

UNITED STATES BANKRUPTCY COURT Northern District of Texas		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): PNC Bank, National Association, Successor To Mercantile-Safe Deposit and Trust Company		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent: PNC Bank, National Association, Mail Stop: C3-CA01-19-1 Two Hopkins Plaza, 19th Floor, Baltimore, MD 21201 Attn: Wendy Andrus, Vice President		
Telephone number: (410) 237-5923		
Name and address where payment should be sent (if different from above): PNC Bank, National Association Mail Stop: C3-CA01-19-1, Two Hopkins Plaza, 19th Floor, Baltimore, MD 21201 Attn: Wendy Andrus, Vice President		<input type="checkbox"/> 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. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
Telephone number: (410) 237-5923		
1. Amount of Claim as of Date Case Filed: \$ <u>1,184,691.25**</u>		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. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> 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). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5). <input type="checkbox"/> 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). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(). Amount entitled to priority: \$ _____ <small>*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.</small>
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. <input checked="" type="checkbox"/> 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: <u>See Attached</u> <small>(See instruction #2 on reverse side.)</small>		
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ <small>(See instruction #3a on reverse side.)</small>		
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: <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other Describe: SEE ATTACHED Value of Property: \$ <u>TBD</u> Annual Interest Rate <u>SEE ATTACHED</u> % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ <u>SEE ATTACHED</u> Basis for perfection: <u>SEE ATTACHED</u> Amount of Secured Claim: \$ <u>1,184,691.25</u> Amount Unsecured: \$ _____ <small>plus interest, late charges, fees and attorneys' fees continuing to accrue</small>		
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.) SEE ATTACHED DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
Date: <u>2-23-10</u>	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 address above. Attach copy of power of attorney, if any. PNC BANK, NATIONAL ASSOCIATION, SUCCESSOR TO MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY By: Wendy Andrus, Vice President 	
FOR COURT USE ONLY Erickson Ret. Comm. LLC 01109		

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.

**** Post-petition amounts also set forth in the attached Rider.**

RIDER TO PROOF OF CLAIM

In re Erickson Retirement Communities, LLC, Case No. 09-37010

Erickson Retirement Communities, LLC ("**Debtor**") is indebted to PNC Bank, National Association, successor to Mercantile-Safe Deposit and Trust Company ("**Bank**"), under and in connection with a commercial loan facility, providing for a loan and for issuance of letters of credit (collectively, "**Loan**") that the Bank extended to the Debtor, pursuant to that certain Fourth Amended and Restated Loan Agreement dated as of December 11, 2003 by and between the Debtor and the Bank (collectively, with any modifications and amendments thereto, the "**Loan Agreement**"), and further evidenced by, among other things, the Fourth Amended and Restated Promissory Note dated as of May 26, 1999 in the originally stated principal amount of Three Million Eight Hundred Thousand Dollars (\$3,800,000.00), executed by the Debtor and payable to order of the Bank (collectively, with any modifications and amendments thereto, "**Note**"). A true and correct copy of the Loan Agreement is attached hereto as **Exhibit 1**. A true and correct copy of the Note is attached hereto as **Exhibit 2**.

The indebtedness and obligations that are owed to the Bank by the Debtor under the Loan Agreement and the Note, are secured by, *inter alia*, various assets of the Debtor, and others (collectively, "**Collateral**"), including, without limitation, the following duly perfected mortgage liens, security interests, pledges, assignments, and other liens in, to and against the tangible and intangible assets, property rights, and benefits of the Debtor, and all cash and non-cash proceeds and products thereof, pursuant to, and as described in and evidenced by, the following:

- i. duly perfected mortgage liens, security interests, grants, pledges, assignments, and other liens in, to and against all of the real property, improvements, fixtures, and related rights and properties consisting of approximately 3.452 acres of land more or less located in Baltimore County, Maryland more particularly described in Exhibit A attached to the Deed of Trust (as defined below) ("**Land**"), and all leases, rents, profits arising from the aforesaid property, and all other rights, titles, and interests of the Debtor in and to such property pursuant to, and as described in and evidenced by (A) the Amended and Restated Indemnity Deed of Trust and Security Agreement dated as of December 11, 2003 by the Debtor to the trustees named therein for the benefit of the Bank, recorded among the Land Records of Baltimore County, Maryland in Liber 0019335, folio 388 (as amended, "**Deed of Trust**"); and (B) UCC-1 Financing Statement against the Debtor, as debtor, in favor of the Bank, as secured party, recorded among the financing statement records of the Maryland State Department of Assessments and Taxation as file no. 122447825, in Liber 3444, folio 2347, as amended by the UCC Financing Statement Amendments recorded among the financing statement records of the Maryland State Department of Assessments and Taxation in Liber 3769, folio 1937 and Liber U00303, folio 2121, UCC-1 Financing Statement against the Debtor, as debtor, in favor of the Bank, as secured party, recorded among the financing statement records of the Maryland State Department of Assessments and Taxation as file no. 180168728, in Liber 4009, folio 1407, as amended by the UCC Financing Statement Amendment recorded among the financing statement records of the Maryland State Department of Assessments and Taxation in Liber U00303, folio

2123, the UCC-1 Financing Statement against the Debtor, as debtor, in favor of the Bank, as secured party, recorded among the Land Records of Baltimore County, Maryland in Liber 9339, folio 564, as amended by the UCC Financing Statement Amendment recorded among the Land Records of Baltimore County, Maryland in Liber 11344, folio 332, and Liber 19335, folio 412, the UCC-1 Financing Statement against the Debtor, as debtor, in favor of the Bank, as secured party, recorded among the Land Records of Baltimore County, Maryland in Liber 12608, folio 415, as amended by the UCC Financing Statement Amendment recorded among the Land Records of Baltimore County, Maryland in Liber 19335, folio 414 (collectively, "**Financing Statements**", and together with the Deed of Trust, as amended and/or restated, collectively, "**Mortgage Security Documents**");

ii. duly perfected security interests, pledges, grants, assignments, and other liens in, to and against all of the Debtor's machines, apparatus, equipment fixtures and other personal property now or hereafter located on the Land or in any improvements thereon, including but not limited to furniture, fixtures, equipment and building materials acquired with proceeds of the Loan, and all right, title, and interest of the Debtor in and to any such property which may be subject to any title retention or security agreement, and all cash and non-cash proceeds and products of all of the foregoing, all pursuant to, and as described in and evidenced by (A) the Mortgage Security Documents and (B) the Financing Statements.

A true and correct copy of the Deed of Trust is attached hereto as **Exhibit 3**. True and correct copies of the Financing Statements are attached hereto as **Exhibit 4**.

The Loan Agreement, the Note, and the Mortgage Security Documents Letter of Credit, and the Guaranty are collectively referred to herein as the "**Loan Documents**".

Prior to October 19, 2009 (the "**Petition Date**"), the Debtor defaulted on its payment obligations to the Bank under the terms and conditions of the Loan Documents. As of Petition Date, the amounts owed to the Bank under the Loan Documents, exclusive of attorneys' fees and expenses, were not less than the following:

Principal:	\$1,182,222.36
Interest:	\$ 2,268.89
Fixed Facility Fees	\$ 200.00
Legal fees and expenses	
(Counsel for Lender):	\$ _____
<u>Other fees and charges:</u>	<u>\$ _____</u>
Total (as of Petition Date):	<u>\$1,184,691.25</u>

(Interest rate as of Petition Date = 3.5% [LIBOR + 3.25])
(Per diem interest as of Petition Date = \$2011.76)

As of December 31, 2009, additional amounts owed to the Bank, exclusive of attorneys' fees and expenses, under Loan Documents, were not less than the following:

Interest:	\$ 8,390.47
Legal fees and expenses	
(Counsel for Lender):	\$
Total (10/19/09 – 12/31/09):	<u>\$ 8,390.47</u>

*(Interest rate as of Petition Date = 3.5% [LIBOR + 3.25])
(Per diem interest as of Petition Date = \$2011.76)*

In addition to the foregoing amounts, the Bank reserves the right to collect as part of its respective claim against the Debtor, in accordance with the terms of the Loan Documents and applicable law, (i) all post-petition interest and late charges that accrue under the Loan Documents after the Petition Date, and (ii) all pre-petition and post-petition attorneys' fees and expenses that the Bank has incurred and hereafter incurs as a result of the filing of this bankruptcy case, the defaults existing under the Loan Documents and the enforcement of rights and remedies of the Bank under the Loan Documents, including but not limited to continuing interest, reasonable fees, costs and charges pursuant to 11 U.S.C. § 506(b).

The Bank reserves the right to periodically supplement and/or amend this Proof of Claim from time to time and to assert an unsecured claim in this bankruptcy case to the extent that the value of the Collateral is insufficient to satisfy the Bank's claims against the Debtor under the Loan Documents. The Bank also reserves the right to amend and/or supplement this Proof of Claim in all other respects and to add additional claims of any nature whatsoever, including but not limited to claims entitled to administrative priority.

The filing of this Proof of Claim is not an acknowledgment or admission that the Bankruptcy Court has jurisdiction over the Bank and/or the Bank's claims against any debtor or non-debtor entity, and the Bank reserves all rights with respect thereto. The Bank does not waive any rights to a jury trial, arbitration or enforcement of a choice of law or venue selection clause by filing this Proof of Claim. The filing of this Proof of Claim is without prejudice to any and all claims, causes of action and remedies that the Bank may have against any debtor or any non-debtors entities, all of which are expressly preserved. This Proof of Claim shall not operate as an admission or waiver of claims, causes of action or remedies that the Bank may have against any debtor or non-debtor entities under applicable law. The Bank may file additional, supplemental and/or amended Proofs of Claim, which claims shall be considered a part of this Proof of Claim.

Exhibit 1

FOURTH AMENDED AND RESTATED LOAN AGREEMENT

THIS FOURTH AMENDED AND RESTATED LOAN AGREEMENT (this "**Agreement**"), entered as of the 11th day of December, 2003, by and between ERICKSON RETIREMENT COMMUNITIES, LLC, a Maryland limited liability company (the "**Borrower**"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking institution (the "**Bank**").

RECITALS

Senior Campus Living, LLC, a Maryland limited liability company ("**SCL**"), Senior Campus Development, LLC, a Maryland limited liability company, ("**SCD**") and the Bank are parties to a certain Third Amended and Restated Loan Agreement dated as of January 9, 1998 as amended by that certain Comprehensive Amendment to Loan Documents dated as of May 26, 1999 (as amended, the "**Existing Loan Agreement**") and other Loan Documents referred to in the Loan Agreement (together with the Loan Agreement, the "**Loan Documents**"), providing for a Term Loan facility (the "**Term Loan**"). The Term Loan is evidenced by a Fourth Amended and Restated Promissory Note dated May 26, 1999 in the face amount of \$3,800,000 payable by SCD to the Bank (the "**Term Loan Note**"). The current balance of the Term Loan Note as of the date hereof is \$3,525,555.57.

SCL guaranteed to the Bank the payment and performance of SCD's obligations under the Term Loan Note pursuant to that certain Amended and Restated Guaranty Agreement dated as of January 9, 1998 by SCL (the "**Guaranty Agreement**"), which Guaranty Agreement is secured by that certain Indemnity Deed of Trust and Security Agreement dated as of August 21, 1992 granted by SCL to certain trustees for the benefit of the Bank (collectively, the "**Trustee**") and recorded among the Land Records of Baltimore County, Maryland (the "**Land Records**") at Liber S.M. No. 9339, folio 526, as modified by a First Modification to Indemnity Deed of Trust and Security Agreement dated as of July 25, 1994 and recorded among the Land Records at Liber S.M. No. 10664, folio 821, as further modified by a Second Modification and Partial Release of Indemnity Deed of Trust and Security Agreement dated as of December 12, 1995 and recorded among the Land Records at Liber S.M. No. 11344, folio 314, as further modified by a Third Modification of Indemnity Deed of Trust and Security Agreement dated as of January 9, 1998 and recorded among the Land Records at Liber S.M. No. 12608, folio 408, as further modified by a Comprehensive Amendment to Loan Documents dated as of May 26, 1999 and recorded among the Land Records at Liber S.M. No. 13830, folio 200 (collectively, the "**Existing Deed of Trust**").

By Articles of Amendment dated June 27, 2000, SCL changed its name to Erickson Retirement Communities, LLC and by Articles of Merger dated June 30, 2000, SCD merged into Erickson Retirement Communities, LLC, which is the Borrower named above. Accordingly, all obligations under the Term Loan Note, the Loan Agreement, the Guaranty Agreement and the other Loan Documents are now obligations of the Borrower.

The Borrower has requested that the Bank establish a credit facility to be used on an offering basis only, as hereinafter described, for the issuance of letters of credit in an aggregate

amount not to exceed Two Million and NO/100 Dollars (\$2,000,000) for the account of the Borrower in addition to the Term Loan, and the Bank has agreed to do so provided that, among other things, the provisions of the Existing Loan Agreement are amended and restated in their entirety in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, the parties agree as follows:

1. PREAMBLES. The Preambles are incorporated herein as though fully set forth.

2. BASIC TERMS OF THE LOAN. Subject to the terms and conditions of this Agreement and the "Loan Documents" referred to herein, the Bank agrees to make available to the Borrower, the following credit accommodations (hereinafter collectively referred to as the "Loan"):

A. Term Loan.

(1) Term Loan. The Term Loan shall remain in full force and effect, provided that there shall be no further draws or advances made or permitted thereunder.

(2) Term Loan Note. The principal amount outstanding under the Term Loan Note shall continue to bear interest at the Bank's Prime Rate plus one-quarter percent (1/4%) per annum, floating, and be payable in accordance with the terms of the Term Loan Note.

(3) Prepayments. The Borrower may prepay under the Term Loan Note at any time in any amount without premium or penalty. The Term Loan Note is subject to mandatory prepayment at the option of the Bank from December 1, 2004 through March 1, 2005 and from December 1, 2009 through March 1, 2010 in accordance with the terms of the Term Loan Note.

(4) Use of Proceeds. Amounts borrowed under the Term Loan shall continue to be used by the Borrower solely in the manner approved by the Bank at the time the advance was made.

B. Letters of Credit.

(1) Application. The Borrower has previously requested and the Bank has issued the letters of credit described on Exhibit A attached hereto. Subject to the Offering Basis Review Process (as hereinafter defined), the Borrower may apply to the Bank from time to time for, and the Bank may in the exercise of its sole and absolute discretion accept applications for, additional letters of credit to be issued by the Bank. The existing letters of credit described on Exhibit A hereto and all future letters of credit issued hereunder shall be hereinafter referred to individually as a "Letter of Credit" and collectively as the, "Letters of Credit." All Letters of Credit shall be accompanied by such fully executed standard form agreements including application forms and indemnification agreements, as the Bank, in accordance with its then current practices relating to the issuance of letters of credit, may require. Each Letter of Credit

shall expire no later than the first anniversary of the date thereof. Under no circumstances shall the face amount of all Letters of Credit outstanding at any point in time (the "**Letter of Credit Exposure**") exceed Two Million Dollars (\$2,000,000). "**Offering Basis Review Process**" means the process by which the Bank is entitled to review and approve or deny, in its sole discretion, each request by the Borrower for a Letter of Credit, which review shall be based upon the Borrower's proposed use of the proceeds of any such Letter of Credit, the nature and value of any collateral offered by the Borrower or others to secure such Letter of Credit and continued compliance by the Borrower with the terms of this Agreement. The Bank may, upon an annual review or from time to time, and upon notice to the Borrower, cease the issuance of any further Letters of Credit under the Loan Documents, regardless of whether the Term Loan remains in full force and effect or is nor longer outstanding.

(2) **Demand Note.** On the date hereof, the Borrower will execute an Amended and Restated Demand Letter of Credit Master Note in favor of the Bank in the face amount of \$2,000,000 (the "**Demand Note**", and together with the Term Loan Note, the "**Notes**"). The principal amount outstanding under the Demand Note shall bear interest at the Bank's Prime Rate plus one percent (1%) per annum, floating, and shall be payable in accordance with the terms thereof.

(3) **Letter of Credit Obligations.** The Borrower promises to pay to the Bank the following amounts which are herein called the "**Letter of Credit Obligations**": (i) the amount of each draft drawn under or purporting to be drawn under a Letter of Credit, on demand by the Bank to the Borrower, (ii) the amount of any and all charges, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which the Bank may charge, pay or incur for drawings under a Letter of Credit, transfers of a Letter of Credit, amendments to and extensions of a Letter of Credit and for the prosecution or defense of any action arising out of or in connection with any Letter of Credit, including, without limitation, any action to enjoin full or partial payment of any draft drawn under or purporting to be drawn under any Letter of Credit, on demand by the Bank to the Borrower, and (iii) interest on all amounts payable under subsections (i) and (ii) above from the date incurred until paid in full at a per annum rate of interest equal at all times to the applicable rate in effect from time to time under the Demand Note, such interest to be payable on demand by the Bank to the Borrower. The Bank may maintain on its books a letter of credit account (the "**Letter of Credit Account**") with respect to the Letter of Credit Obligations paid and payable from time to time hereunder. All statements of the Letter of Credit Account rendered by the Bank to the Borrower shall be presumed to be correct and accurate and shall constitute an account statement binding on the Borrower unless, within thirty (30) days after receipt thereof by the Borrower, the Borrower shall deliver to the Bank written objection thereto specifying the error or errors, if any, contained in any such statement, provided, however that the Bank shall have the right at any time to correct any such statement and deliver such corrected statement to the Borrower.

(4) **Obligations Absolute.** The obligation of the Borrower to pay Letter of Credit Obligations set forth in paragraph (3) above shall be absolute and unconditional and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, (ii) the existence of any claim, set-off, defense or other right which the Borrower may at any time have against the beneficiary under any Letter of Credit or the Bank, (iii) any draft or other document presented

under a Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue provided that payment by the Bank under such Letter of Credit against presentation of such draft shall not have constituted gross negligence or willful misconduct, and (iv) any other events or circumstances whatsoever, whether or not similar to any of the foregoing, provided that such other events or circumstances shall not have constituted gross negligence or willful misconduct of the Bank.

(5) Increased Costs, Etc. If any agency or instrumentality of the United States of America or any state, county, municipality or other subdivision thereof require insurance premiums on, or reserves against, any or all Letters of Credit or otherwise promulgate and/or adopt any rules, regulations, orders, statutes, interpretive rulings or laws or otherwise take any regulatory action which may effectively increase the cost to the Bank of issuing, renewing, amending and/or maintaining Letters of Credit or honoring or denying any drafts and/or acceptances drawn or purported to be drawn thereunder, then (i) upon demand of the Bank the Borrower shall pay to the Bank all amounts which are necessary to compensate the Bank for such increased costs incurred by the Bank, and (ii) the Bank may, in its sole discretion, elect not to issue any additional Letters of Credit hereunder. All statements setting forth such amount or amounts necessary to compensate the Bank for such increased costs shall be presumed to be correct and accurate and shall constitute an account statement binding on the Borrower unless, within thirty (30) days after receipt thereof by the Borrower, the Borrower shall deliver to the Bank written objection thereto specifying the error or errors, if any, contained in any such statement, provided, however that the Bank shall have the right at any time to correct any such statement and deliver such corrected statement to the Borrower.

3. FEES AND EXPENSES.

The Borrower agrees to reimburse the Bank for all reasonable out-of-pocket costs and expenses incurred by Bank at any time and from time to time in connection with the making, periodic review, extension, enforcement and collection of the Term Loan and the Letter of Credit Obligations. These costs are to include the reasonable expense of counsel at any time hereafter incurred by the Bank in enforcing the rights of the Bank under this Agreement upon the occurrence of any Event of Default.

4. PROMISES TO PAY. The Borrower promises to pay to the Bank as and when due, whether on demand, by normal maturity, acceleration or otherwise, the entire outstanding principal amount of the advances made on account of the Term Loan and the Letters of Credit hereunder, together with interest, all Letter of Credit Obligations, and all fees and expenses owed by the Borrower to the Bank hereunder, including collection fees when required (all of which obligations are hereinafter collectively referred to as the "**Obligations**").

5. EVENTS OF DEFAULT; ACCELERATION. Any or all of the liabilities and Obligations of the Borrower to the Bank, including the Term Loan, all Letter of Credit Obligations, and all interest, fees, costs and expenses (including reasonable attorneys' fees) due in connection therewith, shall be immediately due and payable at the option of the Bank upon the occurrence of any of the following events of default, (each of which shall be hereinafter referred to as an "**Event of Default**"; the term "**Default**" as used herein means the occurrence of any of

the following, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied):

A. Nonpayment. Default in the payment, when due and payable, whether according to an agreed payment schedule, at maturity, by acceleration or otherwise, of any liability of the Borrower or of any indorser, guarantor or surety for any liability of the Borrower to the Bank, including the Loan and all obligations evidenced by the Notes, which default is not cured within any applicable grace period.

B. Default Under Related Entity Obligations. Default in the payment or performance of any obligations owing to the Bank at any time or from time to time by any Related Entities (hereinafter defined). For purposes of this Agreement the term "**Related Entities**" means any firm, trust, corporation, partnership, limited partnership, limited liability company, limited liability partnership or other form of legal entity (excluding natural persons) which (1) controls, is controlled by or is under common control with the Borrower or any other entity described in this Section 5B, (2) directly or indirectly, whether beneficially or as a trustee, guardian or other fiduciary, owns any ownership interests in the Borrower, or in any entity described in this Section 5B, or is owned by the Borrower or any entity described in this Section 5B, or (3) is a stockholder, partner, member, joint venturer, trustee, guardian or fiduciary of or with the Borrower or any entity described in this Section 5B. Anything to the contrary in this Section 5B notwithstanding, the term "**Related Entities**" includes all entities which own or lease the land on which Projects (hereinafter defined) are located ("**Project Land Owners**") but excludes (i) non-profit operators of retirement communities which are unaffiliated with the Borrower and other Related Entities, (ii) The Equitable Life Assurance Society of the United States, a New York corporation, or any other institutional investor, in its capacity as an investor in one or more Project Land Owners, (iii) The Erickson Foundation, Inc., a Maryland non-profit corporation, (iv) The John and Nancy Erickson Charitable Remainder Unitrust and The John and Nancy Erickson Charitable Remainder Unitrust II, each a trust created under the laws of the State of Maryland, and (v) JCE Holding Corp., a Maryland corporation; Senior Living Limited Partnership, a Nevada limited partnership; Senior Living Limited Partnership II, a Nevada limited partnership; and J&N Nevada Holding, Inc., a Nevada corporation.

C. Draw on Letter of Credit. A draw on any Letter of Credit.

D. Misrepresentation. The making by the Borrower, or any of their officers, members, agents or representatives, of any material misrepresentation to the Bank for the purpose of obtaining credit or an extension of credit.

E. Injunctions, etc. Issuance of an injunction, attachment or judgment against any property of the Borrower which in the Bank's reasonable opinion materially affects the financial condition of the Borrower or the ability of the Borrower to meet its obligations hereunder and/or under any of the other Loan Documents, and which is not discharged or bonded to the satisfaction of the Bank within thirty (30) days after issuance.

F. Involuntary Bankruptcy. The filing of any petition, or the entry of a decree or order for relief by a court having jurisdiction, against or with respect to the Borrower in an

involuntary case under the federal bankruptcy laws or any state insolvency or similar laws requesting or ordering the liquidation of the Borrower, or the appointment of a receiver, liquidator, assignee, custodian, trustee or similar official for the Borrower or for any property of the Borrower, and the failure to have any such petition discharged or dismissed within ninety (90) days from the date of filing, or any such decree, order or appointment discharged or dismissed within sixty (60) days from the date of entry.

G. Voluntary Bankruptcy. Commencement by the Borrower of a voluntary case under the federal bankruptcy laws or any state insolvency or similar laws, or the consent by the Borrower to the appointment of a receiver, liquidator, assignee, trustee, custodian or similar official for the Borrower or any of its property, or the making by the Borrower of any assignment for the benefit of creditors or the failure by the Borrower generally to pay its debts as they become due.

H. Insolvency. Insolvency of the Borrower or any other indorser, guarantor or surety for any liability of the Borrower to the Bank which in the Bank's reasonable opinion adversely affects the financial condition of the Borrower or of such other person or entity, or the ability of the Borrower or such other person or entity, to meet its or their obligations hereunder and/or under any of the other Loan Documents.

I. Change in Affairs. The occurrence of any change (at any one time or cumulatively) in the financial condition or affairs of the Borrower, or of any other indorser, guarantor, or surety for any liability of the Borrower to the Bank as in the reasonable opinion of the Bank materially adversely affects the Bank's security or increases the Bank's risk in connection with the Loan.

J. Breach of Financial Covenants. Failure of the Borrower at any time to meet the financial covenants set forth in Section 9A of this Agreement.

K. Breach of Negative Covenants. Breach of any of the Negative Covenants described in Section 9B of this Agreement.

L. Failure to Comply With Governmental Requirements. The Borrower fails to comply with any material requirement relating to the facility (the "**Facility**") encumbered by the Deed of Trust (or any other facility financed in whole or in part with Loan proceeds) of any governmental authority having jurisdiction thereof within the time specified by such authority, or if no time is specified, within thirty (30) days, after notice in writing of such requirement shall have been given to the Borrower; or if any proceeding is commenced or action taken the result of which would materially adversely affect the Borrower, the Facility (or any facility financed in whole or in part with Loan proceeds), or the operation thereof to enforce any remedy for a violation of any requirement of a governmental authority or any restrictive covenant affecting the property or any part thereof, and the same is not dismissed within thirty (30) days after commencement.

M. Expiration, Invalidation, Transfer or Assignment of License. Any license, approval or certification necessary to operate the Facility (or any facility financed in whole or in

part with Loan proceeds) in full compliance with state and federal laws, and, with respect to any nursing home facility financed in whole or in part with Loan proceeds, to participate in and receive reimbursement from, the Medicare and Medicaid programs either (a) expires, is not renewed or is otherwise invalidated, (b) is transferred or assigned without the prior written consent of the Bank, or (c) is revoked, rescinded or modified so as to impair the operations of any such facilities.

N. Other Obligations. Default in the payment or performance of any other material obligation, covenant or agreement contained or referred to herein, or in any other Loan Document and not specifically referred to in any other paragraph of this Section 5 which, in the event of a payment default, is not cured within any applicable grace or cure period, or if none is provided, within fifteen (15) days after written demand for payment by the Bank, and, in the event of any other default, is not cured within thirty (30) days after written demand for cure by the Bank, or if such default cannot be cured within 30 days for reasons beyond the control of said party, within such longer period, in no event to exceed thirty (30) additional days (for a maximum cure period of 60 days) as may be reasonable, provided the defaulting party has commenced such cure promptly and diligently pursues the same at all times thereafter.

O. Death, Incompetency or Mental Disability of John C. Erickson. The death of John C. Erickson, or any incompetency or other mental disability which would prevent John C. Erickson from effectively carrying out management functions for the Borrower, including any finding that John C. Erickson is a "**Disabled Person**" within the meaning of Section 13-101(a) of the Estates and Trusts Article of the Maryland Annotated Code.

P. Default Under Other Loan Documents. The occurrence of any default (including expiration of any applicable grace or cure period) or Event of Default under any of the other Loan Documents (hereinafter defined).

Q. Default Under Revolving Credit Agreement. The occurrence of any default (including expiration of any applicable grace or cure period) or Event of Default under that certain Amended and Restated Revolving Credit Loan Agreement dated as of December 1, 2000 by and between the Borrower and the Bank.

6. WAIVERS. The Borrower waives demand, notice, protest, notice of acceptance of this agreement, notice of loans made, credit extended, collateral received or delivered, or other action taken in reliance hereon and all other demands and notices of any description.

