

UNITED STATES BANKRUPTCY COURT for the Northern District of Texas

PROOF OF CLAIM

Name of Debtor: COLUMBUS CAMPUS, LLC

Case Number: 09-37019

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): FIFTH THIRD BANK

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

Name and address where notices should be sent: c/o Jack R. Pigman  
Porter Wright Morris & Arthur LLP  
41 South High Street  
Suites 2800-3200  
Columbus, OH 43215-6194  
614-227-2119

Court Claim Number: \_\_\_\_\_  
(If known)

Filed on: \_\_\_\_\_

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

RECEIVED

FEB 24 2010

BMC GROUP

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: \$ 15,348,108.86 plus unliquidated amounts

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.

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.

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.

2. Basis for Claim: See Attachment \_\_\_\_\_  
(See instruction #2 on reverse side.)

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

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: \$ Unknown Annual Interest Rate: %

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

if any: \$ 15,348,108.86 plus unliquidated amounts Basis for perfection: See Attachment

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

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:

Date: 2-23-10

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 address above. Attach copy of power of attorney, if any.

Mark Ransom, Vice President

FOR COURT USE ONLY

Erickson Ret. Comm. LLC



01035

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

In re:	§	Case No. 09-37010 (SGJ)
	§	
ERICKSON RETIREMENT	§	Chapter 11
COMMUNITIES, LLC, <i>et al.</i>	§	
	§	(Jointly Administered)
Debtors.	§	

**ATTACHMENT TO FIFTH THIRD BANK'S PROOF OF CLAIM**

1. FIFTH THIRD BANK ("Fifth Third") submits this attachment in support of its separate claims against Columbus Campus, LLC ("Campus") and Erickson Retirement Communities, LLC ("Erickson").

2. On or about April 16, 2008, Campus entered into a Construction Loan Agreement (the "Loan Agreement," attached to KeyBank National Association's proof of claim filed in Case No. 09-37019 (the "KeyBank Proof of Claim") as Exhibit 1) with Fifth Third and various other lenders (collectively, "Lenders"), whereby Campus applied to Lenders for a revolving loan and letter of credit facility in the aggregate principal amount of \$90,000,000.00.

3. Pursuant to the Loan Agreement, on or about April 16, 2008, Campus executed and delivered to Fifth Third a Revolving Loan Note (the "Fifth Third Revolving Note") in the original principal amount of \$20,000,000. (Exhibit A attached hereto). Campus similarly executed Revolving Loan Notes in favor of each of the other Lenders (together with the Fifth Third Revolving Note, the "Revolving Notes").

4. To secure the payment of its obligations owing under the Loan Agreement and related documents, including those evidenced by the Revolving Notes, Campus executed an Open-End Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing (hereinafter the "Mortgage"), pledging as collateral its interest in (a) the property described

therein, commonly known as "Hickory Chase" located at 4383 Davidson Road, Hilliard, Franklin County, Ohio , and (b) all personal property located at Hickory Chase (collectively, the "Collateral"). The Mortgage was recorded on April 22, 2008 with the Recorder of Franklin County, Ohio as Instrument Number 200804220061335 (Exhibit 4 attached to the KeyBank Proof of Claim). Financing statements perfecting Lenders' security interest in the real property were filed with the Maryland Department of Assessments and Taxes on March 27, 2008 as financing statement number 181337670, and with the Franklin County Recorder on April 14, 2008 as financing statement number 200804140056782 (Exhibit 5 attached to the KeyBank Proof of Claim).

5. In consideration of the extensions of credit under the Loan Agreement and related documents, on or about April 16, 2008, Erickson executed and delivered to Lenders a Guaranty Agreement (hereinafter the "Guaranty") (Exhibit 6 attached to the KeyBank Proof of Claim). The Guaranty provides that, among other things, Erickson unconditionally guarantees when due, the prompt and full payment of all of Campus' obligations owing under the Loan Agreement and related documents, including those evidenced by the Revolving Notes.

6. Prior to July 20, 2009, Campus had defaulted on each of the Revolving Notes.

7. As of October 19, 2009, Campus and Erickson owed Fifth Third under the Loan Agreement, Fifth Third Revolving Note and related documents \$14,746,913.58 in principal, \$590,090.46 in accrued interest, \$11,104.82 in an unused commitment fee, for a total of \$15,348,108.86. In addition to these liquidated amounts, Campus and Erickson owe Fifth Third (a) an unliquidated amount arising from Campus' and Erickson's obligations to reimburse the Lenders for costs and legal fees associated with enforcing their rights ("Enforcement Costs") under the Loan Agreement, Fifth Third Revolving Note and related documents, and (b) costs and

expenses incurred by Fifth Third for security, utilities, weatherproofing, and taxes relating to the protection of the Collateral (collectively, "Protective Advances"). Lenders reserve their right to assert administrative expense claims under 11 U.S.C. § 503(b) for all Protective Advances incurred postpetition.

