Monthly Operating Report

ACCRUAL BASIS

CASE NAME	Warminster Campus, LP
CASE NUMBER	09-37026
JUDGE:	Stacey G. Jernigan

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF TEXAS

DIVISION 6

MONTHLY OPERATING REPORT

MONTH ENDING: October 31, 2009 & November 30, 2009

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

Jeffrey A. Jacobson

PRINTED NAME OF RESPONSIBLE PARTY

CFO

TITLE

12-23-09

DATE

PREPARER:

Steven B. Boyd

ORIGINAL SIGNATURE OF PREPARER

Steven B. Boyd

PRINTED NAME OF PREPARER

Senior Director

TITLE

12/23/09

DATE

General Notes:

1. The Debtors have prepared this presentation, as required by the Office of the United States Trustee, based on the information available to the Debtors at this time, but note that such information may be incomplete and may be materially deficient in certain respects. This Monthly Operating Report (MOR) is not meant to be relied upon as a complete description of the Debtors, their business, condition (financial or otherwise), results of operations, prospects, assets or liabilities. The Debtors reserve all rights to revise this report
2. This MOR is generally prepared in accordance with U.S. generally accepted accounting principles (GAAP).
3. The financial statements are unaudited.
4. Certain items presented in this MOR are under research and may be accounted for differently in future monthly reports.
5. The MOR does not include explanatory footnotes such as disclosures required under GAAP.

Monthly Operating Report

CASE NAME	Warminster Campus, LP
CASE NUMBER	09-37026

ACCRUAL BASIS-1

COMPARATIVE BALANCE SHEET

ASSETS	SCHEDULE AMOUNT	MONTH 10/19/2009 - 10/30/2009	MONTH 11/30/2009	MONTH
1. UNRESTRICTED CASH		$32,858	$22,899	
2. RESTRICTED CASH		6,099,770	6,099,770	
3. TOTAL CASH		$6,132,628	$6,122,669	
4. ACCOUNTS RECEIVABLE (NET)		$0	$0	
5. INVENTORY		0	0	
6. NOTES RECEIVABLE		0	0	
7. PREPAID EXPENSES		0	0	
8. OTHER (ATTACH LIST)		16,104	12,883	
9. TOTAL CURRENT ASSETS		$6,148,732	$6,135,552	
10. PROPERTY, PLANT & EQUIPMENT		$325,859,802	$325,860,833	
11. LESS: ACCUMULATED DEPRECIATION / DEPLETION		32,771,565	33,475,888	
12. NET PROPERTY, PLANT & EQUIPMENT		$293,088,237	$292,384,945	
13. DUE FROM INSIDERS		$0	$0	
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)		100,890	363,020	
15. OTHER (ATTACH LIST)		0	0	
16. **TOTAL ASSETS**		$299,337,859	$298,883,517	
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		$5,811	$330,344	
18. TAXES PAYABLE		0	0	
19. NOTES PAYABLE		0	0	
20. PROFESSIONAL FEES		0	0	
21. SECURED DEBT		0	0	
22. OTHER (ATTACH LIST)		91,714	239,399	
23. TOTAL POSTPETITION LIABILITIES		$97,525	$569,743	
PREPETITION LIABILITIES				
24. SECURED DEBT		$276,759,374	$276,759,374	
25. PRIORITY DEBT		0	0	
26. UNSECURED DEBT		83,492	78,942	
27. OTHER UNSECURED DEBT (ATTACH LIST)		98,066,490	98,066,490	
28. TOTAL PREPETITION LIABILITIES		$374,909,356	$374,904,806	
29. **TOTAL LIABILITIES**		$375,006,881	$375,474,549	
EQUITY				
30. PREPETITION OWNERS' EQUITY		($75,240,022)	($75,240,025)	
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(429,000)	(1,351,007)	
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		0	0	
33. TOTAL EQUITY		($75,669,022)	($76,591,032)	
34. **TOTAL LIABILITIES & OWNERS' EQUITY**		$299,337,859	$298,883,517	

