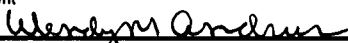



UNITED STATES BANKRUPTCY COURT Northern District of Texas		PROOF OF CLAIM
Name of Debtor: ERICKSON RETIREMENT COMMUNITIES, LLC		Case Number: 09-37010
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an 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 Telephone number: (410) 237-5923		
1. Amount of Claim as of Date Case Filed: \$ <u>10,889,754.31**</u> 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.		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: \$ _____ <i>*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.</i>
2. Basis for Claim: <u>See Attached</u> (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other Describe: Owned by Charlotte Campus, LLC -- 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>10,889,754.31,</u> Amount Unsecured: \$ _____ plus interest, attorneys' fees, late charges and fees continuing to accrue		
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> PNC BANK, NATIONAL ASSOCIATION By: Wendy Andrus, Vice President 	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. <div style="text-align: right;"> FOR COURT USE ONLY Erickson Ret. Comm. LLC  01110 </div>	

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 ("**Bank**"), under and in connection with the Debtor's unconditional guaranty of a commercial loan facility ("**Loan**") that the Bank extended to Charlotte Campus, LLC ("**Borrower**"), which is evidenced by, among other things, (a) that certain Promissory Note dated August 27, 2008, in the stated principal amount of \$10,000,000.00, executed by Borrower to the order of the Bank, as amended pursuant to the Extension Agreement dated as of March 31, 2009, by and between the Bank, Borrower, and the Debtor, the Second Extension Agreement dated as of April 30, 2009 by and between the Bank, Borrower, and the Debtor, the Third Extension Agreement dated as of May 29, 2009 by and between the Bank, Borrower, and the Debtor, and the Forbearance Agreement dated as of June 30, 2009 by and between the Bank, Borrower, and the Debtor (collectively, with any modifications and amendments thereto, "**Note**") and (b) the irrevocable letter of credit no. 181110602-00-000 in the originally stated amount of \$100,000.00 issued on October 28, 2008, by the Bank in favor of the State of North Carolina Department of Insurance (collectively, with any modifications and amendments thereto, "**Letter of Credit**"). A true and correct copy of the Note is attached hereto as **Exhibit 1**. A true and correct copy of the Letter of Credit is attached hereto as **Exhibit 2**.

Pursuant to that certain Guaranty Agreement dated August 27, 2008, executed by the Debtor for the benefit of the Bank (collectively, with any modifications and amendments thereto, the "**Guaranty**"), the Debtor absolutely and unconditionally guaranteed, *inter alia* (a) the full and prompt payment when due (and not merely the collection) of all amounts due with respect to the Note, and the observance and performance by the Borrower of all of the Borrower's obligations under the Loan Documents, and (b) payment and performance of all present and future liabilities and obligations of the Borrower to the Lender of every kind and description, then existing or thereafter owing, matured or unmatured, direct or indirect, absolute or contingent or joint or several (which obligations include the Borrower's obligations with respect to the Letter of Credit) and the observance and performance by the Borrower of all of the Borrower's obligations with respect to the Loan. A true and correct copy of the Guaranty is attached hereto as **Exhibit 3**.

The Note, the 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:	\$10,000,000.00
Interest:	\$ 261,368.06
Late charges:	\$ 515,318.41
Fixed Facility Fees	\$ 200.00
Legal fees and expenses (Counsel for Lender):	\$ 176.00
Lien Searches	\$ 267.50
Letter of credit balance	\$ 100,000.00
Letter of Credit Fees	\$ 308.34
Other fees and charges:	\$ 12,125.00
Total (as of Petition Date):	<u>\$10,889,754.31</u>

(Interest rate as of Petition Date = 5.5% [PNC prime rate of 3.25% + 2.25%])

(Per diem interest as of Petition Date = \$1,527.777)

(Per diem letter of credit fee = \$2.78)

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:	\$ 111,527.72
Legal fees and expenses (Counsel for Lender):	\$
Letter of Credit Fees	\$ 202.94
<u>Appraisal Expenses</u>	<u>\$ 2,500.00</u>
Total (10/19/09 – 12/31/09):	<u>\$ 114,230.66</u>

(Interest rate as of Petition Date = 5.5% [PNC prime rate of 3.25% + 2.25%])

(Per diem interest as of Petition Date = \$1,527.777)

(Per diem letter of credit fee = \$2.78)

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. § 506B.

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.