7. CONDITIONS OF AGREEMENT. The obligation of the Bank to enter into this Agreement is conditioned on the accuracy, as of the date hereof, of the representations and warranties herein contained, on the performance by Borrower of the agreements to be performed hereunder when required and on the satisfaction of the following further conditions:

A. Opinion of Counsel. The Bank shall have received on the date hereof an opinion from counsel for the Borrower, in form and substance satisfactory to the Bank and its counsel, as to the matters referred to in Section 8A and 8B hereof, and to such other matters incident to the transactions herein contemplated as Bank or its counsel may reasonably require.

B. Deed of Trust. The Borrower shall have executed and delivered to the Bank an Amended and Restated Deed of Trust and Security Agreement (the "**Deed of Trust**"), amending and restating the terms of the Existing Deed of Trust and extending the same to secure all Letter of Credit Obligations under the Loan Documents in addition to all obligations now or hereafter owing in connection with the Term Loan.

C. Title Insurance. The Bank shall have received a title insurance endorsement from an insurer and in a form acceptable to the Bank covering the Deed of Trust in a minimum amount equal to the outstanding balance of the Term Loan (\$3,525,555.57) plus the maximum amount of all Letters of Credit which may be issued hereunder (\$2,000,000) for a total insurance coverage of Five Million Five Hundred Twenty Five Thousand Five Hundred Fifty Five and 57/100 Dollars (\$5,525,555.57).

D. Miscellaneous. All legal details and proceedings in connection with the transactions contemplated by this Agreement shall be in form and substance satisfactory to the Bank and its counsel.

8. REPRESENTATIONS AND WARRANTIES. To induce the Bank to enter into this Agreement the Borrower represents, warrants and promises as follows (such representations, warranties and promises to be effective until all amounts now or hereafter owing by Borrower to the Bank have been paid in full):

A. Organization. The Borrower is a limited liability company duly organized and validly existing under the laws of the State of Maryland. The Borrower has the power to own its property and to carry on its business as now conducted and is in good standing in every jurisdiction in which the character of properties owned by it or the transaction of its business makes such qualification necessary.

B. Authority. The Borrower has full power and authority to enter into this Agreement, to make and guarantee the borrowings and other obligations hereunder, to execute and deliver this Agreement and the other Loan Documents, and to perform and comply with the terms, conditions, and agreements set forth herein and therein, all of which have been duly authorized by all proper and necessary action of the Borrower. No consent or approval of the members of the Borrower, or of any governmental authority, is required as a condition to the validity of this Agreement or the other Loan Documents, or if required, such consent or approval has been obtained.

C. Binding Agreement. This Agreement constitutes, and the other Loan Documents constitute or will constitute when issued and delivered for value received, the valid and legally binding obligations of the Borrower enforceable in accordance with their respective terms subject to (1) applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, and (2) the exercise of judicial discretion in accordance with general principles of equity.

D. Litigation. There are no proceedings pending or, so far as any person signing this Agreement knows, threatened before any court, administrative agency or other tribunal which could adversely affect the financial condition or operations of the Borrower.

E. No Conflicting Agreements. There are no provisions of the Borrower's Articles of Organization, and no provisions of any existing mortgage, deed of trust, indenture, contract, lease, or other agreement of any kind binding on any of the Borrower or affecting property of any of the Borrower which would conflict with or in any way prevent the execution, delivery, or carrying out of the terms of this Agreement or the other Loan Documents.

F. Financial Information. The Borrower's financial statements, copies of which have been furnished to the Bank, were prepared in accordance with generally accepted accounting principles consistently applied and are complete and correct and fairly and accurately present the financial condition of the Borrower as of their date for the period then ended in all material respects. There has been no material adverse change in the financial condition of the Borrower since the dates of such financial statements.

G. Other Information. All information contained in any financial statement, application, schedule, report, certificate, opinion, or any other document given by the Borrower, or any agent or representative of the Borrower or any professional retained by any of them in connection with the Loan or with any of the Loan Documents is in all material respects true and accurate, and the Borrower and such other persons have not omitted to state any material fact or any fact necessary to make such information not misleading.

H. Assets and Properties. The Borrower has good and marketable title to all of the assets and properties related to the Facility, and there are no liens or encumbrances of any type or kind outstanding against any of these assets and properties other than encumbrances (if any) set forth on the schedule entitled "**List of Current Permitted Liens**" attached as Exhibit B hereto.

I. Taxes. All taxes, assessments, impositions and levies of any type or kind imposed upon the Borrower or upon any of their properties, operations, and income have been paid and discharged prior to the date when any interest or penalty would accrue for the nonpayment thereof except for those being contested in good faith and by appropriate proceedings by the Borrower.

J. Names of Borrower. In the past twelve (12) years, the Borrower has not done, and currently does not do, business under any name other than the names set forth in Exhibit C of this Agreement.

K. Violation of Laws. Neither the consummation of this Agreement nor the use, directly or indirectly, of all or any portion of the proceeds of the Term Loan or any Letter of Credit will violate or result in a violation of any provision of any applicable statute, regulation or order of, or any restriction imposed by, any applicable governmental or quasi-governmental entity.

L. Location of Assets. All tangible assets of the Borrower are located at the locations specified on the schedule entitled "**List of Operating Locations**" attached as Exhibit D hereto.

M. Location of Records. All books and records of the Borrower are kept and maintained at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

N. Licenses, etc. The Borrower has applied for or obtained and now hold all licenses, permits, franchises, patents, trademarks, copyrights and trade names which are necessary to the conduct of its businesses as now conducted free of any conflict with the rights of any other person, including, without limitation, (i) all licenses, permits and authorizations that are required for the operation of the Facility for its intended purposes in the State of Maryland.

9. COVENANTS. Until all obligations and liabilities of the Borrower to the Bank under this Agreement and other Loan Documents have been paid and performed in full, the Borrower shall keep and perform, and shall cause the Related Entities to keep and perform the following covenants, and does hereby covenant, agree and promise to the Bank as follows:

A. General Affirmative Covenants. The Borrower and the Related Entities shall at all times during the term of the Term Loan and any Letter of Credit and any extension or renewal thereof comply with the following covenants:

(1) Financial Information.

(a) Monthly Financial Statements and Reports. The Borrower and each of the Related Entities shall deliver to the Bank within thirty (30) days after the close of each calendar month, beginning with the month ended June 30, 2003, in a form satisfactory to the Bank (i) an unaudited balance sheet as of the close of such month and statements of income and retained earnings and a statement of cash flows for that month, prepared on a consolidated and consolidating basis and in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period (or containing disclosure of the effect on the financial position or results of operations of any change in the application of generally accepted accounting principles during the period), (ii) an aging schedule for both accounts receivable and accounts payable, or if the Borrower does not prepare such monthly reports for their own internal purposes, copies of trial balances or other monthly financial statements as are in fact prepared by the Borrower for its internal purposes, and (iii) information with regard to presales, entrance deposits and settlements of units for all Projects owned, leased, operated or managed by the Borrower or any of the Related Entities, which information shall include a copy of any management report produced during such month with respect to any Project. Each of the statements and reports described in this paragraph (a) shall be certified as to their accuracy and completeness by the chief financial officer of the Borrower and each of the Related Entities and the party or parties so certifying shall execute and deliver a Reporting and Compliance Certificate in the form attached hereto as Exhibit E (either on an individual basis for the Borrower and each of the Related Entities or on a consolidated basis for all such entities) on a monthly basis together with the statements and reports described above.

(b) Year End Financial Statements. The Borrower and any and all Related Entities, shall deliver to the Bank within ninety (90) days after the close of each fiscal year beginning with the year ended January 31, 2004 a balance sheet for each such entity as of the close of such fiscal year and statements of income and retained earnings and a statement of cash flows for the year then ended, prepared on a consolidated and consolidating basis and in conformity with generally accepted accounting principles, applied on a basis consistent with that of the preceding year (or containing disclosure of the effect on financial position or results of operations of any change in the application of generally accepted accounting principles during the year), audited by an independent certified public accountant acceptable to the Bank, together with a statement from such accountant as to whether or not the Borrower is in compliance with the specific numerical covenants set forth in Section 9A of this Agreement (after the date applicable), as well as whether in the performance of its services such accountant became aware of the existence of any other Default or Event of Default under the Loan Documents, or any event which, with the giving of notice or the lapse of time, might be or become a Default or an Event of Default thereunder.

(c) Budget. The Borrower will deliver to the Bank not less than thirty (30) days prior to the start of each new fiscal year, an annual operating budget for Borrower.

(d) Project Status Reports. The Borrower will deliver to the Bank within twenty-one (21) days after the end of each fiscal quarter of Borrower a project status report for every continuing care retirement community or other project being developed, managed, operated, sponsored or constructed by Borrower or any of the Related Entities, whether or not financing for such projects is being provided by the Bank.

(e) Marketing Reports. The Borrower will deliver to the Bank within twenty-one (21) days after the end of each calendar month a monthly marketing report with narrative analysis for every project described in paragraph (d) above.

(f) Tax Returns. The Borrower and all Related Entities shall supply to the Bank copies of their state and federal tax returns within ten (10) days of filing thereof.

(g) Miscellaneous. Upon the Bank's written request, the Borrower and each of the Related Entities shall also deliver to the Bank promptly such other information as the Bank may, from time to time, reasonably request to evaluate the financial condition and business affairs of any such entity.

(2) Insurance. The Borrower and each of the Related Entities will maintain adequate fire (including so-called extended coverage), public liability, business interruption and other insurance in such form and written by such companies as is deemed appropriate in the reasonable opinion of the Borrower, subject to review and approval of the Bank, and will provide certificates to the Bank evidencing all such coverages promptly following the date any such coverages are placed in force or renewed, and will further upon request of the Bank, deliver to the Bank certified copies of the policies concerned and any additional evidence of renewal and/or

continuation of such policies reasonably requested by the Bank on an annual or other basis. All policies covering property given as security for the obligations of the parties to the Loan Documents in connection with the Letters of Credit shall have loss payable clauses in favor of the Bank as its interests may appear and shall provide for thirty (30) days' notice to Bank prior to cancellation, expiration or material reduction in coverage. In addition, the Borrower and each of the Related Entities shall comply with any additional insurance requirements under any other documents relating to all Letters of Credit.

(3) Depository Account. Unless and until the Bank agrees otherwise in writing, in its sole discretion, the Borrower shall, and each of the Related Entities for which the Bank has provided Project Financing shall, maintain its primary banking relationship with the Bank during the term of any Letters of Credit and the Term Loan.

(4) Use of Proceeds. The Borrower shall use the proceeds of the Term Loan only for the purposes approved by the Bank in connection with each advance and the proceeds of each Letter of Credit only for the purposes approved in writing by the Bank in connection with the issuance thereof.

(5) Compliance With Laws. The Borrower shall comply, and shall cause all Related Entities to comply, with all laws, rules and regulations the breach of which might adversely affect the financial status or operations of the Borrower or any of the Related Entities.

(6) Notice of Changes to Liquidity Requirements. The Borrower shall notify the Bank in writing within ten (10) days following the date on which any requirement to maintain Liquid Assets in excess of \$24,000,000 is imposed on or agreed to by the Borrower and/or the Related Entities, jointly or severally, and within the ten (10) days after each change in any such requirement occurs or becomes effective. The Borrower shall also notify the Bank in writing within five (5) days following any date on which (a) the Borrower and/or the Related Entities have Loans outstanding of the type described in Section 9(B)(7)(a) of this Agreement, and (b) the Borrower's Liquid Assets are reduced to an amount less than or equal to Thirty Million Dollars (\$30,000,000).

(7) Liquidity Covenant. The Borrower will, and will cause the Related Entities to, maintain at all times combined, unrestricted cash and readily marketable securities (including both equity and debt instruments) ("**Liquid Assets**") equal in value to at least Twenty-Four Million Dollars (\$24,000,000), or such greater amount as any of the Borrower or the Related Entities are obligated by other lenders to maintain under any agreements with such other lenders. Until all the Letter of Credit Obligations have been indefeasibly paid in full and no commitments therefor are outstanding, substantially all of the Liquid Assets of the Borrower and the Guarantors shall at all times be deposited with and/or held by the Lender.

B. General Negative Covenants. Without the prior written consent of Bank, which may be withheld in the Bank's sole and absolute discretion, neither the Borrower nor any one or more of the Related Entities shall:

(1) Debt. Incur, create, assume or permit to exist, or pledge any collateral with respect to, any obligation or obligations for money borrowed or other indebtedness or

obligation of any type other than (a) indebtedness shown on the financial statements of such entity provided to the Bank in connection with the Term Loan and the Letters of Credit, (b) the Term Loan and the Letters of Credit described herein or other obligations in favor of the Bank, (c) up to Two Hundred Fifty Thousand Dollars (\$250,000) in the aggregate for the Borrower and all of the Related Entities, in additional miscellaneous debt for business purposes, (d) trade debt incurred in the ordinary course of business or (e) revolving construction loans, letters of credit, surety bonds and other credit accommodations of any kind ("**Project Financing**") made available by the Bank or any other person or entity to the Borrower and/or Related Entities for the acquisition or construction of any continuing care retirement community ("**Project**"), loans made to Related Entities owning or leasing the land upon which a Project is located of amounts received by the non-profit operator of such Project in the form of entrance deposits from residents or prospective residents of such Project ("**Community Loans**") and any financing in favor of any non-profit operator of any Project, the proceeds of which are paid over to any of the Related Entities to be used for construction of any Projects ("**Bond Financing**"), but only if the Borrower and/or Related Entities notify the Bank in writing in advance of incurring any such Project Financing, Community Loans or Bond Financing.

(2) Guaranties. Indorse, guarantee or become surety for the obligation of any person, firm or corporation, except that (a) the Borrower and Related Entities may indorse checks or other instruments for deposit or collection in the ordinary course of business, and (b) the Borrower and the Related Entities may guarantee debts which they would otherwise be permitted to borrow directly under paragraph (1), above, but such guarantees shall count toward the limits on additional indebtedness established in such paragraph.

(3) Sales, etc. Sell, sell and leaseback, mortgage, pledge or otherwise encumber any property, real or personal, now owned or hereafter acquired, or permit any lien or security interest to exist thereon, except for (a) liens securing indebtedness or guaranties of indebtedness permitted under this Agreement, but only if (i) each of the following are true: (I) such indebtedness is in existence as of the date hereof and has been disclosed to the Bank, (II) all such indebtedness which constitutes Project Financing is secured by liens relating only to the assets of the Project acquired or financed with the proceeds of such Project Financing, and (III) all such indebtedness which constitutes Project Financing is disclosed to and approved by the Bank, in writing, or (ii) if Bank receives written notice of any such lien before the same is created and such lien does not encumber assets other than assets used or acquired in connection with any Project and does not encumber assets subject to any lien in favor of the Bank, or if the Bank does have a lien on such assets, an intercreditor agreement acceptable to the Bank in its sole discretion is executed and delivered by the holder of such lien prior to or contemporaneous with its creation, (b) liens for taxes not delinquent or being contested in good faith, (c) liens for mechanics or materialmen with respect to obligations not overdue or being contested in good faith, (d) liens in favor of Bank, (e) sales or other dispositions in the ordinary course of business of worn or obsolete furniture, fixtures or equipment and (f) liens listed on Exhibit B attached hereto.

(4) Ownership and Management. Cause or permit any change in the ownership or management of the Borrower or the Related Entities without the prior written consent of the Bank, which consent may be withheld if the Bank determines in its sole discretion that such change in ownership or management constitutes a material adverse change of

circumstances in connection with the Term Loan or the Letters of Credit or with the business operations or financial prospects of the Borrower.

(5) Mergers. Be or become a party to any merger or consolidation with any other entity, except for mergers between or with Related Entities (and in which one of the Related Entities is the survivor) as to which Bank has been given prior written notice and which do not limit or impair any obligations owing to the Bank or the Bank's rights with respect to collateral securing any such obligations.

(6) Liquidation. Suffer or permit dissolution or liquidation either in whole or in part.

(7) Loans. Make loans to any person or entity for any purpose except (a) loans other than working capital loans made by a Project land owner to a non-profit operator of a Project to finance such operator's working capital needs not in excess of One Hundred Thousand Dollars (\$100,000) in the aggregate at any one time during the term of the Term Loan or any of the Letters of Credit ("**Project Working Capital Loans**") made by the Borrower or the Related Entities, jointly or severally, to one another at any time when the Borrower maintains Liquid Assets in excess of Thirty Million Dollars (\$30,000,000), provided the Borrower and the Related Entities give prior written notice to Bank of such loans, (b) Project Working Capital Loans which are part of a Project Financing from time to time or as to which the Borrower and/or the Related Entities have given written notice to the Bank in advance of incurring of the same, and which are separately identified and limited in amount as and to a portion of such Project Financing, (c) loans made to members during any fiscal year in amounts not exceeding the amount of the anticipated permitted distributions to be made to such member during such fiscal year less the amount of all actual distributions so made at any time, provided the Borrower and the Related Entities give written notice of such loans to the Bank in advance of the making thereof, and (d) loans to employees, provided the outstanding balance of such loans does not exceed \$10,000 per person or \$250,000 in the aggregate.

10. CONFESSION OF JUDGMENT; JURISDICTION AND VENUE. Upon the occurrence of any Event of Default hereunder or under any of the other Loan Documents the Borrower authorizes any attorney admitted to practice before, or any clerk of, any court of record in the United States to confess judgment on behalf of the Borrower against the Borrower in the full amount due by the Borrower in connection with the Term Loan and all Letter of Credit Obligations, plus attorneys' fees of up to a maximum of \$150,000. (This provision shall not limit the obligation of the Borrower to pay all reasonable attorney's fees in connection with the Term Loan, the Letters of Credit and this Agreement.) The Bank agrees that in attempting to satisfy or enforce any judgment by confession obtained against the Borrower in connection with this Agreement, the Bank shall not seek or demand, solely with respect to attorney's fees incurred by the Bank in connection with this Agreement, any amounts in excess of the actual amount of reasonable attorney's fees charged or billed to the Bank. In addition, the Bank agrees not to sell or assign any judgment obtained pursuant to this Section 10 unless the assignee agrees to be bound by the provisions of the immediately preceding sentence. In any action brought by the Bank under this Agreement, the Borrower consents to the exercise of personal jurisdiction over it by the courts of the State of Maryland, including any federal courts sitting in such jurisdiction,

and agrees that venue shall be proper in any County of the State of Maryland (including Baltimore City) or in the United States District Court for the District of Maryland, 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 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 Rule 2-611 of the Maryland Rules of Civil Procedure to move for a stay of execution of judgment by confession, 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 Bank shall deem necessary or desirable, for all of which this Agreement shall be sufficient warrant.

11. SECURITY. The Term Loan, all Letter of Credit Obligations, and all other Obligations under the Loan Documents are secured by the Deed of Trust.

12. LOAN DOCUMENTS. As used herein the term "**Loan Documents**" refers to this Fourth Amended and Restated Loan Agreement, the Term Loan Note, the Demand Note, the Deed of Trust, and any and all other agreements, certificates, opinions, assignments, financing statements and other documents or instruments of any kind executed in connection herewith or therewith, and all current and future supplements, amendments and attachments thereto.

13. NOTICES. All notices required or permitted hereunder shall be in writing and made by addressing the same to the party to whom directed at the following addresses by personal delivery, overnight delivery or registered or certified mail, return receipt requested:

Bank:

Mercantile-Safe Deposit and
Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21201
Attn: Bruce D. McLean

With copies to:

Christopher J. Fritz, Esquire
Ballard Spahr Andrews & Ingersoll, LLP
18th Floor
300 E. Lombard Street
Baltimore, Maryland 21202

Borrower:

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

Any party may change the address to which notices are to be sent by a writing directed to the other parties in the manner aforesaid. Unless otherwise specifically provided, all notices hereunder given by mail, as aforesaid, shall be deemed delivered on the third (3rd) business day after the date on which the same are 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 delivered only when received.

14. MISCELLANEOUS.

A. Liens; Set-off. As security for the payment of any or all of the liabilities and Obligations of the Borrower to the Bank, including the Term Loan and all Letter of Credit Obligations, the Borrower hereby grants to the Bank a continuing security interest in and lien on, all indebtedness owing by it to, and all of its deposits (general or special), credits, balances, monies, securities and other property and all proceeds thereof, both now and hereafter held or received by, in transit to, or due by, the Bank. In addition to, and without limitation of, any rights of the Bank under applicable laws, if a Default occurs, the Bank may at any time and from time to time thereafter, without notice to the Borrower, hold or segregate, and following the occurrence of an Event of Default, set-off, appropriate and apply at any time and from time to time thereafter all such indebtedness, deposits, credits, balances (whether provisional or final and whether or not collected or available), monies, securities and other property toward the payment of all or any part of the liabilities of the Borrower to the Bank in such order and manner as the Bank in its sole discretion may determine. The Borrower agrees that all security and collateral given for any prior, concurrent or subsequent loan from Bank to Borrower shall serve as collateral for all liabilities and Obligations of the Borrower to the Bank hereunder, including the Term Loan and all Letter of Credit Obligations.

B. Waiver. No waiver of any power, privilege, right or remedy (hereafter collectively referred to as "**Rights**") hereunder shall be effective unless in writing. No delay on the part of the Bank in exercising any Rights hereunder, or under any other instrument executed 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 shall preclude other or further exercise thereof, or the exercise of any other Rights. Waiver by the Bank 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 provisions or part of any provision of this Agreement shall be contrary to any law which the Bank might seek to apply or enforce, or should otherwise be defective, no other provisions, or parts of such provisions, of this Agreement shall be affected thereby, but shall continue in full force and effect. All Rights of the Bank 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 instruments or any laws now existing or hereafter enacted.

C. Assignment. The Bank may, without notice to, or consent of, the Borrower, sell, assign or transfer to any person or entity all or any part of the Term Loan, the Letters of Credit and Loan Documents, and in the event of any such assignment, the interests, rights and remedies of the Bank hereunder shall extend to, and vest in, any such assignee or assignees who shall have the right to enforce the provisions of this Agreement as fully as the Bank, provided that the Bank shall continue to have the unimpaired right to enforce the provisions of this Agreement as to so much of the Obligations (including the Term Loan and all the Letter of Credit Obligations) and Loan Documents that it has not sold, assigned or transferred. The Borrower will fully cooperate with the Bank in connection with any such assignment and will execute and deliver such consents and acceptances to any such assignment and amendments to this Agreement and the other Loan Documents in order to effect any such assignment (including, without limitation, the appointment of the Bank as agent for itself and all assignees). The Obligation of the Borrower to pay the reasonable costs of the Bank in connection with the Loan (as provided in Section 3 hereof) shall not extend to costs incurred by the Bank in connection with such an assignment.

D. Survival. All representations, warranties and covenants contained among the provisions of this Agreement shall survive the execution and delivery of this Agreement and all other Loan Documents. The provisions of the Loan Documents shall supersede all other agreements, representations and discussions, including any commitment letters for the Term Loan or Letters of Credit, made or entered into prior to or contemporaneous with the execution and delivery of the Loan Documents.

E. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Borrower and the Bank and their respective personal representatives, successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Bank.

F. Continuing Agreement. This Agreement shall be continuing and binding on the parties hereto regardless of how long before or after the date hereof any advances under the Loans were or are incurred or any Letters of Credit were or are issued. This Agreement shall terminate when all Obligations of the Borrower to the Bank under the Loan Documents, including the Term Loan and all Letter of Credit Obligations, have been indefeasibly paid in full and no commitments therefor are outstanding, at which time the Bank will reassign and deliver to the Borrower, against receipt, such collateral as is still held by the Bank (if any) and not sold

or otherwise applied by the Bank pursuant to the terms of the Loan Documents. Any such reassignment shall be without recourse to or warranty by the Bank, and at the expense of the Borrower.

G. Applicable Law. This Agreement and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with the Laws of the State of Maryland (without regard to principles of conflicts of law), both in interpretation and performance.

H. Waiver of Jury Trial. The Bank and the Borrower hereby waive all rights to a jury in any action, counterclaim, or proceeding based upon, or related to, this Agreement or any of the Loan Documents. This waiver applies to all claims against all parties to such actions and proceedings, including parties who are not parties to this Agreement. This waiver is knowingly, intentionally, and voluntarily made by the parties who acknowledge that they have been represented in the execution of this Agreement and in the making of this waiver by independent legal counsel, selected of their own free will, and that they have had the opportunity to discuss this waiver with counsel. The parties further acknowledge that they have read and understand the meaning and ramifications of this waiver provision.

I. Duplicate Originals and Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute but one and the same instrument.

J. Exhibits and Schedules. Any exhibits and schedules attached to this Agreement are an integral part hereof and are hereby incorporated herein and included in the term "**this Agreement**".

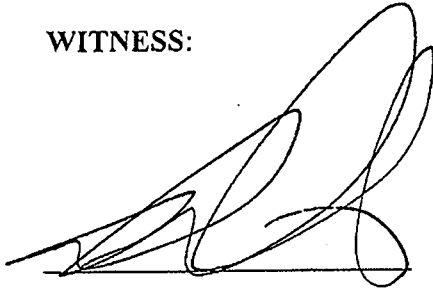
K. Headings. Headings in this Agreement are included herein for convenience of reference only, shall not constitute a part of this Agreement for any other purpose and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

L. Ratification, No Novation, etc. This Agreement is an agreement confirming, amending and restating the Loan Agreement. All of the provisions of the Loan Agreement are incorporated herein by reference and shall remain and continue in full force and effect as the same are amended and restated by this Agreement. The Borrower hereby ratifies and confirms all of its obligations, liabilities and indebtedness (including those of SCD and SCL) under the provisions of the Loan Agreement as the same are amended, modified and restated by this Agreement. The provisions of this Agreement shall control and govern with respect to all matters regarding the Term Loan and the Letters of Credit. The Bank and the Borrower agree it is their intention that nothing herein shall be construed to extinguish, release or discharge or constitute, create or effect a novation of, or an agreement to extinguish, any of the Obligations, indebtedness and liabilities of the Borrower under the provisions of the Loan Agreement or the other Loan Documents, or any assignment or pledge to the Bank of, or any security interest or lien granted to the Bank in or on, any collateral and security for such Obligations, indebtedness and liabilities.

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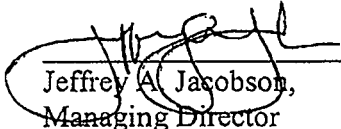
IN WITNESS WHEREOF and intending to be legally bound hereby, the Borrower and the Bank have executed and delivered this Fourth Amended and Restated Loan Agreement as of the day and year first above written.

WITNESS:



BORROWER:

ERICKSON RETIREMENT COMMUNITIES,
LLC

By:  (SEAL)
Jeffrey A. Jacobson,
Managing Director

BANK:

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY

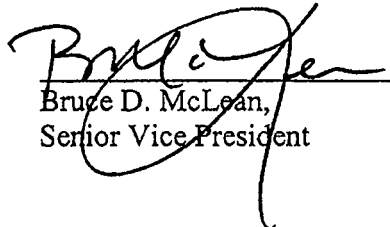
By:  (SEAL)
Bruce D. McLean,
Senior Vice President

EXHIBIT A

LIST OF OUTSTANDING LETTERS OF CREDIT

<u>LOC Number</u>	<u>Amount</u>
272484708296	\$700,000.00
272484708957	\$350,000.00
272484708474	\$150,000.00
575066608072	\$30,000.00
575066608073	\$29,085.00
575066608074	\$201,908.52
575066608404	\$20,000.00

EXHIBIT B

LIST OF CURRENT PERMITTED LIENS

All liens and other matters disclosed in Chicago Title Insurance Policy No. 21-0093-61-000822, together with all endorsements thereto.