CASE NAME	Warminster Campus, LP
CASE NUMBER	09-37026

COMPARATIVE BALANCE SHEET ATTACHMENT

	10/31/2009	11/30/2009
Ln 8 - Other Current Assets:		
Prepaid Insurance	$16,104	$12,883
Total Line 8	$16,104	$12,883
Ln 14 - Other Assets		
Intercompany clearing account	$100,890	$363,020
Total Line 14	$100,890	$363,020
Ln 22 - Other Post-Petition Liabilities		
Accrued P/R	$16,511	$11,232
Accrued Bonus - POST	3,136	0
Accrued Marketing - POST	776	0
Intercompany Clearing Accounts	71,291	226,127
Accrued Other Expese	0	2,040
Total Line 22	$91,714	$239,399
Ln 27 - Other Unsecured Debt (Pre-petition)		
Retainage payable	$1	$1
Accrued payroll bonus/other expense	72,718	72,718
Sale/Leaseback Payable	19,500,000	19,500,000
ERC short term funding	2,180,353	2,180,353
Development fees payable	771,521	771,521
Intercompany clearing accounts	541,897	541,897
Purchase Option Deposit	75,000,000	75,000,000
	$98,066,490	$98,066,490

Monthly Operating Report

CASE NAME	Warminster Campus, LP
CASE NUMBER	09-37026

ACCRUAL BASIS-2

INCOME STATEMENT

	MONTH	MONTH	MONTH	Case-to-Date
REVENUES	10/19/2009 - 10/31/2009	11/30/2009		10/19/2009 - 11/31/2009
1. GROSS REVENUES	$754,577	$1,805,309		$2,559,886
2. LESS: RETURNS & DISCOUNTS	0	0		
3. NET REVENUE	$754,577	$1,805,309		$2,559,886
COST OF GOODS SOLD				
4. MATERIAL	$0	$0		$0
5. DIRECT LABOR	0	0		0
6. DIRECT OVERHEAD	0	0		0
7. TOTAL COST OF GOODS SOLD	$0	$0		$0
8. GROSS PROFIT	$754,577	$1,805,309		$2,559,886
OPERATING EXPENSES				
9. OFFICER / INSIDER COMPENSATION	$0	$0		$0
10. SELLING & MARKETING	56,328	16,720		73,048
11. GENERAL & ADMINISTRATIVE	13,220	48,573		61,793
12. RENT & LEASE	0	0		0
13. OTHER (ATTACH LIST)	3,218	15,302		18,520
14. TOTAL OPERATING EXPENSES	$72,766	$80,595		$153,361
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	$681,811	$1,724,714		$2,406,525
OTHER INCOME & EXPENSES				
16. NON-OPERATING INCOME (Rent)	$0	$0		$0
17. NON-OPERATING EXPENSE (ATT. LIST)	0	0		0
18. INTEREST EXPENSE	816,949	1,942,398		2,759,347
19. DEPRECIATION / DEPLETION	293,862	704,323		998,185
20. AMORTIZATION	0	0		0
21. OTHER (ATTACH LIST)	0	0		0
22. NET OTHER INCOME & EXPENSES	$1,110,811	$2,646,721		$3,757,532
REORGANIZATION EXPENSES				
23. PROFESSIONAL FEES	$0	$0		$0
24. U.S. TRUSTEE FEES	0	0		0
25. OTHER (ATTACH LIST)	0	0		0
26. TOTAL REORGANIZATION EXPENSES	$0	$0		$0
27. INCOME TAX	$0	$0		$0
28. NET PROFIT (LOSS)	($429,000)	($922,007)		($1,351,007)