COPY

August 27, 2008

\$10,000,000

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned (hereinafter, the "**Borrower**") promises to pay to the order of PNC Bank, National Association, a national banking association (the "**Lender**") at its offices located 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 Ten Million Dollars (\$10,000,000) together with interest thereon at the rate hereinafter provided and any and all other sums which may be owing to the holder of this Note by the Borrower, on March 31, 2009 (the "**Maturity Date**"), which is the final and absolute due date of this Note, or on such earlier date specified by the Lender if this Note is accelerated pursuant to Section 7 hereof. The following terms shall apply to this Note:

1. **Interest Rate.** For the period from the date of this Note until the Maturity Date, interest shall accrue at the floating rate obtained by adding one quarter of one percent (1/4%) to the prime rate of interest declared by the Lender without offset from time to time, such rate to be adjusted on any date on which a change in the Lender's prime rate is effective. The prime rate as used herein refers to that interest rate set by the Lender from time to time as an interest rate base for borrowings. The prime rate is one of several interest rate bases used by the Lender. The Lender lends at rates above and below the Lender's prime rate.

2. **Repayment.** Interest accrued on amounts disbursed hereunder at the applicable rate or rates shall be paid over the term hereof in arrears in monthly installments beginning on October 1, 2008 and continuing on the first day of each succeeding calendar month until the Maturity Date of this Note. On the Maturity Date 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.

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. Interest shall be calculated by the Lender and billed to the Borrower for each appropriate period; provided, however, that failure of the Lender to bill the Borrower shall not relieve the Borrower's payment obligations hereunder.

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

5. **Prepayment.** The Borrower may prepay this Note in whole or in part at any time or from time to time without premium or penalty.

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

7. 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 at any time following the occurrence of an Event of Default as defined in the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated of even date herewith between the Borrower, as grantor, the Lender, as beneficiary, and Chicago Title Insurance Company, a Nebraska corporation, as trustee (the "**Deed of Trust**") or in any other Loan Document referenced or incorporated by reference therein (individually, a "**Loan Document**," and collectively, the "**Loan Documents**"), the Lender may, in the Lender'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.

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 Deed of Trust or in any of the other Loan Documents, the Lender 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 (the "**Default Interest Rate**"), independent of whether the Lender elects to accelerate the unpaid principal balance as a result of such default.

9. CONFESSION OF JUDGMENT; JURISDICTION AND VENUE. 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 ANY EVENT OF DEFAULT AS DEFINED IN THE DEED OF TRUST OR IN ANY OF THE OTHER LOAN DOCUMENTS, THE BORROWER AUTHORIZES ANY ATTORNEY ADMITTED TO PRACTICE BEFORE ANY COURT OF RECORD IN THE UNITED STATES OR ANY CLERK OF ANY COURT OF RECORD TO APPEAR FOR IT AND CONFESS JUDGMENT ON BEHALF OF THE BORROWER AGAINST THE BORROWER IN FAVOR OF THE LENDER 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 THREE HUNDRED THOUSAND DOLLARS (\$300,000) (BUT THIS PROVISION SHALL NOT LIMIT THE OBLIGATION OF THE BORROWER TO PAY ALL REASONABLE ATTORNEYS' FEES INCURRED BY THE LENDER). THE LENDER AGREES THAT IN ATTEMPTING TO SATISFY OR ENFORCE ANY JUDGMENT BY CONFESSION OBTAINED AGAINST THE BORROWER IN CONNECTION WITH THIS NOTE, THE LENDER SHALL NOT SEEK OR DEMAND, SOLELY WITH RESPECT TO ATTORNEYS' FEES INCURRED BY THE LENDER, IN CONNECTION WITH THIS NOTE, ANY AMOUNTS IN EXCESS OF THE ACTUAL AMOUNT OF REASONABLE ATTORNEYS' FEES CHARGED OR BILLED TO THE LENDER. THE LENDER AGREES NOT TO SELL OR ASSIGN ANY JUDGMENT OBTAINED PURSUANT TO THIS SECTION 9 UNLESS THE ASSIGNEE AGREES TO BE BOUND BY THE PROVISIONS OF THE IMMEDIATELY PRECEDING SENTENCE. IN ANY ACTION BROUGHT BY THE LENDER 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 FILE A MOTION TO OPEN, VACATE OR MODIFY A JUDGMENT BY CONFESSION IN GOOD FAITH AND WITHIN THE TIMEFRAMES PERMITTED BY SUCH RULE, 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 LENDER SHALL DEEM NECESSARY OR DESIRABLE.