EXHIBIT C

NAMES OF ENTITY

1. Senior Campus Living, LLC
2. Senior Campus Development, LLC
3. Erickson Retirement Communities, LLC

EXHIBIT D

LIST OF OPERATING LOCATIONS

701-703 Maiden Choice Lane
Baltimore City and Baltimore County, Maryland

EXHIBIT E

Reporting and Compliance Certificate

[Date]

Mercantile-Safe Deposit
and Trust Company
Two Hopkins Plaza
Baltimore, MD 21201
Attn: Bruce D. McLean,
Senior Vice President

Re: *Erickson Retirement Communities, LLC*
Fourth Amended and Restated Loan Agreement
Dated _____, 2003

Ladies and Gentlemen:

This Reporting and Compliance Certificate is submitted in connection with the monthly financial and operating reports required to be provided under Section 9A(1)(a) of the Fourth Amended and Restated Loan Agreement dated _____, 2003 (the "Loan Agreement") between Mercantile-Safe Deposit and Trust Company (the "Bank") and Erickson Retirement Communities, LLC (the "Borrower"). To the best knowledge of the undersigned, who is the chief financial officer of the Borrower, the following information (including all information contained in the Schedules attached hereto) representations and warranties are true, accurate and complete as of the date of this Certificate:

1. No Default, as defined in the Loan Agreement, has occurred and is continuing, and no Event of Default, as defined in the Loan Agreement, has occurred. [If a Default or Event of Default has occurred, detailed information with respect thereto must be supplied with this letter.].

2. A complete list of the Related Entities in existence as of the date hereof is attached hereto as Schedule I.

3. Attached hereto as Schedule II are the following reports for the Borrower and each of the Related Entities for the month ended _____:

An unaudited balance sheet as of the close of such month and statements of income and retained earnings and a statement of cash flows for that month, prepared on a consolidated and consolidating basis and in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period (or containing disclosure of the effect on the

financial position or results of operations or any change in the application of general accepted accounting principles during the period).

4. Attached hereto as Schedule III is an aging schedule for both accounts receivable and accounts payable for the Borrower and each of the Related Entities.

5. Attached hereto as Schedule IV is the following information with respect to all Projects (as defined in the Loan Agreement) owned, leased, operated or managed by the Borrower or any of the Related Entities:

(a) The number and type of all unit sales and presales, including units designated as "settled," "reserved," "standby" and "futures."

(b) The amount of all entrance deposits and fees received by the Borrower, any of the Related Entities, any non-profit operator of a Project or any escrow agent with respect to such Projects, including all entrance deposits and fees designated as the "Priority List Deposit," the "Reservation Deposit," the "Six Month Deposit," the "Ten Percent Deposit" and all other entrance deposits and fees regardless of title or designation. Schedule IV shall separately identify the amount of such entrance deposits and fees which have been loaned to the Borrower and/or the Related Entities and paid to the Bank with respect to any Project Financing (as described in the Loan Agreement).

6. Attached hereto as Schedule V are copies of the management reports produced during the month ended _____ with respect to the Projects.

7. Attached hereto as Schedule VI are the following reports for the Borrower and each of the Related Entities for the fiscal quarter ended _____:

A balance sheet as of the close of such fiscal quarter and statements of income and retained earnings and a statement of cash flows for such fiscal quarter, prepared on a consolidated and consolidating basis and in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period (or containing disclosure of the effect on the financial position or results of operations or any change in the application of general accepted accounting principles during the period).

(Signature of Chief Financial Officer)

Exhibit 2

Copy

THIS FOURTH AMENDED AND RESTATED DEMAND PROMISSORY NOTE IS ISSUED PURSUANT TO THE TERMS OF A COMPREHENSIVE AMENDMENT TO LOAN DOCUMENTS DATED OF EVEN DATE HERewith BY AND AMONG SENIOR CAMPUS DEVELOPMENT, LLC, A MARYLAND LIMITED LIABILITY COMPANY (THE "BORROWER"), SENIOR CAMPUS LIVING, LLC, A MARYLAND LIMITED LIABILITY COMPANY (THE "GUARANTOR") AND MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, A MARYLAND BANKING INSTITUTION (THE "BANK"), AND AMENDS AND RESTATES THE PROVISIONS OF A THIRD AMENDED AND RESTATED REVOLVING CREDIT PROMISSORY NOTE IN THE FACE AMOUNT OF \$15,000,000 DATED JANUARY 9, 1998 GIVEN BY THE BORROWER TO THE BANK.

May 26, 1999

\$3,800,000.00

**FOURTH AMENDED AND
RESTATED PROMISSORY NOTE**

THIS FOURTH AMENDED AND RESTATED PROMISSORY NOTE (this "Note") is made as of the 26 day of May, 1999, by SENIOR CAMPUS DEVELOPMENT, LLC, a Maryland limited liability company (the "Borrower"), in favor of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking institution (the "Bank").

RECITALS

WHEREAS, the Bank is the holder of that certain Revolving Loan Note dated August 21, 1992 in the original principal amount of Fifteen Million Dollars (\$15,000,000) executed by St. Charles Holding Limited Partnership in favor of the Bank, the terms of which Revolving Loan Note were amended and restated pursuant to that certain Amended and Restated Demand Revolving Loan Note dated July 25, 1994 and again pursuant to that certain Second Amended and Restated Revolving Credit Promissory Note dated December 12, 1995, each of which was also executed by St. Charles Holding Limited Partnership in favor of the Bank (all such documents being hereinafter collectively referred to as the "Original Note"); and

WHEREAS, the Borrower executed a Borrower Assumption Agreement dated January 9, 1998 in favor of the Bank (the "Assumption Agreement") pursuant to which the Borrower agreed to assume all of the obligations of St. Charles Holding Limited Partnership in connection with the Original Note, and the Bank agreed to such assumption;

WHEREAS, the terms of the Original Note were amended and restated pursuant to the terms of a Third Amended and Restated Revolving Credit Promissory Note dated January 9, 1998, executed by the Borrower in favor of the Bank (the "Third Amended and Restated Note"); and

WHEREAS, the Bank and the Borrower now desire to amend and restate the Third Amended and Restated Note in order to extend the Maturity Date (hereinafter defined) and to provide for the amortization of the Loan (as defined in the Comprehensive Amendment, which is hereinafter defined).

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt of which are hereby acknowledged, the Third Amended and Restated Note shall be AMENDED and RESTATED as follows:

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to the order of Mercantile-Safe Deposit and Trust Company (the "Bank") at the Bank's offices at Two Hopkins Plaza, Baltimore, Maryland 21201 or at such other place as the holder of this Note may from time to time designate, the principal sum of Three Million Eight Hundred Thousand Dollars (\$3,800,000), as described in that certain Comprehensive Amendment to Loan Documents between the Borrower, Senior Campus Living, LLC, a Maryland limited liability company (the "Guarantor") and the Bank of even date herewith (the "Comprehensive Amendment") (all capitalized terms used herein having the meanings ascribed to such terms in the Comprehensive Amendment), 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 June 1, 2014 or such later date as may be agreed to by the Bank in writing (the "Maturity Date"), or on such earlier date specified by the Bank if this Note is accelerated pursuant to Section 6 hereof. The following terms shall apply to this Note.

1. Interest Rate. Interest shall accrue under this Note at the floating rate obtained by adding one quarter of one percent (1/4%) to the prime rate of interest declared by the Bank from time to time, such rate to be adjusted on any date on which a change in the Bank's prime rate is effective. The prime rate as used herein refers to that interest rate set by the Bank from time to time as an interest rate base for borrowings. The prime rate is one of several interest rate bases used by the Bank. The Bank lends at rates above and below the prime rate.

2. Repayment. Beginning on July 1, 1999 and continuing on the first day of each succeeding calendar month until the final and absolute due date of this Note, the Borrower shall pay interest accrued on the unpaid principal balance hereof at the applicable rate under this Note together with a principal payment on each such date which is calculated by dividing the face amount of this Note by the number one hundred eighty (180) (representing equal monthly principal payments calculated on an assumed fifteen (15) year amortization schedule). 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 June 1, 2014, which is the final and absolute due date of this Note.

3. Calculation of Interest. Interest shall be calculated on the basis of a three hundred sixty (360) days per year factor applied to the actual days on which there exists an unpaid principal balance.

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

5. Acceleration Upon Default. At any time more than ten (10) days 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 (any such default hereunder or Event of Default under the other Loan Documents being hereinafter referred to as an "Event of Default"), the Bank may, in the Bank's sole and absolute discretion 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.

6. Prepayment.

(a) Optional Prepayment. The Borrower may prepay all or any portion of the principal amount of this Note at any time without Bank's prior consent.

(b) Mandatory Prepayment. This Note is subject to mandatory prepayment at the option of the Bank in its sole discretion in an amount equal to the unpaid principal balance, all accrued and unpaid interest and all other amounts due hereunder at any time during the following periods: December 1, 2004 through March 1, 2005, and December 1, 2009 through March 1, 2010 (each a "Mandatory Prepayment Period"). The Bank shall be entitled to exercise its option to require a mandatory prepayment during any Mandatory Prepayment Period by giving the Borrower written notice of its desire to so exercise such option anytime during a Mandatory Prepayment Period. The Borrower shall have a period of sixty (60) days following receipt of any such notice from Bank in which to pay this Note in full. Notwithstanding the foregoing the Bank may (but shall have no obligation to) give written notice of mandatory prepayment prior to the commencement of a Mandatory Prepayment Period, and if the Bank does so the Bank need not give a second notice once such Period commences, but the sixty (60) day period in which Borrower may pay this Note upon demand by the Bank shall not commence until the date the Mandatory Prepayment Period begins.

7. Late Payment Penalty. Should any payment of interest, or principal and interest, due hereunder be received by the holder of this Note more than ten (10) days after its due date, the Borrower shall pay a late payment penalty equal to five percent (5%) of the amount then due for each month or portion of a month until paid.

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 referred to therein, the Bank may raise the rate of interest accruing on the

disbursed unpaid principal balance by two (2) percentage points above the rate of interest otherwise applicable, independent of whether the Bank elects to accelerate the unpaid principal balance as a result of such default.

9. Confession of Judgment; Jurisdiction and Venue. At any time after the occurrence of any Event of Default, 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 and confess judgment on behalf of the Borrower against the Borrower in favor of the Bank for and in the full amount due on this Note plus attorneys' fees of ten percent (10%) of such amount up to a maximum for attorneys' fees of One Hundred Fifty Thousand Dollars (\$150,000). (This provision shall not limit the obligation of the Borrower to pay all reasonable attorneys' fees incurred by the Bank). The Bank agrees that in attempting to satisfy or enforce any judgment by confession obtained against the Borrower in connection with this Note, the Bank shall not seek or demand, solely with respect to attorney's fees incurred by the Bank in connection with this Note, any amounts in excess of the actual amount of reasonable attorney's fees charged or billed to the Bank. In addition, the Bank 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 Bank under this Note, Borrower consents to the exercise of personal jurisdiction over it by the courts of the State of Maryland and agrees that venue shall be proper in any County of the State of Maryland or in Baltimore City, 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 Rule 2-611 of the Maryland Rules of Civil Procedure to make a motion and stay execution of a judgment by confession, 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 Bank 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 Bank'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, indorser, or guarantor, waive presentment, notice of dishonor and protest.

13. Waiver of Jury Trial. The Borrower hereby voluntarily and intentionally waives any right it 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, indorser, 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. Commercial Loan. The Borrower warrants that this Note and the indebtedness evidenced hereby is the result of a commercial loan transaction.

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 Bank 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 Bank) shall preclude other or further exercise thereof, or the exercise of any other Rights. Waiver by the Bank 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 Bank 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 Bank 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 Bank:

Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: Bruce D. McLean, Senior Vice President

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

Christopher J. Fritz, Esquire
Gallagher, Evelius & Jones, LLP
Park Charles - Suite 400
218 North Charles Street
Baltimore, Maryland 21201

If to the Borrower:

Senior Campus Development, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attention: John C. Erickson

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

Jeffrey A. Jacobson, Esquire
Senior Vice President and General Counsel
Retirement and Health Services Corporation
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.

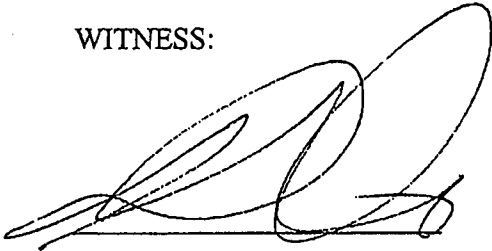
19. Choice of Law. This Note shall be governed, construed and enforced in accordance with the law of the State of Maryland.

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.

21. Amendment and Restatement Only. This Note is only an amendment and restatement of the Third Amended and Restated Note. It is the Borrower's intention that nothing herein contained shall be construed to extinguish, release or discharge, or constitute, create or effect a novation of, or an agreement to extinguish, any of the obligations, indebtedness and liabilities of the Borrower under the provisions of the Third Amended and Restated Note, as such Third Amended and Restated Note was in effect until the date hereof.

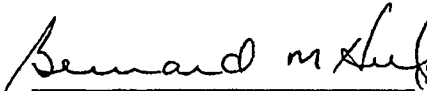
IN WITNESS WHEREOF, intending to be legally bound hereby, the undersigned has duly executed and delivered this Fourth Amended and Restated Promissory Note, under seal, as of the day and year first written above.

WITNESS:



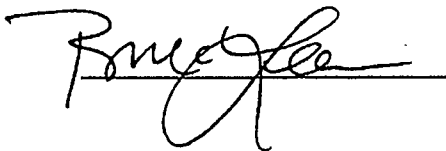
BORROWER

SENIOR CAMPUS DEVELOPMENT, LLC

By:  (SEAL)
Bernard M. Hirl,
Executive Vice President

BANK

MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY




By:  (SEAL)
Nicholas C. Richardson,
Vice President

Exhibit 3

SUBJECT TO RECORDATION TAX IN PART - SEE
SECTION 1.2 BELOW

122203

**AMENDED AND RESTATED
INDEMNITY DEED OF TRUST
AND SECURITY AGREEMENT**

THIS AMENDED AND RESTATED INDEMNITY DEED OF TRUST AND SECURITY AGREEMENT (the "Deed of Trust") is given as of the 11th day of December, 2003, by ERICKSON RETIREMENT COMMUNITIES, LLC (formerly known as Senior Campus Living, LLC, a Maryland limited liability company, a Certificate of name change having been filed with the Maryland State Department of Assessments and Taxation on January 21, 2000), a Maryland limited liability company (the "Grantor"), to BRUCE D. MCLEAN and D. SEWARD WOELPER, as trustees and not as individuals (hereinafter referred to as the "Trustees"), for the benefit of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland corporation, and any successor holder of the Notes secured hereby and hereafter defined (the "Beneficiary"). This Deed of Trust amends and restates in its entirety that certain Indemnity Deed of Trust and Security Agreement dated as of August 21, 1992 (the "Original Deed of Trust") granted by St. Charles Associates, LTD., a Florida limited partnership, to certain trustees for the benefit of the Bank and recorded among the Land Records of Baltimore County, Maryland (the "Land Records") at Liber S.M. No. 9339, folio 526, as modified by a First Modification to Indemnity Deed of Trust and Security Agreement dated as of July 25, 1994 and recorded among the Land Records at Liber S.M. No. 10664, folio 821, as further modified by a Second Modification and Partial Release of Indemnity Deed of Trust and Security Agreement dated as of December 12, 1995 and recorded among the Land Records at Liber S.M. No. 11344, folio 314, as assumed by the Grantor pursuant to a Guarantor Assumption Agreement dated as of January 9, 1998 and recorded among the Land Records at Liber S.M. 12608, folio 404, as further modified by a Third Modification of Indemnity Deed of Trust and Security Agreement dated as of January 9, 1998 and recorded among the Land Records at Liber S.M. No. 12608, folio 408, as further modified by a Comprehensive Amendment to Loan Documents dated as of May 26, 1999 and recorded among the Land Records at Liber S.M. No. 13830, folio 200.

SECTION 1. RECITALS

1.1 The Credit Facilities. The Grantor is indebted to the Beneficiary for a term Loan (the "Term Loan") evidenced by a Fourth Amended and Restated Promissory Note in the face amount of \$3,800,000 dated May 26, 1999 (the "Term Loan Note") and payable by Senior Campus Development, LLC, a Maryland limited liability company ("SCD") which was merged into the Grantor by Articles of Merger dated June 30, 2000, to the Beneficiary. The Borrower is also obligated to the beneficiary for certain Letter of Credit Obligations which, if and to the extent incurred, are to be evidenced by an Amended and Restated Demand Letter of Credit Master Note in the face amount of \$2,000,000 dated of even date herewith (the "Demand Note") and payable by the Grantor to the Beneficiary. The obligations evidenced by the Term Note and the Demand Note are described in and have been or will be advanced and/or incurred pursuant to

the terms of a Fourth Amended and Restated Loan Agreement between the Grantor and the Beneficiary dated of even date herewith (the "Loan Agreement").

1.2 Recordation Tax. No recordation tax was paid on the Original Deed of Trust or on any of the previous modifications or amendments thereto. When SCD was merged into the Grantor on June 30, 2000, the Grantor became liable for the Term Loan, which had an outstanding principal balance of \$3,525,555.57 on that date, and recordation tax based on that outstanding principal balance became due and owing in the amount of \$17,630.00. Such tax is being remitted herewith. The current principal balance of the Letter of Credit Obligations described in the Loan Agreement is zero. Therefore, no recordation tax is currently owing in connection with the Letter of Credit Obligations under Section 12-105(f) of the Tax Property Article of the Maryland Annotated Code.

1.3 Obligations Secured. This Deed of Trust secures (a) the full and punctual payment of the Term Loan according to the terms of the Term Loan Note, (b) the payment and performance of all Letter of Credit Obligations described in the Loan Agreement and now or hereafter evidenced by the Demand Note, (c) the payment of all sums due to the Beneficiary or the Trustees by the Grantor according to the terms of any of the Loan Documents (hereinafter defined), (d) the Grantor's obligations with respect to future advances, which may be made by the Beneficiary for any reason and (e) the performance of, and compliance with, all of the Obligations (hereinafter defined) of the Grantor (express or implied) contained in the Loan Documents.

SECTION 2. DEFINITIONS. Whenever capitalized in this Deed of Trust, the following terms shall have the meaning given in this Section 2, unless the context clearly indicates a contrary intent.

2.1 Beneficiary: Mercantile-Safe Deposit and Trust Company and its successors and assigns and any subsequent holder of the Note.

2.2 Deed of Trust: This instrument, including all current and future supplements, amendments and attachments thereto.

2.3 Encumbrances: All liens, mortgages, rights, leases, restrictions, easements, deeds of trust, covenants, agreements, rights of way, rights of redemption, security interests, conditional sales agreements, land installment contracts, options, and all other burdens or charges.

2.4 Environmental Requirements: Any federal, state or local law, statute, ordinance or regulation; or court administrative order or decree; or private agreement, which requires special handling, collection, storage, treatment, disposal or removal of any materials located in or on or about the Property.

2.5 Event of Default: Any one or more of the events described in Section 10 hereof.

2.6 Grantor: Erickson Retirement Communities, LLC and any subsequent owner of all or any portion of Grantor's interest in the Property.

2.7 Insurance and Condemnation Proceeds: All of the items described in Section 3.04.

2.8 Land: The land described on Exhibit A attached hereto.

2.9 Loan: The Loan shall have the meaning set forth in the Loan Agreement, and includes the Term Loan and all Letter of Credit Obligations.

2.10 Loan Documents: The term "Loan Documents" shall have the meaning set forth in the Loan Agreement.

2.11 Notes: The Term Loan Note and the Demand Note, collectively, including all current and future replacements, supplements, amendments and attachments to either such note.

2.12 Obligations: Obligations shall have the meaning set forth in the Loan Agreement, and includes all obligations in connection with the Term Loan and all Letter of Credit Obligations (as defined in the Loan Agreement).

2.13 Permitted Encumbrances: Those exceptions, if any, which appear in the title policy insuring the interest of the Trustees and Beneficiary hereunder, and the lien of purchase money security interests now or hereafter granted from time to time by Grantor in favor of equipment and/or personalty lenders securing an aggregate amount not to exceed \$500,000.

2.14 Property: All of the property described in Sections 3.1, 3.2, 3.3 and 3.4.

2.15 Personal Property: All of the personal property and fixtures described in Section 3.02.

2.16 Real Property: All of the real property described in Section 3.1.

2.17 Rents: All of the rents, earnings, proceeds, accounts, general intangibles and other rights described in Section 3.3.

2.18 Secured Obligations: Those obligations described in Section 1.3 of this Deed of Trust, including all Obligations.

SECTION 3. GRANT

3.1 Real Property. The Grantor, in consideration of the Beneficiary's making and continuation of the Loan to the Borrower and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, grants, bargains, sells, conveys and assigns to the Trustees all the Land described more particularly in Exhibit A attached hereto as a part hereof, together with (a) all buildings and improvements now or hereafter located on the Land, (b) all rights, rights of way, air rights, riparian rights, franchises, licenses, easements, tenements, hereditaments, appurtenances, accessions and other rights and privileges now or hereafter belonging to the Land or the buildings and improvements thereupon, now owned or hereafter acquired by the Grantor (hereinafter collectively referred to as the "Real Property").

3.2 Personal Property and Fixtures. The Grantor further grants and assigns to the Trustees, and grants to the Trustees a security interest in, all of the Grantor's interest in all of the machines, apparatus, equipment, fixtures and articles of personal property now or hereafter located on the Land or in any improvements thereon, including without limitation all furniture, fixtures, equipment and building materials acquired with the proceeds of the Loan, and all the right, title and interest of the Grantor in and to any of such property which may be subject to any title retention or security agreement or instrument having priority over this Deed of Trust (hereinafter collectively referred to as the "Personal Property"); provided, however, that any Personal Property subject to any purchase money lien prohibiting the grant of any additional lien, such Personal Property shall be excluded from the lien and security interest of this Deed of Trust for so long as any such purchase money lien is in effect; provided, further, that immediately upon the release or termination of any such purchase money lien, such Personal Property shall become subject to the lien and security interest of this Deed of Trust.

3.3 Rents and Other Rights. The Grantor further grants and assigns to the Trustees all of the Grantor's interest in (a) all rents, profits, royalties, issues, revenues, income, proceeds, earnings and products generated by or arising out of the Property and all accounts receivable arising in connection with the Property, and all contracts for the use and occupancy of all or any portion of the Property, all contracts of sale for all or any portion of the Property, and all deposits to secure performance by contract purchasers for all or any portion of the Property, (b) all of the general intangibles, actions, rights in action, estate, right, title, use, claim and demand of every nature whatsoever, at law or in equity, which the Grantor may now have or may hereafter acquire in and to the Property, and (c) all right, title and interest of the Grantor in and to all extensions, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Property, hereafter acquired by or released to the Grantor, or constructed, assembled or placed by or for the Grantor on the Property, and all in conversion of the security constituted thereby (hereinafter collectively referred to as the "Rents").

3.4 Insurance Policies and Condemnation Awards. The Grantor further grants and assigns to the Trustees all insurance policies and insurance proceeds pertaining to the Property and all awards or payments, including interest thereon and the right to receive the same, which may be made with respect to any of the Property as a result of any taking or any injury to or decrease in the value of the Property (hereinafter collectively referred to as the "Insurance and Condemnation Proceeds").

3.5 Security Interest Under the Uniform Commercial Code. Any portion of the Property which by law is or may be real property shall be deemed to be a part of the Real Property for the purposes of this Deed of Trust. The remainder of the Property shall be subject to the Uniform Commercial Code and this Deed of Trust shall constitute a Security Agreement with respect thereto. Grantor hereby grants to the Beneficiary a security interest in that portion of the Property not deemed a part of the Real Property for the purpose of securing performance of all of Grantor's obligations under the Loan Documents. With respect to such security interest (a) the Beneficiary may exercise all rights granted or to be granted a secured party under the Uniform Commercial Code and (b) upon the occurrence of an Event of Default the Beneficiary shall have a right of possession superior to any right of possession of the Grantor or any person claiming through or on behalf of the Grantor.

SECTION 4. HABENDUM CLAUSE AND DEFEASANCES

4.1 Habendum Clause. The Trustees shall have and hold the Property in fee simple, in trust to secure to the Beneficiary and to the Trustees for the benefit of the Beneficiary the Secured Obligations described in Section 1.3 of this Deed of Trust, upon the terms and trust herein set forth.

4.2 Termination of the Trust. If all Secured Obligations of the Borrower and Grantor under this Deed of Trust and all other liabilities and obligations under the other Loan Documents are paid and satisfied in accordance with the terms hereof and thereof, the estate hereby granted shall cease and the Property shall be released to the Grantor, at the cost of the Grantor.

SECTION 5. REPRESENTATIONS AND WARRANTIES

5.1 Warranty of Title and Further Assurances. The Grantor warrants that it is lawfully seized of an indefeasible fee simple estate in the Property free and clear of all encumbrances (except for Permitted Encumbrances), and that it has the right and authority to convey the Property and warrants specially title to the Property and that it will execute such further assurances as may be requested. The Grantor further covenants that the lien created hereby is and will be maintained as a first lien upon the Property.

5.2 Intentionally Omitted.

SECTION 6. COVENANTS, RIGHTS, AND DUTIES OF GRANTOR GENERALLY

6.1 Covenant to Pay and to Perform Obligations Under the Terms of the Loan Documents. The Grantor covenants that it will punctually (a) pay or cause to be paid to the Beneficiary all amounts due under the Notes and the other Loan Documents executed by the Grantor, which includes the principal and interest of the Loan and all other costs and indebtedness secured hereby, according to the terms of the Notes and other Loan Documents executed by the Grantor; and (b) perform and satisfy all other Obligations of the Grantor under the Loan Documents.

6.2 Escrow Account. At Beneficiary's option, Grantor agrees that, after an Event of Default has occurred:

6.2.1 Upon written request of the Beneficiary, the Grantor will pay to the Beneficiary monthly installments, each of which shall be equal to one-twelfth (1/12th) of the sum of (a) the estimated annual premiums for all insurance policies required by Sections 8.01 and 8.02, and (b) the estimated annual taxes, assessments and governmental charges pertaining to the Property, to be held by the Beneficiary in an escrow account established with the Beneficiary (the "Escrow Account") and disbursed by the Beneficiary to pay insurance premiums as they become due and taxes, assessments and governmental charges before any penalty or interest shall accrue thereon. Estimates are to be made solely by the Beneficiary in its reasonable determination and payments shall be made on the day of the month designated by the Beneficiary. No interest shall be payable by the Beneficiary on the Escrow Account unless, and then only to the extent that, applicable law shall otherwise require. All overpayments to the

Escrow Account shall be applied to reduce future payments to the Escrow Account, if any, or shall be returned to the Grantor, at the sole discretion of the Beneficiary.

6.2.2 Upon the request of the Beneficiary, the Grantor shall pay such additional sums into the Escrow Account as the Beneficiary determines are necessary, so that one month prior to the date the Beneficiary is required to make payments of insurance premiums, or taxes, assessments or governmental charges, as the case may be, payments can be made therefor out of the Escrow Account.

6.2.3 The Grantor hereby grants the Beneficiary a security interest in the sums on deposit in the Escrow Account to secure the obligations secured hereby, and upon the occurrence of an Event of Default, the Beneficiary may, unless prohibited by applicable law, apply the balance of the Escrow Account to operate the Property or to satisfy the Grantor's obligations under the Loan Documents, as the Beneficiary may elect.

6.3 Compliance With Laws. The Grantor shall comply with all laws a breach of which would adversely affect (a) the financial condition of the Grantor, (b) the ability to use buildings and other improvements on the Land for the purposes for which they were designed or intended, (c) the value or status of the Property, or (d) the value or status of the Trustees' title to the Property.

