

UNITED STATES BANKRUPTCY COURT

Northern District of Texas (Dallas Division)

PROOF OF CLAIM

Name of Debtor: Erickson Retirement Communities, LLC

Case Number: 09-37010

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property):

☐ Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:

20835747003045
RELATIONAL, LLC
3701 ALGONQUIN RD #600
ROLLING MEADOWS, IL 60008-3120

Attn: General Counsel 847-818-1700

YOUR CLAIM IS SCHEDULED AS:

Schedule/Claim ID: s2281

AMOUNT/CLASSIFICATION

UNKNOWN SECURED

[Contingent/Unliquidated/Disputed]

UNKNOWN UNSECURED

Court Claim Number: _____

(If known)

Filed on: _____

Name and address where payment should be sent (if different from above):

RECEIVED

JAN 21 2010

BMC GROUP

Telephone number:

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

☐ Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed: \$ 8,870.28

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.
2. Basis for Claim: Leased Equipment
(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: ERC

3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other
Describe:

Value of Property: \$ _____ Annual Interest Rate _____ %

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim.

☐ Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).

☐ Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____).

Amount entitled to priority:

\$ _____

*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

Date: 12-28-09

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Dean A Frankel

Dean A Frankel/Secretary

FOR COURT USE ONLY

Erickson Ret. Comm. LLC



00547

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

Erickson Retirement Communities (01-ERC) to the MLA dated 05/18/2005												
Lease Number	Maturity Date	Inv. No.	Invoice Description	Invoice Date	Due Date	Current	1 - 30	31 - 60	61 - 90	91 - 120	121 & Over	Total
ERC-001	06/30/2008	711068	RENTAL DUE	08/15/2009	10/01/2009	\$0.00	\$0.00	\$0.00	\$765.00	\$0.00	\$0.00	\$765.00
ERC-001	06/30/2008	711068	SALES TAX	08/15/2009	10/01/2009	\$0.00	\$0.00	\$0.00	\$45.90	\$0.00	\$0.00	\$45.90
ERC-005	06/30/2008	711071	RENTAL DUE	08/15/2009	10/01/2009	\$0.00	\$0.00	\$0.00	\$663.90	\$0.00	\$0.00	\$663.90
ERC-005	06/30/2008	711071	SALES TAX	08/15/2009	10/01/2009	\$0.00	\$0.00	\$0.00	\$39.83	\$0.00	\$0.00	\$39.83
ERC-007	06/30/2008	711073	RENTAL DUE	08/15/2009	10/01/2009	\$0.00	\$0.00	\$0.00	\$52.50	\$0.00	\$0.00	\$52.50
ERC-007	06/30/2008	711073	SALES TAX	08/15/2009	10/01/2009	\$0.00	\$0.00	\$0.00	\$3.15	\$0.00	\$0.00	\$3.15
ERC-001	06/30/2008	716668	RENTAL DUE	09/19/2009	11/01/2009	\$0.00	\$0.00	\$765.00	\$0.00	\$0.00	\$0.00	\$765.00
ERC-001	06/30/2008	716668	SALES TAX	09/19/2009	11/01/2009	\$0.00	\$0.00	\$45.90	\$0.00	\$0.00	\$0.00	\$45.90
ERC-002	06/30/2008	716669	RENTAL DUE	09/19/2009	11/01/2009	\$0.00	\$0.00	\$52.50	\$0.00	\$0.00	\$0.00	\$52.50
ERC-004	06/30/2008	716670	RENTAL DUE	09/19/2009	11/01/2009	\$0.00	\$0.00	\$723.00	\$0.00	\$0.00	\$0.00	\$723.00
ERC-004	06/30/2008	716670	SALES TAX	09/19/2009	11/01/2009	\$0.00	\$0.00	\$43.38	\$0.00	\$0.00	\$0.00	\$43.38
ERC-005	06/30/2008	716671	RENTAL DUE	09/19/2009	11/01/2009	\$0.00	\$0.00	\$663.90	\$0.00	\$0.00	\$0.00	\$663.90
ERC-005	06/30/2008	716671	SALES TAX	09/19/2009	11/01/2009	\$0.00	\$0.00	\$39.83	\$0.00	\$0.00	\$0.00	\$39.83
ERC-006	06/30/2008	716672	RENTAL DUE	09/19/2009	11/01/2009	\$0.00	\$0.00	\$626.00	\$0.00	\$0.00	\$0.00	\$626.00
ERC-006	06/30/2008	716672	SALES TAX	09/19/2009	11/01/2009	\$0.00	\$0.00	\$37.56	\$0.00	\$0.00	\$0.00	\$37.56
ERC-007	06/30/2008	716673	RENTAL DUE	09/19/2009	11/01/2009	\$0.00	\$0.00	\$52.50	\$0.00	\$0.00	\$0.00	\$52.50
ERC-007	06/30/2008	716673	SALES TAX	09/19/2009	11/01/2009	\$0.00	\$0.00	\$3.15	\$0.00	\$0.00	\$0.00	\$3.15
ERC-001	06/30/2008	733505	RENTAL DUE	12/20/2009	12/01/2009	\$765.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$765.00
ERC-001	06/30/2008	733505	SALES TAX	12/20/2009	12/01/2009	\$45.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45.90
ERC-002	06/30/2008	733506	RENTAL DUE	12/20/2009	12/01/2009	\$52.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52.50
ERC-004	06/30/2008	733507	RENTAL DUE	12/20/2009	12/01/2009	\$723.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$723.00
ERC-004	06/30/2008	733507	SALES TAX	12/20/2009	12/01/2009	\$43.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43.38
ERC-005	06/30/2008	733508	RENTAL DUE	12/20/2009	12/01/2009	\$663.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$663.90
ERC-005	06/30/2008	733508	SALES TAX	12/20/2009	12/01/2009	\$39.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$39.83
ERC-006	06/30/2008	733509	RENTAL DUE	12/20/2009	12/01/2009	\$626.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$626.00
ERC-006	06/30/2008	733509	SALES TAX	12/20/2009	12/01/2009	\$37.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.56
ERC-007	06/30/2008	733510	RENTAL DUE	12/20/2009	12/01/2009	\$52.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52.50
ERC-007	06/30/2008	733510	SALES TAX	12/20/2009	12/01/2009	\$3.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3.15
ERC-001	06/30/2008	733511	RENTAL DUE	12/20/2009	01/01/2010	\$765.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$765.00
ERC-001	06/30/2008	733511	SALES TAX	12/20/2009	01/01/2010	\$45.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45.90
ERC-002	06/30/2008	733512	RENTAL DUE	12/20/2009	01/01/2010	\$52.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52.50
ERC-004	06/30/2008	733513	RENTAL DUE	12/20/2009	01/01/2010	\$723.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$723.00
ERC-004	06/30/2008	733513	SALES TAX	12/20/2009	01/01/2010	\$43.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43.38
ERC-005	06/30/2008	733514	RENTAL DUE	12/20/2009	01/01/2010	\$663.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$663.90
ERC-005	06/30/2008	733514	SALES TAX	12/20/2009	01/01/2010	\$39.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$39.83
ERC-006	06/30/2008	733515	RENTAL DUE	12/20/2009	01/01/2010	\$626.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$626.00
ERC-006	06/30/2008	733515	SALES TAX	12/20/2009	01/01/2010	\$37.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.56
ERC-007	06/30/2008	733516	RENTAL DUE	12/20/2009	01/01/2010	\$52.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52.50
ERC-007	06/30/2008	733516	SALES TAX	12/20/2009	01/01/2010	\$3.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3.15
						\$6,105.44	\$0.00	\$3,052.72	\$1,570.28	\$0.00	\$0.00	\$10,728.44

Erickson Retirement Communitie

Lease Num	Start Date	Maturity Date	LP Asset Number	App Asset Number	Serial Num	Equipment Description	Part Num	Equip Model	Retail Value
ERC-002	7/1/2005	6/30/2008	1619914	1969065	ZKM43088	CANON 2060P LASER CLASS FAX MACHINE	LC-2060P	2060P	\$ 100.00
ERC-005	7/1/2005	6/30/2008	1604681	1940376	JCT21105	CANON IR5020 DIGITAL COLOR COPIER	IR5020	IMAGERUNNER	\$2,200.00
ERC-005	7/1/2005	6/30/2008	1604682	1940377	ZKM42491	CANON 2060P FAX	2060		\$ -
ERC-005	7/1/2005	6/30/2008	1604683	1940378	KGP35098	IR5020	F1		\$ -
ERC-005	7/1/2005	6/30/2008	1604684	1940379	XCM50483	CANON B1 PUNCHER UNIT FOR IR5020	B1		\$ -
ERC-005	7/1/2005	6/30/2008	1604685	1940380		CANON D1 NETWORK MULTI PDL PRINTER KIT	D1		\$ -
ERC-005	7/1/2005	6/30/2008	1604686	1940381		CANON SCANSTATION	SCANSTATION		\$ -
ERC-001	7/1/2005	6/30/2008	1604662	1940382	KEM01257	COPIER	IRC5800	IMAGERUNNER	\$ 400.00
ERC-001	7/1/2005	6/30/2008	1604663	1940383	JJF01721	CANON R1 FINISHER FOR 5800	R1		\$ -
ERC-001	7/1/2005	6/30/2008	1604664	1940384	JHW05150	CANON M1 PUNCHER UNIT FOR 5800	M1	M1	\$ -
ERC-001	7/1/2005	6/30/2008	1604665	1940385		CANON D1 NETWORK MULTI PDL PRINTER KIT	D1		\$ -
ERC-001	7/1/2005	6/30/2008	1604666	1940386		CANON A2 RESOLUTION SWITCHING BOARD	A2		\$ -
ERC-001	7/1/2005	6/30/2008	1604667	1940387		BOARD	P1		\$ -
ERC-001	7/1/2005	6/30/2008	1604668	1940388	GK04063448	CANON SCANSTATION XP	SCANSTATION XP		\$ -
ERC-004	7/1/2005	6/30/2008	1604676	1940371	JCU07362	CANON IR6020 DIGITAL COPIER	IR6020		\$2,200.00
ERC-004	7/1/2005	6/30/2008	1604677	1940372	XKM42731	CANON 2060P FAX	2060P		\$ 100.00
ERC-004	7/1/2005	6/30/2008	1604678	1940373	KGP34165	IR5020	F1		\$ -
ERC-004	7/1/2005	6/30/2008	1604679	1940374	XCM50089	CANON B1 PUNCHER UNIT FOR IR5020	B1		\$ -
ERC-004	7/1/2005	6/30/2008	1604680	1940375		CANON D1 NETWORK MULTI PDL PRINTER KIT	D1		\$ -
ERC-007	7/1/2005	6/30/2008	1619913	1969066	ZKM42725	CANON 2060P LASER CLASS FAX MACHINE	LC-2060P		\$ 100.00
ERC-006	7/1/2005	6/30/2008	1604687	1940355	JCT21101	CANON IR5020 DIGITAL COLOR COPIER	IR5020	IMAGERUNNER	\$2,200.00
ERC-006	7/1/2005	6/30/2008	1604688	1940356	KGP32134	IR5020	F1		\$ -
ERC-006	7/1/2005	6/30/2008	1604689	1940357	XCM50475	CANON B1 PUNCHER UNIT FOR IR5020	B1		\$ -
ERC-006	7/1/2005	6/30/2008	1604690	1940358	24A51308NW	CANON D1 NETWORK MULTI PDL PRINTER KIT	D1		\$ -
ERC-006	7/1/2005	6/30/2008	1604691	1940359		CANON SCANSTATION	SCANSTATION		\$ -
									\$7,300.00



MASTER EQUIPMENT LEASE AGREEMENT

ORIGINAL

ELA

DATE: May 18, 2005

LESSOR:
ADDRESS:

RELATIONAL, LLC

3701 Algonquin Road, Suite 600
Rolling Meadows, IL 60008

Tel: 847-818-1700

LESSEE:
ADDRESS:

ERICKSON RETIREMENT COMMUNITIES, LLC a Maryland limited liability company
701 Maiden Choice Lane, Baltimore, MD 21228

Lessor, by its acceptance hereof, agrees to lease to Lessee, and Lessee agrees to lease from Lessor, in accordance with the terms and conditions hereinafter set forth, the equipment and features, together with all replacements, parts, repairs, additions, attachments, wiring, cabling, operating software, licenses, and accessories incorporated therein (collectively called the "Equipment" and individually called a "Unit") described in each related equipment schedule ("Schedule") which is executed from time to time by Lessor and Lessee. Each Schedule shall refer to and incorporate by reference this Master Equipment Lease Agreement ("Master Lease") and, when signed by Lessor and Lessee, shall constitute a separate lease ("Lease") for the Equipment therein described on the terms and conditions stated therein and on the terms and conditions stated in this Master Lease. To the extent that any term or condition contained in any Schedule conflicts with any term or condition contained herein, the terms and conditions contained in such Schedule shall govern and prevail over the terms and conditions contained herein as to said Schedule.

SECTION 1. DEFINITIONS. (A) "Base Term" shall mean the full consecutive calendar months, or such other periods for which Rent is paid, set forth on the Schedule, commencing with and including the period in which the Base Term Date shall occur. The Lease may be terminated by either Lessor or Lessee at the end of said Base Term, provided not less than one hundred eighty (180) days prior written notice of such termination is delivered to the other party, otherwise the Lease shall remain in full force and effect. Thereafter, the Lease may be terminated by either Lessor or Lessee at the end of any such period provided not less than one hundred eighty (180) days prior written notice of such termination is delivered to the other party by the party desiring termination. Periods of each such extension of the Base Term of a Lease shall not be less than said notice period.

(B) "Base Term Date" shall mean the day of the month or other aforesaid period coincident with (a) the date of installation by the manufacturer or other vendor of the Equipment (collectively, the "Manufacturer") and acceptance by the Lessee of all Units or (b) the date set forth on the related Schedule as "Base Term Date", whichever shall later occur. If such date is on a day other than the first day of such period, the Base Term Date shall be the first day of said period beginning after the last Unit is accepted.