CASE NAME	Warminster Campus, LP
CASE NUMBER	09-37026

INCOME STATEMENT ATTACHMENT

	10/31/2009	11/30/2009
Ln 13 - Other Operating Expenses		
Construction Management Services	$3,218	$1,061
Information Services	0	10,268
Legal	0	3,973
Bank Charges	0	0
Total Line 13	$3,218	$15,302

Monthly Operating Report

ACCRUAL BASIS-3

CASE NAME	Warminster Campus, LP
CASE NUMBER	09-37026

CASH RECEIPTS AND DISBURSEMENTS	MONTH 10/19/2009 - 10/31/2009	MONTH 11/30/2009	MONTH	QUARTER TOTAL
1. CASH - BEGINNING OF MONTH	$33,720	$32,858		$0
RECEIPTS FROM OPERATIONS				
2. CASH SALES	$0	$0		$0
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION	$0	$0		$0
4. POSTPETITION				
5. TOTAL OPERATING RECEIPTS	$0	$0		$0
NON - OPERATING RECEIPTS				
6. LOANS & ADVANCES (DIP Funding)	$0	$0		$0
7. SALE OF ASSETS	0	0		0
8. OTHER (ATTACH LIST)	0	0		0
9. TOTAL NON-OPERATING RECEIPTS	$0	$0		$0
10. TOTAL RECEIPTS	$0	$0		$0
11. TOTAL CASH AVAILABLE	$33,720	$32,858		$0
OPERATING DISBURSEMENTS				
12. NET PAYROLL	$0	$0		$0
13. PAYROLL TAXES PAID	0	0		0
14. SALES, USE & OTHER TAXES PAID	0	0		0
15. SECURED / RENTAL / LEASES	0	0		0
16. UTILITIES	0	0		0
17. INSURANCE	0	0		0
18. INVENTORY PURCHASES	0	0		0
19. VEHICLE EXPENSES	0	0		0
20. TRAVEL	862	1,741		2,603
21. ENTERTAINMENT	0	0		0
22. REPAIRS & MAINTENANCE	0	0		0
23. SUPPLIES	0	98		98
24. ADVERTISING	0	0		0
25. OTHER (ATTACH LIST)	0	8,119		8,119
26. TOTAL OPERATING DISBURSEMENTS	$862	$9,958		$10,820
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES	$0	$0		$0
28. U.S. TRUSTEE FEES	0	0		0
29. OTHER (ATTACH LIST)	0	0		0
30. TOTAL REORGANIZATION EXPENSES	$0	$0		$0
31. TOTAL DISBURSEMENTS	$862	$9,958		$10,820
32. NET CASH FLOW	($862)	($9,958)		($10,820)
33. CASH - END OF MONTH	$32,858	$22,900		$22,900

CASE NAME:	Warminster Campus, LP
CASE NUMBER:	09-37026

CASH DISBURSEMENTS ATTACHMENT

	10/31/2009	11/30/2009
Ln 25 - Other Cash Disbursements		
Marketing, postage, forms & printing	$0	$7,699
Resident Relations	0	420
Total Line 25	$0	$8,119

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CASE NAME: Warminster Campus, LP

CASE NUMBER: 09-37026

ACCRUAL BASIS-4

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH 10/19/2009 - 10/31/2009	MONTH 11/30/2009	MONTH
1. 0-30		$0	$0	
2. 31-60		0	0	
3. 61-90		0	0	
4. 91+		$0	$0	
5. TOTAL ACCOUNTS RECEIVABLE		$0	$0	
6. AMOUNT CONSIDERED UNCOLLECTIBLE		$0	$0	
7. ACCOUNTS RECEIVABLE (NET)		$0	$0	

AGING OF POSTPETITION TAXES AND PAYABLES

MONTH: Period Ending 10/31/2009

TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL	$0	$0	$0	$0	$0
2. STATE	0	0	0	0	0
3. LOCAL	0	0	0	0	0
4. OTHER (ATTACH LIST)	$0	$0	$0	$0	$0
5. TOTAL TAXES PAYABLE	$0	$0	$0	$0	$0
6. ACCOUNTS PAYABLE	$5,811	$0	$0	$0	$5,811