6.4 Changes in Applicable Tax Laws. In the event (a) any law is hereafter enacted which imposes a tax upon the Loan, any of the Loan Documents, or the transactions evidenced or contemplated by any of the Loan Documents, or (b) any law now in force governing the taxation of deeds of trust, debts secured by deeds of trust, or the manner of collecting any such tax, shall be changed or modified, in any manner, so as to impose a tax upon the Loan, any of the Loan Documents, or the transactions evidenced or contemplated by any of the Loan Documents (including, without limitation, a requirement that revenue stamps be affixed to any or all of the Loan Documents), the Grantor will promptly pay any such tax, provided, that Grantor shall in no event be liable for any tax based on Lender's income or profit derived from the Loan. If the Grantor fails to make prompt payment, or if any law either prohibits the Grantor from making the payment or would penalize the Beneficiary if Grantor makes the payment, then the failure, prohibition, or penalty, shall entitle the Beneficiary to declare the entire unpaid principal balance of the Loan, together with all accrued interest and any other amounts due, immediately due and payable; provided that if no Event of Default has occurred, the Grantor shall thereupon have thirty (30) days to pay the entire amount due without penalty. If an Event of Default has occurred and is continuing or if the Grantor fails to make payment in full within thirty (30) days, then the Beneficiary shall be entitled to exercise all rights hereunder as though an Event of Default had occurred.

6.5 Intentionally Deleted.

6.6 Intentionally Deleted.

6.7 Intentionally Deleted.

6.8 Intentionally Deleted.

6.9 Further Assurances and Continuation Statements. The Grantor from time to time will execute, acknowledge, deliver and record, at the Grantor's sole cost and expense, all further instruments, deeds, conveyances, supplemental deeds of trust, assignments, financing statements, transfers and assurances as in the reasonable opinion of the Beneficiary's counsel may be necessary (a) to preserve, continue and protect the interest of the Trustees or the Beneficiary in the Property, (b) to perfect the grant to the Trustees of every part of the Property, (c) to facilitate the execution of this trust, (d) to secure the rights and remedies of the Trustees and the Beneficiary under this Deed of Trust and the other Loan Documents, or (e) to transfer to any new Trustees or purchaser at a sale hereunder the Property, funds and powers now or hereafter held in trust hereunder. The Grantor, at the request of the Beneficiary, shall promptly execute any continuation statements required by the Uniform Commercial Code to maintain the lien on any portion of the Property subject to the Uniform Commercial Code.

6.10 Expenses. The Grantor shall reimburse the Beneficiary and the Trustees for any sums, including reasonable attorney's fees and expenses, incurred or expended by them (a) in connection with any action or proceeding to sustain the lien, security interest, priority, or validity of any Loan Documents, (b) to protect, enforce, interpret, or construe any of their rights under the Loan Documents, (c) for any title examination or title insurance policy relating to the title to the Property, or (d) for any other purpose contemplated by the Loan Documents. The Grantor shall, upon demand, pay all such sums together with interest thereon at the Default Interest Rate defined in the Term Loan Note accruing from the time the expense is paid. All such sums so expended by the Beneficiary and/or the Trustees shall be secured by this Deed of Trust. In any action or proceeding to foreclose this Deed of Trust or to recover or collect the Loan, the provisions of law allowing the recovery of costs, disbursements, and allowances shall be in addition to the rights given by this Section 6.10.

6.11 Environmental Requirements. The Grantor represents and warrants to the Trustees and the Beneficiary that except for the matters disclosed in the Environmental Reports (as defined in the Loan Agreement), copies of which have previously been provided to the Beneficiary, and except for paint, cleaning supplies, petroleum products or other substances normally used or maintained in connection with the maintenance and operation of commercial buildings similar to that at the Property in quantities not exceeding those normally kept on hand at similar facilities, all of which are stored, used and disposed of in compliance with all applicable legal and Environmental Requirements, there are no hazardous substances on the Real Property, that neither Grantor nor to the Grantor's actual knowledge, any other person or entity, has utilized the Real Property, nor any part thereof, to treat, deposit, store, dispose of, or place any hazardous substances, as defined by 42 U.S.C.A. Section 9601(14); nor has Grantor authorized any other person or entity to treat, deposit, store, dispose of, or place any hazardous substance, as defined above, on the Real Property, or any part thereof. Grantor further covenants and agrees to give written notice to the Trustees and the Beneficiary immediately upon acquiring knowledge of the existence of any condition relating to the Property which constitutes a material threat to the health, safety or property of the Grantor or others.

The Grantor hereby covenants and agrees that, if at any time it is determined that there are materials located on the Property which: (i) under any Environmental Requirements require special handling in collection, storage, treatment or disposal, (ii) are defined as hazardous material, hazardous substances or hazardous waste under the Resource Conservation and

Recovery Act of 1976 (42 U.S.C. Section 6901, et. seq.), the Comprehensive Environmental Response Compensation and Liability of Act of 1980 (42 U.S.C. Section 9601 et. seq.) or any similar federal law or laws of the state in which the Property is located, or (iii) are oil, petroleum products and their by-products as defined in the Maryland Health-Environmental Code (hereinafter collectively referred to as "Environmental Materials"), the Grantor shall promptly take or cause to be taken, at its sole expense, such actions as may be necessary to comply with all Environmental Requirements. If the Grantor shall fail to take such action, the Beneficiary may make advances or payments towards performance or satisfaction of the same but shall be under no obligation to do so; and all sums so advanced or paid, including all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, including, without limitation, reasonable attorneys' fees, fines, or other penalty payments, shall be at once repayable by Grantor and shall bear interest at the Default Interest Rate defined in the Note or at the maximum interest rate which the Grantor may by law pay, whichever is lower, from the date the same shall become due and payable until the date paid, and all sums so advanced or paid, with interest as aforesaid, shall become a part of the indebtedness secured hereby.

Grantor shall defend, indemnify and hold harmless the Beneficiary and Trustees against any loss, cost or expense incurred by the Beneficiary or Trustees resulting from the presence on the Property at any time of any Environmental Materials.

SECTION 7. RIGHTS AND DUTIES OF GRANTOR WITH RESPECT TO MANAGEMENT AND USE OF THE PROPERTY

7.1 Control by the Grantor. Until the happening of an Event of Default, the Grantor shall have the right to possess and enjoy the Property and, except as prohibited by the Loan Documents, to receive the Rents.

7.2 Management. At all times the Grantor shall provide competent and responsible management to maintain and operate the Property.

7.3 Intentionally Omitted.

7.4 Restriction on Use. The Grantor shall not permit the Property or any part thereof to be used for any purpose other than Grantor's corporate headquarters.

7.5 Alterations and Improvements. The Grantor shall not make any structural alterations or improvements on the Property except in accordance with approved plans and specifications submitted to and approved by the Beneficiary, as provided in the Loan Agreement. All alterations or improvements shall be erected (a) in a good and workmanlike manner strictly in accordance with all applicable law, (b) entirely on the Land (c) without encroaching upon any easement, right of way, or land of others, (d) so as not to violate any applicable use, height, set-back or other applicable restriction, and (e) without permitting any mechanic's lien to attach to the Property which is not being contested as permitted in Section 7.10. All alterations, additions, and improvements to the Property shall automatically be a part of the Property and shall be subject to this Deed of Trust.

7.6 Restrictions on Sale and Transfer of the Property. The Grantor shall not permit the Property, or any part or portion thereof or any interest therein, to be transferred (whether by voluntary or involuntary conveyance, merger, operation of law, or otherwise), other than as may expressly be permitted under the provisions of this Deed of Trust or the Loan Agreement, without the prior written consent of the Beneficiary. Any transferee of the Property or any part or portion thereof in fee simple, by virtue of its acceptance of the transfer, shall (without in any way affecting Grantor's liability under the Loan Documents) be conclusively deemed to have agreed to assume primary liability for the performance of the Grantor's obligations under the Loan Documents. The sale, assignment, transfer or conveyance of any member interest in the Grantor shall be deemed a sale, assignment, transfer and conveyance of the Property in contravention of the provisions of this paragraph, and the sale, assignment, transfer or conveyance of member or other interest of any kind in any of the members of the Grantor shall be deemed a sale, assignment, transfer and conveyance of the Property in contravention of the provisions of this paragraph. This section shall not apply to any condemnation, any disposition permitted by Sections 7.09 or 7.13, or any disposition by the Trustees or the Beneficiary by foreclosure hereunder or as otherwise permitted by the Loan Documents.

7.7 Restriction on Encumbrances. The Grantor shall not allow any Encumbrances on the Property except the Permitted Encumbrances. The Grantor shall give the Beneficiary prompt notice of any default in or under any Permitted Encumbrances and any notice of foreclosure or threat of foreclosure. The Grantor shall comply with its obligations under all Permitted Encumbrances. The Beneficiary may, at its election, satisfy any Encumbrance (other than a Permitted Encumbrance not then in default), and the Grantor shall, on demand, reimburse the Beneficiary for any sums advanced for such satisfaction together with interest at the Default Interest Rate stated in the Term Loan Note accruing from the date of satisfaction, which sums shall be secured hereby.

7.8 Maintenance, Waste, Repair and Inspection. Grantor shall: (a) keep and maintain the Property in good order, condition, and repair and make, in a prompt manner, all equipment replacements and repairs necessary to insure that the security for the Loan is not impaired; (b) not commit or suffer any waste of the Property; (c) promptly protect and conserve any portion of the Property remaining after any damage to, or partial destruction of, the Property; (d) promptly repair, restore, replace or rebuild any portion of the Property which is damaged or destroyed; (e) promptly restore the balance of the Property remaining after any condemnation; (f) permit the Beneficiary or its designee to inspect the Property at all reasonable times; and (g) not make any material change in the grade of the Property or permit any material excavation of or on the Property, except as required for utility easements and in connection with improvements contemplated in the Loan Agreement.

7.9 Removal and Replacement of Equipment and Improvements. Except for actions taken in connection with the preparation of the Property for the construction of the Improvements, no part of the Property, except supplies consumed or raw materials, work in progress and finished goods sold or transferred in the ordinary course of business operations as they are currently conducted, shall be removed from the Land, demolished, or materially altered without the prior written consent of the Beneficiary. The Grantor may, without consent and free from the lien and security interest of this Deed of Trust, remove and dispose of any worn out or obsolete fixtures or equipment which are a part of the Property, provided that prior to or

simultaneously with their removal, such fixtures and equipment shall be replaced with fixtures or equipment of equal or greater value. The replacement fixtures or equipment shall be free of all Encumbrances other than Permitted Encumbrances, shall automatically be subject to the lien and security interest of this Deed of Trust, and shall automatically be subject to the granting clauses hereof subject only to the lien of any purchase money lender thereof in an aggregate amount not to exceed \$500,000; provided, however, that any replacement fixtures or equipment subject to any purchase money lien prohibiting the grant of any additional lien, such replacement fixtures or equipment shall be excluded from the lien and security interest of this Deed of Trust for so long as any such purchase money lien is in effect; provided, further, that immediately upon the release or termination of any such purchase money lien, such replacement fixtures or equipment shall become subject to the lien and security interest of this Deed of Trust. Upon the sale of any removed fixtures and equipment which are not replaced, the proceeds shall, at the election of the Beneficiary, be applied as a prepayment of amounts guaranteed by the Grantor under the Loan Documents, whether then due or not. All sales shall be conducted in a commercially reasonable manner.

7.10 Taxes and Permitted Contests. The Grantor shall pay: (a) all taxes, assessments and other governmental charges on or before the date any interest or penalty begins to accrue or attach thereto; and (b) all lawful claims which, if unpaid, might become a lien or charge upon the Property; provided, however, that the Grantor shall not be required to pay any taxes or claim the amount, validity or payment of which is being contested, in good faith, by appropriate legal proceedings, and so long as, in the sole opinion of the Beneficiary, no part of the Property is in danger of being sold, forfeited or lost and the contest is not impairing the security for the Loan. Upon payment thereof, the Grantor shall promptly supply the Beneficiary with receipts showing the payment of the taxes or claim.

7.11 Restrictive Covenants, Zoning, etc. No restrictive covenant, zoning change, or other restriction affecting the Property may be entered into, requested by or consented to by Grantor without the prior written consent of the Beneficiary, which consent shall not be unreasonably withheld.

7.12 Preservation of Appurtenances. The Grantor will do all things necessary to preserve intact and unimpaired, all easements, appurtenances, and other interests and rights in favor of, or constituting any portion of, the Property.

SECTION 8. INSURANCE AND CONDEMNATION

8.1 Builder's Risk and Casualty Insurance. At all times that any amounts are guaranteed or owing by the Grantor under the Loan Documents, the Grantor shall keep the Property insured for the benefit of the Grantor, the Trustees and the Beneficiary against loss or damage by either standard builder's risk insurance or casualty insurance, as Beneficiary may require from time to time. Such insurance shall be written in amounts equal to the greater of the total amount due and owing by the Borrower to the Beneficiary under the Loan Documents, one hundred percent (100%) of the replacement value of the Property (excluding land and foundations), or such other amount as may be approved by Beneficiary. Such insurance shall be written in forms and by companies satisfactory to the Beneficiary, and the losses thereunder shall be payable to the Beneficiary alone and not to the Grantor and the Beneficiary or the Trustees,

jointly. The policy or policies of such insurance shall, if requested by Beneficiary, be delivered to and retained by the Beneficiary, and shall contain a standard New York Mortgagee Clause showing the loss, if any, as payable to the Beneficiary and shall require the insurer to give the Trustees and the Beneficiary at least thirty (30) days' prior notice of its cancellation or nonrenewal of the policy or policies. The Grantor shall provide the Beneficiary with receipt evidencing the payment of all premiums due on such policies. The Grantor shall give the Beneficiary prompt notice of any loss covered by such insurance, and the Trustees or the Beneficiary shall have the right (subject to the approval of Grantor, so long as no Event of Default has occurred) to adjust any loss covered by an insurance policy. Unless an Event of Default has occurred and is continuing, or unless the casualty occurs in the twelve (12) months prior to the maturity of the Term Loan, all monies received as payment for a loss covered by an insurance policy ("Insurance Proceeds") shall be paid over to the Beneficiary to be applied to the payment of charges or expenses actually incurred by the Grantor in the restoration, reconstruction, repair, renovation or replacement of the Property. If an Event of Default has occurred and is continuing or if the casualty occurs in the twelve months prior to the maturity of the Term Loan, Beneficiary may, at its sole option, use the Insurance Proceeds either to restore the damage caused by the casualty or to prepay the Obligations.

8.2 Liability Insurance. Grantor will at all times keep itself insured against liability for damages arising from any accident or casualty in or upon the Property by maintaining comprehensive general public liability insurance, the minimum limits of which shall be One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate, with a minimum Five Million Dollars (\$5,000,000) in excess liability (umbrella form) coverage per occurrence and in the aggregate.

8.3 Contractors' Insurance. During the construction of the improvements, or during any subsequent repair to the improvements on the Property in excess of \$500,000, or during any repair or reconstruction required by any casualty at the Property, Grantor will cause all contractors and subcontractors (including the Grantor if applicable) to obtain and keep in effect (or secure coverage itself) a contractors' liability insurance policy or policies in builders' all risk form, with loss payable endorsements acceptable to the Beneficiary, insuring the Improvements described in the Loan Agreement and all materials and supplies purchased with advances of the Loan, together with a policy or policies for Workers' Compensation Insurance to the full extent required by the laws of the State of Maryland. Upon request, Grantor shall provide the Beneficiary with evidence satisfactory to the Beneficiary that all such insurance is in effect.

8.4 Other Insurance. The Grantor may not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under the above paragraph unless the Beneficiary is included thereon as a named insured with losses payable to the Beneficiary as above provided. The Grantor shall immediately notify the Beneficiary whenever any such separate insurance is taken out and shall promptly deliver to the Beneficiary the policy or policies of such insurance.

If any of the Improvements on the Property are located in an area which has been identified as a non-minimal flood hazard area, the Grantor will keep the Property covered by flood insurance in an amount at least equal to the full amount secured by this Deed of Trust or the maximum limit of coverage available for the Property.

Unless a written waiver from Beneficiary is obtained, Grantor shall (a) keep all of its insurable properties insured against all risks usually insured against by persons operating like properties in the localities where the properties are located; and (b) maintain public liability insurance against claims for personal injury, death or property damage suffered by others upon or in or about any premises occupied by it or occurring as a result of its maintenance or operation of any automobiles, trucks or other vehicles or airplanes or other facilities or as a result of the use of products sold by it or services rendered by it.

8.5 Condemnation and Allocation of Condemnation Awards. Grantor, immediately upon obtaining knowledge of the institution of any proceeding for a condemnation, will notify the Trustees and the Beneficiary of such proceedings. The Trustees or the Beneficiary may participate in any such proceedings, and Grantor will, from time to time, deliver to the Trustees or the Beneficiary all instruments requested by them to permit such participation. Any award or payment made as a result of any taking shall be paid to the Beneficiary, to be applied (a) if funds sufficient to restore the remainder of the Property are available from such award or payment (together with other funds supplied or caused to be supplied by Grantor) and no Event of Default is then outstanding, to the restoration of the remainder of the Property, or (b) if sufficient funds are not available to restore the remainder of the Trust Property, or an Event of Default is then outstanding, to prepayment of amounts payable by the Grantor under the Loan Documents, whether then due or not. All moneys not utilized for the repair or restoration of the remainder of the Trust Property shall be applied as a prepayment of amounts payable by the Grantor under the Loan Documents, whether then due or not, in inverse order of maturity. The application of any award or payment as a prepayment of amounts due under the Note shall take effect only on the actual date of the receipt of the payment or award by the Trustees and the Beneficiary. In the event any payment or award is used to restore the Property, as aforesaid, neither the Trustees nor the Beneficiary shall be obligated to see to the proper allocation thereof nor shall any amount so used be deemed a payment of any indebtedness secured by this Deed of Trust. Payments or awards to be used for restoration purposes, as aforesaid, shall be held by the Beneficiary and disbursed under such terms and conditions, to such persons, and at such times, as Beneficiary may determine.

SECTION 9. THE TRUSTEES

9.1 Endorsement and Execution of Loan Documents. Upon the written request of the Beneficiary, the Trustees shall, without liability or notice to the Grantor, execute, consent to, or join in any instrument or agreement in connection with or necessary to effectuate the purposes of the Loan Documents to which the Grantor is a party. The Grantor hereby irrevocably designates the Trustees as its attorneys-in-fact to execute, acknowledge, and deliver, on the Grantor's behalf and in the Grantor's name, all instruments or agreements necessary to implement the provisions of Section 3.5, contemplated by Section 6.9, or necessary to further perfect the lien created by this Deed of Trust on the Property. This power of attorney shall be deemed to be coupled with an interest and shall survive any disability of the Grantor.

9.2 Substitution of Trustees. The Beneficiary may, by filing a deed of appointment in the office where this instrument is recorded, appoint additional or replacement trustees and may remove the Trustees, from time to time, without notice to the Grantor or the Trustees and without specifying any reason.

9.3 Multiple Trustees. Any Trustee, individually, may exercise all powers granted to the Trustees collectively, without the necessity of the joinder of the other Trustees.

9.4 Terms of Trustees' Acceptance. The Trustees accept the trust created by this Deed of Trust upon the following terms and conditions:

9.4.1 The Trustees may exercise any of their powers through appointment of attorneys-in-fact or agents.

9.4.2 The Trustees shall not be liable for any matter or cause arising under this Deed of Trust or in connection herewith except by reason of their own willful misconduct.

9.4.3 The Trustees may select and employ legal counsel at the expense of Grantor in connection with this Deed of Trust.

9.4.4 The Trustees shall be under no obligation to take any action upon any Event of Default unless they are furnished security or indemnity, in form satisfactory to the Trustees, against costs, expenses and liabilities which may be incurred by the Trustees.

9.4.5 A Trustee may resign upon five (5) days written notice to the Beneficiary.

9.5 Trustees' Reimbursement. The Grantor shall reimburse the Trustees for all reasonable disbursements and expenses incurred by reason of this Deed of Trust.

9.6 Save Harmless Clause. The Grantor shall indemnify and save harmless the Beneficiary and the Trustees, singularly and jointly, from all costs and expenses, including reasonable attorneys' fees, incurred by them or any of them by reason of this Deed of Trust, including any legal action to which Beneficiary or the Trustees shall become a party unless due to the gross negligence or willful misconduct of the Beneficiary. Any money so paid or expended by Beneficiary or the Trustees shall be due and payable upon demand together with interest at the Default Interest Rate stated in the Note from the date incurred and shall be secured by this Deed of Trust.

SECTION 10. DEFAULT

10.1 Event of Default. The occurrence of any of the following shall constitute an Event of Default:

10.1.1 Event of Default Under Other Loan Documents. An "Event of Default" (if so defined) occurs under a Loan Document other than this Deed of Trust.

10.1.2 Insurance Provisions. The failure of Grantor to perform its obligations set forth in Section 8 to keep the Property adequately and continually insured.

10.1.3 Receiver; Bankruptcy. If the Grantor (a) applies for, or consents in writing to, the appointment of a receiver, trustee, or liquidator for it of the Property, or of all or substantially all of its assets, (b) files a voluntary petition in bankruptcy or admits in writing its inability to pay its debts as they become due, (c) makes an assignment for benefit of creditors,

(d) files a petition or an answer seeking a reorganization, composition, adjustment arrangement with creditors, or takes advantage of any insolvency law, (e) files an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization, composition, adjustment, arrangement, or insolvency proceeding, or (f) is dissolved as a result of an adversary suit or proceeding.

10.1.4 Receiver; Bankruptcy (Involuntary). If (a) any execution or attachment levied against the assets of the Grantor is not set aside, discharged, or stayed within forty-five (45) days, (b) an order, judgment, or decree is entered by any court of competent jurisdiction on the application of a creditor, adjudicating the Grantor a bankrupt or insolvent, or appointing a receiver, trustee, or liquidator for the Grantor of all or substantially all of its assets, or (c) an order of relief is entered against the Grantor pursuant to any bankruptcy statute or law and such order, judgment, or decree continues unstayed and in effect for a period of forty-five (45) days.

10.1.5 Change of Use. The change of use of the Property in violation of Section 7.4 hereof.

10.1.6 Prohibited Transfer or Encumbrance. Any transfer or event in violation of the first sentence of Section 7.5 or in violation of Sections 7.6 or 7.7.

10.1.7 Loss of License. The loss of any material license or permit necessary for the improvement, operation, occupancy, or use of the Property.

10.1.8 Defaults under Subordinate Liens. Any default by the Grantor under any documents executed in connection with any subordinate liens (including any such liens in favor of the Beneficiary) against the Property, which default is not cured within any applicable grace or cure period.

10.1.9 Environmental Requirements. Failure of the Grantor to comply with all Environmental Requirements which is not cured within thirty (30) days after notice from the Trustees or the Beneficiary.

10.1.10 Other Defaults. The failure of the Grantor to perform or observe any of its obligations or covenants under this Deed of Trust not previously specifically referred to in this Article 10, which failure continues for a period of thirty (30) days after written notice to Grantor; provided, however, that the Beneficiary may, in its sole discretion, extend the cure period for any default upon the reasonable request of the Grantor in the event that the default cannot be cured within the time set forth in this Deed of Trust and the Grantor is diligently pursuing cure of the default.

10.2 Payment or Performance by Trustees or Beneficiary. Upon the occurrence of any Event of Default, the Trustees or the Beneficiary may, at their option, make any payments or take any other actions they deem necessary or desirable to cure the Event of Default or conserve the Property. The Grantor shall, upon demand, reimburse the Trustees or the Beneficiary for all sums so advanced or expenses incurred by them, together with interest at the Default Interest Rate stated in the Note from the date of advance or payment of the same, which sums shall be secured by this Deed of Trust. The Trustees or the Beneficiary may enter upon the Property

without prior notice to the Grantor or judicial process and may take any action to enforce its rights under this Section 10.02 without liability to the Grantor.

10.3 Intentionally Deleted.

10.4 Possession by Trustees or Beneficiary. Upon the occurrence of an Event of Default, the Trustees or the Beneficiary may enter upon and take possession of the Property with notice to the Grantor, but without judicial process or the appointment of a receiver. The Trustees or the Beneficiary may exclude all persons from the Property and may proceed to operate the Property and receive all Rents. The Trustees or the Beneficiary and the Trustees shall have the right as agent for the Grantor to operate the Property and carry on the business of the Grantor, either in the name of the Grantor or otherwise. Neither the Trustees nor the Beneficiary shall be liable to the Grantor for taking possession of the Property, as aforesaid, nor shall they be required to make repairs or replacements, and they shall be liable to account only for Rents actually received by them. All Rents collected by the Trustees or the Beneficiary shall be applied (a) first, to pay all expenses incurred in taking possession of the Property, (b) second, to pay costs and expenses to operate the Property and/or to comply with the terms of the Loan Documents, including actual attorney's fees, (c) third, to pay all sums secured by the Loan Documents in the order of priority selected by Beneficiary, and (d) fourth, with the balance, if any, to the Grantor or such other person as may be entitled thereto.

10.5 Intentionally Deleted.

10.6 Power of Sale and Assent to a Decree. The Grantor assents to the passage of a decree for the sale of the Property upon the occurrence of an Event of Default, by any court having jurisdiction and the Grantor authorizes and empowers the Trustees, upon the occurrence of an Event of Default, to sell the Grantor's interest in the Property, in accordance with the Maryland Rules of Procedure or any other applicable law. The Property or any interest therein may be sold upon such terms and in as many parcels as the person conducting the sale may, in its sole discretion, elect. No readvertisement of any sale shall be required if the sale is adjourned by announcement, at the time and place set therefor, of the date, time, and place to which the same is to be adjourned.

10.7 Application and Proceeds of Sale. Upon a sale by the Trustees under Section 10.06, the purchaser shall receive that portion of or interest in the Property purchased by it free from any claims of the Grantor and without any liability to see to the application of the purchase money. The net proceeds from the sale, after deduction of all costs of the sale, shall be applied (a) first, to pay all expenses incurred in taking possession of the Property, (b) second, to pay costs and expenses to operate the Property, including attorney's fees, (c) third, to pay all sums payable by or due from the Grantor under the Loan Documents, whether then due or not, in the order of priority determined by the Beneficiary, and (d) fourth, the balance, if any, to the Grantor or to other persons entitled thereto.

10.8 Trustee's Commission. Upon a sale by the Trustees under Section 10.6 of any portion of or interest in the Property, the Trustees shall be entitled to a commission equal to the commission allowed trustees for making sales of property under decrees of the court having equity jurisdiction. In the event any portion of the Property is advertised for foreclosure sale and

not sold, the Trustees shall be entitled to a commission equal to one-half (1/2) of the commission provided in case of foreclosure sale. The person making the sale shall not be required to accept payment of the amounts secured hereby unless accompanied by all expenses of the proceedings and one-half (1/2) of the commission.

10.9 Insurance or Condemnation After Deficiency. If the Property is sold by the Trustees under Section 10.06 prior to receipt of a condemnation award or payment, the Beneficiary shall receive and apply the proceeds of the award or payment toward the satisfaction of any deficiency resulting from the sale, whether or not a deficiency judgment is sought, recovered, or denied.

10.10 Right of the Beneficiary to Bid. The Beneficiary and/or the Trustees may bid and become the purchaser at a foreclosure sale under this Deed of Trust.

10.11 Trustee's Bond. The Grantor waives any right to require the person authorized to make the sale hereunder to post a bond.

