

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.



United States Bankruptcy Judge

Signed April 22, 2010

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

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

**ORDER PURSUANT TO RULE 9019(a) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE APPROVING AND AUTHORIZING THE DEBTORS
TO ENTER INTO A PROPOSED SETTLEMENT WITH THE HCP ENTITIES**

This matter coming before the Court on the motion (the “Motion”) for an order approving and authorizing the Debtors to enter into the proposed settlement agreement (the “Settlement Agreement”) between the Debtors and HCP, Inc., HCP ER2, LP, HCP ER3, LP, and HCP ER6, LP (collectively, the “HCP Entities”) pursuant to Rule 9019(a) of the Federal Rules of

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 (collectively, the “Debtors”).

Bankruptcy Procedure (the “Bankruptcy Rules”), and the Court having reviewed the Motion and having heard the statements of counsel regarding the relief requested in the Motion at a hearing on April 15, 2010 (the “Hearing”); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (c) venue of these chapter 11 cases in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409, and (d) notice of the Motion and the Hearing was sufficient, the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein, and since all objections to this Motion have been withdrawn or overruled, and it appearing that the relief requested is in the best interest of the Debtors and their estates; and

WHEREAS, at the Hearing, the Debtors and the HCP Entities agreed that the Lender Support Agreement referenced by Section 5.1(b) of the Settlement Agreement shall not be required as a condition to the effectiveness of the Settlement Agreement; and

WHEREAS, Wells Fargo Bank National Association, Successor Indenture Trustee for the Bucks County Industrial Development Authority Retirement Community Revenue Bonds Series 2005A, Series 2005B-1 and Series 2005B-2 (the “Bond Trustee”), filed a conditional withdrawal of its objection to the Motion which provided for the withdrawal of its objection to the Motion and an agreement not to assert its claim to seek payment of the funds proposed to be paid to the HCP Entities under the Motion, provided that the transactions relating to the Warminster campus close as contemplated by the Debtors’ Fourth Amended Joint Plan of Reorganization (as amended) in the form confirmed by this Court on April 16, 2010 [see Docket No. 1355].

NOW, THEREFORE, IT IS HEREBY:

ORDERED, that the Motion is granted in its entirety; and it is further

ORDERED, that the Settlement Agreement, originally filed as an attachment to the Motion and attached hereto as Exhibit A, is approved pursuant to Bankruptcy Rule 9019 and Sections 105 of the Bankruptcy Code and subject only to limitations contained in this Order; and it is further

ORDERED, that the Lender Support Agreement referenced by the Settlement Agreement shall not be required as a condition to the effectiveness of the Settlement Agreement; and it is further

ORDERED, that the effectiveness of this Order is conditioned upon the closing of the transactions at the Warminster campus, as contemplated by the Debtors' Fourth Amended Joint Plan of Reorganization (as amended) in the form confirmed by the Court on April 16, 2010. Subject to the occurrence of this condition, the Bond Trustee shall be deemed to have withdrawn any claim to seek payment of the funds proposed to be paid to the HCP Entities under the Motion; and it is further

ORDERED, that the Debtors are hereby authorized to take any and all steps to enter into the Settlement Agreement; and it is further

ORDERED, that the automatic stay in these chapter 11 cases is hereby modified to the extent necessary to permit the implementation of the terms of the Settlement Agreement; and it is further

ORDERED, that this Order and the Settlement Agreement shall be binding upon the Debtors and HCP Entities, any trustee appointed in these proceedings, any trustees appointed in any subsequent proceedings under the Bankruptcy Code relating to the Debtors, and all other parties-in-interest, and it is further

ORDERED, that all capitalized terms used, but not defined, herein shall have the meaning provided in the Motion; and it is further

ORDERED, that the Bankruptcy Court shall retain exclusive jurisdiction to resolve any dispute arising from or related to the rejection of contracts pursuant to this Order.

End of Order

Submitted By:

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