(C) "Commencement Date" shall mean the earlier of (i) ten days after the first Unit shall have been delivered by the Manufacturer, or (ii) the date upon which the first Unit shall have been accepted by the Lessee ("Date of Acceptance") as set forth in a certificate of acceptance ("Certificate of Acceptance") which shall become part of the Schedule. If Lessee fails to promptly execute a Schedule and Certificate of Acceptance upon completion of installation, Lessor may, upon prior notice to Lessee, cancel its obligations to lease, whereupon Lessee shall repay Lessor for any amounts advanced by Lessor to vendors, together with pro rata rent, as described in Section 3 hereof, and at the lease rate quoted by Lessor, from the Commencement Date until said repayment.

(D) The terms "Base Rent," "Base Rent Date," and "Casualty Value" shall have the meaning, if any, set forth in each Schedule. Where lease rate factors are shown on a Schedule in lieu of Base Rent, Base Rent shall be the product of Equipment cost and said lease rate factor.

SECTION 2. TERM OF LEASE. The term of this Master Lease shall commence on the date accepted by Lessor and shall continue until the date of expiration or termination of the term, or any renewal thereof, of all Leases. The term of a Lease ("Lease Term") shall commence upon the Commencement Date and shall continue in full force thereafter until the Lease is terminated by Lessee upon not less than the aforesaid written notice to Lessor; provided, however: (A) a Lease shall in no event be terminated prior to the last day of the last full calendar month of the Base Term; and (B) the Lease has not been earlier terminated by Lessor as hereinafter provided. Any notice of termination given by Lessor or Lessee may not be withdrawn without the written consent of the other party.

SECTION 3. RENTAL CHARGES & TAXES. The Base Rent for Equipment shall commence on the Base Term Date and shall be due and payable, together with all other amounts arising under the related Lease which are then due and payable by Lessee (collectively "Additional Rent"), at Lessor's address set forth above, or such other address as Lessor may designate in writing, without notice or demand, on the Base Rent Dates and thereafter until the Equipment is returned to Lessor in accordance with the return provisions contained herein. In addition, Lessee shall pay as prorata rent on the Base Term Date one-thirtieth (1/30) of the Base Rent for each day from, and including, the Commencement Date to, and excluding, the Base Term Date.

Lessee covenants and agrees to pay, and discharge before the same become due, to the appropriate taxing authority all taxes, fees and other charges of any nature whatsoever (together with any related interest, fines or penalties collectively, "Impositions", which shall be included in Additional Rent) now or hereafter imposed, assessed or payable during and after staging at or delivery to Lessee's premises and until all Equipment is returned to Lessor (excepting only federal, state and local taxes measured solely by the net income of Lessor or any franchise tax upon Lessor measured by Lessor's capital, capital stock or net worth) by any federal, state, county or local government or taxing authority upon or with respect to: (i) any Unit; (ii) the leasing, ordering, purchase, sale, ownership, use, operation, return or other disposition of any Unit; (iii) the Base Rent or Additional Rent for each Unit. Lessee shall, to the extent permitted by law, cause all Impositions to be billed to Lessee. Lessee shall, at its expense, timely file all forms and returns and timely do all things required to be done in connection with the levy, assessment and payment of any Impositions. Upon Lessor's request, Lessee shall submit written evidence to Lessor of the payment of all Impositions required to be paid by Lessee hereunder promptly after such payment. If Lessor pays any Imposition, Lessee shall, when billed by Lessor, reimburse Lessor for any such payment and any expenses incurred in the preparation and filing of any tax returns relating to such Imposition. Lessee shall inform Lessor as to any governmental jurisdiction imposing personal property taxes on ownership or use of the Equipment, and as to the amount of such taxes.

Lessee's obligation to pay all amounts due and to become due under any Lease shall be absolute and unconditional and shall not be subject to any abatement, reduction, defense, counterclaim, set-off, or recoupment, including without limitation any present or future claim against Lessor, the Manufacturer, or any other person or entity; and the respective obligations and rights of Lessee and Lessor and its assignees under Leases shall not terminate or diminish for any reason, including without limitation any defect in, or any destruction or loss of use of, any Equipment. Notwithstanding the foregoing, Lessee hereby reserves, and Lessor shall remain fully responsible for, all available money damages consistent herewith arising from a default of Lessor's obligations hereunder, which Lessee shall pursue in a separate action.

SECTION 4. USE OF EQUIPMENT. The Equipment shall be kept by Lessee in its sole possession and control and will be used only by Lessee's qualified employees in compliance with: (A) all applicable laws, statutes and regulations; (B) the Manufacturer's express warranties, specifications and anticipated use of the Equipment; and (C) the terms of the insurance policies pertaining to the Equipment and its use. Each Unit will at all times be located at the location stated in the related Schedule and will not be removed therefrom without the prior written consent of Lessor. All costs and expenses of every nature that may be incurred in connection with the permitted movement of the Equipment between locations shall be borne by Lessee. Lessee will not make, or permit to be made any alteration or addition to the Equipment (other than manufacturer's approved engineering changes) without the prior written consent of Lessor. Lessor shall not be liable for any loss, damage or expense of any kind or nature whatsoever and howsoever, directly or indirectly, caused (including, without limitation, any loss of business) by: (i) any Unit; (ii) the use, maintenance, repair, service or adjustment thereof; (iii) any delay or failure to provide any maintenance, repair, service or adjustment thereto; or (iv) any interruption of service or loss of use thereof.

SECTION 5. LOSS OR DAMAGE TO EQUIPMENT AND INSURANCE. Lessee shall be responsible for, and assumes the entire risk of the Equipment being lost, damaged, destroyed, stolen or otherwise rendered unfit or unavailable for use ("Event of Loss") from the date of its shipment to Lessee until the date of return to, and receipt of possession by, Lessor. Upon the occurrence of an Event of Loss to any Unit, Lessee shall give Lessor immediate notice thereof and the Lease to which such Equipment is subject shall continue in full force and effect without abatement in the Base Rent applicable thereto. Lessee shall ascertain from the Manufacturer, and notify Lessor, within fifteen (15) days after the date of the occurrence of such Event of Loss whether such Unit can be repaired. In the event the Manufacturer determines that such Unit can be repaired, Lessee shall, prior to expiration of the Base Term and at its expense, cause such Unit to be promptly repaired. If any Unit is lost, destroyed, stolen, damaged beyond repair or rendered unfit or unavailable for use, or confiscated by governmental activity for a period of time extending beyond the date of expiration of the applicable Base Term, Lessee shall, within thirty (30) days of such Event of Loss, pay to Lessor on the next Base Rent Date an amount equal to the percentage set forth in the Casualty Value Schedule attached to the related Schedule opposite the applicable Base Rent Date multiplied by Lessor's cost of such Unit. Upon receipt by Lessor of

such payment, and all other amounts then due and payable by Lessee to Lessor pertaining to said Unit (including unbilled property taxes, if any). Lessee's obligation to pay further Base Rent and Additional Rent for such Unit shall cease but this Lease shall continue in full force and effect as to all remaining Equipment subject to the Lease.

Lessee shall, at its sole expense, cause the Equipment to be insured by insurance companies acceptable to Lessor against all risks of loss or damage for the Lease Term for not less than the greater of the Casualty Value or Insurable values of the Equipment and shall carry comprehensive general liability and property damage insurance in amounts of not less than \$1,000,000.00 per occurrence covering Lessee, the Equipment and its use. Lessee shall cause Lessor to be provided with Certificates of Insurance, and other reasonable evidence of insurance coverage in form acceptable to Lessor, which names Lessor, and any assignee of Lessor's right, title or interest in the Equipment or the Lease ("Lessor's Assignee"), as loss payees and additional insureds, as their interests may appear in the Lease. Lessee shall timely pay the premiums for all insurance coverage and shall deliver evidence thereof to Lessor, together with industry-standard loss payable endorsements thereon whereby each insurer agrees that it will give to Lessor: (A) not less than thirty (30) days prior written notice of cancellation or material alteration in said coverage; and (B) the right to make payment of premiums without obligation. The proceeds of such insurance, at the option of Lessor, shall be applied to the replacement, restoration or repair of the Equipment, or to payment of the obligations of Lessee under the related Lease. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claims for, receive payment of, and execute and endorse all documents, checks or drafts for, loss or damage under any said insurance coverage.

SECTION 6. MAINTENANCE AND RETURN. Lessee shall, at its expense: (A) obtain and keep in full effect, throughout the term of a Lease, a contract from the Manufacturer (or other maintenance organization authorized by Manufacturer) providing for not less than standard service, including parts, maintenance service and repairs and, at the request of Lessor, provide Lessor with a copy thereof; (B) otherwise maintain the Equipment in good working order and appearance; (C) supply all parts, supplies, utilities and a suitable installation site, necessary for the proper operation of the Equipment as specified by the Manufacturer; and (D) make all necessary or recommended adjustments, engineering changes and repairs thereto. Lessee will grant access to the Equipment, and all records relating to the use and maintenance thereof, subject to Lessee's reasonable security requirements, to Lessor, Lessor's Assignee, their agents and the organization providing maintenance services for the Equipment during normal working hours for inspection, repair, maintenance, installation or required engineering changes and for any other reasonable purposes. Lessee shall immediately notify Lessor of all details concerning any accident arising out of the alleged or apparent improper manufacture, functioning or operation of any Unit. Lessee will at all times cooperate with the Manufacturer so as to permit the prompt installation of all engineering changes to the Equipment as and when determined necessary or desirable by the Manufacturer. Upon receipt of written request from Lessee, and so long as the related Lease shall remain in force, Lessor shall take all reasonable action requested by Lessee to enforce any manufacturer or vendor warranty, express or implied, issued or applicable to the Equipment, which is enforceable by Lessor in its own name, provided, however, that Lessor shall not be obligated to resort to litigation to enforce any such warranty unless Lessee shall pay all expenses in connection therewith. Lessor hereby assigns to Lessee any warranty rights which Lessor may have against the Manufacturer, to the extent such warranty rights are assignable. With respect to such warranty rights as are not assignable, Lessor hereby appoints Lessee as its agent and attorney-in-fact for the purpose of enforcing such warranty rights at Lessee's expense. In the event Lessee purchases any Unit, Lessor shall assign to Lessee any rights it may have in the software contained therein, and such transaction shall not be construed as a sale of said software; conversely, if Units are returned to Lessor, Lessee shall so assign to or replace for Lessor any rights in any unexpired warranty, maintenance or software.

Before a Lease shall be terminated and the Equipment has been deemed to have been returned to Lessor, Lessee shall have given notice to Lessor of Lessee's election to return the Equipment as provided herein and shall give additional notice to Lessor in the event the Equipment is not returned in accordance with the prior notice, and shall, at Lessee's sole cost and expense, cause the Equipment to be certified for a continuing standard maintenance agreement, if then available, at standard pricing by the Manufacturer, deinstall and pack each Unit separately in the original boxes or crates (or equivalent) in accordance with the Manufacturer's specifications and deliver every Unit to Lessor, clean and in the same condition as when delivered to Lessee by the Manufacturer, ordinary wear and tear excepted in addition to any specific return provisions contained in the applicable Schedule or applicable return memorandum, at such location as Lessor shall designate within the continental U.S. or Ontario, Canada, provided that Lessor shall be responsible for all cross-border charges.

SECTION 7. TITLE. Each Unit shall remain personal property of, title thereto shall remain in, and a security interest therein is hereby granted to Lessor or Lessor's Assignee exclusively. Lessee shall have only a leasehold right to use the Equipment in accordance with the terms and conditions of this Master Lease as it relates to a Lease and shall have no other right, title or interest in or to, or right to purchase or otherwise acquire title to or ownership of, a Lease

or any Unit subject thereto, except as may be expressly set forth in the related Schedule. All accessions, substitutions, replacement parts and additions (including, without limitation, all feature additions or model changes, as those terms are defined by the Manufacturer) incorporated in or affixed to the Equipment shall be the property of Lessor. At its expense, Lessee shall immediately notify Lessor of any pending or threatened claim of, and protect and defend Lessor's good and marketable title to the Equipment against, all persons claiming against or through Lessee and keep the Equipment free from any claim, legal process or encumbrance whatsoever, including without limitation, liens, attachment, levies and executions (except any placed thereon by or through Lessor or Lessor's Assignee). Lessee indemnifies Lessor against, and shall not create, incur, assume or suffer to exist, any mortgage, lien, pledge or other encumbrance or attachment of any kind whatsoever (except any placed thereon by or through Lessor or Lessor's Assignee) upon, affecting or regarding the Equipment or the related Lease, or any interest of Lessor or Lessor's Assignee. Upon Lessor's request, Lessee hereby authorizes and agrees to execute, or cause to be executed by any other party, and deliver to Lessor such further instruments or assurances as Lessor deems necessary or advisable for the confirmation or perfection of Lessor's right, title or interest hereunder. In order to perfect Lessor's security interest in the Equipment in the event a Lease is determined to be a security agreement, Lessee irrevocably authorizes Lessor, at Lessee's expense, to cause the Lease, or any statement or other instrument reflecting Lessor's interests in the Equipment, including Uniform Commercial Code financing statements, to be filed or recorded, or re-filed or re-recorded, and Lessee grants Lessor the right to execute any such statement or instrument on behalf of Lessee. Lessee agrees to pay, or reimburse Lessor, for any searches, filing, recording or stamp fees, expenses or taxes arising from the filing or recording of any such instrument or statement. Lessee represents and warrants that the Equipment is, and at all times be and remain, personal property and not a fixture notwithstanding the manner in which any Unit may now be, or hereafter become, affixed to real property or any improvement thereon. If Lessor provides Lessee with labels, or the manufacturer has affixed a serialized or bar-coded label to any and all Units, Lessee shall keep the same affixed and shall not permit said labels to be removed.

SECTION 8. DISCLAIMER OF WARRANTIES. LESSOR MAKES NO DIRECT OR INDIRECT WARRANTIES, GUARANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE WHATSOEVER, WITH RESPECT TO THE EQUIPMENT INCLUDING, WITHOUT LIMITATION, THE MERCHANTABILITY, VALUE, QUALITY, CONDITION, CAPACITY, DESIGN, MATERIAL, WORKMANSHIP, SUITABILITY FOR LESSEE'S PURPOSE, FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH REQUIREMENTS OF ANY APPLICABLE LAW, RULE, SPECIFICATION OR CONTRACT, PATENT OR TRADEMARK INFRINGEMENT OR PATENT DEFECTS OR, WITH RESPECT TO THE LEASES, TREATMENT OF ANY LEASE FOR TAX OR ACCOUNTING PURPOSES. Lessee selected the Equipment, its size and design and, as between Lessor and Lessee, Lessee leases the Equipment in "as is" condition. Lessor shall in no event be responsible or liable for any damages, including without limitation, indirect, special, incidental or consequential damages or losses of business or profits, resulting from or relating to the Lease, the Equipment or any products manufactured thereby. Further, notwithstanding Lessor's acceptance of any order or supplemental order, Lessor is not the Manufacturer or its agent and shall not be responsible or liable for any such damages or losses, restitution, specific performance or other remedy in the event Manufacturer or any vendor of the Equipment fails to timely deliver any Unit to Lessor or Lessee for any reason or in any manner or respect breaches or fails to perform its representations to or contract with Lessor or Lessee.