STATUS OF POSTPETITION TAXES

MONTH: Period Ending 10/31/2009

FEDERAL	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/ OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
1. WITHHOLDING	$0	$0	$0	$0
2. FICA-EMPLOYEE	0	0	0	0
3. FICA-EMPLOYER	0	0	0	0
4. UNEMPLOYMENT	0	0	0	0
5. INCOME	0	0	0	0
6. OTHER (ATTACH LIST)	$0	$0	$0	$0
7. TOTAL FEDERAL TAXES	$0	$0	$0	$0
STATE AND LOCAL				
8. WITHHOLDING	$0	$0	$0	$0
9. SALES	0	0	0	0
10. EXCISE	0	0	0	0
11. UNEMPLOYMENT	0	0	0	0
12. REAL PROPERTY	0	0	0	0
13. PERSONAL PROPERTY	0	0	0	0
14. OTHER (ATTACH LIST)	$0	$0	$0	$0
15. TOTAL STATE & LOCAL	$0	$0	$0	$0
16. TOTAL TAXES	$0	$0	$0	$0

Monthly Operating Report

CASE NAME: Warminster Campus, LP

CASE NUMBER: 09-37026

ACCRUAL BASIS-4

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH 10/19/2009 - 10/31/2009	MONTH 11/30/2009	MONTH
1. 0-30		$0	$0	
2. 31-60		0	0	
3. 61-90		0	0	
4. 91+		$0	$0	
5. TOTAL ACCOUNTS RECEIVABLE		$0	$0	
6. AMOUNT CONSIDERED UNCOLLECTIBLE		$0	$0	
7. ACCOUNTS RECEIVABLE (NET)		$0	$0	

AGING OF POSTPETITION TAXES AND PAYABLES

MONTH: Period Ending 11/30/2009

TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL	$0	$0	$0	$0	$0
2. STATE	0	0	0	0	0
3. LOCAL	0	0	0	0	0
4. OTHER (ATTACH LIST)	$0	$0	$0	$0	$0
5. TOTAL TAXES PAYABLE	$0	$0	$0	$0	$0
6. ACCOUNTS PAYABLE	$330,343	$0	$0	$0	$330,343

STATUS OF POSTPETITION TAXES

MONTH: Period Ending 11/30/2009

FEDERAL	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/ OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
1. WITHHOLDING	$0	$0	$0	$0
2. FICA-EMPLOYEE	0	0	0	0
3. FICA-EMPLOYER	0	0	0	0
4. UNEMPLOYMENT	0	0	0	0
5. INCOME	0	0	0	0
6. OTHER (ATTACH LIST)	$0	$0	$0	$0
7. TOTAL FEDERAL TAXES	$0	$0	$0	$0
STATE AND LOCAL				
8. WITHHOLDING	$0	$0	$0	$0
9. SALES	0	0	0	0
10. EXCISE	0	0	0	0
11. UNEMPLOYMENT	0	0	0	0
12. REAL PROPERTY	0	0	0	0
13. PERSONAL PROPERTY	0	0	0	0
14. OTHER (ATTACH LIST)	$0	$0	$0	$0
15. TOTAL STATE & LOCAL	$0	$0	$0	$0
16. TOTAL TAXES	$0	$0	$0	$0

Monthly Operating Report

ACCRUAL BASIS-5

CASE NAME:	Warminster Campus, LP
CASE NUMBER:	09-37026

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: Period Ending 10/31/2009

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	TOTAL
A. BANK:				
B. ACCOUNT NUMBER:	SEE ATTACHED			
C. PURPOSE (TYPE):				
1. BALANCE PER BANK STATEMENT				
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS				
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS				
6. NUMBER OF LAST CHECK WRITTEN	N/A			