8. To the extent Fifth Third's claim against Campus is over secured, Fifth Third's claim shall continue to accrue fees and interest post-petition and Fifth Third reserves the right to make a claim for all such fees and interest until the Fifth Third claim is paid in full. To the extent Fifth Third's claim against Campus is undersecured, Fifth Third hereby asserts an unsecured claim under § 506(a)(1) of the Bankruptcy Code for any unsecured portion of the amounts claimed herein. Fifth Third's claim against Erickson is an unsecured claim.

9. The filing of this proof of claim is not intended and should not be construed as (a) a statement of all claims or facts supporting the claims of Fifth Third, (b) an election of remedies, (c) a waiver of any past, present, or future default or events of default, or (d) a waiver or limitation of any rights, claims or causes of action of Fifth Third.

10. Fifth Third does not waive, and expressly reserves, all rights, claims and remedies at law or in equity that Fifth Third, or the Lenders, whether individually or collectively, have or may have against the Debtors and/or any of the Debtors' affiliates and subsidiaries, or any other person or entity.

11. This proof of claim is not subject to any set-off or counterclaim. Fifth Third reserves all rights to set-off and recoupment which it may have.

12. Fifth Third also reserves the right to amend or supplement this claim in any respect, in any manner and for any purpose. Furthermore, Fifth Third reserves the right to

amend or supplement this claim after the last date set for filing claims in this proceeding and/or contest the valuation of the Debtors' collateral securing this claim.

13. In submitting this claim, Fifth Third does not submit to the jurisdiction of this Court for any purpose other than with respect to its claims.

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EXHIBIT A

April 16, 2008

Hilliard, Ohio  
\$25,000,000.00

### REVOLVING LOAN NOTE

FOR VALUE RECEIVED, the undersigned (hereinafter, the "Borrower") promises to pay to the order of Fifth Third Bank (the "Lender") at the offices of the Administrative Agent (hereinafter defined) at 127 Public Square, Cleveland, Ohio 44114 or at such other place as the holder of this Note may from time to time designate, the principal sum of Twenty Five Million and 00/100 Dollars (\$20,000,000.00) (or so much thereof as has been advanced or readvanced hereunder from time to time) together with interest thereon at the rate hereinafter provided and any and all other sums which may be owing to the holder of this Note by the Borrower, on March 1, 2015 (the "Maturity Date") which is the final and absolute due date of this Note, or on such earlier date specified by KeyBank National Association, in its capacity as Lead Arranger and Administrative Agent ("Administrative Agent") if demand for prepayment of this Note is made pursuant to Section 5 hereof or if this Note is accelerated pursuant to Section 7 hereof. The following terms shall apply to this Note:

1. Definitions. The following terms as used herein shall have the following meanings:

(a) "Adjusted LIBOR Rate" shall mean for any LIBOR Rate Interest Period, an interest rate per annum equal to the sum of (A) the rate obtained by dividing (i) the LIBOR Rate for such LIBOR Rate Interest Period by (ii) a percentage equal to one hundred percent (100%) minus the Reserve Percentage for such LIBOR Rate Interest Period and (B) the LIBOR Rate Margin.

(b) "Adjusted Prime Rate" shall mean a rate per annum equal to the sum of (A) the Prime Rate Margin and (B) the greater of (i) the Prime Rate or (ii) one percent (1%) in excess of the Federal Funds Effective Rate. Any change in the Adjusted Prime Rate shall be effective immediately from and after a change in the Adjusted Prime Rate (or the Federal Funds Effective Rate, as applicable).

(c) "Breakage Costs" shall mean the cost to Lender of re-employing funds bearing interest at an Adjusted LIBOR Rate, incurred (or expected to be incurred) in connection with (i) any payment of any portion of amounts advanced hereunder bearing interest at an Adjusted LIBOR Rate prior to the termination of any applicable LIBOR Rate Interest Period, (ii) the conversion of an Adjusted LIBOR Rate to any other applicable interest rate on a date other than the last day of the relevant LIBOR Rate Interest Period, or (iii) the failure of Borrower to draw down, on the first day of the applicable LIBOR Rate Interest Period, any amount as to which Borrower has elected a LIBOR Rate Option.