SECTION 9. TRANSPORTATION AND INSTALLATION. Lessee shall pay all costs of transportation, rigging, drayage, in-transit insurance, installation, deinstallation and other charges related to delivery of the Equipment to and from Lessee.

SECTION 10. NO WAIVER. Time is of the essence and Lessor's failure or delay at any time to require strict performance by Lessee of any of the provisions of a Lease shall not diminish or waive Lessor's right to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other contemporaneous or subsequent default. Lessor's rights under a Lease are cumulative and not exclusive and may be exercised successively or concurrently and in addition to any rights or remedies available at law or in equity.

SECTION 11. QUIET ENJOYMENT. Lessor warrants to Lessee that Lessee shall be entitled to quietly hold, possess and use the Equipment subject to the terms of this Lease so long as Lessee is not in default hereunder, without interference by Lessor, Lessor's Assignee, their creditors or any other person claiming through, under or against Lessor or Lessor's Assignee.

SECTION 12. DEFAULT AND REMEDIES. The occurrence of any one of the following events ("Event of Default") shall constitute a default under any Lease: (A) Lessee fails to pay Base Rent or Additional Rent on or before five (5) days after the date upon which said amounts are due; (B) any information, representation, warranty or financial statement is false or misleading as of the date it was given to Lessor by or on behalf of Lessee; (C) Lessee fails to observe or perform any term, condition, obligation, agreement or covenant set forth in the Master Lease or any Lease and such failure continues for a period of ten (10) days after written notice thereof is given to Lessee; (D) Lessee

assigns a Lease or sells, transfers, removes, encumbers, subleases, lends, abandons or parts with possession of any Unit, or attempts to do, or suffers or permits, any of the foregoing, except as expressly consented to by Lessor; (E) Lessee or any guarantor of Lessee's obligations to Lessor ("Guarantor") ceases doing business as a going concern or merges with, or a substantial portion of Lessee's assets are acquired by, any other entity; (F) Lessee or any Guarantor, or their shareholders or partners, take any act of dissolution or liquidation; (G) Lessee fails to timely replace, at least (thirty) 30 days prior to its expiration, any applicable letter of credit or other collateral furnished in connection with any Lease; (H) Lessee or any Guarantor (i) becomes insolvent, (ii) fails or admits in writing its inability or unwillingness to pay its debts as they become due, (iii) makes an assignment for the benefit of creditors, (iv) applies for, acquiesces in or consents to the appointment of any receiver, trustee or other custodian for it or any substantial part of its property, or such receiver, trustee or other custodian is appointed without its application or consent and such appointment continues undischarged for a period of sixty (60) days; (i) any bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy or insolvency law, dissolution or liquidation proceeding or other law or statute for the relief of debtor's, is commenced in respect of Lessee or any Guarantor and, if such case or proceeding is not commenced by Lessee, it is consented to or acquiesced in by Lessee or any Guarantor, or remains undismissed for more than sixty (60) days, or if Lessee or any Guarantor takes any action to authorize, or in furtherance of, any of the foregoing; (J) the occurrence of a material adverse change in the financial condition or general creditworthiness of Lessee or any Guarantor; (K) an event of Default by Lessee under any other Lease; (L) a Unit or any other substantial asset of Lessee is seized, attached or levied upon; (M) if Lessee or Guarantor is a natural person, the death of the Lessee or Guarantor; or (N) an event of default or event which, with the giving of notice or the passage of time, or both, would constitute an event of default under any other lease or any other agreement between Lessor and Lessee. Upon the occurrence of an Event of Default, Lessor may at its option, do any or all of the following:

(a) without notice to Lessee, declare immediately due and payable by Lessee, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the Casualty Value set forth in the related Schedule, which amount, together with all accrued and unpaid payments of Base Rent, Additional Rent and any other sums due and payable for all periods up to and including the date on which Lessor receives the total of such amount, shall be immediately payable by Lessee; (b) at Lessor's option and with notice to Lessee, terminate the Lease in default; (c) regardless of whether the Lease in default is terminated, take possession of any or all Units or render them unusable and, for this purpose, enter upon any premises where any Unit is located without notice, court order or other process of law and without any liability to Lessee or any other party for any damage, loss, cause of action or claim; (d) regardless of whether the Lease in default is terminated, require Lessee to deliver any or all Units to Lessor in accordance with Section 6 hereof; (e) sell, dispose of, hold, use or re-lease any Unit as Lessor in its sole discretion may determine (without giving preference to any sale, re-lease or other disposition of any Unit or similar equipment owned or leased by Lessor) by public or private disposition; (f) proceed by appropriate court actions at law or in equity to enforce performance by Lessee of the terms and conditions of the Lease or to recover damages from Lessee for any breach thereof.

Upon any sale, re-lease or other disposition of any Unit, Lessor shall apply to all of Lessee's obligations under the defaulted Lease: (x) in the case of a sale, the net proceeds of said sale; (y) in the case of a re-lease, the present value of the rental due thereunder for a period co-terminus with the scheduled expiration date of the Lease Term or applicable renewal thereof, discounted at the interest rate at which said re-lease is financed; or (z) if the re-lease of the Unit is not financed, Lessee shall receive no credit for the re-lease rents but, instead, shall pay Lessor forthwith all remaining obligations under the defaulted Lease and, upon such payment, Lessor will remit to Lessee such re-lease rents as they are received, provided however application of the amount under (x), (y) and/or (z) above shall in no event exceed the amount of any option on the part of Lessee to purchase the Unit during or at the end of the Base Term or any renewal thereof or Lessor's estimated fair market value of such Unit as of the end of the Base Term. Lessee shall be liable for the deficiency balance payable under a defaulted Lease, together with all costs, expenses, losses, and damages, including without limitation, all court costs and attorneys' fees and expenses, incurred by Lessor, Lessor's Assignee or any other party in repossessing, moving, reconditioning, selling, re-leasing or otherwise recovering or disposing of any Unit, or in enforcing the terms and conditions of any Lease or Lessor's interests, or the priority thereof, in any Lease or the Equipment. All proceeds of any disposition of the Equipment in excess of Lessee's obligations under the Lease shall be the property of Lessor. Lessor shall only be obligated to apply the proceeds of any letter of credit furnished hereunder to the amount set forth in Subsection 12 (a) above.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY SECTIONS 2A-401 AND 2A-402, AND SECTIONS 2A-508 THROUGH 2A-522 OF THE UNIFORM COMMERCIAL CODE AS ADOPTED IN THE APPLICABLE STATE, PROVIDED, HOWEVER, THAT THE FOREGOING WAIVER SHALL IN NO EVENT IMPAIR OR DIMINISH ANY RIGHT OR REMEDY OTHERWISE CONFERRED UPON LESSEE HEREUNDER. LESSEE EXPRESSLY ACKNOWLEDGES ITS DUTY TO PAY ANY AUTOMATIC MONTH-TO-MONTH OR RENEWAL RENT HEREIN

PROVIDED IF SUCH ACKNOWLEDGEMENT IS REQUIRED BY APPLICABLE LAW AND FURTHER WAIVES ANY RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE WHICH MAY LIMIT OR MODIFY ANY OF LESSOR'S RIGHTS, DUTIES OR REMEDIES HEREUNDER, OR CONFER RIGHTS UPON LESSEE CONTRARY TO THE EXPRESS TERMS HEREOF.

SECTION 13. ASSIGNMENT. Lessee acknowledges and agrees that Lessor entered into this Master Lease, and may enter into any Lease, in anticipation of assigning, mortgaging or otherwise transferring its right, title or interest in a Lease and/or the Equipment subject thereto to Lessor's Assignee without notice to, or consent of, Lessee. Accordingly, Lessor and Lessee agree that upon such assignment, Lessee shall: (A) upon Lessor's request, acknowledge such assignment in writing by executing a notice of assignment furnished by Lessor; (B) promptly pay all Base Rent and Additional Rent to Lessor's Assignee and Lessee's obligation to make such payments shall be absolute and unconditional and shall not be subject to any claim, defense, set-off, deduction, counterclaim or recoupment, including without limitation any present or future claim against Lessor, the Manufacturer or any other person or entity or any defect in, or any destruction or loss of use of, any Unit; (C) not permit the Lease so assigned to be amended or any of the terms or conditions thereof waived without the prior written consent of Lessor's Assignee; and (D) not require Lessor's Assignee to perform any obligation of Lessor under such Lease. Any Lessor's Assignee may reassign its rights and interests with the same effect as the assignment by Lessor described herein. Lessor shall not be relieved of any of its obligations hereunder by any assignment unless expressly assumed by Lessor's Assignee and consented to by Lessee, which consent shall not be unreasonably withheld.

LESSEE SHALL NOT ASSIGN ITS INTERESTS UNDER ANY LEASE OR TRANSFER OR SUBLEASE ANY UNIT SUBJECT THERETO WITHOUT LESSOR'S PRIOR WRITTEN CONSENT. NO PURPORTED ASSIGNMENT, TRANSFER OR SUBLEASE BY LESSEE SHALL IN ANY MANNER RELIEVE LESSEE OF ANY OF ITS OBLIGATIONS HEREUNDER, AND LESSEE SHALL REMAIN PRIMARILY LIABLE TO PERFORM ALL OF THE TERMS AND CONDITIONS HEREUNDER AND UNDER ALL LEASES NOTWITHSTANDING ANY PURPORTED ASSIGNMENT, TRANSFER OR SUBLEASE.

SECTION 14. LESSEE'S INDEMNIFICATIONS. Lessee indemnifies and saves Lessor harmless from, and agrees to defend Lessor against, any and all claims, actions, proceedings, injuries, deaths, expenses, losses, damages (whether direct, indirect, special, incidental or consequential) and liabilities, including all court costs and attorneys' fees and expenses, arising in connection with the Equipment and any Lease, including without limitation, the manufacture, selection, purchase, delivery, possession, use, operation, maintenance, leasing and return of the Equipment, acts of Lessee in failing to maintain the Equipment in good repair or patent, trademark or copyright infringement. Lessee shall immediately notify Lessor of any pending or threatened claim arising from any of the foregoing.

SECTION 15. LESSEE'S PERFORMANCE AND EXECUTION. Lessee represents and warrants to Lessor that (A) the execution and performance of this Master Lease and each Lease hereto has been and will be duly authorized by Lessee and that, upon execution by Lessee and acceptance by Lessor of this Master Lease and each Lease, such Lease will constitute a valid obligation enforceable against Lessee in accordance with its terms, subject to applicable bankruptcy, reorganization or other similar laws affecting the enforceability generally of the rights of creditors or lessors; (B) that neither the execution of this Master Lease, nor any Lease, nor the due performance thereof by Lessee will result in a breach of, or constitute a default under or violation of Lessee's certificate or articles of incorporation or bylaws (or other documents of organization) or any agreement to which Lessee is a party or by which any interest of Lessee may be affected; (C) Lessee is duly organized and in good standing under the laws of its jurisdiction of organization and is and will continue to be duly qualified to do business and in good standing in any jurisdiction where any of the Equipment shall be located; (D) the person executing this Master Lease on behalf of Lessee has been, and each person executing a Schedule, at the time of such execution, shall be authorized to do so; (E) any and all financial statements and other information with respect to Lessee furnished by Lessee to Lessor will be, when furnished, and will remain at the time of execution of any Schedule, true and correct without any misleading omissions, and prepared in accordance with GAAP consistently applied; and (F) to the best of Lessee's (or Lessee's counsel's) knowledge, there are no actions, suits, or proceedings pending before any court, administrative agency, arbitration tribunal or governmental body which will, if determined adversely to Lessee, materially affect its ability to perform its obligations under this Master Lease, each Schedule or any related agreement to which it is a party.

SECTION 16. ADDITIONAL INFORMATION. Lessee shall promptly deliver to Lessor the following documentation as and when requested by Lessor: (A) copies of quarterly financial statements as published in reports filed with the Securities and Exchange Commission or, if none, such financial information, including an annual report containing Lessee's balance sheets and income statements certified by public accountants, and such other interim or current verified financial information with respect to the financial condition and operations of Lessee as Lessor may from time to time request; (B) a certificate of the resolutions of the board of directors of Lessee duly authorizing or

ratifying this Master Lease or any Schedule; (C) a certificate of incumbency setting forth the names and signatures of those persons authorized to execute this Master Lease or any Schedule on behalf of Lessee; (D) landlord's and mortgagee's waivers in form and substance satisfactory to Lessor and Lessor's Assignee with respect to any premises upon which any Unit is located; (E) an opinion of the legal counsel of Lessee as to the matters set forth in Subsections 15(A) through 15(D) hereof, and as to such other matters as Lessor reasonably may request; (F) Uniform Commercial Code financing statements containing any information required by part 5 of Article 9 of said Code for the sufficiency or filing office acceptance of such statement or amendment, promptly upon award to Lessor of a bid to lease, filing or refiling of which statements Lessee hereby irrevocably authorizes as to the Equipment and ratifies as to any prior authorization for filings prior to the date hereof; (G) such documentation confirming the execution of any Lease necessary or desirable to effect any assignment, perfect any interest of Lessor or any Lessor's Assignee, or for such other purposes relating to any Lease or any assignment thereof as Lessor may reasonably request; and (H) such additional instruments, information or assurances as Lessor or Lessor's Assignee may reasonably request concerning Lessee in order to enable Lessor to determine whether the covenants, terms and provisions of any Lease have been complied with by Lessee and to confirm and perfect this Master Lease and Lessor's rights hereunder. If such request for documentation is made prior to the delivery of any Unit, receipt by Lessor of such documentation shall be a condition precedent to Lessor's acceptance of the related Lease.