INVESTMENT ACCOUNTS BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7. PNC - 18106642-00-000 (#8120)				
8. PNC - 18106643-00-000 (#8119)				
9. PNC - 18107298-00-000 (#8499)				
10. CNL .				
11. TOTAL INVESTMENTS				

CASH	
12. CURRENCY ON HAND	
13. TOTAL CASH - END OF MONTH	

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ACCRUAL BASIS-5 Page 2

CASE NAME:	**Warminster Campus, LP**
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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: Period Ending 10/31/2009

BANK RECONCILIATIONS	Account #4	Account #5	Account #6	TOTAL
A. BANK:				
B. ACCOUNT NUMBER:				
C. PURPOSE (TYPE):				
1. BALANCE PER BANK STATEMENT				
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS				
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS				
6. NUMBER OF LAST CHECK WRITTEN	N/A			

INVESTMENT ACCOUNTS BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS				

CASH	
12. CURRENCY ON HAND	
13. TOTAL CASH - END OF MONTH	

Monthly Operating Report

ACCRUAL BASIS-5

CASE NAME:	**Warminster Campus, LP**
CASE NUMBER:	**09-37026**

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: Period Ending 11/30/2009

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	TOTAL
A. BANK:				
B. ACCOUNT NUMBER:	SEE ATTACHED			
C. PURPOSE (TYPE):				
1. BALANCE PER BANK STATEMENT				
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS				
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS				
6. NUMBER OF LAST CHECK WRITTEN	N/A			

INVESTMENT ACCOUNTS BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7. PNC - 18106642-00-000 (#8120)				
8. PNC - 18106643-00-000 (#8119)				
9. PNC - 18107298-00-000 (#8499)				
10. CNL .				
11. TOTAL INVESTMENTS				

CASH	
12. CURRENCY ON HAND	
13. **TOTAL CASH - END OF MONTH**	

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ACCRUAL BASIS-5 Page 2

CASE NAME:	**Warminster Campus, LP**
CASE NUMBER:	09-37026

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: Period Ending 11/30/2009

BANK RECONCILIATIONS	Account #4	Account #5	Account #6	TOTAL
A. **BANK:**				
B. **ACCOUNT NUMBER:**				
C. **PURPOSE (TYPE):**				
1. BALANCE PER BANK STATEMENT				
2. ADD: TOTAL DEPOSITS NOT CREDITED				
3. SUBTRACT: OUTSTANDING CHECKS				
4. OTHER RECONCILING ITEMS				
5. MONTH END BALANCE PER BOOKS				
6. NUMBER OF LAST CHECK WRITTEN	N/A			

INVESTMENT ACCOUNTS				
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS				

CASH	
12. CURRENCY ON HAND	
13. **TOTAL CASH - END OF MONTH**	

WARMINSTER CAMPUS, LP

A/P CASH
PNC Acct #XXXXXX4471

Balance per Bank	$33,719.63	$23,374.54
Less: Bank Balance Pre-filing	0.00	0.00
Less: Outstanding Checks	(862.20)	(475.09)
Balance per Books	$32,857.43	$22,899.45
Balance per G/L	**$32,857.43**	**$22,899.45**

Restricted Cash
PNC INVESTMENT PHASE ACCOUNT
PNC Acct #XXXXXX7321

Balance per Bank	$4,637,000.00	$4,637,000.00
Balance per G/L	**$4,637,000.00**	**$4,637,000.00**

RESTRICTED FUNDS CASH
CNL Acct #

CNL Security Deposit	$1,462,770.00	$1,462,770.00
Balance	**$1,462,770.00**	**$1,462,770.00**

Notes:

A/P Cash - This is the main operating account for Warminster Campus. When draw funding is received from PNC bank it is deposited into this account. All checks for Warminster are cut from this account.