10.12 Appointment of a Receiver. Upon the occurrence of an Event of Default, the Beneficiary shall be entitled to the immediate appointment of a receiver for the Property, without regard to the value of the Property or the solvency of any person liable for payment of the amounts due under the Loan Documents. Upon obtaining possession of the Property or upon the appointment of a receiver, the Beneficiary, the Trustees or the receiver, as the case may be, may, at their sole option, (a) make all necessary or proper repairs and additions to or upon the Property, (b) operate, maintain, control, make secure and preserve the Property, (c) receive all Rents, and (d) complete the construction of any unfinished improvements on the Property and, in connection therewith, continue any and all outstanding contracts for the erection and completion of such Improvements and make and enter into any further contracts which may be necessary, either in their or its own name or in the name of the Grantor (the cost of completing the Improvements shall be expenses secured by this Deed of Trust and accrue interest as set forth herein). In so doing, the Beneficiary, the Trustees or such receiver shall have the right to manage the Property and to carry on the business of the Grantor and may exercise all of the rights and powers of the Grantor, either in the name of the Grantor, or otherwise, including, but without limiting the generality of the foregoing, the right to lease the Property, to cancel, modify, renew or extend any Lease or sublease of the Property and to carry on any contracts entered into by the Grantor with respect to the Property. The Beneficiary, the Trustees or such receiver shall be under no liability for, or by reason of, any such taking of possession, entry, holding, removal, maintaining, operation or management, except for gross negligence or willful misconduct. The Grantor shall pay on demand to the Beneficiary, the receiver or the Trustees (as the case may be) the amount of any deficiency between (a) the Rents received by the Beneficiary, the receiver or the Trustees, and (b) all expenses incurred in taking possession of, and operating, the Property, together with interest thereon at the Default Interest Rate as provided in the Term Loan Note. The exercise of the remedies provided in this Section shall not cure or waive any Event of Default and the enforcement of such remedies, once commenced, shall continue for so long as the Beneficiary shall elect, notwithstanding the fact that the exercise of such remedies may have, for a time, cured the original Event of Default.

10.13 Remedies Cumulative. All rights, powers, and remedies of the Beneficiary or the Trustees provided for in the Loan Documents are cumulative and concurrent and shall be in addition to and not exclusive of any appropriate legal or equitable remedy provided by law or contract. Exercise of any right, power, or remedy shall not preclude the simultaneous or subsequent exercise of any other by the Beneficiary or the Trustees.

10.14 Consent to Jurisdiction and Venue. The Grantor consents to be sued in any jurisdiction where any of the Property is located.

10.15 Rights Under the Uniform Commercial Code. Upon the occurrence of an Event of Default, the Grantor shall assemble and make available to the Beneficiary and the Trustees those portions of the Property which consist of personal property at a place to be designated by the Trustees and the Beneficiary and the Trustees may exercise all the rights and remedies of a secured party under the Uniform Commercial Code. Any notices required by the Uniform Commercial Code shall be deemed reasonable if mailed certified mail, return receipt requested, postage prepaid, by the Beneficiary or the Trustees to the Grantor. Disposition of the Property shall be deemed commercially reasonable if made pursuant to a public offering advertised at least twice in a newspaper of general circulation in the County where the Property is located.

10.16 Waiver of Jury Trial. The Grantor hereby voluntarily and intentionally waives any right it may have to a trial by a jury in any action, proceeding or litigation directly or indirectly arising out of, under or in connection with the Loan, the Guaranty, this Deed of Trust, or any of the other Loan Documents to which the Grantor is a party. This waiver applies to all claims against all parties to such actions and proceedings, including parties who are not parties to this Deed of Trust. This waiver is knowingly, intentionally, and voluntarily made by the Grantor who acknowledges that it has been represented in the execution of this Deed of Trust 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 Grantor further acknowledges that it has read and understands the meaning and ramifications of this waiver provision.

SECTION 11. MISCELLANEOUS

11.1 Intentionally Deleted.

11.2 Waivers. No term of any Loan Document shall be deemed waived unless the waiver shall be in writing and signed by the parties making the waiver. No failure by the Beneficiary or the Trustees to insist upon the Grantor's strict performance of any of the terms of the Loan Documents to which the Grantor is a party shall be deemed or construed as a waiver of those or any other terms. Any delay in exercising or enforcing any rights with respect to a Default or an Event of Default shall not bar the Beneficiary or the Trustees from exercising any rights under the Loan Documents, or at law or in equity.

11.3 Consents.

11.3.1 The Beneficiary may (a) release any person liable under the Loan Documents, (b) release any part of the security, (c) extend the time of payment of the Loan, and/or (d) modify the terms of the Loan Documents, regardless of consideration and without notice to or consent by the holder of any subordinate lien on the Property. No release, extension

or modification of the security held under the Loan Documents shall impair or affect the lien of this Deed of Trust or the priority of such lien over any subordinate lien.

11.3.2 Regardless of whether a person has been given notice or has given its prior consent, it shall not be relieved of any obligation under any Loan Documents by reason of (a) the failure of the Beneficiary, the Trustees, or any other person to take any action, foreclose, or otherwise enforce any provision of the Loan Documents, (b) the release of any other person liable under any Loan Document, (c) the release of any portion of the security under the Loan Documents, or (d) any agreement or stipulation between any subsequent owners of the Property and Beneficiary extending the time of payment or modifying the terms of any Loan Document.

11.4 Headings. All section headings are for convenience only and shall not be interpreted to enlarge or restrict the provisions of this Deed of Trust.

11.5 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:

- (a) If to Beneficiary: Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21201
Attn: Bruce D. McLean, Senior Vice President

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

Christopher J. Fritz, Esquire
Ballard Spahr Andrews & Ingersoll, LLP
300 E. Lombard Street, 18th Floor
Baltimore, Maryland 21202

- (b) If to Grantor: Erickson Retirement Communities, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
Attn: General Counsel

- (c) If to the Trustees: Bruce D. McLean
D. Seward Woelper
c/o Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21201

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

Christopher J. Fritz, Esquire
Ballard Spahr Andrews & Ingersoll, LLP
300 E. Lombard Street, 18th Floor
Baltimore, Maryland 21202

Any 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. Notice of change of address shall be deemed served when received.

11.6 Binding Effect. No transfer of any portion of the Trust Property or any interest thereon shall relieve any transferor of its obligations under the Loan Documents. No transferor of any obligation under any Loan Document shall be relieved of its obligations by any modification of any Loan Document subsequent to the transfer.

11.7 Amendment. This Deed of Trust may not be modified except in writing signed by (a) the Beneficiary, (b) the Trustees, and (c) Grantor.

11.8 Severability. In the event any provision of this Deed of Trust shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

11.9 Notices from Governmental Authorities Affecting the Property. Any notice from any governmental or quasi-governmental authority or corporation with respect to the Property sent to or known by the Grantor shall be promptly transmitted to the Beneficiary and the Trustees.

11.10 Applicable Law. This Agreement and the rights and obligations of the parties hereunder shall be construed and interpreted with the laws of the State of Maryland (excluding principles of conflicts of law), both in interpretation and performance.

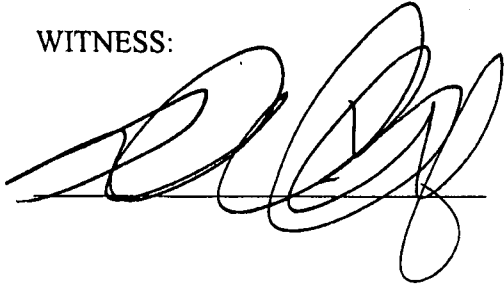
11.11 Time of the Essence. Time is of the essence with respect to the Loan Documents.

11.12 Effect of Payments. Any payment or other performance made in accordance with the Loan Documents by any person other than Grantor shall not entitle such person to any right of subrogation under the Loan Documents, unless expressly consented to in writing by the Beneficiary.

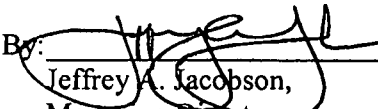
11.13 Word Forms. The use of any gender, tense, or conjugation herein shall be applicable to all genders, tenses and conjugations. The use of the singular shall include the plural and the plural shall include the singular.

IN WITNESS WHEREOF the Grantor, by its duly authorized member, has executed and delivered this Deed of Trust under the Grantor's seal as of the date and year first written above.

WITNESS:



ERICKSON RETIREMENT COMMUNITIES,
LLC

By:  (SEAL)
Jeffrey A. Jacobson,
Managing Director

STATE OF Maryland, CITY/COUNTY OF Baltimore, to wit:

I HEREBY CERTIFY, that on this 4th day of December, 2003, before me, the undersigned Notary Public of the State of Maryland, personally appeared Jeffrey A. Jacobson, known to me (or satisfactorily proved) to be the person who executed the foregoing Amended and Restated Indemnity Deed of Trust and Security Agreement, who acknowledged that he is a Managing Director of Erickson Retirement Communities, LLC, and that he executed the foregoing for the purposes therein recited.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



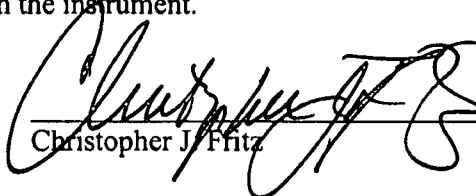
My commission expires: _____

Lois M. Shaw
Notary Public

LOIS M. SHAW
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires October 26, 2004

CERTIFICATION

THE UNDERSIGNED hereby certifies that the above instrument was prepared by or under the supervision of an attorney admitted to practice before the Court of Appeals of Maryland or by one of the parties named in the instrument.


Christopher J. Fritz

AFTER RECORDING, PLEASE RETURN TO:

~~Christopher J. Fritz, Esquire~~
~~Ballard Spahr Andrews & Ingersoll, LLP~~
~~300 E. Lombard Street, 18th Floor~~
~~Baltimore, Maryland 21202~~

CHICAGO TITLE INSURANCE COMPANY
1129 20th STREET, N.W. SUITE 300
WASHINGTON, D.C. 20036
RET/180 230 380

EXHIBIT ADescription of Land

All of that certain parcel of land consisting of approximately 3.452 acres more or less located in Baltimore County, Maryland as Follows:

Lot numbered one (1), on that certain plan entitled "Plat of Lot 1 St. Charles Associates, Ltd. Property" which plat is recorded among the Land Records of Baltimore County, Maryland at Liber S.M. 68, folio 28, consisting of 3.452 acres more or less..

Tax Parcel # 01 - 22 000 25394

State of Maryland Land Instrument Intake Sheet
☐ Baltimore City ☒ County: Baltimore

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only.

(Type or Print in Black Ink Only—All Copies Must Be Legible)

1	Type(s) of Instruments	<input type="checkbox"/> Check Box if addendum Intake Form is Attached.	
		<input checked="" type="checkbox"/> Deed	<input type="checkbox"/> Mortgage
		<input type="checkbox"/> Deed of Trust	<input type="checkbox"/> Lease
		<input type="checkbox"/> Other <u>FIN. Statement</u>	<input type="checkbox"/> Other <u>FIN. Statement</u>
2	Conveyance Type Check Box	<input type="checkbox"/> Improved Sale	<input type="checkbox"/> Unimproved Sale
		<input type="checkbox"/> Multiple Accounts	<input type="checkbox"/> Not an Arms-Length Sale [9]
3	Tax Exemptions (if Applicable)	Recordation <u>\$12-105(6) as to part</u>	
	Cite or Explain Authority	State Transfer <u>N/A</u>	
		County Transfer <u>N/A</u>	
4	Consideration and Tax Calculations	Finance Office Use Only	
		Transfer and Recordation Tax Consideration	
	Purchase Price/Consideration	\$ <u>5,325,555.55</u>	Transfer Tax Consideration
	Any New Mortgage	\$ <u>-</u>	X () % = \$
	Balance of Existing Mortgage	\$ <u>-</u>	Less Exemption Amount = \$
	Other:	\$ <u>-</u>	Total Transfer Tax = \$
	Other:	\$ <u>-</u>	Recordation Tax Consideration
	Full Cash Value	\$ <u>N/A</u>	X () per \$500 = \$ <u>17,630.00</u>
5	Fees	TOTAL DUE \$ <u>17,630.00</u>	
	Amount of Fees	Doc. 1	Doc. 2
	Recording Charge	\$ <u>95.00</u>	\$ <u>20.00</u>
	Surcharge	\$ <u>20.00</u>	\$ <u>20.00</u>
	State Recordation Tax	\$ <u>17,630.00</u>	\$ <u>-</u>
	State Transfer Tax	\$ <u>-</u>	\$ <u>-</u>
	County Transfer Tax	\$ <u>-</u>	\$ <u>-</u>
	Other	\$ <u>-</u>	\$ <u>-</u>
	Other	\$ <u>-</u>	\$ <u>-</u>
6	Description of Property	SDAT requires submission of all applicable information. A maximum of 40 characters will be indexed in accordance with the priority cited in Real Property Article Section 3-104(g)(3)(i).	
	District	Property Tax ID No. (1)	Grantor Liber/Folio
	<u>01</u>	<u>220005394</u>	<u>12608/597</u>
	Subdivision Name	Lot (3a)	Block (3b) Sect/AR (3c)
	<u>St. Charles Associates</u>	<u>1</u>	<u>101 517</u>
	Location/Address of Property Being Conveyed (2)		Parcel No.
	<u>701 Maiden Elvira Lane, Baltimore MD 21228</u>		<u>8141</u>
	Other Property Identifiers (if applicable)		Var. LOG <input type="checkbox"/> (5)
	Water Meter Account No.		SqFt/Acreage (4)
	<u>3468 p.28</u>		<u>3.45 Ac</u>
	Residential <input type="checkbox"/> or Non-Residential <input checked="" type="checkbox"/> Fee Simple <input checked="" type="checkbox"/> or Ground Rent <input type="checkbox"/> Amount:		
	Partial Conveyance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Description/Amt. of SqFt/Acreage Transferred:		
	If Partial Conveyance, List Improvements Conveyed:		
7	Transferred From	Doc. 1 - Grantor(s) Name(s)	
		<u>Erickson Retirement Communities, LLC, c/k/a Senior Campus Living, LLC</u>	
		Doc. 2 - Grantor(s) Name(s)	
		<u>Erickson Retirement Communities, LLC</u>	
		Doc. 1 - Owner(s) of Record, if Different from Grantor(s)	
		Doc. 2 - Owner(s) of Record, if Different from Grantor(s)	
8	Transferred To	Doc. 1 - Grantee(s) Name(s)	
		<u>Bruce D. McLean & D. Seward Woelper, Trustees.</u>	
		Doc. 2 - Grantee(s) Name(s)	
		<u>Mercantile-Safe Deposit & Trust Company</u>	
		New Owner's (Grantee) Mailing Address	
9	Other Names to Be Indexed	Doc. 1 - Additional Names to be Indexed (Optional)	
		<u>Senior Campus Living, LLC - as Grantor</u>	
		Doc. 2 - Additional Names to be Indexed (Optional)	
		<u>St. Charles Associates, LTD - as Grantor</u>	
10	Contact/Mail Information	Instrument Submitted By or Contact Person	
		Name: <u>Eric Taylor</u>	
		Firm: <u>Chicago Title Insurance Co.</u>	
		Address: <u>1129 20th St NW #300</u>	
		Washington, DC 20036 Phone: <u>(202) 2639711</u>	
		<input checked="" type="checkbox"/> Return to Contact Person	
		<input type="checkbox"/> Hold for Pickup	
		<input type="checkbox"/> Return Address Provided	
11	IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER	Assessment Information	
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Will the property being conveyed be the grantee's principal residence?	
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Does transfer include personal property? If yes, identify: _____	
		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).	
		Assessment Use Only - Do Not Write Below This Line	
		Terminal Verification <input type="checkbox"/> Agricultural Verification <input type="checkbox"/> Whole <input type="checkbox"/> Part <input type="checkbox"/> Tran. Process Verification <input type="checkbox"/>	
		Transfer Number: <u>20</u> Date Received: <u>20</u>	
		Deed Reference: <u>Geo.</u> <u>Map</u> <u>Sub</u> <u>Block</u>	
		<u>Zoning</u> <u>Grid</u> <u>Plat</u> <u>Lot</u>	
		<u>Use</u> <u>Parcel</u> <u>Section</u> <u>Occ. Cd.</u>	
		<u>Town Cd.</u> <u>Ex. St.</u> <u>Ex. Cd.</u>	

FD SURE \$ 20.00
RECORDING FEE 75.00
TOTAL 95.00
BAGS Rpt # 49326
LL Bk # 3202
22, 2003 02:52 PM

Space for Court Clerk Recording Validation

COUNTY, MARYLAND
\$17,630.00
RECORDATION TAXES
12/22/2003
12/23/2003 14:44:34
ACTUAL
White - Clerk's Office
Canary - SDAT
Pink - Office of Finance
Goldenrod - Preparer
AOC-CC-300 (6/95)

00140355 411

Addendum
State of Maryland Land Instrument Intake Sheet
☐ Baltimore City ☒ County: Baltimore

*The addendum form should be used when one transaction involves more than two instruments.
Each instrument should be itemized in accordance with Section No. 1 of the Intake Sheet.*

(Type or Print in Black Ink Only—All Copies Must Be Legible)

5	(Continued) Fees	Amount of Fees	Doc. 3	Doc. 4	Doc. 5	Doc. 6
		Recording Charge	\$ 20.00	\$	\$	\$
		Surcharge	\$ 20.00	\$	\$	\$
		State Recordation Tax	\$ - 0 -	\$	\$	\$
		State Transfer Tax	\$ - 0 -	\$	\$	\$
		County Transfer Tax	\$ - 0 -	\$	\$	\$
		Other	\$ - 0 -	\$	\$	\$
		Other	\$ - 0 -	\$	\$	\$

7	(Continued) Transferred From	Doc. 3 - Grantor(s) Name(s)	Doc. 4 - Grantor(s) Name(s)
		<u>Erickson Retirement Commem. Tru,</u> <u>LLC</u>	
		Doc. 5 - Grantor(s) Name(s)	Doc. 6 - Grantor(s) Name(s)
		Doc. 3 - Owner(s) of Record, if Different from Grantor(s)	Doc. 4 - Owner(s) of Record, if Different from Grantor(s)
		Doc. 5 - Owner(s) of Record, if Different from Grantor(s)	Doc. 6 - Owner(s) of Record, if Different from Grantor(s)

8	(Continued) Transferred To	Doc. 3 - Grantee(s) Name(s)	Doc. 4 - Grantee(s) Name(s)
		<u>Mercantile - Safe Deposit &</u> <u>Trust Company</u>	
		Doc. 5 - Grantee(s) Name(s)	Doc. 6 - Grantee(s) Name(s)

9	(Continued) Other Names to be Indexed	Doc. 3 - Additional Names to be Indexed (Optional)	Doc. 4 - Additional Names to be Indexed (Optional)
		<u>Senior Campus Living, LLC -</u> <u>as Grantor</u>	
		Doc. 5 - Additional Names to be Indexed (Optional)	Doc. 6 - Additional Names to be Indexed (Optional)

Special Instructions	Special Recording Instructions (if any)

*Distribution: White - Clerk's Office
Canary - SDAT
Pink - Office of Finance
Goldenrod - Preparer
AOC-CC-301(6/95)*

OF MARYLAND BALTIMORE COUNTY TO WITH

I HEREBY CERTIFY that the foregoing is a true copy of the original

Deed Trust taken from the records of said Circuit Court as
recorded in Liber 5M No. 19335
Folio 388-411 one of the land

records of Baltimore County

IN TESTIMONY WHEREOF I hereto set my hand
and affix the seal of the Circuit Court for
Baltimore, County

this 25 day of Jan. 2010

Seamus O'Neil

Clerk of the Circuit Court of Baltimore County

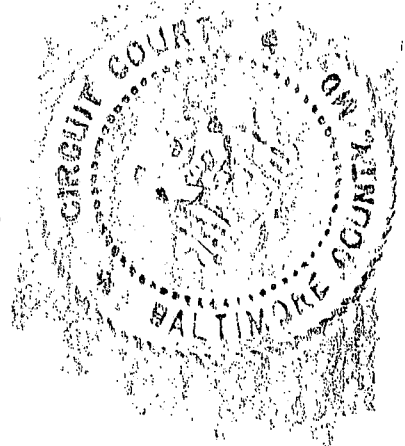


Exhibit 4

C-BA 591
\$54.00

To be Recorded:

- ☒ Maryland State Department of Assessments and Taxation,
Financing Statement Records
- ☐ Baltimore County, Maryland - Financing Statement Records
- ☐ Baltimore County, Maryland - Land Records
- ☐ Baltimore City, Maryland - Financing Statement Records
- ☐ Baltimore City, Maryland - Land Records

NOT SUBJECT TO RECORDATION TAX

INDEMNITY FINANCING STATEMENT

1. Indemnity Debtor ^① ST. CHARLES ASSOCIATES, LTD.
(also doing business under the name
^② ST. CHARLES (CHARLESTOWN) LIMITED
PARTNERSHIP)
703 Maiden Choice Lane
Baltimore, Maryland 21228
2. Secured Party MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY
Two Hopkins Plaza
Baltimore, Maryland 21201
Attn: Bruce D. McLean
3. This Financing Statement covers the following types of
property:

See Schedule I attached hereto.
4. If above described personal property is to be affixed to real
property, describe real property:

See Exhibit A attached hereto.
5. If collateral is crops, describe real estate:

N/A
6. Proceeds of collateral, including insurance proceeds, are
covered.
7. Products of collateral are covered.
8. An Indemnity Deed of Trust and Security Agreement of even date
herewith creates the security interest evidenced by this

RECORDED ON AUG 31, 1992 AT 08:30 AM
IN THE FINANCING RECORDS OF THE MD. ST.
DEPARTMENT OF ASSESSMENTS AND TAXATION
ID # 122447825 RECEIPT # 04582070181

SEE BOTTOM OF PAGE FOR LIBER & EOLIO a true and correct copy of the
RECORDING FEE document \$4.00 in this office. DATED: 8-27-92

RECORDATION TAX
* THIS SERVES AS YOUR RECEIPT *

BY: [Signature] Custodian
This stamp replaces our previous certification system. Effective: 6/95

3444 -
2347

Financing Statement. A record owner of the real property is the Indemnity Debtor.

INDEMNITY DEBTOR:

ST. CHARLES ASSOCIATES, LTD.

By: Retirement & Health Services Corporation,
a General Partner

By: John C. Erickson
John C. Erickson, President

By: John C. Erickson
John C. Erickson, a General Partner

TO THE FILING OFFICER: PLEASE INDEX UNDER BOTH DEBTOR NAMES:

1. ST. CHARLES ASSOCIATES, LTD.
2. ST. CHARLES (CHARLESTOWN) LIMITED PARTNERSHIP

After this statement has been recorded, please mail the same to:

Lori A. Nicolle, Esquire
Gallagher, Evelaus & Jones
218 North Charles Street, Suite 400
Baltimore, Maryland 21201

Guaranty Trust Services, Inc.
805 Equitable Building
Towson, Maryland 21204

Guaranty Trust Services, Inc.
805 Equitable Building
Towson, Maryland 21204

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8/20/92
8160

SCHEDULE I

DESCRIPTION OF COLLATERAL

All assets described in an Indemnity Deed of Trust and Security Agreement between Indemnity Debtor and Secured Party of even date herewith (the "Deed of Trust"), including but not limited to:

- (a) All of the machines, apparatus, equipment, fixtures and articles of personal property owned by Indemnity Debtor now or hereafter located on the real property described in Exhibit A hereto (the "Property"), or in any improvements thereon, including without limitation all furniture, fixtures, equipment and building materials, and all right, title and interest of the Indemnity Debtor in and to any of such property which may be subject to any title retention or security agreement or instrument having priority over the Deed of Trust.
- (b) All rents, profits, issues, revenues, income, proceeds, earnings and products generated by or arising out of the Property, and all accounts receivable arising in connection with the Property and all contracts for the use and occupancy of all or any portion of the Property (including but not limited to agreements with the residents of the Retirement Community located on the Property, all contracts of sale for all or any portion of the Property, including, without limitation, all deposits to secure performance by contract purchasers for all or any portion of the Property, all of the general intangibles, actions, rights in action, estate, right, title, use, claim and demand of every nature whatsoever, at law or in equity, which the Indemnity Debtor may now have or may hereafter acquire in and to the Property and all right, title and interest of the Indemnity Debtor in and to all extensions, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Property, hereafter acquired by or released to the Indemnity Debtor, or constructed, assembled or placed by or for the Indemnity Debtor on the Property, and all in conversion of the security constituted thereby.
- (c) All insurance policies and insurance proceeds pertaining to the Property and all awards or payments, including interest thereon and the right to receive the same, which may be made with respect to any of the Property as a result of any taking or any injury to or decrease in the value of the Property.

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Exhibit A

PARCEL ONE:

All that tract or parcel of land situate in the First Election District of Baltimore County, Maryland and a small portion being within the City of Baltimore and is further bounded and described as follows:

BEGINNING for the same at a point in the northerly right-of-way line of Maiden Choice Lane, 33 foot wide at its point of intersection with the southerly line of a parcel of land conveyed to the Rev. Michael J. Dudick as recorded among the Land Records of Baltimore County in Liber 5215 at folio 445, thence leaving the right-of-way line of Maiden Choice Lane and binding 6 courses of property described in a conveyance to the Rev. Dudick as aforesaid and referring the courses of this description to the Maryland State Grid Meridian,

- 1) North 55°15'31" East, 127.43 feet to a point
- 2) South 71°38'12" East, 109.88 feet to a point
- 3) North 40°07'00" East, 58.00 feet to a point
- 4) North 49°53'00" West, 177.00 feet to a point
- 5) North 40°07'00" East, 122.00 feet to a point
- 6) North 49°53'00" West, 230.00 feet to a point in the southerly line of a parcel of land conveyed to the Little Sisters of the Poor as recorded among the Land Records of Baltimore County, Maryland in Liber 4692 at folio 47, thence binding the southerly line of land conveyed to the Little Sisters of the Poor as aforesaid,
- 7) North 40°07'00" East, 150.00 feet to a point, thence binding the westerly line of a parcel of land conveyed to the Little Sisters of the Poor as recorded among the Land Records of Baltimore County, Maryland in Liber 5245 at folio 503
- 8) South 49°53'00" East, 250.00 feet to a point, thence binding the southerly line of land of the Little Sisters of the Poor as aforesaid,
- 9) North 40°07'00" East, 300.00 feet to a point, thence binding the east line of land of the Little Sisters of the Poor as aforesaid,
- 10) North 49°53'00" West, 250.00 feet to a point in the south line of a parcel of land conveyed to the Little

Sisters of the Poor as formally referred to being recorded in Liber 4692 at folio 47, thence binding the south line of land of the Little Sisters of the Poor.