(d) "Business Day" shall mean a day of the year on which banks are not required or authorized to close in Cleveland, Ohio.

(e) "Default Rate" shall mean a rate per annum equal to three percentage points (300 basis points) in excess of the Applicable Rate, but not at any time in excess of the highest rate permitted by law.

(f) "Federal Funds Effective Rate" shall mean, for any day, the rate per annum (rounded upward to the nearest one-hundredth of one percent (1/100 of 1%)) announced by the Federal Reserve Bank of Cleveland on such day as being the weighted average of the rates on overnight federal funds transactions arranged by federal funds brokers on the previous trading day, as computed and announced by such Federal Reserve Bank in substantially the same manner as such Federal Reserve Bank computes and announces the weighted average it refers to as the "Federal Funds Effective Rate."

(g) "Governmental Authority" shall mean any federal, state, county or municipal government, or political subdivision thereof, any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality, or public body, or any court, administrative tribunal, or public utility.

(h) "Laws" shall mean, collectively, all federal, state and local laws, statutes, codes, ordinances, orders, rules and regulations, including judicial opinions or precedential authority in the applicable jurisdiction.

(i) "LIBOR Business Day" shall mean a Business Day on which dealings in U.S. dollars are carried on in the London Interbank Market.

(j) "LIBOR Rate" shall mean for any LIBOR Rate Interest Period, the average rate (rounded upwards to the nearest 1/16th) as shown by Reuters at which deposits in U.S. dollars are offered by first class banks in the London Interbank Market at approximately 11:00 a.m. (London time) on the day that is two (2) LIBOR Business Days prior to the first day of such LIBOR Rate Interest Period with a maturity approximately equal to such LIBOR Rate Interest Period and in an amount approximately equal to the amount to which such LIBOR Rate Interest Period relates, adjusted for reserves and taxes if required by future regulations. If Reuters no longer reports such rate or Administrative Agent determines in good faith that the rate so reported no longer accurately reflects the rate available to Lender in the London Interbank Market, Administrative Agent may select a replacement index.

(k) "LIBOR Rate Interest Period" shall mean with respect to each amount bearing interest at a LIBOR based rate, a period of one, two or three months, to the extent deposits with such maturities are available to Administrative Agent, commencing on a LIBOR Business Day, as selected by Borrower provided, however, that (i) any LIBOR Rate Interest Period which would otherwise end on a day which is not a LIBOR Business Day shall continue to and end on the next succeeding LIBOR Business Day, unless the result would be that such LIBOR Rate Interest Period would be extended to the next succeeding calendar month, in which case such LIBOR Rate Interest Period shall end on the next preceding LIBOR Business Day, (ii) any LIBOR Rate Interest Period which begins on a day for which there is no numerically corresponding date in the calendar month in which such LIBOR Rate Interest Period would otherwise end shall instead end on the last LIBOR Business Day of such calendar month, and (iii) Borrower may not select a LIBOR Rate Interest Period which would end after the Maturity Date.

(l) "LIBOR Rate Margin" shall mean three and three-quarters percentage points (375 basis points) per annum.



(m) "Prime Rate" shall mean that interest rate established from time to time by KeyBank National Association as its prime rate, whether or not such rate is publicly announced; the Prime Rate may not be the lowest interest rate charged by KeyBank National Association for commercial or other extensions of credit.

(n) "Prime Rate Margin" shall mean three quarters percent (¾%) per annum.

(o) "Reserve Percentage" shall mean for any LIBOR Rate Interest Period, that percentage which is specified three (3) Business Days before the first day of such LIBOR Rate Interest Period by the Board of Governors of the Federal Reserve System (or any successor) or any other governmental or quasi-governmental authority with jurisdiction over Lender for determining the maximum reserve requirement (including, but not limited to, any marginal reserve requirement) for Lender with respect to liabilities constituting of or including (among other liabilities) Eurocurrency liabilities in an amount equal to that portion of amounts advanced hereunder affected by such LIBOR Rate Interest Period and with a maturity equal to such LIBOR Rate Interest Period.