SECTION 17. LESSOR'S DISCHARGE OF LESSEE'S OBLIGATIONS. In the event Lessee fails to comply with any provision of a Lease, Lessor has the right, but not the obligation, to effect such compliance on behalf of Lessee upon five (5) days prior written notice to Lessee. In such event, all monies advanced or extended by Lessor, and all expenses incurred by Lessor in effecting such compliance, shall be deemed to be Additional Rent and shall be paid by Lessee to Lessor on the next Base Rent Date.

SECTION 18. PAST DUE PAYMENTS. Any payment of Base Rent, Additional Rent or Casualty Value payable to Lessor under a Lease which is not paid when due shall accrue interest until the date of receipt by Lessor of such payment at the rate equal to the lesser of one and one-half percent (1.5%) of such past due amounts per month or any portion thereof, or the maximum rate permitted by applicable law.

SECTION 19. INCOME TAX BENEFITS. This Master Lease has been entered into with the expectation that Lessor shall be entitled to such deductions, credits and other benefits as are provided to an owner of personal property under the Internal Revenue Code of 1986 (the "Code") including, without limitation, (A) deductions for accelerated depreciation of the Equipment permitted under the Accelerated Cost Recovery System provided for by the Code based upon a five-year useful life, or such other useful life as is specified on the applicable Schedule, employing Accelerated Cost Recovery System for recovery property placed in service after December 31, 1986 ("Depreciation Deduction"); and (B) deductions under Section 163 of the Code in an amount not less than the amount of interest paid or accrued by Lessor on any indebtedness incurred by Lessor in financing its purchase of the Equipment ("Interest Deduction") (all such deductions and other benefits, as applicable, collectively referred to hereinafter as the "Deductions"). If, with respect to the Equipment, by reason of any act, failure to act or misrepresentation of Lessee, Lessor shall lose or not have available or there shall be disallowed or recaptured with respect to Lessor, all or any portion of the Deductions for any taxable year of Lessor ("Tax Loss"), then Lessee shall pay to Lessor and shall indemnify and hold Lessor harmless from any claim against or loss suffered by Lessor arising out of such Tax Loss. With respect to the Interest Deduction and the Depreciation Deduction, the Tax Loss shall be determined by multiplying the sum of the maximum federal and applicable state corporate income tax rates times the amount of the Interest Deduction and the Depreciation Deduction not available to Lessor. With respect to any Tax Loss, all interest, and penalties which may be assessed against Lessor by the federal or any applicable state taxing authority and Lessor's reasonable attorney's fees shall be included. The applicable state corporate income tax rate shall be the rate of the state in which the greatest value of Equipment, based on Lessor's cost of such Equipment, is located. Lessee shall be liable to indemnify Lessor against any Tax Loss only if: (i) Lessor gives Lessee notice of a Tax Loss; (ii) Lessor permits Lessee, at its expense, to defend Lessor against such Tax Loss in administrative and judicial proceedings (including suits for refund of taxes erroneously assessed); and (iii) Lessor cooperates fully with Lessee in any such defense. In the event of a successful suit for refund of tax for which Lessee has indemnified Lessor pursuant to this Section, Lessor shall immediately pay over to Lessee in cash an amount equal to the amount of such refund but not more than the amount paid by Lessee to Lessor by way of such indemnity. For purposes of this Section only, Lessor shall include any corporation with which Lessor files a consolidated federal or state income tax return. All of Lessor's rights under this Section 19 shall survive termination of this Lease.

SECTION 20. NOTICES. Any notice or other communication relating to a Lease shall be hand-delivered or mailed by certified mail, return receipt.

Lessor: **RELATION, LLC**

By: _____

Name: _____

Title: _____

Mark Stachulski
Senior Vice President

requested, to Lessor or Lessee at its address above shown or at any later address last known to the sender. Any notice or other communication mailed as aforesaid shall be deemed to have been given three (3) days after the date mailed. In the event Lessor terminates any Lease with regard to some Units but not all of the Equipment, Lessor shall advise Lessee in writing of those Units which remain subject to the Lease and the Base Rent payable in respect of such Units. Upon Lessee's receipt of such written notice, such Lease shall, without further action, be deemed amended to the extent set forth in such notice.

SECTION 21. SURVIVABILITY. All representations, warranties, indemnities and covenants contained in this Master Lease and any Schedule shall continue in full force and effect and shall survive notwithstanding the full payment of all amounts due hereunder and thereunder or the termination of Lessee's right of possession and/or the taking of possession by Lessor of any Unit.

SECTION 22. CONSTRUCTION. This Master Lease and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the internal laws of the State of Illinois, including all matters of interpretation, construction, enforcement, validity and performance, regardless of the location of the Equipment. The parties agree that any action or proceeding arising out of or relating to this Lease shall be commenced exclusively in any State or Federal court of competent jurisdiction in the State of Illinois and each party agrees that a summons and complaint commencing an action or proceeding in any such court shall be properly served, and shall confer personal jurisdiction, if served personally or by certified mail to it at its address designated pursuant hereto, or as otherwise provided under the laws of the State of Illinois. **THE PARTIES HERETO WAIVE THE RIGHT TO TRIAL BY JURY TO THE EXTENT SUCH RIGHT MAY BE WAIVED.** Where multiple Lessees have executed a Lease or this Master Equipment Agreement, their liability thereunder shall be joint and several under all Leases. No negotiation or other process of the parties toward the purchase of the Equipment by Lessee on or after the expiration of the Base Term shall have the effect of terminating any Lease in any manner.

SECTION 23. BENEFIT TO PARTIES AND SUCCESSORS. This Master Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors, representatives and (to the extent specified in any assignment) Lessor's Assignees.

SECTION 24. COUNTERPARTS, PERFECTION OF SECURITY INTERESTS. This Master Lease and each Schedule may be executed in two (2) counterparts marked Counterpart No. 1 and Counterpart No. 2, each counterpart constituting an original but all together one and the same instrument and contract. Counterpart No. 1 of the Master Lease and each Schedule shall be stamped "Original" and Counterpart No. 2 shall, prior to execution, be stamped "Duplicate." Only Counterpart No. 1 of each Schedule stamped "Original," together with a photocopy of this Master Lease, shall constitute "chattel paper" under the Uniform Commercial Code and no security interest in any Lease may be created through the transfer of possession of any counterpart other than Counterpart No. 1 thereof. The titles of the sections of this Lease are for convenience only and shall not define or limit any of the terms or provisions hereof.

SECTION 25. SEVERABILITY. Any provision of this Master Lease or any Lease prohibited by, or unlawful or unenforceable under, any applicable law of any jurisdiction shall be ineffective as to such jurisdiction to the extent of such prohibition, without invalidating the remaining provisions hereof or thereof; provided, however, that where the provisions of any such applicable law may be waived, they are hereby waived by Lessee and Lessor to the full extent permitted by law.

SECTION 26. ENTIRE AGREEMENT AND AMENDMENTS. This Master Lease, and each Schedule into which this Master Lease is incorporated by reference, constitutes the entire agreement between Lessor and Lessee with respect to the Equipment and supersedes any other oral or written agreement pertaining thereto. This Master Lease or any Lease may be amended or modified only by a writing signed by the parties hereto, or their respective successors and assignees, provided that Lessor may insert in a Schedule at any time serial numbers for the Equipment, if available, from the manufacturer.

SECTION 27. EQUIPMENT LOCATED IN CERTAIN JURISDICTIONS. If equipment is located in Texas or Texas law is applicable to a Schedule, in no event shall Lessee, by acceleration or prepayment of unpaid amounts hereunder or otherwise, be obligated to pay any interest in excess of the amount permitted by applicable law. If Lessor shall receive anything of value deemed interest under applicable law which would exceed the maximum amount of interest allowable under applicable law, the excess shall be applied to the reduction of the unpaid rentals or shall be refunded to Lessee. All amounts paid or agreed to be paid by Lessee to Lessor for the use, forbearance or detention of money shall, to the extent permitted by applicable law, be allocated throughout the full term of this transaction so that the amount of consideration constituting interest is uniform and does not exceed the maximum permitted by applicable law. In the event that any Schedule is deemed to be a financing lease or loan agreement, Lessor and Lessee hereby acknowledge and agree that Lessor has assumed a retail sales price to Lessee, in certain cases, retention of a residual interest, and an assumed interest rate of 18% per annum. (8/15/04)

Lessee: **ERICKSON RETIREMENT COMMUNITIES, LLC**

By: _____

Name: _____

Title: _____

Legal
11/10/04

THIS IS COUNTERPART NO. ONE (1) OF TWO (2) SERIALY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

**SCHEDULE NO. 001
INCORPORATING THE TERMS AND CONDITIONS OF MASTER EQUIPMENT
LEASE AGREEMENT DATED MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. Date of Schedule: May 18, 2005
2. Equipment: Canon IR5800 facsimile with Finisher and accessories, including cables and wiring, packing materials, operating manuals, features and attachments related thereto, which shall be supplemented by a more specific description, including serial number(s) (via a Supplemental Exhibit A), when such information becomes available.
3. Base Rent: \$765.00 monthly
4. Acceptance: In the event that multiple Certificates of Acceptance are executed hereunder, upon the request of either party, Lessor shall create a summarizing Certificate of Acceptance for execution by Lessee.
5. Base Term: Thirty-six (36) consecutive months
6. Base Term Date: The first day of the calendar month following the date of acceptance appearing on the Certificate of Acceptance.
7. Casualty Value: See Appendix "A" attached.
8. Additional Return Provisions for Technology Equipment:

Lessee acknowledges that Lessor's commitment to lease such Equipment is predicated upon careful compliance by Lessee with the following requirements upon its return, and that non-compliance directly affects Lessor's ability to remarket said Equipment and may be considered by Lessor as an Event of Loss as to those Units affected. Lessee shall return all said Equipment at its expense in appropriate boxes secured to a pallet, in accordance with the packing instructions and recommendations of the applicable manufacturer and the terms of the Master Equipment Lease Agreement, this Schedule and Lessor's standard return memorandum, together with a Bill of Lading, which boxes shall prominently display a return authorization number obtained from Lessor and a specific description of the Equipment therein contained.

The Equipment shall be, in all respects, clean and in proper operating condition, aesthetically complete, and to the extent applicable, be accompanied by all parts, pieces, cabling and accessories, including literature and manuals (a minimum one for every five personal computers), diagrams, historical records and maintenance documentation, power cords, adapters, peripherals, plates, stands, trays, switches, mice,

ink or other cartridges (which will be shipped separately and shrinkwrapped), and connectors and contain no cosmetic or other damage which may affect resale value, including but not limited to, dents, scratches, discoloration or (in the case of equipment with screens or displays) screen-burn.

Upon power-up, the Equipment shall properly function as to all components therein contained, including, if applicable, all sectors of any hard drive, floppy drives (which shall read and write), CD and DVD drives (which shall read and/or write as originally designed), controllers, and logic boards, and shall perform any applicable self-tests. Lessee shall, prior to return, remove any markings, decals or personalizations, and any passwords which might impede testing, any additions or upgrades not owned by Lessor, and thereupon shall reinstall any parts removed to accommodate such additions or upgrades so as to restore the Equipment to the condition, configuration and capacity as when originally installed. All software licenses shall be returned with the then current version available from the manufacturer. Upon return Lessee shall either reassign or replace the original operating software, together with any applicable unexpired extended maintenance or warranties. Any batteries contained in the Equipment, if any, must provide a sufficient charge for operation of the machine for at least one (1) hour.

9. Additional Special Features:

If Lessee desires to add special features or model changes ("Additional Special Features") to the Equipment subsequent to the commencement of this Lease, Lessee shall either: (a) give Lessor an opportunity to obtain such Additional Special Features at Lessor's expense and lease such Additional Special Features to Lessee upon such terms and conditions as Lessor and Lessee agree (it being understood that the rental for such Additional Special Features must be sufficient to cover Lessor's related debt payment, that any such Additional Special Features obtained by Lessor shall be deemed to be part of the Equipment, and that Lessee shall be responsible for all related transportation and installation charges); or (b) upon Lessor's prior written consent (which consent will not be unreasonably withheld), purchase and install such Additional Special Features at Lessee's own expense with no rent due Lessor for such Additional Special Features, provided that the Additional Special Features shall: (i) be subject to all of the provisions of the Master Equipment Lease Agreement; (ii) when installed not impair present or future interests of Lessor or its assignee in and to this Lease and the Equipment; (iii) and Lessee shall indemnify Lessor against any and all taxes, excluding taxes on the income of the Lessor which may become payable by the Lessor with respect to such Additional Special Features. Any parts or features which Lessee removes, or causes or permits to be removed, from any Unit shall remain located at the same location as the Unit and shall be reinstalled in the Equipment upon expiration or termination of this Lease.

10. Lease End Options:

FMV purchase: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, purchase the Equipment upon the expiration of the Base Term of this Schedule for its then fair market value. Fair market value shall mean the price a similarly situated Lessee would pay in an arm's length transaction for used equipment at retail. Lessee shall pay Rent through the date Lessor receives the purchase price, whereupon title to all hardware shall pass to Lessee free and clear of claims and liens created by Lessor or its assigns; otherwise on an AS IS, WHERE IS basis, with Lessor relinquishing any rights it may have in software to Lessee. Lessee shall remain responsible for any unbilled personal property taxes or other unpaid amounts. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent and

other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

FRV renewal: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, renew the Equipment for a term beyond the expiration of the Base Term of this Schedule for a further term to be agreed, for its then fair rental value. Fair rental value shall mean that rent a similarly situated Lessee would pay at retail. Lessee shall remain responsible for payment of Rent through the date Lessee shall have executed said renewal lease, and shall pay for any software license renewal required by the Manufacturer. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent (as set forth in the renewal documents, or as set forth in the original Schedule until such documents are executed) and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

This Schedule hereby incorporates by reference the terms and conditions of Master Equipment Lease Agreement dated May 18, 2005. As to all Schedules to said Master Equipment Lease Agreement, the parties EXPRESSLY ACKNOWLEDGE THE ENFORCEABILITY OF AUTOMATIC RENEWAL CLAUSES CONTAINED IN THE MASTER EQUIPMENT LEASE AGREEMENT OR SCHEDULES if such acknowledgment is required by applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorized officers as of the day and date set forth above.