11) North 40°07'00" East, 626.16 feet to a point in the southerly line of parcel of land formally occupied by Catonsville Short Line Railroad and reputedly conveyed to Jack Chertkof thence binding said southerly right-of-way line the following 36 courses

- 12) North 74°27'17" East, 35.69 feet to a point
- 13) North 73°28'14" East, 20.69 feet to a point
- 14) North 71°37'40" East, 40.01 feet to a point
- 15) North 67°46'26" East, 100.40 feet to a point
- 16) North 80°02'30" East, 100.78 feet to a point
- 17) North 78°30'23" East, 47.22 feet to a point
- 18) North 85°52'47" East, 54.39 feet to a point
- 19) North 87°06'41" East, 17.54 feet to a point
- 20) North 78°16'33" East, 82.73 feet to a point
- 21) North 46°35'25" East, 54.02 feet to a point
- 22) North 69°50'59" East, 24.30 feet to a point
- 23) North 76°19'12" East, 24.19 feet to a point
- 24) South 86°44'03" East, 49.85 feet to a point
- 25) South 81°29'37" East, 50.16 feet to a point
- 26) South 78°45'11" East, 16.05 feet to a point
- 27) North 70°21'08" East, 82.03 feet to a point
- 28) North 74°15'44" East, 98.99 feet to a point
- 29) North 89°30'42" East, 97.37 feet to a point
- 30) South 82°29'41" East, 97.38 feet to a point
- 31) South 82°53'59" East, 48.62 feet to a point
- 32) South 82°53'43" East, 48.75 feet to a point
- 33) South 69°45'59" East, 49.07 feet to a point
- 34) South 61°52'43" East, 49.73 feet to a point
- 35) South 57°39'51" East, 11.03 feet to a point
- 36) South 79°01'32" East, 24.11 feet to a point
- 37) South 83°23'47" East, 51.65 feet to a point
- 38) South 68°08'35" East, 41.48 feet to a point
- 39) South 80°06'50" East, 70.86 feet to a point
- 40) South 83°14'33" East, 22.50 feet to a point
- 41) South 48°51'17" East, 30.27 feet to a point
- 42) South 49°11'05" East, 53.93 feet to a point
- 43) South 69°23'00" East, 35.02 feet to a point
- 44) South 80°11'16" East, 65.81 feet to a point
- 45) South 74°57'34" East, 100.22 feet to a point
- 46) South 77°09'45" East, 80.64 feet to a point
- 47) South 69°04'16" East, 7.19 feet to a point in

the west line of a parcel of land known as Kensington Subdivision as shown on a plat recorded in plat Book 8 at folio 46 thence binding the west line of the Kensington Subdivision as aforesaid

48) South 15°51'57" East, 1233.85 feet to a point thence leaving the west line of the Kensington Subdivision and

binding the northerly line of a parcel of land conveyed to Rev. Keough as recorded among the Land Records of Baltimore County, Maryland in Liber 2608 at folio 287, thence binding the north line of land of Keough

49) South 66°52'10" West, 772.11 feet to a point thence binding the west line of land of Keough as aforesaid

50) South 23°07'50" East, 806.40 feet to a point in the northerly right-of-way line of Wilkens Avenue also known as State Road-Maryland Route 372 thence binding the northerly right-of-way line of Wilkens Avenue

51) South 67°55'38" West, 278.55 feet to a point of intersection of the northerly line of Wilkens Avenue with the easterly line of a parcel of land known as Wilkens Beltway Plaza Shopping Center, thence leaving the right-of-way line of Wilkens Avenue and binding the easterly line of the Wilkens Beltway Plaza

52) North 23°33'08" West, 645.64 feet to a point thence binding the northerly line of land of the Wilkens Beltway Plaza

53) South 67°52'16" West, 1021.83 feet to a point in the northeasterly line of Maiden Choice Lane, 33 feet wide thence binding the northeasterly right-of-way line of Maiden Choice Lane the following 5 courses to the point and place of beginning

54) North 46°42'54" West, 217.38 feet to a point

55) North 47°02'31" West, 140.57 feet to a point

56) North 47°12'09" West, 169.92 feet to a point

57) North 48°10'41" West, 498.66 feet to a point

58) North 47°48'39" West, 305.56 feet to a point and place of beginning and containing an area of 105.653± acres of land according to a survey prepared by C. H. Miller and Associates, Inc. and dated April 30, 1982, revised May 19, 1983 and further revised June 6, 1983.

SAVING AND EXCEPTING from the above described parcel of land the following described parcels:

1) Being the chapel site (hereinafter sometimes called the "Chapel Property"). Beginning for the same at a point located 87°46'19" East, at a distance of 174.14 feet from the end of the third course of the above described parcel, thence leaving said point of beginning and running for the outline of the parcel herein accepted

1. North 38°59'53" East, 128.08 feet to a point

2. South 50°44'32" East, 218.60 feet to a point

3. South 39°15'17" West, 107.86 feet to a point, thence running along a curve deflecting to the left along the outline of a driveway

4. 48.58 feet to a point, said curve being subtended by a cord of North 74°52'37" West, 45.65 feet

5. North 51°14'48" West, 176.37 feet to the point and place of beginning and containing an area of 0.6232 acres of land and being a part of that same tract or parcel of land conveyed by Alan P. Smith, et al, Trustees, to the Associate Professors of St. Mary's Seminary in Baltimore, Maryland by a deed recorded in Liber 147 at folio 5.

ALSO SAVING AND EXCEPTING therefrom the parcel known as the cemetery (hereinafter sometimes called the "Cemetery Property").

BEGINNING for the same at a point located North 42°06'31" West, 1,123.92 feet from the end of the 49th course described in the whole tract, thence leaving said point of beginning and running for the outline of the Cemetery Property

1. North 67°34'25" West, 98.19 feet
2. North 61°57'40" West, 99.99 feet
3. North 62°12'08" East, 218.29 feet
4. South 72°02'22" East, 61.13 feet
5. South 03°29'04" East, 48.54 feet
6. South 37°05'38" West, 51.15 feet
7. South 43°29'33" West, 51.07 feet
8. South 46°45'22" West, 60.00 feet to the

point and place of beginning and containing an area of 0.5596 acres of land and being a part of that same tract of parcel of land conveyed by Alan P. Smith, et al, Trustees, to the Associate Professors of St. Mary's Seminary in Baltimore, Maryland by a deed recorded among the land records in Liber 147 at folio 5.

ALSO SAVING AND EXCEPTING that parcel of land conveyed to Kensington Associates.

BEGINNING for the same at a point in the northerly right-of-way line of Wilkens Avenue at the end of the 50th course as described in the outline of the whole tract, thence leaving said point of beginning and binding the northerly right-of-way line of Wilkens Avenue

1. South 67°55'38" West, 278.55 feet, thence leaving the right-of-way line of Wilkens Avenue and binding the northerly line of land occupied by the Wilkens Beltway Shopping Center as shown on a plat recorded among the Land Records of Baltimore County in Plat Book E.H.K., Jr. Liber 46 at folio 65

2. North 23°33'08" West, 130.30 feet to a point on the easternmost side of Elm Ridge Avenue thence binding on the future extension of said Elm Ridge Avenue along a curve deflecting to the right

3. 49.94 feet said curve having a radius of 170.00 feet and being subtended by a cord of North 14°30'43" East, 49.76 feet thence leaving said curve and running

4. North 22°55'38" East, 69.62 feet to a point thence leaving the easterly most side of Elm Ridge Avenue

5. North 88°19'27" East, 213.64 feet to a point on the 50th course of the above described parcel, thence binding the aforesaid 50th course

6. South 23°07'50" East, 145.00 feet to the point and place of beginning and containing an area of 1.161 acres of land and being a part of that same parcel of land as conveyed by Robert L. Gill, Trustee to the Associate Professors of St. Mary's Seminary in Baltimore, Maryland as recorded among the Land Records of Baltimore County in Liber 448 at folio 288.

TOGETHER WITH an easement appurtenant to the above property conveyed herewith to use the Chapel Property included in the exceptions set forth above for purposes of emergency egress from the building located immediately adjacent to and connected with the Chapel Property; such egress to be through the adjoining corridor of the Chapel building and across the Chapel Property;

SUBJECT, HOWEVER, to the following easements reserved by St. Mary's Seminary and University ("St. Mary's"), and appurtenant to the Chapel Property and Cemetery Property retained by St. Mary's:

(i) Easements of access for ingress and egress to and from the Chapel Property and Cemetery Property by pedestrian and vehicular traffic, in common with others, over such driveways, paths and walkways as may be established, located and relocated by the Grantor from time to time, such easements initially existing on the driveways, paths and walkways, presently existing, subject to Grantor's right to relocate the same from time to time, providing substantially as convenient access to those Properties; provided that Grantor shall maintain all such driveways, paths and walkways in a reasonably usable condition.

(ii) An easement in common with others for motor vehicle parking for persons using the Chapel Property; such easement to include a reasonable number of parking spaces adequate to accommodate the needs of all persons so using the Chapel Property, and located in the present location of the parking areas in the vicinity of the Chapel Property, or in such other location as the Grantor may determine from time to time provided that any other locations shall be substantially

as convenient as the present parking areas; provided that at least two motor vehicle parking spaces shall be provided adjacent to the Chapel Property on the northwest side thereof; and provided that Grantor shall maintain such parking easement areas in reasonably usable condition.

(iii) A right and easement to connect to, and to receive service through, and the right, but not the obligation, to maintain, the existing sewer, water, electric, telephone and heat lines, conduits and facilities, through the property being herein conveyed, or through any relocated lines, conduits and facilities, any relocation to be at the sole expense of Grantor, its successors and assigns; and to install, use and maintain other utility connections through the lands of the Grantor from Maiden Choice Lane to the Chapel Property at locations subject to Grantor's reasonable approval. Heat may be provided as presently, or by an alternative energy supply system installed by Grantor, its successors and/or assigns at its or their expense. Grantor and St. Mary's have agreed that an energy supply system different from that presently in use will be installed whereby new facilities are required for heat distribution on the properties of Grantor and St. Mary's; the capital cost of the facilities on each property to be borne by the respective owners thereof. If Grantor, thereafter, within 15 years, changes the energy supply system to one to which the St. Mary's facilities are not reasonably adaptable and compatible, Grantor shall pay for the cost of any necessary new facilities on St. Mary's property to provide heating for the Chapel building. Except as may otherwise be agreed between Grantor and St. Mary's, the cost of utilities service shall be at the expense of St. Mary's.

(iv) Grantor shall grade or make other provision on the conveyed property at the back or northwest side of the Chapel, so that water shall not drain from the conveyed property on to the Chapel Property. St. Mary's shall have the right to drain its Chapel Property on all sides of the chapel building as presently drained.

BEING the same property which by Deed dated June 10, 1983 and recorded among the Land Records of Baltimore County, Maryland in Liber 6540 folio 001, was granted and conveyed by St. Mary's Seminary and University to St. Charles Associates, Ltd., a Florida Limited Partnership.

PARCEL TWO:

All that property situate in the First Election District of Baltimore County, Maryland, according to a survey prepared by George William Stephens, Jr. & Associates, Inc., Engineers, dated July 19, 1971 and described as follows, that is to say:

BEGINNING FOR THE SAME at a concrete monument found on the northeast side of Maiden Choice Lane at the end of the last or south 40 degrees of 07 minutes 00 seconds west 1376.37 foot line of that parcel of land conveyed by The Trustees of Saint Charles College to The Little Sisters of the Poor by Deed dated November 1, 1966 and recorded among the Land Records of Baltimore County, Maryland in Liber OTG 4692 folio 047 and running thence binding reversely on part of said line and also binding on part of the fourth or north 42 1/2 degrees east one hundred and three perch line of the first parcel of land conveyed by The Associated Professors of Saint Mary's Seminary in Baltimore City to The Trustees of Saint Charles College by Deed dated May 13, 1912 and recorded among the Land Records of Baltimore County, Maryland in Liber WPC 392 folio 455, as now surveyed, north 40 degrees 07 minutes 00 seconds east 330.00 feet; thence for lines of division six following courses and distances, viz: first south 49 degrees 53 minutes 00 seconds east 230.00 feet, second south 40 degrees 07 minutes 00 seconds west 122.00 feet, third south 49 degrees 53 minutes 00 seconds east 177.00 feet, fourth south 40 degrees 07 minutes 00 seconds west 58.00 feet, fifth north 71 degrees 38 minutes 12 seconds west 109.88 feet and sixth south 55 degrees 15 minutes 31 seconds west 127.43 feet to the northeast side of Maiden Choice Lane; thence binding on the northeast side of Maiden Choice Lane north 46 degrees 59 minutes 21 seconds west 272.00 feet to the point of beginning. Containing 2.290 acres of land, more or less.

SEING the same property described in a Deed dated October 13, 1983 and recorded among the Land Records of Baltimore County, Maryland in Liber 6643, folio 132, from The Most Reverend Michael J. Dudick, Bishop of the Eparch of

Passaic, New Jersey (a religious, non-profit corporation formed under the laws of New Jersey), and his duly elected or appointed successors in office, to the within Grantor, in fee simple.

() SUBJECT to three easements each having a width of 10 feet, the centerlines of each described as follows viz: Beginning for the first at a point on the last or north 46 degrees 59 minutes 21 seconds west 272.00 foot line of the herein described 2.290 acres more or less parcel, said point being located south 46 degrees 59 minutes 21 seconds east 13.73 feet from a concrete monument at the end of said last line and running through said 2.290 acres more or less parcel the two following courses viz, first north 41 degrees 43 minutes 13 seconds east 25.32 feet and second north 68 degrees 02 minutes 17 seconds east 345.61 feet to intersect the second or south 49 degrees 53 minutes 00 seconds east 230.00 foot line of said parcel 176.26 feet from the beginning thereof. Being now and to be used for underground water service conduits.

Beginning for the second at a point on the last or north 46 degrees 59 minutes 21 seconds west 272.00 foot line of the herein described 2.290 acres more or less parcel, said point being located south 46 degrees 59 minutes 21 seconds east 11.00 feet from a concrete monument at the end of said last line and running through said 2.290 acres more or less parcel north 69 degrees 36 minutes 57 seconds east 379.79 feet to intersect the second or south 49 degrees 53 minutes 00 seconds east 230.00 foot line of said parcel 32.00 feet from the end thereof, being now and to be used for overhead electric lines and poles.

Beginning for the third at a point on the sixth or north 71 degrees 38 minutes 12 seconds west 109.88 foot line of the herein described 2.290 acres more or less parcel said point being located north 71 degrees 38 minutes 12 seconds west 65.84 feet from the beginning of said sixth line and running thence through said 2.290 acres more or less parcel north 40 degrees 30 minutes 51 seconds east 82.40 feet to intersect the fourth or south 49 degrees 53 minutes 00 seconds east 177.00 foot line of said parcel 60.58 feet from the end thereof, being now and to be used for underground gas service.

TOGETHER with the buildings and improvements thereupon; and the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

PARCEL THREE:

all of the property, located in Baltimore City, included within the right of way of Caton & Loudon Railway Company (formerly the Catonsville Short Line Railroad Company) and lying between the easterly and westerly lines hereafter described; being more particularly described as follows:

All of the property subject to such right of way lying easterly of the line described in the aforesaid Deed dated June 10, 1983, as the West line of Kensington Subdivision, that is, the South 15 degrees, 51 minutes, 57 seconds East line (which line is also the same line described in the deed from Trustees, St. Charles College, et al. to George W. Hubbard dated September 17, 1925, recorded among the Land Records of Baltimore County in Liber WPC No. 612, folio 595 and among the Land Records of Baltimore City in Liber SCL No. 4454, folio 580, as the North 15 degrees, 53 minutes West 2280 foot line, parallel with and 1000 feet westerly from Beechfield Avenue), and extending easterly from such line to the southwest side of Beechfield Avenue; the land between such lines included in this conveyance being all land between such lines subject to the right of way granted to or otherwise acquired by The Catonsville Short Line Railroad Company, and also being the land described in the Savings and Excepting clause of the aforesaid Deed dated September 17, 1925.

SUBJECT, HOWEVER, to all of such rights as may continue to exist for the use of such right of way.

PARCEL FOUR:

all of the property, located partly in the First Election District of Baltimore County and partly in Baltimore City, included within the right of way of Caton & Loudon Railway Company (formerly the Catonsville Short Line Railroad Company) and lying between the easterly and westerly lines hereafter described; being more particularly described as follows:

All of the property subject to such right of way lying easterly of the line described in Deed dated July 25, 1885, recorded in the Land Records of Baltimore County in Liber W.M.I. No. 147, folio 5, from Alan P. Smith, et al., Trustees to The Associated Professors of St. Mary's Seminary in Baltimore City, as the North 42.5 degrees East, 103 perches line (which line is also an extension northeasterly of the line described in the above referred to Deed dated June 10, 1983, from Grantor to Grantee as the North 40 degrees 7 minutes 00 seconds East line) and extending easterly from such line to a line constituting an extension northerly of the line described in the aforesaid Deed dated June 10, 1983, from Grantor to Grantee as the west line of Kensington Subdivision or South 15 degrees, 51 minutes, 57 seconds East line; the land between such lines included in this conveyance being all land subject to the right of way granted to or otherwise acquired by The Catonsville Short Line Railroad Company.

SUBJECT, HOWEVER, to all of such rights as may continue to exist for the use of such right of way.

DC 1217-19

RECORDED ON DEC 13, 1995 AT 09:46 AM
IN THE FINANCING RECORDS OF THE MD. ST.
DEPARTMENT OF ASSESSMENTS AND TAXATION
ID # 122447825 RECEIPT # 114B2100014
SEE BOTTOM OF PAGE FOR LIBER & FOLIO
RECORDING FEE 20.00
RECORDATION TAX
EXPEDITED FEE 30.00

PLEASE RECORD AS FOLLO

- X 1. With the Maryland State Department of Assessments and Taxation
2. In the Land Records of Baltimore County, Maryland

RECEIVED
'95 DEC 13 AM 9 46
ASSESS. & TAX.

NOT SUBJECT
TO RECORDATION TAXES--
INDEMNITY INSTRUMENT

INDEMNITY DEBTOR'S
PRINCIPAL OFFICE IS
IN BALTIMORE COUNTY,
MARYLAND

AMENDMENT TO INDEMNITY FINANCING STATEMENT

THIS STATEMENT REFERS TO ORIGINAL INDEMNITY FINANCING
STATEMENT FILED WITH THE MARYLAND STATE DEPARTMENT OF
ASSESSMENTS AND TAXATION, IN LIBER 3444, FOLIO 2342,
IDENTIFYING FILE NO. 122447825, RECORDED ON
Dec 21, 1992.

INDEMNITY DEBTOR:

ST. CHARLES ASSOCIATES, LTD.
(also doing business under the name ST.
CHARLES (CHARLESTOWN) LIMITED
PARTNERSHIP)
703 Maiden Choice Lane
Baltimore, Maryland 21228

SECURED PARTY:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: Bruce D. McLean

RECITALS

53478232

This Amendment to Indemnity Financing Statement is made with
reference to the following facts:

A. On August 21, 1992, St. Charles Holding Limited
Partnership (the "Borrower") borrowed the sum of \$15,000,000 (the
"Loan") from Secured Party, as evidenced by that certain Revolving
Loan Note dated August 21, 1992 between Borrower and Secured Party
(the "Note").

B. Indemnity Debtor guaranteed repayment of the Note
pursuant to that certain Partnership Guaranty Agreement dated
August 21, 1992, which Partnership Guaranty Agreement is secured by
an Indemnity Deed of Trust and Security Agreement dated August 21,

STATE OF MARYLAND

I hereby certify that this is a true and complete copy of the
page document in file in the office of the
CLERK OF THE DISTRICT COURT OF BALTIMORE COUNTY

BY: [Signature], Custodian
This stamp replaces our previous certification system. Effective: 6/95

1992 (the "Deed of Trust") from Indemnity Debtor to certain trustees for the benefit of Secured Party covering certain real property therein described. - Indemnity Debtor is the fee simple owner of that certain parcel of land, together with the improvements thereon, located in Baltimore County, Maryland, as more particularly described in Exhibit A of the original Indemnity Financing Statement (the "Original Property").

C. Borrower and Secured Party modified the terms of the Loan pursuant to a certain Amended and Restated Construction Loan Agreement dated as of July 25, 1994, and in connection therewith Indemnity Debtor and Secured Party modified the terms of the Original Deed of Trust pursuant to the terms of a First Modification of Indemnity Deed of Trust and Security Agreement dated as of July 25, 1994 (the "First Modification").

D. Borrower and Secured Party intend to further modify the terms of the Loan pursuant to a Second Amended and Restated Loan Agreement of even date herewith, and in connection therewith Indemnity Debtor and Secured Party intend to execute a Second Modification and Partial Release of Indemnity Deed of Trust and Security Agreement of even date herewith (the "Second Modification") whereby the terms of the Deed of Trust will be modified and a portion of the Original Property will be released from the lien of the Deed of Trust.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Exhibit A of the original Indemnity Financing Statement is hereby amended so that it now refers to the real property described in Exhibit A attached hereto and made a part hereof.

2. Except as specifically stated herein, nothing herein contained shall in any way impair, alter, enlarge or modify any term, condition, provision, representation, warranty or covenant of the original Indemnity Financing Statement, as amended, and each such term, condition, provision, representation, warranty or covenant shall be and remain in full force and effect.

3. The original Indemnity Financing Statement is hereby modified such that the term "Deed of Trust," as it appears in the original Indemnity Financing Statement shall be deemed to mean and include such document, as amended and restated by the First Modification and by the Second Modification, which Second Modification is being executed and delivered by the Indemnity Debtor contemporaneously herewith.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to Indemnity Financing Statement on the 12th day of December, 1995.

INDEMNITY DEBTOR:

ST. CHARLES ASSOCIATES, LTD.

By: Senior Campus Living,
Inc., General Partner

By: [Signature] (SEAL)
By: John C. Erickson,
Chief Executive Officer

By: [Signature] (SEAL)
John C. Erickson,
General Partner

SECURED PARTY:

**MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY**

By: [Signature] (SEAL)
Bruce D. McLean,
Vice President

**TO THE FILING OFFICER - Please Index Under
Both Debtor Names:**

1. St. Charles Associates, Ltd.
2. St. Charles (Charlestown) Limited Partnership

**AFTER RECORDING,
PLEASE RETURN TO:**

~~Christopher J. Fritz, Esquire
Gallagher, Evelius & Jones
218 North Charles Street
Suite 400
Baltimore, Maryland 21201~~

**AMERICAN TITLE GUARANTEE CORPORATION
5 LIGHT STREET
SUITE 1000
BALTIMORE, MARYLAND 21202**

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8160

EXHIBIT A

That certain parcel of land consisting of approximately 3.452 acres located on Maiden Choice Lane in Baltimore County, Maryland, more particularly identified as "Lot 1" as shown on the Plat entitled "Lot 1 St. Charles Associates, Ltd. Property", which plat is recorded among the Land Records of Baltimore County, Maryland at Liber S.M. 68, folio 28.

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

(410) 528-5661

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Michael T. Kersten, Esq.
Ballard Spahr Andrews & Ingersoll, LLP
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #

122447825 filed on 08/31/1992

1b. This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. AMENDMENT (PARTY INFORMATION): This Amendment affects ☒ Debtor or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☒ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. ☐ DELETE name: Give record name to be deleted in item 6a or 6b. ☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME

St. Charles Associates, LTD.

OR 6b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME

Erickson Retirement Communities, LLC

OR 7b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

7d. TAX ID #: SSN OR EIN

ADDITIONAL INFO RE ORGANIZATION DEBTOR

7e. TYPE OF ORGANIZATION
ltd. liability company

7f. JURISDICTION OF ORGANIZATION
Maryland

7g. ORGANIZATIONAL ID #, if any
W04550497

☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME

Mercantile-Safe Deposit and Trust Company

OR 9b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

10. OPTIONAL FILER REFERENCE DATA

File with Maryland State Department of Assessments and Taxation

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/29/98)
NATUCC3 423/01 CT System Online

STATE OF MARYLAND

I hereby certify that this is a true and complete copy of the page document on file in this office. DATED: 1/22/10

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

BY: [Signature], Custodian
This stamp replaces our previous certification system. Effective: 6/95

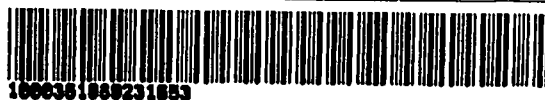
UCC APPROVAL SHEET
**** KEEP WITH DOCUMENT ****

TRANSACTION TYPE

FEES REMITTED

___ UO - Original Financing Statement	\$25.00
___ UOA - Original Financing Statement With Assignment	\$25.00
___ UOTU - Original Financing Statement Transmitting Utility	\$25.00
___ UMA - Amendment	\$25.00
✓ UMDA - Amendment - Debtor Added	\$25.00
___ UMDC - Amendment - Debtor Name Change	\$25.00
___ UMDD - Amendment - Debtor Deleted	\$25.00
___ UMSA - Amendment - Secured Party Added	\$25.00
___ UMSC - Amendment - Secured Party Name Change	\$25.00
___ UMSD - Amendment - Secured Party Deleted	\$25.00
___ UMC - Amendment - Continuation	\$25.00
___ UMT - Amendment - Termination	\$25.00
___ UMZ - Amendment - Assignment	\$25.00
___ UMZP - Amendment - Partial Assignment	\$25.00
___ UMCS - Amendment - Correction Statement	\$25.00
___ UOMH - Manufactured Home - Original Financing Statement	\$25.00
___ UOPF - Public Finance - Original Financing Statement	\$25.00
___ Documents Nine (9) Pages or More	\$75.00
___ Certified Copies	
___ Plain Copies	

TOTAL FEES: 25



RECORDED ON 12/18/2003 AT 10:45 AM
IN THE FINANCING RECORDS OF THE MD. ST.
DEPARTMENT OF ASSESSMENTS AND TAXATION.
NO W 0000001050 ACK W 1000361000231053
ORIGINAL FILE NUMBER: 0000000122447825
LIBER: U00383 FOLIO: 2121 PAGES: 0002
RECORDING FEE: 20.00
EXPEDITED FEE: 0.00

___ Other Change(s)

Code _____

Attention: _____

Mail to Address: _____

NO FEE TRANSACTION TYPES

___ URC - Copies
___ UNCP - Void - Non-Payment
___ UCC - Cancellation
___ UCR - Reinstatement
___ UCO Departmental Action
___ UCREF - Refund Recordation Tax
___ UCIS - Incorrect ID Number
___ XOVRU - UCC Overrides
___ UMFC - Filing Office Correction Statement

METHOD OF PAYMENT

Cash _____ Check _____ Credit Card _____

Number of Checks _____

COMMENT(S):

___ CHICAGO TITLE INSURANCE COMPANY
1120 20TH STREET, N.W.
___ SUITE 300 DC 20036
WASHINGTON

CUST ID: 0001270471
WORK ORDER: 000001050
DATE: 01-09-2004 10:24 AM
AMT. PAID: \$20.00

Customer and Customer Number HERE

5007
MC-1844

PLEASE RECORD AS FOLLOWS:

- X 1. With the Maryland State Department of Assessments and Taxation
2. In the Land Records of Baltimore County, Maryland

RECORDED ON JAN 15, 1998 AT 03:12 PM
IN THE FINANCING RECORDS OF THE MD. ST.
DEPARTMENT OF ASSESSMENTS AND TAXATION
ID # 100168728 RECEIPT # 14182120023
SEE BOTTOM OF PAGE FOR LIBER & FOLIO
RECORDING FEE 20.00
RECORDATION TAX
EXPEDITED FEE 30.00

NOT SUBJECT TO
RECORDATION TAXES--
INDEMNITY INSTRUMENT

INDEMNITY DEBTOR'S
PRINCIPAL OFFICE IS
IN BALTIMORE COUNTY,
MARYLAND

INDEMNITY FINANCING STATEMENT

1. INDEMNITY DEBTOR: SENIOR CAMPUS LIVING, LLC
701 Maiden Choice Lane
Baltimore, Maryland 21228
2. SECURED PARTY: MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: Bruce D. McLean
3. This Financing Statement covers the following types of
property:
See Schedule I attached hereto
4. If above described personal property is to be affixed to real
property, describe real property:
See Exhibit A attached hereto.
5. If collateral is crops, describe real estate:
N/A
6. Proceeds of collateral, including insurance proceeds, are
covered.
7. Products of collateral are covered.