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

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

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

13. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, THE BORROWER, AND THE LENDER BY ACCEPTANCE OF THIS NOTE, HEREBY VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR UNDER OR IN CONNECTION WITH THIS NOTE, THE DEED OF TRUST OR ANY OF THE OTHER LOAN DOCUMENTS. THIS WAIVER APPLIES TO ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS

AND PROCEEDINGS, INCLUDING PARTIES WHO ARE NOT PARTIES TO THIS NOTE. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE BORROWER WHO ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE EXECUTION OF THIS NOTE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL. THE BORROWER FURTHER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER PROVISION.

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

15. Commercial Loan. The Borrower warrants that this Note and the indebtedness evidenced hereby is the result of a "commercial loan" as defined in Sections 12-101(c) and 12-103(e) of the Commercial Law Article of the Annotated Code of Maryland. Borrower warrants that the loan evidenced by the Note is being obtained solely for the purpose of acquiring or carrying on a business, professional or commercial activity and is not for personal, agricultural, family or household purposes.

16. Security. This Note is secured as provided in the Deed of Trust.

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

18. Interest Limitation. Notwithstanding anything to the contrary contained herein or in the Deed of Trust or in any other of the Loan Documents, the effective rate of interest on the obligation evidenced by this Note shall not exceed the lawful maximum rate of interest permitted to be paid. Without limiting the generality of the foregoing, in the event that the interest charged hereunder results in an effective rate of interest higher than that lawfully permitted to be paid, then such charges shall be reduced by the sum sufficient to result in an effective rate of interest permitted and any amount which would exceed the highest lawful rate already received and held by Lender shall be applied to a reduction of principal and not to the payment of interest. Borrower agrees that for the purpose of determining the highest rate permitted by law, any non-

principal payment (including, without limitation, late fees and other fees) shall be deemed, to the extent permitted by law, to be an expense, fee or premium rather than interest.

19. Miscellaneous. Borrower waives the benefit of all homestead and similar exemptions as to this Note. Borrower agrees its liability under this Note shall not be affected or impaired by any determination that any security interest or lien taken by the Lender to secure this Note is invalid or unperfected. Borrower hereby subordinates any and all rights against any of the security for the payment of this Note, whether by subrogation, agreement or otherwise, until this Note is paid in full.

20. 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 Lender:

PNC Bank, National Association
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: D. Seward Woelper
Vice President

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

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

If to the Borrower:

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

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

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

If to the Trustee under the Deed of Trust:

Chicago Title Insurance Company
200 South Tyron Street, Suite 800
Charlotte, North Carolina 28202

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

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

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.

21. Choice of Law. This Note and the rights and obligations of the parties hereunder shall be governed, construed and interpreted in accordance with the laws of the State of Maryland, both in interpretation and performance; provided, however, that with regard to provisions involving the creation, granting, perfection and enforcement of security interests in personal property collateral and liens on real property collateral, the law of the jurisdiction in which the real property or personal property collateral is located (or which otherwise applies to security interests in personal property collateral) shall govern.

22. 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.

23. This Note is subject to the express condition that at no time shall Borrower be obligated or required to pay interest on the principal balance of the Loan at a rate which could subject Lender to either civil or criminal liability as a result of being in excess of the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the indebtedness evidenced by this Note and as provided for herein or in the other Loan Documents, under the laws of such state or states whose laws are held by any court of competent jurisdiction to govern the interest rate provisions of the Loan (such rate, the "**Maximum Legal Rate**"). If, by the terms of this Note or the other Loan Documents, Borrower is at any time required or obligated to pay interest on the principal balance due hereunder at a rate in excess of the Maximum Legal Rate or the Default Interest Rate, as the case may be, shall be deemed to be immediately reduced to the Maximum Legal Rate and all previous payments in excess of the Maximum Legal Rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder. All sums paid or agreed to be paid to Lender for the use, forbearance, or detention of the sums due under the Loan, shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term of the Loan until payment in full so that the rate or amount

of interest on account of the Loan does not exceed the Maximum Legal Rate of interest from time to time in effect and applicable to the Loan for so long as the Loan is outstanding.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

WITNESS:

Cathy M. Thompson

BORROWER:

CHARLOTTE CAMPUS, LLC, a Maryland limited liability company

By: Erickson Retirement Communities, LLC, a Maryland limited liability company, its Sole Member

By: Gerald F. Doherty (SEAL)
Executive Vice President, General Counsel and Secretary

(Promissory Note - Charlotte Campus)

EXTENSION AGREEMENT

THIS EXTENSION AGREEMENT ("AGREEMENT") is made to be effective as of the 31st day of March, 2009 ("EFFECTIVE DATE"), by and between PNC BANK, NATIONAL ASSOCIATION ("LENDER"); CHARLOTTE CAMPUS, LLC ("BORROWER"); and ERICKSON RETIREMENT COMMUNITIES, LLC ("GUARANTOR"). Hereafter, the BORROWER and the GUARANTOR are collectively referred to as the "OBLIGORS" and the LENDER and the OBLIGORS are collectively referred to as the "PARTIES".