## 2. Interest Rate.

(a) The principal amount hereof outstanding from time to time shall bear interest until paid in full at the Applicable Rate, unless the Default Rate is applicable. The Adjusted Prime Rate shall be the "Applicable Rate", except that the Adjusted LIBOR Rate shall be the "Applicable Rate" with respect to portions advanced hereunder as to which a LIBOR Rate Option (hereinafter defined) is then in effect. For each disbursement of proceeds advanced hereunder, Borrower shall deliver to Administrative Agent irrevocable notice (which may be (A) verbal notice provided that Borrower delivers to Administrative Agent facsimile confirmation within twenty four (24) hours of such verbal notice or (B) electronic mail notice within twenty four (24) hours of such verbal notice) of the requested amount of such disbursement (x) if such disbursement is to bear interest at the Adjusted Prime Rate, not later than 11:00 a.m. Cleveland time on the second Business Day prior to the desired date of disbursement and (y) if such disbursement is to bear interest at an Adjusted LIBOR Rate, not later than 11:00 a.m. Cleveland time on the third Business Day prior to the desired date of disbursement. Borrower shall pay interest in arrears on the first day of every calendar month in the amount of all interest accrued and unpaid. All payments (whether of principal or of interest) shall be deemed credited to Borrower's account only if received by 12:00 noon Cleveland time on a Business Day; otherwise, such payment shall be deemed received on the next Business Day.

(b) Provided that no Event of Default exists, Borrower shall have the option (the "LIBOR Rate Option") to elect from time to time in the manner and subject to the conditions hereinafter set forth an Adjusted LIBOR Rate as the Applicable Rate for all or any portion advanced hereunder which would otherwise bear interest at the Adjusted Prime Rate.

(c) The only manner in which Borrower may exercise the LIBOR Rate Option is by giving Administrative Agent irrevocable notice (which may be verbal notice provided that Borrower delivers to Administrative Agent facsimile confirmation in the form of Exhibit A attached hereto within twenty-four (24) hours) of such exercise not later than 11:00 a.m. Cleveland time on the second LIBOR Business Day prior to the proposed commencement of the

relevant LIBOR Rate Interest Period, which written notice shall specify: (i) the portion advanced hereunder with respect to which Borrower is electing the LIBOR Rate Option, (ii) the LIBOR Business Day upon which the applicable LIBOR Rate Interest Period is to commence and (iii) the duration of the applicable LIBOR Rate Interest Period. The Applicable Rate for any portion advanced hereunder with respect to which Borrower has elected the LIBOR Rate Option shall revert to the Adjusted Prime Rate as of the last day of the LIBOR Rate Interest Period applicable thereto (unless Borrower again exercises the LIBOR Rate Option for such portion of the Loan). Administrative Agent shall be under no duty to notify Borrower that the Applicable Rate on any portion advanced hereunder is about to revert from an Adjusted LIBOR Rate to the Adjusted Prime Rate. The LIBOR Rate Option may be exercised by Borrower only with respect to any portion advanced hereunder equal to or in excess of \$500,000. At no time may there be more than four (4) LIBOR Rate Interest Periods in effect with respect to amounts advanced hereunder. Notwithstanding the foregoing, if Borrower shall elect a LIBOR Rate Option, only so much of the outstanding principal amount of this Note as would not become due and payable during the applicable LIBOR Rate Interest Period shall accrue interest at the Adjusted LIBOR Rate and the remaining principal balance shall accrue interest at the Adjusted Prime Rate.

(d) If Administrative Agent determines (which determination shall be conclusive and binding upon Borrower, absent manifest error) (i) that Dollar deposits in an amount approximately equal to the portion of amounts advanced hereunder for which Borrower has exercised the LIBOR Rate Option for the designated LIBOR Rate Interest Period are not generally available at such time in the London interbank market for deposits in Dollars, (ii) that the rate at which such deposits are being offered will not adequately and fairly reflect the cost to Lender of maintaining a LIBOR Rate on such portion of amounts advanced hereunder or of funding the same for such LIBOR Rate Interest Period due to circumstances affecting the London interbank market generally, (iii) that reasonable means do not exist for ascertaining a LIBOR Rate, or (iv) that an Adjusted LIBOR Rate would be in excess of the maximum interest rate which Borrower may by law pay, then, in any such event, Administrative Agent shall so notify Borrower and all portions of amounts advanced hereunder bearing interest at an Adjusted LIBOR Rate that are so affected shall, as of the date of such notification with respect to an event described in clause (ii) or (iv) above, or as of the expiration of the applicable LIBOR Rate Interest Period with respect to an event described in clause (i) or (iii) above, bear interest at the Adjusted Prime Rate until such time as the situations described above are no longer in effect or can be avoided by Borrower exercising a LIBOR Rate Option for a different LIBOR Rate Interest Period.