59073 CJF
008160-0000

DATE	1-15-98 3.12
PAGES	
DEBTORS	
REC. TAX	
EXP. FEE	30.00
COUNTY CODE	

MARYLAND COMMERCIAL TITLE COMPANY

5 LIGHT STREET, BALTIMORE, MARYLAND 21202
SUITE 1000

BALTIMORE, MARYLAND 21202

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

BY: *[Signature]*

This stamp replaces our previous certification system. Effective: 6/95

4009-
1407

8. An Indemnity Deed of Trust and Security Agreement given by t. Charles Associates, Ltd., a Florida limited partnership authorized to do business in Maryland under the name of St. Charles (Charlestown) Limited Partnership, and dated August 21, 1992, as amended from time to time, and as referenced in a Guarantor Assumption Agreement of even date herewith executed by the Indemnity Debtor in favor of the Secured Party (collectively, the "Deed of Trust"), creates the security interest evidenced by this Financing Statement. The record owner of the real property is the Indemnity Debtor.

INDEMNITY DEBTOR:

SENIOR CAMPUS LIVING, LLC

By: Bernard M. Still (SEAL)
Name: _____
Title: _____

AFTER RECORDING,
PLEASE RETURN TO:

Christopher J. Fritz, Esquire
Gallagher, Evelius & Jones
218 North Charles Street
Suite 400
Baltimore, Maryland 21201

SCHEDULE I

DESCRIPTION OF COLLATERAL

All assets described in the Deed of Trust described in the foregoing Indemnity Financing Statement including, but not limited to:

- (a) All of the machines, apparatus, equipment, fixtures and articles of personal property owned by Indemnity Debtor now or hereafter located on the real property described in Exhibit A hereto (the "Property"), or in any improvements thereon, including without limitation all furniture, fixtures, equipment and building materials, and all right, title and interest of the Indemnity Debtor in and to any of such property which may be subject to any title retention or security agreement or instrument having priority over the Deed of Trust.
- (b) All rents, profits, issues, revenues, income, proceeds, earnings and products generated by or arising out of the Property, and all accounts receivable arising in connection with the Property and all contracts for the use and occupancy of all or any portion of the Property (including but not limited to all contracts of sale for all or any portion of the Property, including, without limitation, all deposits to secure performance by contract purchasers for all or any portion of the Property, all of the general intangibles, actions, rights in action, estate, right, title, use, claim and demand of every nature whatsoever, at law or in equity, which the Indemnity Debtor may now have or may hereafter acquire in and to the Property and all right, title and interest of the Indemnity Debtor in and to all extensions, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Property, hereafter acquired by or released to the Indemnity Debtor, or constructed, assembled or placed by or for the Indemnity Debtor on the Property, and all in conversion of the security constituted thereby.
- (c) All insurance policies and insurance proceeds pertaining to the Property and all awards or payments, including interest thereon and the right to receive the same, which may be made with respect to any of the Property as a result of any taking or any injury to or decrease in the value of the Property.

EXHIBIT A

That certain parcel of land consisting of approximately 3.452 acres located on Maiden Choice Lane in Baltimore County, Maryland, more particularly identified as "Lot 1" as shown on the Plat entitled "Lot 1 St. Charles Associates, Ltd. Property", which plat is recorded among the Land Records of Baltimore County, Maryland at Liber S.M. 68, folio 28.

RECEIVED
DEPARTMENT OF
ASSESSMENTS & TAXATION
2006 MAY -3 P 3:30

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. SE
The Corporation Trust Incorporated
300 E. Lombard Street, Suite 1400
Baltimore, Maryland 21202

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #
180168728

1b. This FINANCING STATEMENT AMENDMENT is to be
filed (for record) (or recorded) in the REAL ESTATE
RECORDS ☐

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☒ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. ☐ AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor ☐ Secured Party of record. Check only one of the two boxes.
Also check one of the following three boxes and provide appropriate information in item 6 and/or 7.
☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c.
☐ DELETE name: Give record name to be deleted in item 6a or 6b.
☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:
6a. ORGANIZATION'S NAME
OR Erickson Retirement Communities, LLC
6b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:
7a. ORGANIZATION'S NAME
OR
7b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY USA

7d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 7e. TYPE OF ORGANIZATION 7f. JURISDICTION OF ORGANIZATION 7g. ORGANIZATIONAL ID #, if any ☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.
Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.
9a. ORGANIZATION'S NAME
OR Mercantile-Safe Deposit and Trust Company
9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

10. OPTIONAL FILER REFERENCE DATA
File in Maryland SDAT Erickson Retirement Communities, LLC - Headquarters

FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/20/00)

DMEAST #9500059 v1

131063271950

STATE OF MARYLAND
I hereby certify that this is a true and complete copy of the
page document on file in this office. DATED: 5-22-18
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
BY: [Signature] Custodian
This stamp replaces our previous certification system. Effective: 6/95

UCC APPROVAL SHEET

**** EXPEDITED SERVICE ****

**** KEEP WITH DOCUMENT ****

TRANSACTION TYPE

FEES REMITTED

<input checked="" type="checkbox"/> Expedited Fee	\$50.00
<input type="checkbox"/> UO - Original Financing Statement	\$25.00
<input type="checkbox"/> UOA - Original Financing Statement With Assignment	\$25.00
<input type="checkbox"/> UOTU - Original Financing Statement Transmitting Utility	\$25.00
<input type="checkbox"/> UMA - Amendment	\$25.00
<input type="checkbox"/> UMDA - Amendment - Debtor Added	\$25.00
<input type="checkbox"/> UMDU - Amendment - Debtor Name Change	\$25.00
<input type="checkbox"/> UMDD - Amendment - Debtor Deleted	\$25.00
<input type="checkbox"/> UMSA - Amendment - Secured Party Added	\$25.00
<input type="checkbox"/> UMSC - Amendment - Secured Party Name Change	\$25.00
<input checked="" type="checkbox"/> UMSD - Amendment - Secured Party Deleted	\$25.00
<input type="checkbox"/> UMC - Amendment - Continuation	\$25.00
<input type="checkbox"/> UMT - Amendment - Termination	\$25.00
<input type="checkbox"/> UMZ - Amendment - Assignment	\$25.00
<input type="checkbox"/> UMZP - Amendment - Partial Assignment	\$25.00
<input type="checkbox"/> UMCS - Amendment - Correction Statement	\$25.00
<input type="checkbox"/> UOMH - Manufactured Home - Original Financing Statement	\$25.00
<input type="checkbox"/> UOPF - Public Finance - Original Financing Statement	\$25.00
<input type="checkbox"/> Documents Nine (9) Pages or More	\$75.00
<input type="checkbox"/> Certified Copies	
<input type="checkbox"/> Plain Copies	

TOTAL FEES: \$75.00



1000361992940928

RECORDED ON 05/03/2006 AT 03:30 PM
IN THE FINANCING RECORDS OF THE MD. ST.
DEPARTMENT OF ASSESSMENTS AND TAXATION.
NO # 0001222432 ACK # 1000361992940928
ORIGINAL FILE NUMBER: 0000000180168728
LIBER: U00443 FOLIO: 2425 PAGES: 0002
RECORDING FEE: 25.00
EXPEDITED FEE: 50.00

Other Change(s)

Code

Attention:

Mail to Address:

NO FEE TRANSACTION TYPES

<input type="checkbox"/> URC - Copies
<input type="checkbox"/> UNCP - Void - Non-Payment
<input type="checkbox"/> UCC - Cancellation
<input type="checkbox"/> UCR - Reinstatement
<input type="checkbox"/> UCO Departmental Action
<input type="checkbox"/> UCREF - Refund Recordation Tax
<input type="checkbox"/> UCIS - Incorrect ID Number
<input type="checkbox"/> XOVRU - UCC Overrides
<input type="checkbox"/> UMFC - Filing Office Correction Statement

THE CORPORATION TRUST INCORPORATED
300 E LOMBARD ST., SUITE 1400
BALTIMORE MD 21202

METHOD OF PAYMENT

Cash ☐ Check ☒ Credit Card ☐

Number of Checks ☐

COMMENT(S):

Stamp Work Order and Customer Number HERE

CUST ID: 0001779394
WORK ORDER: 0001222432
DATE: 05-03-2006 03:54 PM
AMT. PAID: \$75.00

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

2003 DEC 18 A 10:45

A. NAME & PHONE OF CONTACT AT FILER (optional)
(410) 528-5661

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Michael T. Kersten, Esq.
Ballard Spahr Andrews & Ingersoll, LLP
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE # 180168728 filed on 01/15/1998

1b. This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.

3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.

4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.

5. AMENDMENT (PARTY INFORMATION): This Amendment affects ☒ Debtor or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☒ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. ☐ DELETE name: Give record name to be deleted in item 6a or 6b. ☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME
Senior Campus Living, LLC

OR

6b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME
Erickson Retirement Communities, LLC

OR

7b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

7d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 7e. TYPE OF ORGANIZATION ltd. liability company 7f. JURISDICTION OF ORGANIZATION Maryland 7g. ORGANIZATIONAL ID #, if any W04550497 ☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME
Mercantile-Safe Deposit and Trust Company

OR

9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

10. OPTIONAL FILER REFERENCE DATA
File with Maryland State Department of Assessments and Taxation

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/29/98)
NATUCC3 423/01 CT System Online

STATE OF MARYLAND

I hereby certify that this is a true and complete copy of the page document on file in this office. DATED: 1-22-10

BY: [Signature] STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

This stamp replaces our previous certification system. Effective: 6/95

Custodian

UCC APPROVAL SHEET
**** KEEP WITH DOCUMENT ****

TRANSACTION TYPE

FEE REMITTED

___ UO - Original Financing Statement	\$25.00
___ UOA - Original Financing Statement With Assignment	\$25.00
___ UOTU - Original Financing Statement Transmitting Utility	\$25.00
___ UMA - Amendment	\$25.00
___ UMDA - Amendment - Debtor Added	\$25.00
✓ UMDC - Amendment - Debtor Name Change	\$25.00
___ UMDD - Amendment - Debtor Deleted	\$25.00
___ UMSA - Amendment - Secured Party Added	\$25.00
___ UMSC - Amendment - Secured Party Name Change	\$25.00
___ UMSD - Amendment - Secured Party Deleted	\$25.00
___ UMC - Amendment - Continuation	\$25.00
___ UMT - Amendment - Termination	\$25.00
___ UMZ - Amendment - Assignment	\$25.00
___ UMZP - Amendment - Partial Assignment	\$25.00
___ UMCS - Amendment - Correction Statement	\$25.00
___ UOMH - Manufactured Home - Original Financing Statement	\$25.00
___ UOPF - Public Finance - Original Financing Statement	\$25.00
___ Documents Nine (9) Pages or More	\$75.00
___ Certified Copies	
___ Plain Copies	

TOTAL FEES: 45

NO FEE TRANSACTION TYPES

___ URC - Copies
___ UNCP - Void - Non-Payment
___ UCC - Cancellation
___ UCR - Reinstatement
___ UCO Departmental Action
___ UCREF - Refund Recordation Tax
___ UCIS - Incorrect ID Number
___ XOVRU - UCC Overrides
___ UMFC - Filing Office Correction Statement

METHOD OF PAYMENT

Cash ___ Check ___ Credit Card ___

Number of Checks ___

COMMENT(S):



1000381000231007

RECORDED ON 12/18/2003 AT 10:45 AM
IN THE FINANCING RECORDS OF THE MD. ST.
DEPARTMENT OF ASSESSMENTS AND TAXATION.
NO # 0000031000 ACK # 1000381000231007
ORIGINAL FILE NUMBER: 0000000100100728
LIBER: U00383 FOLIO: 2123 PAGES: 0002
RECORDING FEE: 25.00
EXPEDITED FEE: 0.00

___ Other Change(s)

Code _____

Attention: _____

Mail to Address:

CHICAGO TITLE INSURANCE COMPANY
1120 20TH STREET, N.W.
SUITE 300
WASHINGTON

DC 20036

Stamp Work Order and Customer Number HERE

CUST ID: 0001270471
WORK ORDER: 0000031000
DATE: 01-09-2004 10:24 AM
AMT. PAID: \$50.00

8-2792

LIBER 9339 PAGE 564

C-BH 591

To be Recorded:

- _____ Maryland State Department of Assessments and Taxation,
Financing Statement Records
- _____ Baltimore County, Maryland - Financing Statement Records
- _____ Baltimore County, Maryland - Land Records
- _____ Baltimore City, Maryland - Financing Statement Records
- _____ Baltimore City, Maryland - Land Records

NOT SUBJECT TO RECORDATION TAX

INDEMNITY FINANCING STATEMENT

1. Indemnity Debtor **ST. CHARLES ASSOCIATES, LTD.**
(also doing business under the name
ST. CHARLES (CHARLESTOWN) LIMITED
PARTNERSHIP)
703 Maiden Choice Lane
Baltimore, Maryland 21228
2. Secured Party **MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY**
Two Hopkins Plaza
Baltimore, Maryland 21201
Attn: Bruce D. McLean
3. This Financing Statement covers the following types of property:
See Schedule I attached hereto.
4. If above described personal property is to be affixed to real property, describe real property:
See Exhibit A attached hereto.
5. If collateral is crops, describe real estate:
N/A
6. Proceeds of collateral, including insurance proceeds, are covered.
7. Products of collateral are covered.
8. An Indemnity Deed of Trust and Security Agreement of even date herewith creates the security interest evidenced by this

1.00 55.00
10.00 2.00
FEB 17 1991
FEB 17 1991
FEB 17 1991

LIBR9339 PAGE565

Financing Statement. A record owner of the real property is
the Indemnity Debtor.

INDEMNITY DEBTOR:

ST. CHARLES ASSOCIATES, LTD.

By: Retirement & Health Services Corporation,
a General Partner

By: John C. Erickson
John C. Erickson, President

By: John C. Erickson
John C. Erickson, a General Partner

TO THE FILING OFFICER: PLEASE INDEX UNDER BOTH DEBTOR NAMES:

1. ST. CHARLES ASSOCIATES, LTD.
2. ST. CHARLES (CHARLESTOWN) LIMITED PARTNERSHIP

After this statement has been recorded, please mail the same
to:

~~Lori A. Nicolle, Esquire
Gallagher, Eversius & Jones
218 North Charles Street, Suite 400
Baltimore, Maryland 21201~~

Guarantee Title Services, Inc.
808 Equitable Building
Towson, Maryland 21204

000012m.lm
6/20/93
c100

LIBER 9339 PAGE 569

binding the northerly line of a parcel of land conveyed to Rev. Keough as recorded among the Land Records of Baltimore County, Maryland in Liber 2608 at folio 287. thence binding the north line of land of Keough

49) South 66°52'10" West, 772.11 feet to a point thence binding the west line of land of Keough as aforesaid
50) South 23°07'50" East, 806.40 feet to a point in the northerly right-of-way line of Wilkens Avenue also known as State Road-Maryland Route 372 thence binding the northerly right-of-way line of Wilkens Avenue

51) South 67°55'38" West, 278.55 feet to a point of intersection of the northerly line of Wilkens Avenue with the easterly line of a parcel of land known as Wilkens Beltway Plaza Shopping Center, thence leaving the right-of-way line of Wilkens Avenue and binding the easterly line of the Wilkens Beltway Plaza

52) North 23°33'08" West, 645.64 feet to a point thence binding the northerly line of land of the Wilkens Beltway Plaza

53) South 67°52'16" West, 1021.83 feet to a point in the northeasterly line of Maiden Choice Lane, 33 feet wide thence binding the northeasterly right-of-way line of Maiden Choice Lane the following 5 courses to the point and place of beginning

- 54) North 46°42'54" West, 217.38 feet to a point
- 55) North 47°02'31" West, 140.57 feet to a point
- 56) North 47°12'09" West, 169.92 feet to a point
- 57) North 48°10'41" West, 498.66 feet to a point
- 58) North 47°48'39" West, 305.56 feet to a point and

place of beginning and containing an area of 105.6532 acres of land according to a survey prepared by C. H. Miller and Associates, Inc. and dated April 30, 1982, revised May 19, 1983 and further revised June 6, 1983.

SAVING AND EXCEPTING from the above described parcel of land the following described parcels:

1) Being the chapel site (hereinafter sometimes called the "Chapel Property"). Beginning for the same at a point located 87°46'19" East, at a distance of 174.14 feet from the end of the third course of the above described parcel, thence leaving said point of beginning and running for the outline of the parcel herein accepted

- 1. North 38°59'53" East, 128.08 feet to a point
- 2. South 50°44'32" East, 218.60 feet to a point
- 3. South 39°15'17" West, 107.86 feet to a point, thence running along a curve deflecting to the left along the outline of a driveway
- 4. 48.58 feet to a point, said curve being subtended by a cord of North 74°52'37" West, 45.65 feet

SCHEDULE I

DESCRIPTION OF COLLATERAL

All assets described in an Indemnity Deed of Trust and Security Agreement between Indemnity Debtor and Secured Party of even date herewith (the "Deed of Trust"), including but not limited to:

- (a) All of the machines, apparatus, equipment, fixtures and articles of personal property owned by Indemnity Debtor now or hereafter located on the real property described in Exhibit A hereto (the "Property"), or in any improvements thereon, including without limitation all furniture, fixtures, equipment and building materials, and all right, title and interest of the Indemnity Debtor in and to any of such property which may be subject to any title retention or security agreement or instrument having priority over the Deed of Trust.
- (b) All rents, profits, issues, revenues, income, proceeds, earnings and products generated by or arising out of the Property, and all accounts receivable arising in connection with the Property and all contracts for the use and occupancy of all or any portion of the Property (including but not limited to agreements with the residents of the Retirement Community located on the Property, all contracts of sale for all or any portion of the Property, including, without limitation, all deposits to secure performance by contract purchasers for all or any portion of the Property, all of the general intangibles, actions, rights in action, estate, right, title, use, claim and demand of every nature whatsoever, at law or in equity, which the Indemnity Debtor may now have or may hereafter acquire in and to the Property and all right, title and interest of the Indemnity Debtor in and to all extensions, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Property, hereafter acquired by or released to the Indemnity Debtor, or constructed, assembled or placed by or for the Indemnity Debtor on the Property, and all in conversion of the security constituted thereby.
- (c) All insurance policies and insurance proceeds pertaining to the Property and all awards or payments, including interest thereon and the right to receive the same, which may be made with respect to any of the Property as a result of any taking or any injury to or decrease in the value of the Property.

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PARCEL ONE:

All that tract or parcel of land situate in the First Election District of Baltimore County, Maryland and a small portion being within the City of Baltimore and is further bounded and described as follows:

BEGINNING for the same at a point in the northerly right-of-way line of Maiden Choice Lane, 33 foot wide at its point of intersection with the southerly line of a parcel of land conveyed to the Rev. Michael J. Dudick as recorded among the Land Records of Baltimore County in Liber 5215 at folio 445, thence leaving the right-of-way line of Maiden Choice Lane, and binding 6 courses of property described in a conveyance to the Rev. Dudick as aforesaid and referring the courses of this description to the Maryland State Grid Meridian,

- 1) North 55°15'31" East, 127.43 feet to a point
- 2) South 71°38'12" East, 109.88 feet to a point
- 3) North 40°07'00" East, 58.00 feet to a point
- 4) North 49°53'00" West, 177.00 feet to a point
- 5) North 40°07'00" East, 122.00 feet to a point
- 6) North 49°53'00" West, 230.00 feet to a point in the southerly line of a parcel of land conveyed to the Little Sisters of the Poor as recorded among the Land Records of Baltimore County, Maryland in Liber 4692 at folio 47, thence binding the southerly line of land conveyed to the Little Sisters of the Poor as aforesaid,
- 7) North 40°07'00" East, 150.00 feet to a point, thence binding the westerly line of a parcel of land conveyed to the Little Sisters of the Poor as recorded among the Land Records of Baltimore County, Maryland in Liber 5245 at folio 303
- 8) South 49°53'00" East, 250.00 feet to a point, thence binding the southerly line of land of the Little Sisters of the Poor as aforesaid,
- 9) North 40°07'00" East, 300.00 feet to a point, thence binding the east line of land of the Little Sisters of the Poor as aforesaid,
- 10) North 49°53'00" West, 250.00 feet to a point in the south line of a parcel of land conveyed to the Little

LIBER 9339 PAGE 568

Sisters of the Poor as formally referred to being recorded in Liber 4692 at folio 47, thence binding the south line of land of the Little Sisters of the Poor.

11) North 40°07'00" East, 626.16 feet to a point in the southerly line of parcel of land formally occupied by Catonsville Short Line Railroad and reputedly conveyed to Jack Chertkof thence binding said southerly right-of-way line the following 36 courses

- 12) North 74°27'17" East, 35.69 feet to a point
- 13) North 73°28'14" East, 20.69 feet to a point
- 14) North 71°37'40" East, 40.01 feet to a point
- 15) North 67°46'26" East, 100.40 feet to a point
- 16) North 80°02'30" East, 100.78 feet to a point
- 17) North 78°30'23" East, 47.22 feet to a point
- 18) North 85°52'47" East, 54.39 feet to a point
- 19) North 87°06'41" East, 17.54 feet to a point
- 20) North 78°16'33" East, 82.73 feet to a point
- 21) North 46°35'25" East, 54.02 feet to a point
- 22) North 69°50'59" East, 24.30 feet to a point
- 23) North 76°19'12" East, 24.19 feet to a point
- 24) South 86°44'03" East, 49.85 feet to a point
- 25) South 81°29'37" East, 50.16 feet to a point
- 26) South 78°45'11" East, 16.05 feet to a point
- 27) North 70°21'08" East, 82.03 feet to a point
- 28) North 74°15'44" East, 98.99 feet to a point
- 29) North 89°30'42" East, 97.37 feet to a point
- 30) South 82°29'41" East, 97.38 feet to a point
- 31) South 82°53'59" East, 48.62 feet to a point
- 32) South 82°53'43" East, 48.75 feet to a point
- 33) South 69°45'59" East, 49.07 feet to a point
- 34) South 61°52'43" East, 49.73 feet to a point
- 35) South 57°39'51" East, 11.03 feet to a point
- 36) South 79°01'32" East, 24.11 feet to a point
- 37) South 83°23'47" East, 51.65 feet to a point
- 38) South 68°08'35" East, 41.48 feet to a point
- 39) South 80°06'50" East, 70.86 feet to a point
- 40) South 83°14'33" East, 22.50 feet to a point
- 41) South 48°51'17" East, 30.27 feet to a point
- 42) South 49°11'05" East, 53.93 feet to a point
- 43) South 69°23'00" East, 35.02 feet to a point
- 44) South 80°11'16" East, 63.81 feet to a point
- 45) South 74°57'34" East, 100.22 feet to a point
- 46) South 77°09'45" East, 80.64 feet to a point
- 47) South 69°04'16" East, 7.19 feet to a point in the west line of a parcel of land known as Kensington Subdivision as shown on a plat recorded in plat Book 8 at folio 46 thence binding the west line of the Kensington Subdivision as aforesaid
- 48) South 15°51'57" East, 1233.85 feet to a point thence leaving the west line of the Kensington Subdivision and

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PARCEL TWO:

All that property situate in the First Election District of Baltimore County, Maryland, according to a survey prepared by George William Stephens, Jr. & Associates, Inc., Engineers, dated July 19, 1971 and described as follows, that is to say:

BEGINNING FOR THE SAME at a concrete monument found on the northeast side of Maiden Choice Lane at the end of the last or south 40 degrees of 07 minutes 00 seconds west 1376.37 foot line of that parcel of land conveyed by The Trustees of Saint Charles College to The Little Sisters of the Poor by Deed dated November 1, 1966 and recorded among the Land Records of Baltimore County, Maryland in Liber OTG 4692 folio 047 and running thence binding reversely on part of said line and also binding on part of the fourth or north 42 1/2 degrees east one hundred and three perch line of the first parcel of land conveyed by The Associated Professors of Saint Mary's Seminary in Baltimore City to The Trustees of Saint Charles College by Deed dated May 13, 1912 and recorded among the Land Records of Baltimore County, Maryland in Liber WPC 392 folio 455, as now surveyed, north 40 degrees 07 minutes 00 seconds east 330.00 feet; thence for lines of division six following courses and distances, viz: first south 49 degrees 53 minutes 00 seconds east 230.00 feet, second south 40 degrees 07 minutes 00 seconds west 122.00 feet, third south 49 degrees 53 minutes 00 seconds east 177.00 feet, fourth south 40 degrees 07 minutes 00 seconds west 50.00 feet, fifth north 71 degrees 38 minutes 12 seconds west 109.88 feet and sixth south 55 degrees 15 minutes 31 seconds west 127.43 feet to the northeast side of Maiden Choice Lane; thence binding on the northeast side of Maiden Choice Lane north 46 degrees 59 minutes 21 seconds west 272.00 feet to the point of beginning. Containing 2.290 acres of land, more or less.

BEING the same property described in a Deed dated October 13, 1983 and recorded among the Land Records of Baltimore County, Maryland in Liber 6643, folio 132 from The Most Reverend Michael J. Dudick, Bishop of the Eparch of

LIBER 9339 PAGES 74

Passaic, New Jersey (a religious, non-profit corporation formed under the laws of New Jersey), and his duly elected or appointed successors in office, to the said Grantor, in fee simple.

(1) SUBJECT to three easements each having a width of 10 feet, the centerlines of each described as follows viz: Beginning for the first at a point on the last or north 46 degrees 59 minutes 21 seconds west 272.00 foot line of the herein described 2.290 acres more or less parcel, said point being located south 46 degrees 59 minutes 21 seconds east 13.73 feet from a concrete monument at the end of said last line and running through said 2.290 acres more or less parcel the two following courses viz, first north 41 degrees 43 minutes 13 seconds east 25.32 feet and second north 68 degrees 02 minutes 17 seconds east 345.61 feet to intersect the second or south 49 degrees 53 minutes 00 seconds east 230.00 foot line of said parcel 176.26 feet from the beginning thereof. Being now and to be used for underground water service conduits.

Beginning for the second at a point on the last or north 46 degrees 59 minutes 21 seconds west 272.00 foot line of the herein described 2.290 acres more or less parcel, said point being located south 46 degrees 59 minutes 21 seconds east 11.00 feet from a concrete monument at the end of said last line and running through said 2.290 acres more or less parcel north 69 degrees 36 minutes 57 seconds east 379.79 feet to intersect the second or south 49 degrees 53 minutes 00 seconds east 230.00 foot line of said parcel 32.00 feet from the end thereof, being now and to be used for overhead electric lines and poles.

Beginning for the third at a point on the sixth or north 71 degrees 38 minutes 12 seconds west 109.88 foot line of the herein described 2.290 acres more or less parcel said point being located north 71 degrees 38 minutes 12 seconds west 65.84 feet from the beginning of said sixth line and running thence through said 2.290 acres more or less parcel north 40 degrees 30 minutes 51 seconds east 82.40 feet to intersect the fourth or south 49 degrees 53 minutes 00 seconds east 177.00 foot line of said parcel 60.58 feet from the end thereof, being now and to be used for underground gas service.

TOGETHER with the buildings and improvements thereupon; and the rights, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging or in anywise appertaining.

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PARCEL THREE:

all of the property, located in Baltimore City, included within the right of way of Caton & Loudon Railway Company (formerly the Catonsville Short Line Railroad Company) and lying between the easterly and westerly lines hereafter described; being more particularly described as follows:

All of the property subject to such right of way lying easterly of the line described in the aforesaid Deed dated June 10, 1983, as the West line of Kensington Subdivision, that is, the South 15 degrees, 51 minutes, 57 seconds East line (which line is also the same line described in the deed from Trustees, St. Charles College, et al. to George W. Hubbard dated September 17, 1925, recorded among the Land Records of Baltimore County in Liber WPC No. 612, folio 595 and among the Land Records of Baltimore City in Liber SCL No. 4454, folio 580, as the North 15 degrees, 53 minutes West 2280 foot line, parallel with and 1000 feet westerly from Beechfield Avenue), and extending easterly from such line to the southwest side of Beechfield Avenue; the land between such lines included in this conveyance being all land between such lines subject to the right of way granted to or otherwise acquired by The Catonsville Short Line Railroad Company, and also being the land described in the Savings and Excepting clause of the aforesaid Deed dated September 17, 1925.

