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ATTORNEYS FOR THE DEBTORS
AND DEBTORS IN POSSESSION

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	CASE NO. 09-37010 (SGJ)
	§	
ERICKSON RETIREMENT COMMUNITIES, LLC, et al. ¹	§	CHAPTER 11
	§	Jointly Administered
	§	
Debtors.		

¹ The Debtors in these chapter 11 cases are Erickson Retirement Communities, LLC, Ashburn Campus, LLC, Columbus Campus, LLC, Concord Campus GP, LLC, Concord Campus, LP, Dallas Campus GP, LLC, Dallas Campus, LP, Erickson Construction, LLC, Erickson Group, LLC, Houston Campus, LP, Kansas Campus, LLC, Littleton Campus, LLC, Novi Campus, LLC, Senior Campus Services, LLC, Warminster Campus GP, LLC, Warminster Campus, LP.

**AGREED MOTION FOR ENTRY OF ORDER AUTHORIZING
RELEASE OF LETTERS OF CREDIT ISSUED ON BEHALF OF CERTAIN
DEBTORS IN FAVOR OF THE TOWNSHIP OF WARMINSTER**

The Debtors and Debtors in Possession herein (collectively, the “Debtors”), by their undersigned counsel, hereby file this agreed motion (the “Motion”) respectfully requesting the Court to enter the order submitted herewith authorizing the release of certain Letters of Credit issued on behalf of the certain of the Debtors in favor of the Township of Warminster (the “Township”). In support of the Motion, the Debtors rely on the Affidavit of Paul B. Rundell in Support of First Day Motions (the “Rundell Affidavit”), which is incorporated herein by reference, and respectfully state as follows:

Jurisdiction and Venue

1. The Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the General Order Regarding Procedures for Complex Chapter 11 Cases issued by the United States Bankruptcy Court for the Northern District of Texas on January 13, 2006. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory basis for the relief requested herein are sections 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), and Rules 2002(a)(3) and 9019(a) of the Federal Rules of Bankruptcy Procedure.

Background

4. On October 19, 2009 (the “Petition Date”), the Debtors commenced these cases by each filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

5. The Debtors remain in possession of their assets and continue to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.

6. On November 2, 2009, the Office of the United States Trustee appointed a committee of unsecured creditors in these cases. No trustee or examiner has been appointed.

The factual background regarding each of the Debtors, including their current and historical business operations and the events precipitating these chapter 11 filings, is set forth in detail in the Rundell Affidavit, and is incorporated herein by reference.

The Warminster Campus Letters of Credit

7. Prior to the Petition Date, Debtors were the owners of a parcel of property located in the Township of Warminster, referred to in these proceedings as the Warminster Campus (referred to herein as the “Property”).

8. Well prior to the filing of these bankruptcy cases, the Debtors and the Township executed an agreement relating to infrastructure improvements made by the Debtors on the Property (the “Agreement”).

9. Pursuant to the Agreement, the Debtors obtained two letters of credit² from PNC Bank naming the Township as the beneficiary (collectively the “Letters of Credit”). Upon Debtors’ completion of certain conditions precedent set forth in the Agreement, all of which related to the infrastructure improvements to the Property, the Township agreed to release the Letters of Credit to Debtors.

² PNC Irrevocable Standby Letter of Credit, No. 18106642-00-000, totaling USD \$115,007.79, and PNC Irrevocable Standby Letter of Credit, No. 18106643-00-000, totaling USD \$550,000.00.

10. Debtors have completed, or the Township has otherwise waived, all of the conditions precedent related to the release of Letters of Credit. Debtors are therefore entitled to, and ask the Court to order, that Warminster release the Letters of Credit to Debtors. The total outstanding liability amount on the Letters of Credit is USD \$665,007.79.

11. The Township does not oppose the relief requested in this motion and has agreed to release the Letters of Credit upon the entry of an order by this Court authorizing their release.

WHEREFORE, the Debtor prays that the Court enter the Consent Order submitted herewith.

Respectfully submitted,

March 29, 2010

By: /s/ Vincent P. Slusher

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Debtors.		

**ORDER AUTHORIZING RELEASE OF LETTERS OF CREDIT ISSUED ON BEHALF
OF CERTAIN DEBTORS IN FAVOR OF THE TOWNSHIP OF WARMINSTER**

The matter before the Court is the "Debtor's Agreed Motion for Entry of Order Authorizing Release of Letters of Credit Issued on behalf of Certain Debtors in Favor of the Township of Warminster" (the "Motion") filed on behalf of Debtors. Having considered the Motion, after notice and a hearing appropriate in the circumstances, the consent or lack of objection noted hereon, and sufficient cause appearing therefor,

IT IS ORDERED, that the Motion is hereby granted; and it is further

ORDERED, that PNC Bank Standby Letter of Credit, No. 18106642-00-000 and PNC Bank Standby Letter of Credit, No. 18106643-00 issued in favor of the Township of Warminster (the "Township") are authorized and directed to be released by the Township to the Debtors immediately.

United States Bankruptcy Judge

Dallas, Texas _____, 2010

³ The Debtors in these chapter 11 cases are Erickson Retirement Communities, LLC, Ashburn Campus, LLC, Columbus Campus, LLC, Concord Campus GP, LLC, Concord Campus, LP, Dallas Campus GP, LLC, Dallas Campus, LP, Erickson Construction, LLC, Erickson Group, LLC, Houston Campus, LP, Kansas Campus, LLC, Littleton Campus, LLC, Novi Campus, LLC, Senior Campus Services, LLC, Warminster Campus GP, LLC, Warminster Campus, LP.