(e) Interest at the Applicable Rate (or Default Rate) shall be calculated for the actual number of days elapsed on the basis of a 360-day year, including the first date of the applicable period to, but not including, the date of repayment.

(f) Borrower shall pay all Breakage Costs incurred from time to time by Lender upon demand within fifteen (15) Business Days of receipt of written notice from Administrative Agent.

(g) If the introduction of or any change in any Law, regulation or treaty, or in the interpretation thereof by any Governmental Authority charged with the administration or interpretation thereof, shall make it unlawful for Lender to maintain the Applicable Rate at an

Adjusted LIBOR Rate with respect to amounts advanced hereunder or any portion thereof, or to fund the Loan or any portion thereof in Dollars in the London interbank market, or to give effect to its obligations regarding the LIBOR Rate Option as contemplated by the Loan Documents, then (1) Administrative Agent shall notify Borrower that Lender is no longer able to maintain the Applicable Rate at an Adjusted LIBOR Rate, (2) the LIBOR Rate Option shall immediately terminate, (3) the Applicable Rate for any portion of amounts advanced hereunder for which the Applicable Rate is then an Adjusted LIBOR Rate shall automatically be converted to the Adjusted Prime Rate, and (4) Borrower shall pay to Administrative Agent the amount of Breakage Costs (if any) incurred by Lender in connection with such conversion. Thereafter, Borrower shall not be entitled to exercise the LIBOR Rate Option until such time as the situation described herein is no longer in effect or can be avoided by Borrower exercising a LIBOR Rate Option for a LIBOR Rate Interest Period.

3. Repayment. This Note is one of the Notes referred to in, and is entitled to the benefits of, the Construction Loan Agreement among the Lender, the other lenders referred to therein (the "Other Lenders"), the Borrower, and the Administrative Agent, of even date herewith (the "Loan Agreement"). The outstanding principal amount of this Note and the other Notes shall be repaid pro rata as provided for in the Loan Agreement, on the fifteenth (15<sup>th</sup>) and the later of the twenty-eighth (28<sup>th</sup>), the twenty-ninth (29<sup>th</sup>) or the thirtieth (30<sup>th</sup>) days of each calendar month from and to the extent of (a) one hundred percent (100%) of all Initial Entrance Deposits (as described in the Loan Agreement) which are deposited into the Trust Account (as described in the Loan Agreement) or otherwise loaned to Borrower by Tenant (as defined in the Loan Agreement), and (b) one hundred percent (100%) of all payments (principal and interest) received by the Borrower under the Working Capital Loan Documents described in the Loan Agreement. This Note shall also be subject to mandatory prepayment on the terms set forth in Section 5 hereof. Unless required to be paid sooner under the terms of this Note, the entire outstanding principal amount hereof together with any accrued and unpaid interest, as well as any other fees and charges due hereunder, shall be due and payable in full on the Maturity Date.

4. Application of Payments. All payments made hereunder shall be applied first to late fees or other sums owing to the holder, next to accrued interest, and then to principal.

5. Prepayment. The Borrower may prepay this Note and the other Notes, pro rata, as provided for in the Loan Agreement, in whole or in part at any time or from time to time without premium or penalty. This Note is subject to mandatory prepayment at the option of the Lender, acting through the Administrative Agent, in the Lender's sole discretion, but subject to and in accordance with the terms of the Loan Agreement, in an amount equal to the unpaid principal balance, all accrued and unpaid interest and all other amounts due hereunder, at any time between December 1, 2010 and June 1, 2011 (the "Mandatory Prepayment Period"). The Lender, through the Administrative Agent, may make demand for prepayment by written notice to the Borrower at any time during the Mandatory Prepayment Period, and the Borrower shall have a period of ninety (90) days following receipt of any such notice from the Administrative Agent in which to pay this Note in full. Notwithstanding the foregoing, the Lender, through the Administrative Agent, may (but shall have no obligation to) give written notice of mandatory prepayment prior to the commencement of the Mandatory Prepayment Period, and if the Lender does so the Lender, through the Administrative Agent, need not give a second notice once such Mandatory Prepayment Period commences, but the ninety (90) day period in which Borrower

may pay this Note upon demand shall not commence until the date the Mandatory Prepayment Period begins.