Lessor:

RELATIONAL, LLC

By: 

MICHAEL J. ROSS
SENIOR VICE PRESIDENT

Title:

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title:

SVP

APPENDIX A

CASUALTY VALUE SCHEDULE

**TO SCHEDULE NO. 001 TO MASTER EQUIPMENT LEASE
AGREEMENT DATED AS OF MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR AND ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

The Casualty Value for each Unit of Equipment shall be the amount equal to the product of the original Equipment cost as of the Commencement Date plus any other amounts financed by Lessor (including but not limited to freight and capitalized taxes) multiplied by the percentage indicated below opposite the period of time in which such loss, damage or destruction occurs.

<u>After Payment</u>	<u>% of Cost</u>	<u>After Payment</u>	<u>% of Cost</u>
1	115.00%	19	68.74%
2	112.43%	20	66.17%
3	109.86%	21	64.60%
4	107.29%	22	62.03%
5	104.72%	23	61.46%
6	102.15%	24	60.89%
7	99.58%	25	59.32%
8	97.01%	26	57.75%
9	94.44%	27	55.18%
10	91.87%	28	53.61%
11	89.30%	29	51.04%
12	86.73%	30	49.47%
13	84.16%	31	47.90%
14	81.59%	32	45.33%
15	79.02%	33	43.12%
16	76.45%	34	41.19%
17	73.88%	35	40.62%
18	71.31%	36	39.50%

Until the Equipment has been surrendered to Lessor as provided in the Master Equipment Lease Agreement, the Casualty Value percentage shall be the last stated above.

CERTIFICATE OF ACCEPTANCE

**UNDER SCHEDULE NO. 001 DATED MAY 18, 2005 ATTACHED TO
MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005**

**BETWEEN
RELATIONAL, LLC, LESSOR**

**AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. CONDITION OF EQUIPMENT:

Lessee certifies that all items of the Equipment described in Schedule No. 001 dated May 18, 2005 has been delivered to the location indicated in Paragraph 2 below, tested and inspected by Lessee, found to be in good operating order, and accepted as items of the Equipment under the Lease, all on the date indicated below.

2. LOCATION AND DESCRIPTION OF ITEMS OF EQUIPMENT: See Supplemental Exhibit A, when available. Lessor shall insert serial number herein when available from the Manufacturer.

3. BASE RENT: \$ 765.00 per month

4. DATE OF ACCEPTANCE:

June 10, 20*05*

5. REPRESENTATIONS BY LESSEE:

Lessee hereby represents and warrants to Lessor that (i) no Event of Default or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default under the Lease has occurred and is continuing, and (ii) Lessee has obtained, and there are in full force and effect, any insurance policies with respect to the Equipment required to be obtained under terms of the Lease.

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: *[Signature]*

Title: *SVP Erickson Procurement Services*

James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

EXHIBIT A

TO SCHEDULE NO. 001

TO MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005 (THE "LEASE") BETWEEN
RELATIONAL, LLC ("LESSOR") AND
ERICKSON RETIREMENT COMMUNITIES, LLC ("LESSEE")

Vendor: IKON Office Solutions, Inc.

Invoice #	PO #	Qty	Mfg	Product #	Model	Equipment Description	Unit Price	Total Cost	RENT
56471A	501.GA5.4870	1	CANON	IRC5800	IMAGERUNNER	CANON IRC5800 DIGITAL COPIER 501.GA5.48700.012109,	\$ 22,097.05	\$ 22,097.05	\$ 765.00
Serial #s KEM01257									
56471A	501.GA5.4870	1	CANON	R1		CANON R1 FINISHER FOR 5800 501.GA5.48700.012109,	\$ 0.00	\$ 0.00	\$ 0.00
Serial #s JJF01721									
56471A	501.GA5.4870	1	CANON	M1	M1	CANON M1 PUNCHER UNIT FOR 5800 501.GA5.48700.012109,	\$ 0.00	\$ 0.00	\$ 0.00
Serial #s JHW05150									
56471A	501.GA5.4870	1	CANON	D1		CANON D1 NETWORK MULTI PDL PRINTER KIT 501.GA5.48700.012109,	\$ 0.00	\$ 0.00	\$ 0.00
56471A	501.GA5.4870	1	CANON	A2		CANON A2 RESOLUTION SWITCHING BOARD 501.GA5.48700.012109,	\$ 0.00	\$ 0.00	\$ 0.00
56471A	501.GA5.4870	1	CANON	P1		CANON P1 SUPER G3 FAX BOARD 501.GA5.48700.012109,	\$ 0.00	\$ 0.00	\$ 0.00
56471A	501.GA5.4870	1	CANON	SCANSTATION		CANON SCANSTATION XP 501.GA5.48700.012109,	\$ 0.00	\$ 0.00	\$ 0.00
Serial #s GK04063448									

Equipment Location :

Corp South Construction Dept 991 B Corporate Boulevard
LINTHICUM, MD 21090

Total for Location

\$ 22,097.05

Rent for Location

\$765.00

Monthly

THIS IS COUNTERPART NO. ONE (1) OF TWO (2) SERIALY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

SCHEDULE NO. 002

**INCORPORATING THE TERMS AND CONDITIONS OF MASTER EQUIPMENT
LEASE AGREEMENT DATED MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. Date of Schedule: May 18, 2005
2. Equipment: Canon 2060p facsimile machine, including cables and wiring, packing materials, operating manuals, features and attachments related thereto, which shall be supplemented by a more specific description, including serial number(s) (via a Supplemental Exhibit A), when such information becomes available.
3. Base Rent: \$52.50 monthly
4. Acceptance: In the event that multiple Certificates of Acceptance are executed hereunder, upon the request of either party, Lessor shall create a summarizing Certificate of Acceptance for execution by Lessee.
5. Base Term: Thirty-six (36) consecutive months
6. Base Term Date: The first day of the calendar month following the date of acceptance appearing on the Certificate of Acceptance.
7. Casualty Value: See Appendix "A" attached.
8. Additional Return Provisions for Technology Equipment:

Lessee acknowledges that Lessor's commitment to lease such Equipment is predicated upon careful compliance by Lessee with the following requirements upon its return, and that non-compliance directly affects Lessor's ability to remarket said Equipment and may be considered by Lessor as an Event of Loss as to those Units affected. Lessee shall return all said Equipment at its expense in appropriate boxes secured to a pallet, in accordance with the packing instructions and recommendations of the applicable manufacturer and the terms of the Master Equipment Lease Agreement, this Schedule and Lessor's standard return memorandum, together with a Bill of Lading, which boxes shall prominently display a return authorization number obtained from Lessor and a specific description of the Equipment therein contained.

The Equipment shall be, in all respects, clean and in proper operating condition, aesthetically complete, and to the extent applicable, be accompanied by all parts, pieces, cabling and accessories, including literature and manuals (a minimum one for every five personal computers), diagrams, historical records

and maintenance documentation, power cords, adapters, peripherals, plates, stands, trays, switches, mice, ink or other cartridges (which will be shipped separately and shrinkwrapped), and connectors and contain no cosmetic or other damage which may affect resale value, including but not limited to, dents, scratches, discoloration or (in the case of equipment with screens or displays) screen-burn.

Upon power-up, the Equipment shall properly function as to all components therein contained, including, if applicable, all sectors of any hard drive, floppy drives (which shall read and write), CD and DVD drives (which shall read and/or write as originally designed), controllers, and logic boards, and shall perform any applicable self-tests. Lessee shall, prior to return, remove any markings, decals or personalizations, and any passwords which might impede testing, any additions or upgrades not owned by Lessor, and thereupon shall reinstall any parts removed to accommodate such additions or upgrades so as to restore the Equipment to the condition, configuration and capacity as when originally installed. All software licenses shall be returned with the then current version available from the manufacturer. Upon return Lessee shall either reassign or replace the original operating software, together with any applicable unexpired extended maintenance or warranties. Any batteries contained in the Equipment, if any, must provide a sufficient charge for operation of the machine for at least one (1) hour.

9. Additional Special Features:

If Lessee desires to add special features or model changes ("Additional Special Features") to the Equipment subsequent to the commencement of this Lease, Lessee shall either: (a) give Lessor an opportunity to obtain such Additional Special Features at Lessor's expense and lease such Additional Special Features to Lessee upon such terms and conditions as Lessor and Lessee agree (it being understood that the rental for such Additional Special Features must be sufficient to cover Lessor's related debt payment, that any such Additional Special Features obtained by Lessor shall be deemed to be part of the Equipment, and that Lessee shall be responsible for all related transportation and installation charges); or (b) upon Lessor's prior written consent (which consent will not be unreasonably withheld), purchase and install such Additional Special Features at Lessee's own expense with no rent due Lessor for such Additional Special Features, provided that the Additional Special Features shall: (i) be subject to all of the provisions of the Master Equipment Lease Agreement; (ii) when installed not impair present or future interests of Lessor or its assignee in and to this Lease and the Equipment; (iii) and Lessee shall indemnify Lessor against any and all taxes, excluding taxes on the income of the Lessor which may become payable by the Lessor with respect to such Additional Special Features. Any parts or features which Lessee removes, or causes or permits to be removed, from any Unit shall remain located at the same location as the Unit and shall be reinstalled in the Equipment upon expiration or termination of this Lease.

10. Lease End Options:

FMV purchase: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, purchase the Equipment upon the expiration of the Base Term of this Schedule for its then fair market value. Fair market value shall mean the price a similarly situated Lessee would pay in an arm's length transaction for used equipment at retail. Lessee shall pay Rent through the date Lessor receives the purchase price, whereupon title to all hardware shall pass to Lessee free and clear of claims and liens created by Lessor or its assigns; otherwise on an AS IS, WHERE IS basis, with Lessor relinquishing any rights it may have in software to Lessee. Lessee shall remain responsible for any unbilled personal property taxes or other unpaid amounts. Lessee's exercise

of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

FRV renewal: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, renew the Equipment for a term beyond the expiration of the Base Term of this Schedule for a further term to be agreed, for its then fair rental value. Fair rental value shall mean that rent a similarly situated Lessee would pay at retail. Lessee shall remain responsible for payment of Rent through the date Lessee shall have executed said renewal lease, and shall pay for any software license renewal required by the Manufacturer. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent (as set forth in the renewal documents, or as set forth in the original Schedule until such documents are executed) and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

This Schedule hereby incorporates by reference the terms and conditions of Master Equipment Lease Agreement dated May 18, 2005. As to all Schedules to said Master Equipment Lease Agreement, the parties EXPRESSLY ACKNOWLEDGE THE ENFORCEABILITY OF AUTOMATIC RENEWAL CLAUSES CONTAINED IN THE MASTER EQUIPMENT LEASE AGREEMENT OR SCHEDULES if such acknowledgment is required by applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorized officers as of the day and date set forth above.

Lessor:

RELATIONAL, LLC

By: 

MICHAEL J. ROSS

Title: SENIOR VICE PRESIDENT

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title: James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

APPENDIX A

CASUALTY VALUE SCHEDULE

**TO SCHEDULE NO. 002 TO MASTER EQUIPMENT LEASE
AGREEMENT DATED AS OF MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR AND ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

The Casualty Value for each Unit of Equipment shall be the amount equal to the product of the original Equipment cost as of the Commencement Date plus any other amounts financed by Lessor (including but not limited to freight and capitalized taxes) multiplied by the percentage indicated below opposite the period of time in which such loss, damage or destruction occurs.

<u>After Payment</u>	<u>% of Cost</u>	<u>After Payment</u>	<u>% of Cost</u>
1	115.00%	19	68.74%
2	112.43%	20	66.17%
3	109.86%	21	64.60%
4	107.29%	22	62.03%
5	104.72%	23	61.46%
6	102.15%	24	60.89%
7	99.58%	25	59.32%
8	97.01%	26	57.75%
9	94.44%	27	55.18%
10	91.87%	28	53.61%
11	89.30%	29	51.04%
12	86.73%	30	49.47%
13	84.16%	31	47.90%
14	81.59%	32	45.33%
15	79.02%	33	43.12%
16	76.45%	34	41.19%
17	73.88%	35	40.62%
18	71.31%	36	39.50%

Until the Equipment has been surrendered to Lessor as provided in the Master Equipment Lease Agreement, the Casualty Value percentage shall be the last stated above.

CERTIFICATE OF ACCEPTANCE

**UNDER SCHEDULE NO. 002 DATED MAY 18, 2005 ATTACHED TO
MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005
BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. CONDITION OF EQUIPMENT:

Lessee certifies that all items of the Equipment described in Schedule No. 002 dated May 18, 2005 has been delivered to the location indicated in Paragraph 2 below, tested and inspected by Lessee, found to be in good operating order, and accepted as items of the Equipment under the Lease, all on the date indicated below.

2. LOCATION AND DESCRIPTION OF ITEMS OF EQUIPMENT: See Supplemental Exhibit A, when available. Lessor shall insert serial number herein when available from the Manufacturer.

3. BASE RENT: \$ 52.50 per month

4. DATE OF ACCEPTANCE:

June 10, 2005

5. REPRESENTATIONS BY LESSEE:

Lessee hereby represents and warrants to Lessor that (i) no Event of Default or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default under the Lease has occurred and is continuing, and (ii) Lessee has obtained, and there are in full force and effect, any insurance policies with respect to the Equipment required to be obtained under terms of the Lease.