Monthly Operating Report

CASE NAME:	Warminster Campus, LP
CASE NUMBER:	09-37026

ACCRUAL BASIS-6

PAYMENTS TO INSIDERS AND PROFESSIONALS

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101 (31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1.			
2.			
3.			
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZIN PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
1.					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS					

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS 10/31/2009

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.			
2.			
3.			
4.			
5.			
6. TOTAL			

Monthly Operating Report

CASE NAME:	Warminster Campus, LP
CASE NUMBER:	09-37026

ACCRUAL BASIS-6

PAYMENTS TO INSIDERS AND PROFESSIONALS

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101 (31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1.			
2.			
3.			
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
1.					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS					

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS 11/30/2009

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.			
2.			
3.			
4.			
5.			
6. TOTAL			

Monthly Operating Report

CASE NAME:	Warminster Campus, LP
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ACCRUAL BASIS-7

10/31/2009

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

AJ Gallagher Risk Management - environmental liabiity policy is effective 3/22/07 - 3/22/10

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
SEE ATTACHED			

Monthly Operating Report

CASE NAME:	Warminster Campus, LP
CASE NUMBER:	09-37026

ACCRUAL BASIS-7

11/30/2009

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

AJ Gallagher Risk Management - environmental liabiity policy is effective 3/22/07 - 3/22/10

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
SEE ATTACHED			

CASE NAME		Monthly Operating Report		
CASE NUMBER		ACCRUAL BASIS - 7		
		Insurance Attachment		
Policy Type	Covered entities	Policy Period	Company Name	Initial Policy Premium
AUTOMOBILE	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	10-15-08 TO 10-15-09	Continental Casualty Company (CNA)	401,074.00
AUTOMOBILE (Massachusetts)	Erickson Retirement Communities, LLC; Brooksby Village, Inc., Linden Ponds, Inc.	10-15-08 TO 10-15-09	National Fire Insurance Company (CNA)	62,549.00
AUTOMOBILE - EXCESS (First layer)	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	10-15-08 TO 10-15-09	Columbia Casualty Insurance Company (CNA)	$208,878.00
DIRECTORS & OFFICERS - Primary	Erickson Retirement Communities LLC, all subsidiary companies and partnerships; and The Erickson Group	12-01-08 TO 12-01-09	Federal Insurance Company (Chubb)	138,533.00
DIRECTORS & OFFICERS - Excess	Erickson Retirement Communities LLC, all subsidiary companies and partnerships; and The Erickson Group	12-01-08 TO 12-01-09	RSUI Indemnity Company	61,446.00
GENERAL/ PROFESSIONAL LIABILITY-Primary Nursing Home Professioanl and Commerical	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	1-1-09 to 1-1-10	Continental Casualty Company. (C.N.A.)	$234,360
MEDICAL MALPRACTICE- Primary Physicians and Entity including Allied Health Providers Professional Liability	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co. and EHMG of Howard County) & all Communities	10-15-08 to 1-1-10	Continental Casualty Company. (C.N.A.)	$51,280
EXCESS GENERAL/ PROFESSIONAL LIABILITY (First layer)	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	01-1-09 to 01-1-10	Columbia Casualty Insurance Company (CNA)	$1,457,562
EXCESS GENERAL/ PROFESSIONAL LIABILITY (Second layer)	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	01-1-09 to 01-1-10	Max Specialty Insurance Company	$643,750.00
EXCESS GENERAL/ PROFESSIONAL LIABILITY (Third layer)	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	01-1-09 TO 01-01-12	Swiss Re(40%) Max Re(40%) Homeland Insurance Company of NY(20%)	$669,500
TERRORISM Coverage-excess	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.) & all Communities	1-1-09 to 1-1-10	Lloyds (Spectrum)	$81,885
FIDUCIARY (Primary)	Erickson Retirement Communities, LLC	12-1-08 TO 12-01-09	Federal Insurance Company (Chubb)	10,450.00
CRIME	Erickson Retirement Communities, LLC; all Subsidiaries & all Communities	12-01-08 TO 12-01-09	Federal Insurance Company (Chubb)	25,974.00
Kidnap/Ransom and Extortion	Erickson Retirement Communities, LLC; all Subsidiaries & all Communities	12-01-08 TO 12-01-09	Federal Insurance Company (Chubb)	3,420.00
CRIME (Excess)	Erickson Retirement Communities, LLC; all Subsidiaries & all Communities	12-01-08 TO 12-01-09	Great American	7,500.00