6. Late Charge. Any and all amounts due hereunder or under the other Loan Documents which remain unpaid more than five (5) days after the date said amount was due and payable shall incur a fee (the "Late Charge") of four percent (4%) per annum of said amount, which payment shall be in addition to all of Administrative Agent's or Lender's other rights and remedies under the Loan Documents, provided that no Late Charge shall apply to the final payment of principal on the Maturity Date.

7. Acceleration Upon Default. At any time after a default in the payment of any installment of interest, or of principal and interest, or in the payment of any other sums due hereunder, or upon the occurrence of an Event of Default as defined in the Loan Agreement or in any other Loan Document referenced or incorporated by reference therein (individually, a "Loan Document," and collectively, the "Loan Documents"), the Administrative Agent may, in the Administrative Agent's sole and absolute discretion, but subject to the terms and conditions of the Loan Agreement, and without notice or demand (unless otherwise specifically required under an applicable Loan Document); declare the entire unpaid balance of principal plus accrued interest and any other sums due hereunder immediately due and payable.

8. Default Interest Rate. At any time after a default in the payment of any installment of interest, or of principal and interest, or in the payment of any other sums due hereunder, or upon the occurrence of any Event of Default as defined in the Loan Agreement or in any of the other Loan Documents, the Administrative Agent may raise the rate of interest accruing on the disbursed unpaid principal balance to the Default Rate, independent of whether the Administrative Agent elects to accelerate the unpaid principal balance as a result of such default.

9. Confession of Judgment; Jurisdiction and Venue. At any time after a default in the payment of any installment of interest, or of principal and interest, or in the payment of any other sums due hereunder, or upon the occurrence of any Event of Default as defined in the Loan Agreement or in any of the other Loan Documents, the Borrower authorizes any attorney admitted to practice before any court of record in the United States or any clerk of any court of record to appear for it, waive the issuing and service of process and confess judgment on behalf of the Borrower against the Borrower in favor of the Administrative Agent and the Lender for and in the full amount due on this Note and the other Notes plus attorneys' fees of ten percent (10%) of such amount up to a maximum for attorneys' fees of Three Hundred Thousand Dollars (\$300,000) (but this provision shall not limit the obligation of the Borrower to pay all reasonable attorneys' fees incurred by the Administrative Agent, the Lender and the Other Lenders). The Administrative Agent and the Lender agree that in attempting to satisfy or enforce any judgment by confession obtained against the Borrower in connection with this Note and the other Notes, the Lender, the Administrative Agent, and the Other Lenders shall not seek or demand, solely with respect to attorneys' fees incurred by the Lender, the Administrative Agent, or the Other Lenders, in connection with this Note and the other Notes, any amounts in excess of the actual amount of reasonable attorneys' fees charged or billed to the Administrative Agent, the Lender and the Other Lenders. The Lender agrees not to sell or assign any judgment obtained pursuant to this Section 9 unless the assignee agrees to be bound by the provisions of the immediately preceding sentence. In any action brought by the Administrative Agent on behalf of the Lender

under this Note, Borrower consents to the exercise of personal jurisdiction over it by the courts of the State of Ohio and agrees that venue shall be proper in any County of the State of Ohio, in addition to any other court where venue may be proper. The Borrower waives and releases, to the extent permitted by law, all errors and all rights of exemption, appeal, stay of execution, inquisition and extension upon any levy on real estate or personal property to which the Borrower may otherwise be entitled under the laws of the United States of America or of any State or Possession of the United States of America now in force or which may hereafter be passed, as well as the benefit of any and every statute, ordinance, or rule of court which may be lawfully waived conferring upon the Borrower any right or privilege of exemption, stay of execution, or supplementary proceedings, or other relief from the enforcement or immediate enforcement of a judgment or related proceedings on a judgment; provided however, that the foregoing waiver does not extend to the Borrower's rights under applicable rules of procedure, if any, to file a motion to open, vacate or modify a judgment by confession in good faith and within the timeframes permitted by such rules, which rights the Borrower does not waive. The authority and power to appear for and enter judgment against the Borrower shall be exercisable concurrently in one or more jurisdictions and shall not be exhausted or extinguished by one or more exercises thereof, or by any imperfect exercise thereof or by any judgment entered pursuant thereto. Such authority and power may be exercised on one or more occasions, from time to time, in the same or different jurisdictions, as often as the Administrative Agent on behalf of the Lender shall deem necessary or desirable.