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By:

James W. Porter Jr. **C.P.M.**

Senior Vice President

Title:

**Procurement Services and
Chief Compliance Officer**

RELATIONAL, LLC
EQUIPMENT PURCHASES ACCOUNT
3701 ALGONQUIN ROAD, SUITE 600
ROLLING MEADOWS, IL 60008
(847) 818-1700

JPMORGAN CHASE BANK, NA
BANK ONE, NA
CHICAGO, IL
70-2322/719

6426

Sep 6, 2005

PAY TO THE
ORDER OF Ikon Office Solutions, Inc

\$ 3,032.92

Three Thousand Thirty Two Dollars and 92 Cents

DOLLARS

Ikon Office Solutions, Inc

111 Gateway Dr
Ste A
Macon, GA 31210

MEMO ERC-002 & ERC-007

⑈006426⑈ ⑆071923226⑆

660577487⑈

RELATIONAL, LLC / EQUIPMENT PURCHASES ACCOUNT

6426

IKON104	Ikon Office Solutions, Inc	00000000000053033	09/06/2005	006426		
	Invoice Number	Invoice Date	Net Paid Amt	Discount Taken	Write Off	Net Check Amt
	56482A	09/06/2005	\$1,516.46	\$.00	\$.00	\$1,516.46
	56473A	09/06/2005	\$1,516.46	\$.00	\$.00	\$1,516.46

TOTALS:

\$3,032.92 \$.00 \$.00 \$3,032.92

002

IKON Office Solutions Inc **INVOICE**

111 Gateway Dr STE A
Macon, GA 31210
(478) 238-7698
(478) 238-7694 fax

Invoice No: 56473A

Date: Aug 26, 2005

Bill To:
Relational Funding Corporation
380 N. Old Woodard Ave. Ste. 290

Ship To:
Erickson Retirement Communities llc # 2
1919 Ferry Rd

Birmingham
MI 48009

Philadelphia
PA 60563

<u>Line</u>	<u>Items:</u>	<u>Description</u>	<u>Amount</u>
	Line Type		
	Transaction	Transaction #1664085 Relational #002	\$1,516.46

Equipment:

Description	S/N
Canon 2060P fax	(ZKM43088)

Total Due: \$1,516.46

Banking Information: Funds to be wired to PNC Bank, 1600 Market St 19th Flr, Philadelphia, PA 19103

Acct#8606089333, ABA#031000053, Swift Code: PNCCUS33

Make all wires payable to: **IKON Office Solutions Inc**
If you have any questions concerning this invoice, call 478-238-7698

THANK YOU FOR YOUR BUSINESS!

THIS IS COUNTERPART NO. ONE (1) OF TWO (2) SERIALLY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

SCHEDULE NO. 004
INCORPORATING THE TERMS AND CONDITIONS OF MASTER EQUIPMENT
LEASE AGREEMENT DATED MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE

1. Date of Schedule: May 18, 2005
2. Equipment: Canon IR6020 with Finisher and accessories and 2060p facsimile machine, including cables and wiring, packing materials, operating manuals, features and attachments related thereto, which shall be supplemented by a more specific description, including serial number(s) (via a Supplemental Exhibit A), when such information becomes available.
3. Base Rent: \$723.00 monthly
4. Acceptance: In the event that multiple Certificates of Acceptance are executed hereunder, upon the request of either party, Lessor shall create a summarizing Certificate of Acceptance for execution by Lessee.
5. Base Term: Thirty-six (36) consecutive months
6. Base Term Date: The first day of the calendar month following the date of acceptance appearing on the Certificate of Acceptance.
7. Casualty Value: See Appendix "A" attached.
8. Additional Return Provisions for Technology Equipment:

Lessee acknowledges that Lessor's commitment to lease such Equipment is predicated upon careful compliance by Lessee with the following requirements upon its return, and that non-compliance directly affects Lessor's ability to remarket said Equipment and may be considered by Lessor as an Event of Loss as to those Units affected. Lessee shall return all said Equipment at its expense in appropriate boxes secured to a pallet, in accordance with the packing instructions and recommendations of the applicable manufacturer and the terms of the Master Equipment Lease Agreement, this Schedule and Lessor's standard return memorandum, together with a Bill of Lading, which boxes shall prominently display a return authorization number obtained from Lessor and a specific description of the Equipment therein contained.

The Equipment shall be, in all respects, clean and in proper operating condition, aesthetically complete, and to the extent applicable, be accompanied by all parts, pieces, cabling and accessories, including literature and manuals (a minimum one for every five personal computers), diagrams, historical records and maintenance documentation, power cords, adapters, peripherals, plates, stands, trays, switches, mice,

ink or other cartridges (which will be shipped separately and shrinkwrapped), and connectors and contain no cosmetic or other damage which may affect resale value, including but not limited to, dents, scratches, discoloration or (in the case of equipment with screens or displays) screen-burn.

Upon power-up, the Equipment shall properly function as to all components therein contained, including, if applicable, all sectors of any hard drive, floppy drives (which shall read and write), CD and DVD drives (which shall read and/or write as originally designed), controllers, and logic boards, and shall perform any applicable self-tests. Lessee shall, prior to return, remove any markings, decals or personalizations, and any passwords which might impede testing, any additions or upgrades not owned by Lessor, and thereupon shall reinstall any parts removed to accommodate such additions or upgrades so as to restore the Equipment to the condition, configuration and capacity as when originally installed. All software licenses shall be returned with the then current version available from the manufacturer. Upon return Lessee shall either reassign or replace the original operating software, together with any applicable unexpired extended maintenance or warranties. Any batteries contained in the Equipment, if any, must provide a sufficient charge for operation of the machine for at least one (1) hour.

9. Additional Special Features:

If Lessee desires to add special features or model changes ("Additional Special Features") to the Equipment subsequent to the commencement of this Lease, Lessee shall either: (a) give Lessor an opportunity to obtain such Additional Special Features at Lessor's expense and lease such Additional Special Features to Lessee upon such terms and conditions as Lessor and Lessee agree (it being understood that the rental for such Additional Special Features must be sufficient to cover Lessor's related debt payment, that any such Additional Special Features obtained by Lessor shall be deemed to be part of the Equipment, and that Lessee shall be responsible for all related transportation and installation charges); or (b) upon Lessor's prior written consent (which consent will not be unreasonably withheld), purchase and install such Additional Special Features at Lessee's own expense with no rent due Lessor for such Additional Special Features, provided that the Additional Special Features shall: (i) be subject to all of the provisions of the Master Equipment Lease Agreement; (ii) when installed not impair present or future interests of Lessor or its assignee in and to this Lease and the Equipment; (iii) and Lessee shall indemnify Lessor against any and all taxes, excluding taxes on the income of the Lessor which may become payable by the Lessor with respect to such Additional Special Features. Any parts or features which Lessee removes, or causes or permits to be removed, from any Unit shall remain located at the same location as the Unit and shall be reinstalled in the Equipment upon expiration or termination of this Lease.

10. Lease End Options:

FMV purchase: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, purchase the Equipment upon the expiration of the Base Term of this Schedule for its then fair market value. Fair market value shall mean the price a similarly situated Lessee would pay in an arm's length transaction for used equipment at retail. Lessee shall pay Rent through the date Lessor receives the purchase price, whereupon title to all hardware shall pass to Lessee free and clear of claims and liens created by Lessor or its assigns; otherwise on an AS IS, WHERE IS basis, with Lessor relinquishing any rights it may have in software to Lessee. Lessee shall remain responsible for any unbilled personal property taxes or other unpaid amounts. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent and

other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

FRV renewal: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, renew the Equipment for a term beyond the expiration of the Base Term of this Schedule for a further term to be agreed, for its then fair rental value. Fair rental value shall mean that rent a similarly situated Lessee would pay at retail. Lessee shall remain responsible for payment of Rent through the date Lessee shall have executed said renewal lease, and shall pay for any software license renewal required by the Manufacturer. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent (as set forth in the renewal documents, or as set forth in the original Schedule until such documents are executed) and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

This Schedule hereby incorporates by reference the terms and conditions of Master Equipment Lease Agreement dated May 18, 2005. As to all Schedules to said Master Equipment Lease Agreement, the parties EXPRESSLY ACKNOWLEDGE THE ENFORCEABILITY OF AUTOMATIC RENEWAL CLAUSES CONTAINED IN THE MASTER EQUIPMENT LEASE AGREEMENT OR SCHEDULES if such acknowledgment is required by applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorized officers as of the day and date set forth above.

Lessor:

RELATIONAL, LLC

By: 

MICHAEL J. ROSS
SENIOR VICE PRESIDENT

Title:

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title:

James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

APPENDIX A

CASUALTY VALUE SCHEDULE

**TO SCHEDULE NO. 004 TO MASTER EQUIPMENT LEASE
AGREEMENT DATED AS OF MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR AND ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

The Casualty Value for each Unit of Equipment shall be the amount equal to the product of the original Equipment cost as of the Commencement Date plus any other amounts financed by Lessor (including but not limited to freight and capitalized taxes) multiplied by the percentage indicated below opposite the period of time in which such loss, damage or destruction occurs.

<u>After Payment</u>	<u>% of Cost</u>	<u>After Payment</u>	<u>% of Cost</u>
1	115.00%	19	68.74%
2	112.43%	20	66.17%
3	109.86%	21	64.60%
4	107.29%	22	62.03%
5	104.72%	23	61.46%
6	102.15%	24	60.89%
7	99.58%	25	59.32%
8	97.01%	26	57.75%
9	94.44%	27	55.18%
10	91.87%	28	53.61%
11	89.30%	29	51.04%
12	86.73%	30	49.47%
13	84.16%	31	47.90%
14	81.59%	32	45.33%
15	79.02%	33	43.12%
16	76.45%	34	41.19%
17	73.88%	35	40.62%
18	71.31%	36	39.50%

Until the Equipment has been surrendered to Lessor as provided in the Master Equipment Lease Agreement, the Casualty Value percentage shall be the last stated above.

CERTIFICATE OF ACCEPTANCE

**UNDER SCHEDULE NO. 004 DATED MAY 18, 2005 ATTACHED TO
MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005**

BETWEEN

RELATIONAL, LLC, LESSOR

AND

ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE

1. CONDITION OF EQUIPMENT:

Lessee certifies that all items of the Equipment described in Schedule No. 004 dated May 18, 2005 has been delivered to the location indicated in Paragraph 2 below, tested and inspected by Lessee, found to be in good operating order, and accepted as items of the Equipment under the Lease, all on the date indicated below.

2. LOCATION AND DESCRIPTION OF ITEMS OF EQUIPMENT: See Supplemental Exhibit A, when available. Lessor shall insert serial number herein when available from the Manufacturer.

3. BASE RENT: \$ 723.00 per month

4. DATE OF ACCEPTANCE:

June 10, 2005

5. REPRESENTATIONS BY LESSEE:

Lessee hereby represents and warrants to Lessor that (i) no Event of Default or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default under the Lease has occurred and is continuing, and (ii) Lessee has obtained, and there are in full force and effect, any insurance policies with respect to the Equipment required to be obtained under terms of the Lease.

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title:

James W. Pryde
Senior Vice President
Procurement Services and
Chief Compliance Officer

EXHIBIT A

Page 1 of 1

TO SCHEDULE NO. 004

TO MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005 (THE "LEASE") BETWEEN
RELATIONAL, LLC ("LESSOR") AND
ERICKSON RETIREMENT COMMUNITIES, LLC ("LESSEE")

Vendor: IKON Office Solutions

<u>Invoice #</u>	<u>PO #</u>	<u>Qty</u>	<u>Mfg</u>	<u>Product #</u>	<u>Model</u>	<u>Equipment Description</u>	<u>Unit Price</u>	<u>Total Cost</u>	<u>RENT</u>
56477A	10190100.561	1	CANON	IR6020		CANON IR6020 DIGITAL COPIER 10190100.56140.	\$ 20,883.88	\$ 20,883.88	\$ 723.00
<u>Serial #s</u> JCU07362									
56477A	10190100.561	1	CANON	2060P		CANON 2060P FAX 10190100.56140.	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> XKM42731									
56477A	10190100.561	1	CANON	F1		CANON F1 FINISHER FOR IR5020 10190100.56140.	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> KGP34165									
56477A	10190100.561	1	CANON	B1		CANON B1 PUNCHER UNIT FOR IR5020 10190100.56140.	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> XCM50089									
56477A	10190100.561	1	CANON	D1		CANON D1 NETWORK MULTI PDL PRINTER KIT 10190100.56140.	\$ 0.00	\$ 0.00	\$ 0.00

Equipment Location :

Corp. South - Finance Dept 991 B Corporate Boulevard
LINTHICUM, MD 21090

Total for Location

\$ 20,883.88

Rent for Location

\$723.00

Monthly

THIS IS COUNTERPART NO. ONE (1) OF TWO (2) SERIALLY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

SCHEDULE NO. 005
INCORPORATING THE TERMS AND CONDITIONS OF MASTER EQUIPMENT
LEASE AGREEMENT DATED MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE

1. Date of Schedule: May 18, 2005
2. Equipment: Canon IR5020 with Finisher and accessories and 2060p facsimile machine, including cables and wiring, packing materials, operating manuals, features and attachments related thereto, which shall be supplemented by a more specific description, including serial number(s) (via a Supplemental Exhibit A), when such information becomes available.
3. Base Rent: \$663.90 monthly
4. Acceptance: In the event that multiple Certificates of Acceptance are executed hereunder, upon the request of either party, Lessor shall create a summarizing Certificate of Acceptance for execution by Lessee.
5. Base Term: Thirty-six (36) consecutive months
6. Base Term Date: The first day of the calendar month following the date of acceptance appearing on the Certificate of Acceptance.
7. Casualty Value: See Appendix "A" attached.
8. Additional Return Provisions for Technology Equipment:

Lessee acknowledges that Lessor's commitment to lease such Equipment is predicated upon careful compliance by Lessee with the following requirements upon its return, and that non-compliance directly affects Lessor's ability to remarket said Equipment and may be considered by Lessor as an Event of Loss as to those Units affected. Lessee shall return all said Equipment at its expense in appropriate boxes secured to a pallet, in accordance with the packing instructions and recommendations of the applicable manufacturer and the terms of the Master Equipment Lease Agreement, this Schedule and Lessor's standard return memorandum, together with a Bill of Lading, which boxes shall prominently display a return authorization number obtained from Lessor and a specific description of the Equipment therein contained.

The Equipment shall be, in all respects, clean and in proper operating condition, aesthetically complete, and to the extent applicable, be accompanied by all parts, pieces, cabling and accessories, including literature and manuals (a minimum one for every five personal computers), diagrams, historical records and maintenance documentation, power cords, adapters, peripherals, plates, stands, trays, switches, mice,

ink or other cartridges (which will be shipped separately and shrinkwrapped), and connectors and contain no cosmetic or other damage which may affect resale value, including but not limited to, dents, scratches, discoloration or (in the case of equipment with screens or displays) screen-burn.