Policy Type	Covered entities	Policy Period	Company Name	Initial Policy Premium
EMPLOYED LAWYERS (Corporate Counsel)	Erickson Retirement Communities, LLC	10-1-08 to 10-1-09	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	$25,363.00
MANAGED CARE PROFESSIONAL LIABILITY (E&O)	Erickson Retirement Communities, LLC, d/b/a Erickson Advantage Plan	9-1-08 To 9-1-09	Employers Fire Insurance Company (One Beacon)	$38,250
POLLUTION AND REMEDIATION LEGAL LIABILITY	Erickson Retirement Communities, LLC; Erickson Construction, LLC; Warminster Campus, L.P.; Warminster Business Park, L.P. (formerly Warminster Business Park, LLC); Ann's Choice, Inc. Additional Insured: CNL Retirement ER3, LP, it's general and limited partners, officers, directors and employees	3-22-07 TO 3-22-10	Indiana Harbor Insurance Company (a Member of XL Capital)	115,945.62
BOILER & MACHINERY	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.), & all Communities	10-15-08 TO 10-15-09	Continental Casualty Insurance Company (CNA)	34,622.33
BUILDER'S RISK- Masters	Erickson Retirement Communities, LLC, Subsidiaries, Communities, General Contractors, Sub Contractors,	1-1-09 to 1-1-10	Travelers Property Casualty Company of America	$75,000
ASHBY PONDS EXCESS	Erickson Retirement Communities, LLC, Subsidiaries, Communities, General Contractors, Sub Contractors,	9/15/2008 TO 9/15/2009 policy cancelled 1/1/2009	Great American Insurance Company	$11,550
BUILDER'S RISK - Eagles Trace	Erickson Retirement Communities, LLC, Erickson Construction, LLC Eagles Trace Inc, Houston Campus, LP	9-1-07 to 2-15-10	Axis Surplus Insurance company	27,801.15
BUILDER'S RISK- EAGLES TRACE EXCESS	Erickson Retirement Communities, LLC, Erickson Construction, LLC Eagles Trace Inc, Houston Campus, LP	09-01-07 to 2-15-10 policy cancelled 1/1/2009	Ace Fire Underwriters Insurance Company	56,127.00
BUILDER'S RISK - Trailers/ Inland Marine	Erickson Retirement Communities, LLC, Erickson Construction, llc		Travelers Property Casualty Company of America	12,557.00
PROPERTY - Master	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.), & all Communities	10-15-08 TO 10-15-09	Continental Casualty Company (CNA)	$1,087,875
PROPERTY - DIFFERENCE IN CONDITIONS (Excess Flood & Quake)	Erickson Retirement Communities, LLC; Subsidiaries (except Construction Co.), & all Communities	10-15-08 TO 10-15-09	Commonwealth Insurance Company	154,961.38
WORKERS' COMPENSATION - MASTER	Erickson Retirement Communities, LLC; Subsidiaries, & all Communities	1-1-09 TO 1-1-10	Zurich American Insurance Co. Broadspire claim services	1,480,073.00
Non Subscriber Policy for Texas	Erickson Retirment Communities, LLC, National Senior Campuses Inc, Eagles Trace Inc, Eagles Trace Home Care, LLC Highland Springs, Inc, Highland Springs Home Care, LLC EHMG of Texas, P.A.	2-1-09 to 2-1-10	North American Capacity Insurance Company	55,154.00
Note: Many policies are group-wide and include non-debtor entities.				