10. Interest Rate After Judgment. If judgment is entered against the Borrower on this Note, the amount of the judgment entered (which may include principal, interest, default interest, late charges, fees and costs) shall bear interest at the highest rate authorized under this Note as of the date of entry of the judgment.

11. Expenses of Collection. Should this Note be referred to an attorney for collection, whether or not judgment has been confessed or suit has been filed, the Borrower shall pay all of the Administrative Agent's, the Lender's and the Other Lender's costs, fees (including reasonable attorneys' fees) and expenses resulting from such referral.

12. Waiver of Protest. The Borrower, and all parties to this Note, whether maker, endorser, or guarantor, waive presentment, notice of dishonor and protest.

13. WAIVER OF JURY TRIAL. THE BORROWER, AND THE ADMINISTRATIVE AGENT AND THE LENDER BY ACCEPTANCE OF THIS NOTE, HEREBY VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR UNDER OR IN CONNECTION WITH THIS NOTE, THE LOAN AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS. THIS WAIVER APPLIES TO ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS AND PROCEEDINGS, INCLUDING PARTIES WHO ARE NOT PARTIES TO THIS NOTE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE BORROWER WHO ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE EXECUTION OF THIS NOTE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL. THE

BORROWER FURTHER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER PROVISION.

14. Extensions of Maturity. All parties to this Note, whether maker, endorser, or guarantor, agree that the maturity of this Note, or any payment due hereunder, may be extended at any time or from time to time without releasing, discharging, or affecting the liability of such party.

15. Intentionally Deleted.

16. Security. This Note is secured as provided in the Loan Agreement.

17. Waiver. No waiver of any power, privilege, right or remedy (hereinafter collectively referred to as "Rights") hereunder shall be effective unless in writing. No delay on the part of the Administrative Agent or the Lender in exercising any Rights hereunder, or under any other instrument exercised by the Borrower or any other party in connection with the transaction (including the Loan Documents) shall operate as a waiver thereof, and no single or partial exercise of any such Rights (including acceptance of late payments by the Administrative Agent or the Lender) shall preclude other or further exercise thereof, or the exercise of any other Rights. Waiver by the Administrative Agent or Lender of any default by the Borrower, or any other party, shall not constitute a waiver of any subsequent defaults, but shall be restricted to the default so waived. If any provision or part of any provision of this Note shall be contrary to any law which the Administrative Agent or Lender might seek to apply or enforce, or should otherwise be defective, the other provisions, or part of such provisions, of this Note shall not be affected thereby, but shall continue in full force and effect. All Rights of the Administrative Agent and the Lender hereunder are irrevocable and cumulative, and not alternative or exclusive, and shall be in addition to all Rights given hereunder or in or by any other instrument or any laws now existing or hereafter enacted.

18. Notices. All notices required or permitted hereunder shall be in writing and delivered personally or made by addressing the same to the party to whom directed at the following addresses by registered or certified mail, return receipt requested:

If to the Administrative Agent or Lender:

c/o KeyBank National Association  
127 Public Square  
Cleveland, Ohio 44114  
Attention: Charles J. Shoop,  
Senior Vice President

With a copy (which shall not constitute notice) to:

Christopher J. Fritz, Esquire  
Ballard Spahr Andrews & Ingersoll, LLP  
300 East Lombard Street, Suite 1800  
Baltimore, Maryland 21202

If to the Borrower:

Columbus Campus, LLC  
c/o Erickson Retirement Communities, LLC  
701 Maiden Choice Lane  
Baltimore, Maryland 21228  
Attention: Chief Financial Officer

with a copy to (which shall not constitute notice) to:

General Counsel  
Erickson Retirement Communities, LLC  
701 Maiden Choice Lane  
Baltimore, Maryland 21228

Either party may change the address to which notices are to be sent by a writing directed to the other party in the manner aforesaid. Unless otherwise specifically provided, all notices hereunder delivered personally shall be deemed delivered upon such personal delivery, and all notices hereunder given by mail, as aforesaid, shall be deemed delivered five (5) days after deposited in a United States Post Office, general or branch, or an official mail depository, maintained by the U.S. Postal Service, enclosed in a registered or certified prepaid wrapper addressed as above provided, except notice of change of address shall be deemed served when received.

19. Choice of Law. This Note and the rights and obligations of the parties hereunder shall be governed, construed and interpreted in accordance with the laws of the State of Ohio (excluding principles of conflicts of law), both in interpretation and performance.