Upon power-up, the Equipment shall properly function as to all components therein contained, including, if applicable, all sectors of any hard drive, floppy drives (which shall read and write), CD and DVD drives (which shall read and/or write as originally designed), controllers, and logic boards, and shall perform any applicable self-tests. Lessee shall, prior to return, remove any markings, decals or personalizations, and any passwords which might impede testing, any additions or upgrades not owned by Lessor, and thereupon shall reinstall any parts removed to accommodate such additions or upgrades so as to restore the Equipment to the condition, configuration and capacity as when originally installed. All software licenses shall be returned with the then current version available from the manufacturer. Upon return Lessee shall either reassign or replace the original operating software, together with any applicable unexpired extended maintenance or warranties. Any batteries contained in the Equipment, if any, must provide a sufficient charge for operation of the machine for at least one (1) hour.

9. Additional Special Features:

If Lessee desires to add special features or model changes ("Additional Special Features") to the Equipment subsequent to the commencement of this Lease, Lessee shall either: (a) give Lessor an opportunity to obtain such Additional Special Features at Lessor's expense and lease such Additional Special Features to Lessee upon such terms and conditions as Lessor and Lessee agree (it being understood that the rental for such Additional Special Features must be sufficient to cover Lessor's related debt payment, that any such Additional Special Features obtained by Lessor shall be deemed to be part of the Equipment, and that Lessee shall be responsible for all related transportation and installation charges); or (b) upon Lessor's prior written consent (which consent will not be unreasonably withheld), purchase and install such Additional Special Features at Lessee's own expense with no rent due Lessor for such Additional Special Features, provided that the Additional Special Features shall: (i) be subject to all of the provisions of the Master Equipment Lease Agreement; (ii) when installed not impair present or future interests of Lessor or its assignee in and to this Lease and the Equipment; (iii) and Lessee shall indemnify Lessor against any and all taxes, excluding taxes on the income of the Lessor which may become payable by the Lessor with respect to such Additional Special Features. Any parts or features which Lessee removes, or causes or permits to be removed, from any Unit shall remain located at the same location as the Unit and shall be reinstalled in the Equipment upon expiration or termination of this Lease.

10. Lease End Options:

FMV purchase: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, purchase the Equipment upon the expiration of the Base Term of this Schedule for its then fair market value. Fair market value shall mean the price a similarly situated Lessee would pay in an arm's length transaction for used equipment at retail. Lessee shall pay Rent through the date Lessor receives the purchase price, whereupon title to all hardware shall pass to Lessee free and clear of claims and liens created by Lessor or its assigns; otherwise on an AS IS, WHERE IS basis, with Lessor relinquishing any rights it may have in software to Lessee. Lessee shall remain responsible for any unbilled personal property taxes or other unpaid amounts. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent and

other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

FRV renewal: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, renew the Equipment for a term beyond the expiration of the Base Term of this Schedule for a further term to be agreed, for its then fair rental value. Fair rental value shall mean that rent a similarly situated Lessee would pay at retail. Lessee shall remain responsible for payment of Rent through the date Lessee shall have executed said renewal lease, and shall pay for any software license renewal required by the Manufacturer. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent (as set forth in the renewal documents, or as set forth in the original Schedule until such documents are executed) and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

This Schedule hereby incorporates by reference the terms and conditions of Master Equipment Lease Agreement dated May 18, 2005. As to all Schedules to said Master Equipment Lease Agreement, the parties EXPRESSLY ACKNOWLEDGE THE ENFORCEABILITY OF AUTOMATIC RENEWAL CLAUSES CONTAINED IN THE MASTER EQUIPMENT LEASE AGREEMENT OR SCHEDULES if such acknowledgment is required by applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorized officers as of the day and date set forth above.

Lessor:

RELATIONAL, LLC

By: 

MICHAEL J. ROSS

Title: SENIOR VICE PRESIDENT

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title:

James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

APPENDIX A

CASUALTY VALUE SCHEDULE

**TO SCHEDULE NO. 005 TO MASTER EQUIPMENT LEASE
AGREEMENT DATED AS OF MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR AND ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

The Casualty Value for each Unit of Equipment shall be the amount equal to the product of the original Equipment cost as of the Commencement Date plus any other amounts financed by Lessor (including but not limited to freight and capitalized taxes) multiplied by the percentage indicated below opposite the period of time in which such loss, damage or destruction occurs.

<u>After Payment</u>	<u>% of Cost</u>	<u>After Payment</u>	<u>% of Cost</u>
1	115.00%	19	68.74%
2	112.43%	20	66.17%
3	109.86%	21	64.60%
4	107.29%	22	62.03%
5	104.72%	23	61.46%
6	102.15%	24	60.89%
7	99.58%	25	59.32%
8	97.01%	26	57.75%
9	94.44%	27	55.18%
10	91.87%	28	53.61%
11	89.30%	29	51.04%
12	86.73%	30	49.47%
13	84.16%	31	47.90%
14	81.59%	32	45.33%
15	79.02%	33	43.12%
16	76.45%	34	41.19%
17	73.88%	35	40.62%
18	71.31%	36	39.50%

Until the Equipment has been surrendered to Lessor as provided in the Master Equipment Lease Agreement, the Casualty Value percentage shall be the last stated above.

CERTIFICATE OF ACCEPTANCE

**UNDER SCHEDULE NO. 005 DATED MAY 18, 2005 ATTACHED TO
MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005
BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. CONDITION OF EQUIPMENT:

Lessee certifies that all items of the Equipment described in Schedule No. 005 dated May 18, 2005 has been delivered to the location indicated in Paragraph 2 below, tested and inspected by Lessee, found to be in good operating order, and accepted as items of the Equipment under the Lease, all on the date indicated below.

2. LOCATION AND DESCRIPTION OF ITEMS OF EQUIPMENT: See Supplemental Exhibit A, when available. Lessor shall insert serial number herein when available from the Manufacturer.

3. BASE RENT: \$ 663.90 per month

4. DATE OF ACCEPTANCE: _____, 20__

5. REPRESENTATIONS BY LESSEE:

Lessee hereby represents and warrants to Lessor that (i) no Event of Default or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default under the Lease has occurred and is continuing, and (ii) Lessee has obtained, and there are in full force and effect, any insurance policies with respect to the Equipment required to be obtained under terms of the Lease.

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: _____

Title: _____

James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

EXHIBIT A

TO SCHEDULE NO. 005

TO MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005 (THE "LEASE") BETWEEN
RELATIONAL, LLC ("LESSOR") AND
ERICKSON RETIREMENT COMMUNITIES, LLC ("LESSEE")

Vendor: IKON Office Solutions

<u>Invoice #</u>	<u>PO #</u>	<u>Qty</u>	<u>Mfg</u>	<u>Product #</u>	<u>Model</u>	<u>Equipment Description</u>	<u>Unit Price</u>	<u>Total Cost</u>	<u>RENT</u>
56479A	512-CRG 5-48	1	CANON	IR5020	IMAGERUNNER	CANON IR5020 DIGITAL COLOR COPIER	\$ 19,176.77	\$ 19,176.77	\$ 663.90
<u>Serial #s</u> JCT21105						512-CRG 5-48900-01211,			
56479A	512-CRG 5-48	1	CANON	2060		CANON 2060P FAX	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> ZKM42491						512-CRG 5-48900-01211,			
56479A	512-CRG 5-48	1	CANON	F1		CANON F1 FINISHER FOR IR5020	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> KGP35098						512-CRG 5-48900-01211,			
56479A	512-CRG 5-48	1	CANON	B1		CANON B1 PUNCHER UNIT FOR IR5020	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> XCM50483						512-CRG 5-48900-01211,			
56479A	512-CRG 5-48	1	CANON	D1		CANON D1 NETWORK MULTI PDL PRINTER KIT	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> 56479A						512-CRG 5-48900-01211,			
56479A	512-CRG 5-48	1	CANON	SCANSTATION		CANON SCANSTATION	\$ 0.00	\$ 0.00	\$ 0.00
<u>Serial #s</u> 56479A						512-CRG 5-48900-01211,			

Equipment Location : 115 Britten Lane Cost Ctr 512-CRG5-48900-01211
GLEN MILLS, PA 19342

Total for Location \$ 19,176.77
Rent for Location \$663.90 Monthly

THIS IS COUNTERPART NO. ONE (1) OF TWO (2) SERIALLY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

SCHEDULE NO. 006
INCORPORATING THE TERMS AND CONDITIONS OF MASTER EQUIPMENT
LEASE AGREEMENT DATED MAY 18, 2006 BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE

1. Date of Schedule: May 18, 2006
2. Equipment: Canon IR5020 with Finisher and accessories, including cables and wiring, packing materials, operating manuals, features and attachments related thereto, which shall be supplemented by a more specific description, including serial number(s) (via a Supplemental Exhibit A), when such information becomes available.
3. Base Rent: \$626.00 monthly
4. Acceptance: In the event that multiple Certificates of Acceptance are executed hereunder, upon the request of either party, Lessor shall create a summarizing Certificate of Acceptance for execution by Lessee.
5. Base Term: Thirty-six (36) consecutive months
6. Base Term Date: The first day of the calendar month following the date of acceptance appearing on the Certificate of Acceptance.
7. Casualty Value: See Appendix "A" attached.
8. Additional Return Provisions for Technology Equipment:

Lessee acknowledges that Lessor's commitment to lease such Equipment is predicated upon careful compliance by Lessee with the following requirements upon its return, and that non-compliance directly affects Lessor's ability to remarket said Equipment and may be considered by Lessor as an Event of Loss as to those Units affected. Lessee shall return all said Equipment at its expense in appropriate boxes secured to a pallet, in accordance with the packing instructions and recommendations of the applicable manufacturer and the terms of the Master Equipment Lease Agreement, this Schedule and Lessor's standard return memorandum, together with a Bill of Lading, which boxes shall prominently display a return authorization number obtained from Lessor and a specific description of the Equipment therein contained.

The Equipment shall be, in all respects, clean and in proper operating condition, aesthetically complete, and to the extent applicable, be accompanied by all parts, pieces, cabling and accessories, including literature and manuals (a minimum one for every five personal computers), diagrams, historical records and maintenance documentation, power cords, adapters, peripherals, plates, stands, trays, switches, mice,

ink or other cartridges (which will be shipped separately and shrinkwrapped), and connectors and contain no cosmetic or other damage which may affect resale value, including but not limited to, dents, scratches, discoloration or (in the case of equipment with screens or displays) screen-burn.

Upon power-up, the Equipment shall properly function as to all components therein contained, including, if applicable, all sectors of any hard drive, floppy drives (which shall read and write), CD and DVD drives (which shall read and/or write as originally designed), controllers, and logic boards, and shall perform any applicable self-tests. Lessee shall, prior to return, remove any markings, decals or personalizations, and any passwords which might impede testing, any additions or upgrades not owned by Lessor, and thereupon shall reinstall any parts removed to accommodate such additions or upgrades so as to restore the Equipment to the condition, configuration and capacity as when originally installed. All software licenses shall be returned with the then current version available from the manufacturer. Upon return Lessee shall either reassign or replace the original operating software, together with any applicable unexpired extended maintenance or warranties. Any batteries contained in the Equipment, if any, must provide a sufficient charge for operation of the machine for at least one (1) hour.

9. Additional Special Features:

If Lessee desires to add special features or model changes ("Additional Special Features") to the Equipment subsequent to the commencement of this Lease, Lessee shall either: (a) give Lessor an opportunity to obtain such Additional Special Features at Lessor's expense and lease such Additional Special Features to Lessee upon such terms and conditions as Lessor and Lessee agree (it being understood that the rental for such Additional Special Features must be sufficient to cover Lessor's related debt payment, that any such Additional Special Features obtained by Lessor shall be deemed to be part of the Equipment, and that Lessee shall be responsible for all related transportation and installation charges); or (b) upon Lessor's prior written consent (which consent will not be unreasonably withheld), purchase and install such Additional Special Features at Lessee's own expense with no rent due Lessor for such Additional Special Features, provided that the Additional Special Features shall: (i) be subject to all of the provisions of the Master Equipment Lease Agreement; (ii) when installed not impair present or future interests of Lessor or its assignee in and to this Lease and the Equipment; (iii) and Lessee shall indemnify Lessor against any and all taxes, excluding taxes on the income of the Lessor which may become payable by the Lessor with respect to such Additional Special Features. Any parts or features which Lessee removes, or causes or permits to be removed, from any Unit shall remain located at the same location as the Unit and shall be reinstalled in the Equipment upon expiration or termination of this Lease.

10. Lease End Options:

FMV purchase: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, purchase the Equipment upon the expiration of the Base Term of this Schedule for its then fair market value. Fair market value shall mean the price a similarly situated Lessee would pay in an arm's length transaction for used equipment at retail. Lessee shall pay Rent through the date Lessor receives the purchase price, whereupon title to all hardware shall pass to Lessee free and clear of claims and liens created by Lessor or its assigns; otherwise on an AS IS, WHERE IS basis, with Lessor relinquishing any rights it may have in software to Lessee. Lessee shall remain responsible for any unbilled personal property taxes or other unpaid amounts. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent and

other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

FRV renewal: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, renew the Equipment for a term beyond the expiration of the Base Term of this Schedule for a further term to be agreed, for its then fair rental value. Fair rental value shall mean that rent a similarly situated Lessee would pay at retail. Lessee shall remain responsible for payment of Rent through the date Lessee shall have executed said renewal lease, and shall pay for any software license renewal required by the Manufacturer. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent (as set forth in the renewal documents, or as set forth in the original Schedule until such documents are executed) and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

This Schedule hereby incorporates by reference the terms and conditions of Master Equipment Lease Agreement dated May 18, 2006. As to all Schedules to said Master Equipment Lease Agreement, the parties EXPRESSLY ACKNOWLEDGE THE ENFORCEABILITY OF AUTOMATIC RENEWAL CLAUSES CONTAINED IN THE MASTER EQUIPMENT LEASE AGREEMENT OR SCHEDULES if such acknowledgment is required by applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorized officers as of the day and date set forth above.

Lessor:

RELATIONAL, LLC

By: 

MICHAEL J. ROSS

Title: SENIOR VICE PRESIDENT

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title: James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

APPENDIX A

CASUALTY VALUE SCHEDULE

**TO SCHEDULE NO. 006 TO MASTER EQUIPMENT LEASE
AGREEMENT DATED AS OF MAY 18, 2006 BETWEEN
RELATIONAL, LLC, LESSOR AND ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

The Casualty Value for each Unit of Equipment shall be the amount equal to the product of the original Equipment cost as of the Commencement Date plus any other amounts financed by Lessor (including but not limited to freight and capitalized taxes) multiplied by the percentage indicated below opposite the period of time in which such loss, damage or destruction occurs.