SUBJECT, HOWEVER, to all of such rights as may continue to exist for the use of such right of way.

LIBER 9339 PAGE 576

PARCEL FOUR:

all of the property, located partly in the First Election District of Baltimore County and partly in Baltimore City, included within the right of way of Caton & Loudon Railway Company (formerly the Catonsville Short Line Railroad Company) and lying between the easterly and westerly lines hereafter described; being more particularly described as follows:

All of the property subject to such right of way lying easterly of the line described in Deed dated July 25, 1885, recorded in the Land Records of Baltimore County in Liber W.M.I. No. 147, folio 5, from Alan P. Smith, et al., Trustees to The Associated Professors of St. Mary's Seminary in Baltimore City, as the North 42.5 degrees East, 103 perches line (which line is also an extension northeasterly of the line described in the above referred to Deed dated June 10, 1983, from Grantor to Grantee as the North 40 degrees 7 minutes 00 seconds East line) and extending easterly from such line to a line constituting an extension northerly of the line described in the aforesaid Deed dated June 10, 1983, from Grantor to Grantee as the west line of Kensington Subdivision or South 15 degrees, 51 minutes, 57 seconds East line; the land between such lines included in this conveyance being all land subject to the right of way granted to or otherwise acquired by The Catonsville Short Line Railroad Company.

SUBJECT, HOWEVER, to all of such rights as may continue to exist for the use of such right of way.

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5. North 51°14'48" West, 176.37 feet to the point and place of beginning and containing an area of 0.6232 acres of land and being a part of that same tract or parcel of land conveyed by Alan P. Smith, et al, Trustees, to the Associate Professors of St. Mary's Seminary in Baltimore, Maryland by a deed recorded in Liber 147 at folio 5.

ALSO SAVING AND EXCEPTING therefrom the parcel known as the cemetery (hereinafter sometimes called the "Cemetery Property").

BEGINNING for the same at a point located North 42°06'31" West, 1,123.92 feet from the end of the 49th course described in the whole tract, thence leaving said point of beginning and running for the outline of the Cemetery Property

1. North 67°34'25" West, 98.19 feet
2. North 61°57'40" West, 99.99 feet
3. North 62°12'08" East, 218.29 feet
4. South 72°02'22" East, 61.13 feet
5. South 03°29'04" East, 48.54 feet
6. South 37°05'38" West, 51.15 feet
7. South 43°29'33" West, 51.07 feet
8. South 46°45'22" West, 60.00 feet to the

point and place of beginning and containing an area of 0.5396 acres of land and being a part of that same tract or parcel of land conveyed by Alan P. Smith, et al, Trustees, to the Associate Professors of St. Mary's Seminary in Baltimore, Maryland by a deed recorded among the land records in Liber 147 at folio 5.

ALSO SAVING AND EXCEPTING that parcel of land conveyed to Kensington Associates.

BEGINNING for the same at a point in the northerly right-of-way line of Wilkens Avenue at the end of the 50th course as described in the outline of the whole tract, thence leaving said point of beginning and binding the northerly right-of-way line of Wilkens Avenue

1. South 67°55'38" West, 278.55 feet, thence leaving the right-of-way line of Wilkens Avenue and binding the northerly line of land occupied by the Wilkens Beltway Shopping Center as shown on a plat recorded among the Land Records of Baltimore County in Plat Book E.H.K., Jr. Liber 46 at folio 65

2. North 23°33'08" West, 130.30 feet to a point on the easternmost side of Elm Ridge Avenue thence binding on the future extension of said Elm Ridge Avenue along a curve deflecting to the right

18ER9339 PAGE 571

3. 49.94 feet said curve having a radius of 170.00 feet and being subtended by a cord of North 14°30'43" East, 49.76 feet thence leaving said curve and running

4. North 22°55'38" East, 69.62 feet to a point thence leaving the easterly most side of Elm Ridge Avenue

5. North 88°19'27" East, 213.64 feet to a point on the 30th course of the above described parcel, thence binding the aforesaid 30th course

6. South 23°07'50" East, 145.00 feet to the point and place of beginning and containing an area of 1.161 acres of land and being a part of that same parcel of land as conveyed by Robert L. Gill, Trustee to the Associate Professors of St. Mary's Seminary in Baltimore, Maryland as recorded among the Land Records of Baltimore County in Liber 448 at folio 248.

TOGETHER WITH an easement appurtenant to the above property conveyed herewith to use the Chapel Property included in the exceptions set forth above for purposes of emergency egress from the building located immediately adjacent to and connected with the Chapel Property; such egress to be through the adjoining corridor of the Chapel building and across the Chapel Property;

SUBJECT, HOWEVER, to the following easements reserved by St. Mary's Seminary and University ("St. Mary's"), and appurtenant to the Chapel Property and Cemetery Property retained by St. Mary's:

(i) Easements of access for ingress and egress to and from the Chapel Property and Cemetery Property by pedestrian and vehicular traffic, in common with others, over such driveways, paths and walkways as may be established, located and relocated by the Grantor from time to time, such easements initially existing on the driveways, paths and walkways, presently existing, subject to the Grantor's right to relocate the same from time to time, providing substantially as convenient access to those Properties; provided that the Grantor shall maintain all such driveways, paths and walkways in a reasonably usable condition.

(ii) An easement in common with others for motor vehicle parking for persons using the Chapel Property; such easement to include a reasonable number of parking spaces adequate to accommodate the needs of all persons so using the Chapel Property, and located in the present location of the parking areas in the vicinity of the Chapel Property, or in such other location as the Grantor may determine from time to time provided that any other locations shall be substantially

LIBER 9339 PAGE 572

as convenient as the present parking areas; provided that at least two motor vehicle parking spaces shall be provided adjacent to the Chapel Property on the northwest side thereof; and provided that Grantor shall maintain such parking easement areas in reasonably usable condition.

(iii) A right and easement to connect to, and to receive service through, and the right, but not the obligation, to maintain, the existing sewer, water, electric, telephone and heat lines, conduits and facilities, through the property being herein conveyed, or through any relocated lines, conduits and facilities, any relocation to be at the sole expense of Grantor, its successors and assigns; and to install, use and maintain other utility connections through the lands of the Grantor from Maiden Choice Lane to the Chapel Property at locations subject to Grantor's reasonable approval. Heat may be provided as presently, or by an alternative energy supply system installed by Grantor, its successors and/or assigns at its or their expense. Grantor and St. Mary's have agreed that an energy supply system different from that presently in use will be installed whereby new facilities are required for heat distribution on the properties of Grantor and St. Mary's; the capital cost of the facilities on each property to be borne by the respective owners thereof. If Grantor, thereafter, within 15 years, changes the energy supply system to one to which the St. Mary's facilities are not reasonably adaptable and compatible, Grantor shall pay for the cost of any necessary new facilities on St. Mary's property to provide heating for the Chapel building. Except as may otherwise be agreed between Grantor and St. Mary's, the cost of utilities service shall be at the expense of St. Mary's.

(iv) Grantor shall grade or make other provision on the conveyed property at the back or northwest side of the Chapel, so that water shall not drain from the conveyed property on to the Chapel Property. St. Mary's shall have the right to drain its Chapel Property on all sides of the chapel building as presently drained.

BEING the same property which by Deed dated June 10, 1983 and recorded among the Land Records of Baltimore County, Maryland in Liber 6540 folio 001, was granted and conveyed by St. Mary's Seminary and University to St. Charles Associates, Ltd., a Florida Limited Partnership.

011344.332

LAND. REC. CO.

DC-11157-A

PLEASE RECORD AS FOLLOWS:

- _____ 1. With the Maryland State Department of Assessments and Taxation
- X 2. In the Land Records of Baltimore County, Maryland

NOT SUBJECT
TO RECORDATION TAXES--
INDEMNITY INSTRUMENT

INDEMNITY DEBTOR'S
PRINCIPAL OFFICE IS
IN BALTIMORE COUNTY,
MARYLAND

AMENDMENT TO INDEMNITY FINANCING STATEMENT

THIS STATEMENT REFERS TO ORIGINAL INDEMNITY FINANCING STATEMENT FILED AMONG THE LAND RECORDS OF BALTIMORE COUNTY, MARYLAND IN LIBER 9119, FOLIO 56, RECORDED Aug 27, 1992.

IMP. FD. SURE \$ 2.00
RECORDATION FEE 28.00
RECORDATION FEE 22.00
Rpt # 1225
Blk # 751
SM TD
Dec 13, 1995 09:18 am

INDEMNITY DEBTOR: ST. CHARLES ASSOCIATES, LTD.
(also doing business under the name ST.
CHARLES (CHARLESTOWN) LIMITED
PARTNERSHIP)
701 Maiden Choice Lane
Baltimore, Maryland 21228

SECURED PARTY: MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: Bruce D. McLean

RECITALS

This Amendment to Indemnity Financing Statement is made with reference to the following facts:

A. On August 21, 1992, St. Charles Holding Limited Partnership (the "Borrower") borrowed the sum of \$15,000,000 (the "Loan") from Secured Party, as evidenced by that certain Revolving Loan Note dated August 21, 1992 between Borrower and Secured Party (the "Note").

B. Indemnity Debtor guaranteed repayment of the Note pursuant to that certain Partnership Guaranty Agreement dated August 21, 1992, which Partnership Guaranty Agreement is secured by an Indemnity Deed of Trust and Security Agreement dated August 21, 1992 (the "Deed of Trust") from Indemnity Debtor to certain

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trustees for the benefit of Secured Party covering certain real property therein described. Indemnity Debtor is the fee simple owner of that certain parcel of land, together with the improvements thereon, located in Baltimore County, Maryland, as more particularly described in Exhibit A of the original Indemnity Financing Statement (the "Original Property").

C. Borrower and Secured Party modified the terms of the Loan pursuant to a certain Amended and Restated Construction Loan Agreement dated as of July 25, 1994, and in connection therewith Indemnity Debtor and Secured Party modified the terms of the Original Deed of Trust pursuant to the terms of a First Modification of Indemnity Deed of Trust and Security Agreement dated as of July 25, 1994 (the "First Modification").

D. Borrower and Secured Party intend to further modify the terms of the Loan pursuant to a Second Amended and Restated Loan Agreement of even date herewith, and in connection therewith Indemnity Debtor and Secured Party intend to execute a Second Modification and Partial Release of Indemnity Deed of Trust and Security Agreement of even date herewith (the "Second Modification") whereby the terms of the Deed of Trust will be modified and a portion of the Original Property will be released from the lien of the Deed of Trust.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Exhibit A of the original Indemnity Financing Statement is hereby amended so that it now refers to the real property described in Exhibit A attached hereto and made a part hereof.

2. Except as specifically stated herein, nothing herein contained shall in any way impair, alter, enlarge or modify any term, condition, provision, representation, warranty or covenant of the original Indemnity Financing Statement, as amended, and each such term, condition, provision, representation, warranty or covenant shall be and remain in full force and effect.

3. The original Indemnity Financing Statement is hereby modified such that the term "Deed of Trust," as it appears in the original Indemnity Financing Statement shall be deemed to mean and include such document, as amended and restated by the First Modification and by the Second Modification, which Second Modification is being executed and delivered by the Indemnity Debtor contemporaneously herewith.

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IN WITNESS WHEREOF, the parties hereto have executed this
Amendment to Indemnity Financing Statement on the 12th day of
December, 1995.

INDEMNITY DEBTOR:

ST. CHARLES ASSOCIATES, LTD.

By: Senior Campus Living,
Inc., General Partner

By:  (SEAL)

By: John C. Erickson,
Chief Executive Officer

By:  (SEAL)

John C. Erickson,
General Partner

SECURED PARTY:

**MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY**

By:  (SEAL)

Bruce D. McLean,
Vice President

**TO THE FILING OFFICER - Please Index Under
Both Debtor Names:**

1. St. Charles Associates, Ltd.
2. St. Charles (Charlestown) Limited Partnership

**AFTER RECORDING,
PLEASE RETURN TO:**

~~Christopher J. Fritz, Esquire~~
~~Callaghan, Evelius & Jones~~
~~218 North Charles Street~~
~~Suite 400~~
~~Baltimore, Maryland 21201~~

AMERICAN TITLE GUARANTEE CORPORATION
5 LIGHT STREET
SUITE 1000
BALTIMORE, MARYLAND 21202

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EXHIBIT A

That certain parcel of land consisting of approximately 3.452 acres located on Maiden Choice Lane in Baltimore County, Maryland, more particularly identified as "Lot 1" as shown on the Plat entitled "Lot 1 St. Charles Associates, Ltd. Property", which plat is recorded among the Land Records of Baltimore County, Maryland at Liber S.M. 68, folio 28.

0019335 412

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

(410) 528-5661

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Michael T. Kersten, Esq.
Ballard Spahr Andrews & Ingersoll, LLP
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

IMP FD SURE \$ 20.00
RECORDING FEE 20.00
TOTAL 40.00
Rest DAGS RCP: # 49326
SM LL BLK # 3203
Dec 22, 2003 02:52 PM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #

Liber 9339 / folio 564 Recorded on 08/27/1992

1b. This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS.

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.5. AMENDMENT (PARTY INFORMATION): This Amendment affects ☒ Debtor or ☐ Secured Party of record. Check only one of these two boxes.

Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.

☒ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. ☐ DELETE name: Give record name to be deleted in item 6a or 6b. ☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME

St. Charles Associates, LTD.

OR 6b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME

Erickson Retirement Communities, LLC

OR 7b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

7d. TAX ID #: SSN OR EIN

ADD'L INFO RE
ORGANIZATION
DEBTOR7e. TYPE OF ORGANIZATION
ltd. liability company

7f. JURISDICTION OF ORGANIZATION

Maryland

7g. ORGANIZATIONAL ID #, if any

W04550497

☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME

Mercantile-Safe Deposit and Trust Company

OR 9b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

10. OPTIONAL FILER REFERENCE DATA

File with Land Records of Baltimore County, Maryland

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/29/98)

NATUCC3 4/23/01 C T System Online

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

11. INITIAL FINANCING STATEMENT FILE # (same as item 1a on Amendment form)

Liber 9339 / folio 564 Recorded on 08/27/1992

12. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as item 9 on Amendment form)

12a. ORGANIZATION'S NAME

OR

12b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME, SUFFIX

13. Use this space for additional information

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

St. Charles Associates, LTD.

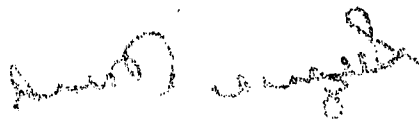
An Amended and Restated Indemnity Deed of Trust and Security Agreement given by Erickson Retirement Communities, LLC, a Maryland limited liability company, and dated as of December 11, 2003, which amends and restates that Indemnity Deed of Trust and Security Agreement given by St. Charles Associates, Ltd., a Florida limited partnership, and dated August 21, 1992, as amended from time to time, creates the security interest evidenced by this Financing Statement. The record owner of the real property is the Debtor.

Return to:

CHICAGO TITLE INSURANCE COMPANY
1129 20th STREET, N.W. SUITE 308
WASHINGTON, D.C. 20036

RET/100 230 380

FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT AMENDMENT ADDENDUM (FORM UCC3Ad) (REV. 07/29/98)
NATUCC3 4/23/01 C T System Online



OF MARYLAND BALTIMORE COUNTY

I HEREBY CERTIFY that the foregoing is a true copy of the original
UCC Fin. Stmt. taken from the records of said Circuit Court as
recorded in Liber SM No. 19335
Folio 412-413 one of the Land
records of Baltimore County

IN TESTIMONY WHEREOF I hereto set my hand
and affix the seal of the Circuit Court for
Baltimore County

this 25 day of Jan. 20 10

Luzanne O'neal

Clerk of the Circuit Court of Baltimore County

0012608 415

12608/415

PLEASE RECORD AS FOLLOWS:

- ___ 1. With the Maryland State Department of Assessments and Taxation
- X 2. In the Land Records of Baltimore County, Maryland

NOT SUBJECT TO
RECORDATION TAXES--
INDEMNITY INSTRUMENT

INDEMNITY DEBTOR'S
PRINCIPAL OFFICE IS
IN BALTIMORE COUNTY,
MARYLAND

INDEMNITY FINANCING STATEMENT

1. INDEMNITY DEBTOR: **SENIOR CAMPUS LIVING, LLC**
701 Maiden Choice Lane
Baltimore, Maryland 21228
2. SECURED PARTY: **MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY**
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: Bruce D. McLean

IMP. FD. SURE \$ 2.00
RECORDING FEE 20.00
TOTAL 22.00
Reg# BA04 Rct # 39219
SM DM Bk # 1601
Jan 14, 1998 03:10 pm

3. This Financing Statement covers the following types of property:

See Schedule I attached hereto

4. If above described personal property is to be affixed to real property, describe real property:

See Exhibit A attached hereto.

5. If collateral is crops, describe real estate:

N/A

6. Proceeds of collateral, including insurance proceeds, are covered.
7. Products of collateral are covered.

MARYLAND COMMERCIAL TITLE COMPANY
540 FREDERICK STREET
BALTIMORE, MARYLAND 21201
504-751-1000

59073 CJF
008160-0000

0012603 416

8. An Indemnity Deed of Trust and Security Agreement given by t. Charles Associates, Ltd., a Florida limited partnership authorized to do business in Maryland under the name of St. Charles (Charlestown) Limited Partnership, and dated August 21, 1992, as amended from time to time, and as referenced in a Guarantor Assumption Agreement of even date herewith executed by the Indemnity Debtor in favor of the Secured Party (collectively, the "Deed of Trust"), creates the security interest evidenced by this Financing Statement. The record owner of the real property is the Indemnity Debtor.

INDEMNITY DEBTOR:

SENIOR CAMPUS LIVING, LLC

By: Bernard M. Hill (SEAL)

Name: Bernard M. Hill
Title: President

AFTER RECORDING,
PLEASE RETURN TO:

Christopher J. Fritz, Esquire
Gallagher, Evelius & Jones
218 North Charles Street
Suite 400
Baltimore, Maryland 21201

SCHEDULE IDESCRIPTION OF COLLATERAL

All assets described in the Deed of Trust described in the foregoing Indemnity Financing Statement including, but not limited to:

- (a) All of the machines, apparatus, equipment, fixtures and articles of personal property owned by Indemnity Debtor now or hereafter located on the real property described in Exhibit A hereto (the "Property"), or in any improvements thereon, including without limitation all furniture, fixtures, equipment and building materials, and all right, title and interest of the Indemnity Debtor in and to any of such property which may be subject to any title retention or security agreement or instrument having priority over the Deed of Trust.
- (b) All rents, profits, issues, revenues, income, proceeds, earnings and products generated by or arising out of the Property, and all accounts receivable arising in connection with the Property and all contracts for the use and occupancy of all or any portion of the Property (including but not limited to all contracts of sale for all or any portion of the Property, including, without limitation, all deposits to secure performance by contract purchasers for all or any portion of the Property, all of the general intangibles, actions, rights in action, estate, right, title, use, claim and demand of every nature whatsoever, at law or in equity, which the Indemnity Debtor may now have or may hereafter acquire in and to the Property and all right, title and interest of the Indemnity Debtor in and to all extensions, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Property, hereafter acquired by or released to the Indemnity Debtor, or constructed, assembled or placed by or for the Indemnity Debtor on the Property, and all in conversion of the security constituted thereby.
- (c) All insurance policies and insurance proceeds pertaining to the Property and all awards or payments, including interest thereon and the right to receive the same, which may be made with respect to any of the Property as a result of any taking or any injury to or decrease in the value of the Property.

0012608 418

EXHIBIT A

That certain parcel of land consisting of approximately 3.452 acres located on Maiden Choice Lane in Baltimore County, Maryland, more particularly identified as "lot 1" as shown on the Plat entitled "Lot 1 St. Charles Associates, Ltd. Property", which plat is recorded among the Land Records of Baltimore County, Maryland at Liber S.M. 68, folio 28.

0028791 729

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)
Jamie Miller (410) 528-5508

B. SEND

Please return to:
CT CORPORATION SYSTEM
Attn: Lisa Daniels
17 S. High Street/Suite 1100
Columbus, Ohio 43215

IMP FD SURE \$ 20.00
RECORDING FEE 20.00
TOTAL 40.00
Res# BA15 Rcpt # 25017
SM TM Blk # 405
May 05, 2006 02:16 PM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #
Liber No. 12608, folio 4151b. This FINANCING STATEMENT AMENDMENT is to be
filed (for record) (or recorded) in the REAL ESTATE
RECORDS.2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.3. ☒ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.4. ☐ ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 8.5. ☐ AMENDMENT (PARTY INFORMATION): This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of the two boxes.Also check one of the following three boxes and provide appropriate information in item 6 and/or 7.
☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c.
☐ DELETE name: Give record name to be deleted in item 6a or 6b.
☐ ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME
OR Erickson Retirement Communities, LLC
6b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME
OR
7b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

7c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
USA

7d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 7e. TYPE OF ORGANIZATION 7f. JURISDICTION OF ORGANIZATION 7g. ORGANIZATIONAL ID #, if any
☐ NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.

Describe collateral ☐ deleted or ☐ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here ☐ and enter name of DEBTOR authorizing this Amendment.

9a. ORGANIZATION'S NAME
OR Mercantile-Safe Deposit and Trust Company
9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

10. OPTIONAL FILER REFERENCE DATA

File in Baltimore County Maryland Land Records

Erickson Retirements Communities, LLC - Headquarters

FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT AMENDMENT (FORM UCC3) (REV. 07/28/98)

DMEAST #8500111 V1

B663271950

[Handwritten signature]

OF MARYLAND BALTIMORE COUNTY TO WIT

I HEREBY CERTIFY that the foregoing is a true copy of the original

UCL Fin Stmt taken from the records of said Circuit Court as
recorded in Liber SM No. 23791

Folio 729 one of the Land
records of Baltimore County

IN TESTIMONY WHEREOF I hereto set my hand

and affix the seal of the Circuit Court for
Baltimore, County

this 25 day of Jan. 20 10

Luzanne Ornd

Clerk of the Circuit Court of Baltimore County

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] (410) 528-5661
B. SEND ACKNOWLEDGMENT TO: (Name and Address) Michael T. Kersten, Esq. Ballard Spaht Andrews & Ingersoll, LLP 300 East Lombard Street, 18th Floor Baltimore, Maryland 21202

IMP FD SURE \$	20.00
RECORDING FEE	20.00
TOTAL	40.00
Reg# BA05	Rcpt # 49326
SM LL	Blk # 3204
Dec 22, 2003	02:53 PM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE # Liber 12608 / folio 415 Recorded on 01/14/1998	1b. This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. <input checked="" type="checkbox"/>
2. <input type="checkbox"/> TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.	
3. <input type="checkbox"/> CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.	
4. <input type="checkbox"/> ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 8.	
5. AMENDMENT (PARTY INFORMATION): This Amendment affects <input checked="" type="checkbox"/> Debtor or <input type="checkbox"/> Secured Party of record. Check only one of these two boxes. Also check one of the following three boxes and provide appropriate information in items 6 and/or 7. <input checked="" type="checkbox"/> CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if name change) in item 7a or 7b and/or new address (if address change) in item 7c. <input type="checkbox"/> DELETE name: Give record name to be deleted in item 6a or 6b. <input type="checkbox"/> ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7d-7g (if applicable).	
6. CURRENT RECORD INFORMATION:	
6a. ORGANIZATION'S NAME Senior Campus Living, LLC	
OR	6b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX
7. CHANGED (NEW) OR ADDED INFORMATION:	
7a. ORGANIZATION'S NAME Erickson Retirement Communities, LLC	
OR	7b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX
7c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY	
7d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR
7e. TYPE OF ORGANIZATION ltd. liability company	7f. JURISDICTION OF ORGANIZATION Maryland
7g. ORGANIZATIONAL ID #, if any W04550497 <input type="checkbox"/> NONE	
8. AMENDMENT (COLLATERAL CHANGE): check only one box. Describe collateral <input type="checkbox"/> deleted or <input type="checkbox"/> added, or give entire <input type="checkbox"/> restated collateral description, or describe collateral <input type="checkbox"/> assigned.	

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here <input type="checkbox"/> and enter name of DEBTOR authorizing this Amendment.			
9a. ORGANIZATION'S NAME Mercantile-Safe Deposit and Trust Company			
OR	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME SUFFIX
10. OPTIONAL FILER REFERENCE DATA File with Land Records of Baltimore County, Maryland			

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

11. INITIAL FINANCING STATEMENT FILE # (same as item 1a on Amendment form)		
Liber 12608 / folio 415 Recorded on 01/14/1998		
12. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as item 9 on Amendment form)		
12a. ORGANIZATION'S NAME		
OR	12b. INDIVIDUAL'S LAST NAME	FIRST NAME MIDDLE NAME, SUFFIX
13. Use this space for additional information		

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

Senior Campus Living, LLC

An Amended and Restated Indemnity Deed of Trust and Security Agreement given by Erickson Retirement Communities, LLC, a Maryland limited liability company, and dated as of December 11, 2003, which amends and restates that Indemnity Deed of Trust and Security Agreement given by St. Charles Associates, LTD., a Florida limited partnership, and dated August 21, 1992, as amended from time to time, creates the security interest evidenced by this Financing Statement. The record owner of the real property is the Debtor.

Return to
CHICAGO TITLE INSURANCE COMPANY
1129 20th STREET, N.W. SUITE 300
WASHINGTON, D.C. 20036
RET / 180 230 380

[Handwritten signature]

OF MARYLAND BALTIMORE COUNTY TO WIT:
I HEREBY CERTIFY that the foregoing is a true copy of the original
UCC Fin. Stmt taken from the records of said Circuit Court as
recorded in Liber SM No. 19335
Folio 414-415 one of the Land
records of Baltimore County

IN TESTIMONY WHEREOF I hereto set my hand
and affix the seal of the Circuit Court for
Baltimore County

this 25 day of Jan. 20 10

Leanne O'neal

Clerk of the Circuit Court of Baltimore County

LAW OFFICES
GEBHARDT & SMITH LLP
SUITE 2200
ONE SOUTH STREET
BALTIMORE, MARYLAND 21202-3281
TELEPHONE: (410) 752-5830
FACSIMILE: (410) 385-5119

WRITER'S DIRECT DIAL NUMBER:

410-385-5105
jblilo@gebsmith.com

February 24, 2010

WILMINGTON OFFICE:
SUITE 451
901 MARKET STREET
WILMINGTON, DELAWARE 19801
TELEPHONE: (302) 656-9002
FACSIMILE: (302) 429-5953

VIA HAND DELIVERY

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

RECEIVED
FEB 24 2010

BMC GROUP

Re: Debtor: Erickson Retirement Communities, LLC
Case No.: 09-37010
Creditor: PNC Bank, National Association, successor to
Mercantile-Safe Deposit and Trust Company

Dear Sir or Madame:

Enclosed for filing in the above-referenced bankruptcy case is a Proof of Claim by PNC Bank, National Association, successor to Mercantile-Safe Deposit And Trust Company. The Proof of Claim consists of: (1) the original, fully executed Proof of Claim cover sheet; and (2) the Rider to the Proof of Claim cover sheet (with exhibits).

Please file the Proof of Claim in the Debtor's bankruptcy case, date stamp the enclosed copy of the Proof of Claim cover sheet, and return it to the person delivering this package.

Thank you for your attention to this matter. Please do not hesitate to call me if you have any questions.

Very truly yours.


Jean Sheftic Bil
Counsel for PNC

Enclosures
JSB:lb

45