20. Invalidity of Any Part. If any provision or part of any provision of this Note, or the application thereof to any facts or circumstances, shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions or the remaining part of any effective provisions of the Note, or the application of any provisions hereof to other facts or circumstances, and this Note shall be construed as if such invalid, illegal, or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality, or unenforceability.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

**WARNING**

BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE.

WITNESS:

BORROWER:

COLUMBUS CAMPUS, LLC

By: Erickson Retirement Communities,  
LLC, Sole Member.

Kathleen Kinzig

By: Steven A. Montgomery (SEAL)  
Steven A. Montgomery  
Regional Vice President of Development

STATE OF OHIO )

: to-wit:

COUNTY OF Franklin )

The foregoing instrument was subscribed, sworn to and acknowledged before me the undersigned notary public, in Hilliard, Ohio on this 10 day of April 2008, by Steven A. Montgomery, Regional Vice President of Development of Erickson Retirement Communities, LLC, a Maryland limited liability company, which is the sole member of Columbus Campus, LLC.



WENDY M. KUSZMAUL Greasamar  
Notary Public, State of Ohio  
My Commission Expires 02-20-2011

Wendy M. Kuszmaul (SEAL)  
NOTARY PUBLIC

My Commission Expires: 2-20-2011



Exhibit A

**LIBOR NOTICE ELECTION**

**NOTICE OF LIBOR FUNDING ELECTION**

KeyBank National Association  
127 Public Square  
Cleveland, Ohio 44114

Date: \_\_\_\_\_

Ladies and Gentlemen:

Reference is made to the Revolving Loan Note dated as of April \_\_, 2008 made by Columbus Campus, LLC, a Maryland limited liability company, in favor of KeyBank National Association and the other Notes identified therein (collectively, the "Notes"). The undersigned hereby gives notice pursuant to Section 2 of the Notes of its desire for a LIBOR FUNDING ELECTION of a portion of the proceeds of the loan evidenced by the Note.

The following are the details of the LIBOR funding election to be set up as of the commencement date specified below:

1. The LIBOR funding commencement date is: \_\_\_\_\_
2. The LIBOR funding period expires: \_\_\_\_\_
3. The LIBOR funding principal amount is: \_\_\_\_\_
4. The LIBOR funding rate is LIBOR plus 3.75%, or \_\_\_\_\_

The sources for the above LIBOR are as follows (Choose as appropriate):

Prime Note Outstanding Balance:

Draw # \_\_\_\_\_ Advance:

Interest due:

Current LIBOR maturing \_\_\_\_\_:

Current LIBOR maturing \_\_\_\_\_:

Total:

The next LIBOR FUNDING ELECTION NOTIFICATION date is \_\_\_\_\_.

RECEIVED

FEB 24 2010

BMC GROUP

B. Gale Heaney  
Paralegal  
gheaney@porterwright.com

Porter Wright  
Morris & Arthur LLP  
41 South High Street  
Suites 2800-3200  
Columbus, Ohio 43215-6194

Direct: 614-227-2065  
Fax: 614-227-2100  
Toll free: 800-533-2794  
www.porterwright.com

porterwright

CINCINNATI  
CLEVELAND  
COLUMBUS  
DAYTON  
NAPLES  
WASHINGTON, DC

February 23, 2010

VIA OVERNIGHT DELIVERY

BMC Group Inc  
Attn: Erickson Retirement Communities, LLC  
Claims Processing  
18750 Lake Drive East  
Chanhassen, MN 55317

Re: Columbus Campus, LLC. Case No. 09-37019-11

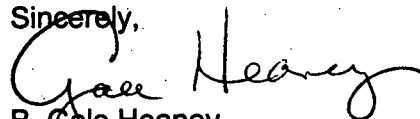
Dear Sirs:

Enclosed please find six (6) Proofs of Claims and a copy of each, which we would like filed in the above matter on behalf of the following creditors:

1. KeyBank National Association
2. Fifth Third Bank
3. Hillcrest Bank
4. Wilmington Trust FSB
5. Arvest Bank successor to Solutions Bank; and
6. First Commonwealth Bank

Please file the claims in the appropriate records of your office and return time stamped or received copies to the undersigned in the envelope provided. If you should have any questions, please contact me at 1-800-577-2319.

Sincerely,



B. Gale Heaney  
BGH:bgh

Enclosures

CC: Jack R. Pigman, Esq.  
Andrew S. Nicoll, Esq.