<u>After Payment</u>	<u>% of Cost</u>	<u>After Payment</u>	<u>% of Cost</u>
1	115.00%	19	68.74%
2	112.43%	20	66.17%
3	109.86%	21	64.60%
4	107.29%	22	62.03%
5	104.72%	23	61.46%
6	102.15%	24	60.89%
7	99.58%	25	59.32%
8	97.01%	26	57.75%
9	94.44%	27	55.18%
10	91.87%	28	53.61%
11	89.30%	29	51.04%
12	86.73%	30	49.47%
13	84.16%	31	47.90%
14	81.59%	32	45.33%
15	79.02%	33	43.12%
16	76.45%	34	41.19%
17	73.88%	35	40.62%
18	71.31%	36	39.50%

Until the Equipment has been surrendered to Lessor as provided in the Master Equipment Lease Agreement, the Casualty Value percentage shall be the last stated above.

CERTIFICATE OF ACCEPTANCE

**UNDER SCHEDULE NO. 006 DATED MAY 18, 2006 ATTACHED TO
MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2006
BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. CONDITION OF EQUIPMENT:

Lessee certifies that all items of the Equipment described in Schedule No. 006 dated May 18, 2006 has been delivered to the location indicated in Paragraph 2 below, tested and inspected by Lessee, found to be in good operating order, and accepted as items of the Equipment under the Lease, all on the date indicated below.

2. LOCATION AND DESCRIPTION OF ITEMS OF EQUIPMENT: See Supplemental Exhibit A, when available. Lessor shall insert serial number herein when available from the Manufacturer.

3. BASE RENT: \$ 626.00 per month

4. DATE OF ACCEPTANCE:

June 10, 20*05*

5. REPRESENTATIONS BY LESSEE:

Lessee hereby represents and warrants to Lessor that (i) no Event of Default or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default under the Lease has occurred and is continuing, and (ii) Lessee has obtained, and there are in full force and effect, any insurance policies with respect to the Equipment required to be obtained under terms of the Lease.

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title:

**James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer**

EXHIBIT A
TO SCHEDULE NO. 006

**TO MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005 (THE "LEASE") BETWEEN
RELATIONAL, LLC ("LESSOR") AND
ERICKSON RETIREMENT COMMUNITIES, LLC ("LESSEE")**

Vendor: IKON Office Solutions

<u>Invoice #</u>	<u>PO #</u>	<u>Qty</u>	<u>Mfg</u>	<u>Product #</u>	<u>Model</u>	<u>Equipment Description</u>	<u>Unit Price</u>	<u>Total Cost</u>	<u>RENT</u>
56481A	21280145.561	1	CANON	IR5020	IMAGERUNNER	CANON IR5020 DIGITAL COLOR COPIER 21280145.56140,	\$ 18,082.03	\$ 18,082.03	\$ 626.00
Serial #s JCT21101									
56481A	21280145.561	1	CANON	F1		CANON F1 FINISHER FOR IR5020 21280145.56140,	\$ 0.00	\$ 0.00	\$ 0.00
Serial #s KGP32134									
56481A	21280145.561	1	CANON	B1		CANON B1 PUNCHER UNIT FOR IR5020 21280145.56140,	\$ 0.00	\$ 0.00	\$ 0.00
Serial #s XCM50475									
56481A	21280145.561	1	CANON	D1		CANON D1 NETWORK MULTI PDL PRINTER KIT 21280145.56140,	\$ 0.00	\$ 0.00	\$ 0.00
Serial #s 24A51308NW									
56481A	21280145.561	1	CANON	SCANSTATION		CANON SCANSTATION 21280145.56140,	\$ 0.00	\$ 0.00	\$ 0.00

Equipment Location :	991 B Corporate Boulevard Cost Ctr 21250145.56140	Total for Location	\$ 18,082.03
	LINTHICUM, MD 21090	Rent for Location	\$626.00 Monthly

THIS IS COUNTERPART NO. ONE (1) OF TWO (2) SERIALY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

SCHEDULE NO. 007

**INCORPORATING THE TERMS AND CONDITIONS OF MASTER EQUIPMENT
LEASE AGREEMENT DATED MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR
AND
ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

1. Date of Schedule: May 18, 2005
2. Equipment: Canon 2060p facsimile machine, including cables and wiring, packing materials, operating manuals, features and attachments related thereto, which shall be supplemented by a more specific description, including serial number(s) (via a Supplemental Exhibit A), when such information becomes available.
3. Base Rent: \$52.50 monthly
4. Acceptance: In the event that multiple Certificates of Acceptance are executed hereunder, upon the request of either party, Lessor shall create a summarizing Certificate of Acceptance for execution by Lessee.
5. Base Term: Thirty-six (36) consecutive months
6. Base Term Date: The first day of the calendar month following the date of acceptance appearing on the Certificate of Acceptance.
7. Casualty Value: See Appendix "A" attached.
8. Additional Return Provisions for Technology Equipment.

Lessee acknowledges that Lessor's commitment to lease such Equipment is predicated upon careful compliance by Lessee with the following requirements upon its return, and that non-compliance directly affects Lessor's ability to remarket said Equipment and may be considered by Lessor as an Event of Loss as to those Units affected. Lessee shall return all said Equipment at its expense in appropriate boxes secured to a pallet, in accordance with the packing instructions and recommendations of the applicable manufacturer and the terms of the Master Equipment Lease Agreement, this Schedule and Lessor's standard return memorandum, together with a Bill of Lading, which boxes shall prominently display a return authorization number obtained from Lessor and a specific description of the Equipment therein contained.

The Equipment shall be, in all respects, clean and in proper operating condition, aesthetically complete, and to the extent applicable, be accompanied by all parts, pieces, cabling and accessories, including literature and manuals (a minimum one for every five personal computers), diagrams, historical records

and maintenance documentation, power cords, adapters, peripherals, plates, stands, trays, switches, mice, ink or other cartridges (which will be shipped separately and shrinkwrapped), and connectors and contain no cosmetic or other damage which may affect resale value, including but not limited to, dents, scratches, discoloration or (in the case of equipment with screens or displays) screen-burn.

Upon power-up, the Equipment shall properly function as to all components therein contained, including, if applicable, all sectors of any hard drive, floppy drives (which shall read and write), CD and DVD drives (which shall read and/or write as originally designed), controllers, and logic boards, and shall perform any applicable self-tests. Lessee shall, prior to return, remove any markings, decals or personalizations, and any passwords which might impede testing, any additions or upgrades not owned by Lessor, and thereupon shall reinstall any parts removed to accommodate such additions or upgrades so as to restore the Equipment to the condition, configuration and capacity as when originally installed. All software licenses shall be returned with the then current version available from the manufacturer. Upon return Lessee shall either reassign or replace the original operating software, together with any applicable unexpired extended maintenance or warranties. Any batteries contained in the Equipment, if any, must provide a sufficient charge for operation of the machine for at least one (1) hour.

9. Additional Special Features.

If Lessee desires to add special features or model changes ("Additional Special Features") to the Equipment subsequent to the commencement of this Lease, Lessee shall either: (a) give Lessor an opportunity to obtain such Additional Special Features at Lessor's expense and lease such Additional Special Features to Lessee upon such terms and conditions as Lessor and Lessee agree (it being understood that the rental for such Additional Special Features must be sufficient to cover Lessor's related debt payment, that any such Additional Special Features obtained by Lessor shall be deemed to be part of the Equipment, and that Lessee shall be responsible for all related transportation and installation charges); or (b) upon Lessor's prior written consent (which consent will not be unreasonably withheld), purchase and install such Additional Special Features at Lessee's own expense with no rent due Lessor for such Additional Special Features, provided that the Additional Special Features shall: (i) be subject to all of the provisions of the Master Equipment Lease Agreement; (ii) when installed not impair present or future interests of Lessor or its assignee in and to this Lease and the Equipment; (iii) and Lessee shall indemnify Lessor against any and all taxes, excluding taxes on the income of the Lessor which may become payable by the Lessor with respect to such Additional Special Features. Any parts or features which Lessee removes, or causes or permits to be removed, from any Unit shall remain located at the same location as the Unit and shall be reinstalled in the Equipment upon expiration or termination of this Lease.

10. Lease End Options

FMV purchase: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, purchase the Equipment upon the expiration of the Base Term of this Schedule for its then fair market value. Fair market value shall mean the price a similarly situated Lessee would pay in an arm's length transaction for used equipment at retail. Lessee shall pay Rent through the date Lessor receives the purchase price, whereupon title to all hardware shall pass to Lessee free and clear of claims and liens created by Lessor or its assigns; otherwise on an AS IS, WHERE IS basis, with Lessor relinquishing any rights it may have in software to Lessee. Lessee shall remain responsible for any unbilled personal property taxes or other unpaid amounts. Lessee's exercise

of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

FRV renewal: Provided that no Event of Default has occurred and is continuing, Lessee may upon one hundred eighty (180) days prior written notice to Lessor, renew the Equipment for a term beyond the expiration of the Base Term of this Schedule for a further term to be agreed, for its then fair rental value. Fair rental value shall mean that rent a similarly situated Lessee would pay at retail. Lessee shall remain responsible for payment of Rent through the date Lessee shall have executed said renewal lease, and shall pay for any software license renewal required by the Manufacturer. Lessee's exercise of the above option, whether as to part or all the Equipment, shall not relieve Lessee of its Rent (as set forth in the renewal documents, or as set forth in the original Schedule until such documents are executed) and other obligations, which shall continue in all events as to each Unit of Equipment, until return or purchase thereof in accordance herewith, whenever occurring.

This Schedule hereby incorporates by reference the terms and conditions of Master Equipment Lease Agreement dated May 18, 2005. As to all Schedules to said Master Equipment Lease Agreement, the parties EXPRESSLY ACKNOWLEDGE THE ENFORCEABILITY OF AUTOMATIC RENEWAL CLAUSES CONTAINED IN THE MASTER EQUIPMENT LEASE AGREEMENT OR SCHEDULES if such acknowledgment is required by applicable law.

IN WITNESS WHEREOF, the parties hereto have caused this Schedule to be executed by their duly authorized officers as of the day and date set forth above.

Lessor:

RELATIONAL, LLC

By: 

MICHAEL J. ROSS

Title: SENIOR VICE PRESIDENT

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: 

Title:

James W. Pryde, Jr., C.P.M.
Senior Vice President
Procurement Services and
Chief Compliance Officer

APPENDIX A

CASUALTY VALUE SCHEDULE

**TO SCHEDULE NO. 007 TO MASTER EQUIPMENT LEASE
AGREEMENT DATED AS OF MAY 18, 2005 BETWEEN
RELATIONAL, LLC, LESSOR AND ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE**

The Casualty Value for each Unit of Equipment shall be the amount equal to the product of the original Equipment cost as of the Commencement Date plus any other amounts financed by Lessor (including but not limited to freight and capitalized taxes) multiplied by the percentage indicated below opposite the period of time in which such loss, damage or destruction occurs.

<u>After Payment</u>	<u>% of Cost</u>	<u>After Payment</u>	<u>% of Cost</u>
1	115.00%	19	68.74%
2	112.43%	20	66.17%
3	109.86%	21	64.60%
4	107.29%	22	62.03%
5	104.72%	23	61.46%
6	102.15%	24	60.89%
7	99.58%	25	59.32%
8	97.01%	26	57.75%
9	94.44%	27	55.18%
10	91.87%	28	53.61%
11	89.30%	29	51.04%
12	86.73%	30	49.47%
13	84.16%	31	47.90%
14	81.59%	32	45.33%
15	79.02%	33	43.12%
16	76.45%	34	41.19%
17	73.88%	35	40.62%
18	71.31%	36	39.50%

Until the Equipment has been surrendered to Lessor as provided in the Master Equipment Lease Agreement, the Casualty Value percentage shall be the last stated above.

CERTIFICATE OF ACCEPTANCE

**UNDER SCHEDULE NO. 007 DATED MAY 18, 2005 ATTACHED TO
MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005**

BETWEEN

RELATIONAL, LLC, LESSOR

AND

ERICKSON RETIREMENT COMMUNITIES, LLC, LESSEE

1. CONDITION OF EQUIPMENT:

Lessee certifies that all items of the Equipment described in Schedule No. 007 dated May 18, 2005 has been delivered to the location indicated in Paragraph 2 below, tested and inspected by Lessee, found to be in good operating order, and accepted as items of the Equipment under the Lease, all on the date indicated below.

2. LOCATION AND DESCRIPTION OF ITEMS OF EQUIPMENT: See Supplemental Exhibit A, when available. Lessor shall insert serial number herein when available from the Manufacturer.

3. BASE RENT: \$ 52.50 per month

4. DATE OF ACCEPTANCE: June 15, 2005

5. REPRESENTATIONS BY LESSEE:

Lessee hereby represents and warrants to Lessor that (i) no Event of Default or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default under the Lease has occurred and is continuing, and (ii) Lessee has obtained, and there are in full force and effect, any insurance policies with respect to the Equipment required to be obtained under terms of the Lease.

Lessee:

ERICKSON RETIREMENT COMMUNITIES, LLC

By: [Signature]

Title:

James W. Ryde, Jr. C.P.M.

President
and
Finance Officer

EXHIBIT A
TO SCHEDULE NO. 007
TO MASTER EQUIPMENT LEASE AGREEMENT DATED MAY 18, 2005 (THE "LEASE") BETWEEN
RELATIONAL, LLC ("LESSOR") AND
ERICKSON RETIREMENT COMMUNITIES, LLC ("LESSEE")

Vendor: IKON Office Solutions, Inc.

<u>Invoice #</u> 56482A	<u>PO #</u>	<u>Qty</u> 1	<u>Mfg</u> CANON	<u>Product #</u> LC-2060P	<u>Model</u>	<u>Equipment Description</u> CANON LASER CLASS FAX MACHINE	<u>Unit Price</u> \$1,516.46	<u>Total Cost</u> \$1,516.46	<u>RENT</u> \$52.50
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Serial #s
ZKM42725

Equipment Location :

Corp South Construction Dept 991 B Corporate Boulevard
LINTHICUM, MD 21090

Total for Location \$1,516.46

Rent for Location \$52.50 Monthly