

**ENTERED**

TAWANA C. MARSHALL, CLERK  
THE DATE OF ENTRY IS  
ON THE COURT'S DOCKET



**The following constitutes the ruling of the court and has the force and effect therein described.**

*[Handwritten Signature]*  
\_\_\_\_\_  
**United States Bankruptcy Judge**

**Signed April 13, 2010**

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

**In re:**

**ERICKSON RETIREMENT  
COMMUNITIES, LLC, *et al.*,<sup>1</sup>**

**Debtors.**

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§

**Case No. 09-37010 (SGJ)  
Chapter 11  
(Jointly Administered)**

**STIPULATION AND ORDER PROVIDING  
LIMITED RELIEF FROM THE AUTOMATIC STAY**

**WHEREAS**, on October 19, 2009 (the “Petition Date”), the above captioned debtors and debtors in possession (the “Debtors”) each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and have continued in the management and operation of their businesses and properties as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108 of the Bankruptcy Code; and

<sup>1</sup>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.

**WHEREAS**, Commercial Carpet Consultants, Inc. ("Commercial Carpet") is an Illinois flooring and carpet contractor and has its principal place of business at 893 Industrial Drive, Elmhurst, Illinois; and

**WHEREAS**, prior to the Petition Date, Erickson Construction, LLC ("Erickson Construction") acted as original contractor to Lincolnshire Campus, LLC ("Lincolnshire") a non-debtor affiliate of the Debtors for the purpose of providing general contracting services in connection with the construction and improvement for and upon premises owned by Lincolnshire known as Renaissance Gardens at Sedgebrook, located at 20 Riverside Road, Lincolnshire, Illinois (the "Premises"); and

**WHEREAS**, Commercial Carpet asserts that it entered into a written agreement with Erickson Construction, pursuant to which Commercial Carpet agreed to provide Erickson Construction with labor and materials in connection with tile, flooring, and carpet work at the Premises; and

**WHEREAS**, Commercial Carpet asserts that it furnished Erickson Construction with all of the labor and materials it was requested to furnish, with the knowledge and consent of Lincolnshire, and which labor and materials furnished by Commercial Carpet were incorporated into the improvement of the Premises; and

**WHEREAS**, Commercial Carpet asserts that it is owed sums for the labor and materials it furnished to the Premises at the request of Erickson Construction, and, in order to protect its rights, Commercial Carpet recorded a mechanic's lien against the Premises and now wishes to foreclose on said mechanic's lien; and

**WHEREAS**, in order to enforce its lien rights Commercial Carpet filed suit in the Circuit

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Court of the Nineteenth Judicial Circuit, Lake County, Illinois, case no. 09 CH 4405, entitled *Commercial Carpet Consultants, Inc. v. Erickson Construction, LLC, et al.*. Such case was consolidated with a case styled *Westside Mechanical Group v. Erickson Construction, LLC et al.*, Cause No. 09 CH 3289, in the Circuit Court of the Nineteenth Judicial Circuit, Lake County, Illinois **(the “Illinois Suit”)**.

**WHEREAS**, the parties hereto desire to stipulate to modify the automatic stay provided in Bankruptcy Code section 362 so as to permit the Commercial Carpet to proceed with its foreclosure action in the Illinois Suit;

**NOW, THEREFORE**, it is hereby stipulated and agreed by and between the Debtors and Commercial Carpet (collectively, the “Parties”) hereto as follows:

1. The automatic stay is hereby modified solely to the extent necessary to permit Commercial Carpet to enforce its State Court mechanic’s lien rights and remedies, if any, against the Premises in the Illinois Suit. In the Illinois Suit, Commercial Carpet shall be entitled to (1) include Erickson Construction as a party-defendant, (2) initiate and obtain discovery from Erickson Construction, and (3) do everything reasonably necessary to establish its lien claim against the Premises and obtain a judgment foreclosing its lien, including obtaining the necessary factual findings and legal determinations on Commercial Carpet’s claims against Erickson Construction, except to the extent limited by Paragraph 2 below.

2. Commercial Carpet shall not seek any recovery from Erickson Construction in the Illinois Suit and shall not seek entry of any in personam judgment against Erickson Construction in the Illinois Suit.

3. Except as stated in Paragraph 1 hereinabove, nothing contained in the Stipulation shall operate as waiver or modification of the Automatic Stay so as to permit prosecution against the

Debtors of any claim or claims by any entity, including Commercial Carpet.

4. The Parties are authorized to enter into any related or ancillary agreements necessary or required to effectuate this Stipulation without obtaining court approval of such related or ancillary agreements.

5. This Stipulation shall be binding upon and inure to the benefit of the Parties and each of their respective predecessors, estates, successors and assigns.

6. This Stipulation may be executed in counterparts, each of which shall be deemed an original, but all of which together shall, when executed and delivered, constitute one and the same agreement. This Stipulation may be executed by facsimile signature and in counterparts, which shall have the same effect and force as an original signature.

7. This Stipulation is subject to the approval of this Court and upon such approval shall inure to the benefit of the Parties hereto and their respective successors and assigns.

8. Nothing in this Stipulation shall be deemed effective unless this Court approves this Stipulation. In the event this Court declines to approve this Stipulation, the Parties hereto shall return to their respective rights and obligations existing prior to the execution of this Stipulation. Nothing in this Stipulation shall be deemed an admission of the Parties.

9. U.S. Bank National Association as indenture trustee (the “Indenture Trustee”) for the \$137,145,000 Illinois Finance Authority Revenue Bonds (Sedgebrook, Inc. Facility) Series 2007A and Series 2007B reserves all rights in this Court or any other court or forum with respect to the substantive claims asserted in this Stipulation and in the “*Motion to Approve Stipulation Providing Limited Relief from the Automatic Stay*” filed by Commercial Carpet as Docket No. 1045, including without limitation the validity and priority of liens, if any, Commercial Carpet may seek to establish.

### End of Order ###

Dated: March 22, 2010

/s/ Vincent P. Slusher

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**As to paragraph 9 only:**

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