RECITALS

The LENDER is the holder of a loan ("LOAN") evidenced by a Promissory Note ("NOTE") dated August 27, 2008 in the originally stated principal amount of Ten Million Dollars (\$10,000,000.00).

The BORROWER secured its obligations to the LENDER in accordance with a Deed of Trust, Assignment of Leases And Rents, Security Agreement And Fixture Filing dated August 27, 2008 ("DEED OF TRUST").

The GUARANTOR has guaranteed to the LENDER the repayment and performance of all of the obligations owed by the BORROWER to the LENDER in accordance with a Guaranty Agreement dated August 27, 2008 ("GUARANTY"). Hereafter, the NOTE, the DEED OF TRUST, the GUARANTY, and all other documents, agreements and writings which evidence or secure the LOAN are collectively referred to as the "LOAN DOCUMENTS".

The LOAN has a final maturity date ("MATURITY DATE") of March 31, 2009. The OBLIGORS have requested that the LENDER agree to extend the MATURITY DATE to April 30, 2009. The LENDER is willing, in accordance with the stated terms of this AGREEMENT, to agree to the requested extension of the MATURITY DATE.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the PARTIES hereby agree as follows:

Section 1. Recitals. The OBLIGORS acknowledge that the Recitals set forth above are true and accurate. Each of the Recitals is incorporated into this AGREEMENT by reference and is made a part hereof.

Section 2. Acknowledgment Of Obligations. The OBLIGORS acknowledge that: (a) each of the LOAN DOCUMENTS is the valid and binding obligation of each OBLIGOR that is a party thereto, and is fully enforceable in accordance with all stated terms; and (b) the duties of each of the OBLIGORS to pay and perform its respective obligations to the LENDER in accordance with the terms of the LOAN DOCUMENTS are not subject to any set-offs, defenses or counterclaims.

Section 3. Amendment And Modification Of Revolving Loan Note. The NOTE is hereby amended and modified as follows: (a) the "Maturity Date" of the NOTE is amended from the presently stated date of March 31, 2009 to "April 30, 2009"; and (b) the fluctuating interest rate referenced in paragraph 1 of the NOTE is increased from the presently stated fluctuating rate of the LENDER'S prime rate of interest plus one quarter of one percent (¼%) to the LENDER'S fluctuating prime rate of interest plus two and one quarter percent (2 ¼%).

Section 4. Extension Fee. In consideration of the execution and delivery of this AGREEMENT by the LENDER and the agreement of the LENDER to the requested extension, the BORROWER agrees to pay to the LENDER on or before the EFFECTIVE DATE a non-refundable extension fee ("EXTENSION FEE") in the amount of Five Thousand Dollars (\$5,000.00). The EXTENSION FEE shall be deemed to have been fully earned by the LENDER upon the execution and delivery of this AGREEMENT by the LENDER. The EXTENSION FEE shall not be construed as a payment by the OBLIGORS of any of the reimbursable expenses or other sums due to the LENDER in accordance with the terms of this AGREEMENT or the LOAN DOCUMENTS.

Section 5. Reimbursement Of Lender's Expenses. The OBLIGORS agree to reimburse to the LENDER on or before the EFFECTIVE DATE for all expenses incurred by the LENDER in connection with this AGREEMENT and all other expenses incurred by the LENDER in connection with the consummation of the transactions and matters described herein, including without limitation all attorneys' fees incurred by the LENDER.

Section 6. Security. The obligations of the OBLIGORS to pay and perform their obligations under the LOAN DOCUMENTS to the LENDER shall continue to be secured by the liens, assignments, and security interests

described and provided for in the LOAN DOCUMENTS, all of which are hereby ratified and confirmed by each of the OBLIGORS.

Section 7. Representations and Warranties. Each of the OBLIGORS represents and warrants to the LENDER as follows:

(a) All information and data submitted by or on behalf of the OBLIGORS in connection with this AGREEMENT and the transactions contemplated herein, is true, accurate and complete in all material respects as of the date made and contains no knowingly false, incomplete or misleading statements.

(b) The making and performance of this AGREEMENT by the OBLIGORS will not: (i) violate the OBLIGORS' organizational documents; (ii) violate any laws or result in a default under any contract, agreement, or instrument to which either of the OBLIGORS is a party or by which either of the OBLIGORS or any of their respective properties are bound; or (iii) result in the creation or imposition of any security interest in, or lien or encumbrance upon, the assets of either of the OBLIGORS except in favor of the LENDER.

