
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16301 Quorum Drive, Suite 160A
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General Counsel

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*Adopted by Resolution of the Board of Directors
on March 1, 2004*

*Amended by Resolution of the Board of Directors
on May 14, 2009*