(c) The BORROWER is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Maryland.

(d) There are no actions, suits or proceedings pending against either of the OBLIGORS.

(e) The OBLIGORS are current in their tax payment obligations to all applicable taxing authorities.

(f) There are no outstanding judgments or tax liens, or any pending litigation against either of the OBLIGORS the adverse determination of which would be likely to have a material adverse effect upon the OBLIGORS and their subsidiaries taken as a whole.

(g) The LENDER holds first lien priority perfected liens and security interests in and to the assets of the BORROWER as required by the terms and conditions of the LOAN DOCUMENTS, which liens shall survive intact the transactions contemplated by this AGREEMENT in the same lien priority existing immediately prior to the EFFECTIVE DATE.

Section 8. No Other Modifications Of Loan Documents. The OBLIGORS acknowledge that except as expressly provided for herein, the LOAN DOCUMENTS have not been amended, modified or changed in any respect, and remain enforceable against the PARTIES in accordance with all stated terms. In the event of any conflict between the stated terms of the LOAN DOCUMENTS and the terms of this AGREEMENT, the terms of this AGREEMENT shall control.

Section 9. No Novation; No Refinance. It is the intention of the PARTIES that nothing contained in this AGREEMENT shall be deemed to effect or accomplish or otherwise constitute a novation of any of the obligations or duties owed by either of the OBLIGORS to the LENDER or of any of the LOAN DOCUMENTS or to be a refinance of any of the LOAN.

Section 10. Subordination. The OBLIGORS agree that any current or future loans or other obligations owed by the BORROWER to the GUARANTOR are hereby subordinated in all respects to the repayment in full of all obligations owed by the BORROWER to the LENDER.

Section 11. Further Assurances. Each of the OBLIGORS agrees to execute and deliver to the LENDER such other documents as may, from time to time, be reasonably requested by the LENDER in order to execute upon or enforce the terms and conditions of this AGREEMENT or of any of the LOAN DOCUMENTS.

Section 12. Enforceability. This AGREEMENT shall inure to the benefit of and be enforceable against each of the PARTIES and their respective successors and assigns.

Section 13. Choice Of Law; Consent To Jurisdiction; Agreement As To Venue. This AGREEMENT shall be construed, performed and enforced and its validity and enforceability determined in accordance with the laws of the State of Maryland (excluding conflict of laws principles). Each of the OBLIGORS consents to the jurisdiction of the courts of the State of Maryland and the jurisdiction of the United States District Court for the District of Maryland if a

basis for federal jurisdiction exists. Each of the OBLIGORS waives any right to object to the maintenance of a suit by the LENDER in any of the state or federal courts located anywhere in the State of Maryland on the basis of improper venue or inconvenience of forum.

Section 14. Amendment. This AGREEMENT may be amended only by a writing executed by all of the PARTIES.

Section 15. Time. Time is of the essence of this AGREEMENT.

Section 16. Waiver. No failure or delay by the LENDER in the exercise or enforcement of any of its rights under any LOAN DOCUMENT shall be a waiver of such right or remedy nor shall a single or partial exercise or enforcement thereof preclude any other or further exercise or enforcement thereof or the exercise or enforcement of any other right or remedy. The LENDER may at any time or from time to time waive all or any rights under this AGREEMENT or the other LOAN DOCUMENTS, but any such waiver must be specific and in writing and no such waiver shall constitute, unless specifically so expressed by the LENDER in writing, a future waiver of performance or exact performance by the OBLIGORS. No notice to or demand upon either OBLIGOR in any instance shall entitle any OBLIGOR to any other or further notice or demand in the same, similar or other circumstance.

Section 17. Obligations Unconditional. The obligations of the OBLIGORS set forth in this AGREEMENT and as required by the terms of the LOAN DOCUMENTS are absolute and unconditional, and are independent of any defense or rights of set-off, recoupment or counterclaim which either of the OBLIGORS might have or ever had against the LENDER. Each of the OBLIGORS agrees that all payments required hereunder and/or by the LOAN DOCUMENTS shall be made free of any deductions and without abatement, diminution or set-off.

Section 18. RELEASE. IN ORDER TO INDUCE THE LENDER TO ENTER INTO THIS AGREEMENT, EACH OF THE OBLIGORS FOREVER RELEASES AND DISCHARGES THE LENDER AND THE LENDER'S OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, AND AGENTS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, SUITS AND DAMAGES (INCLUDING CLAIMS FOR ATTORNEYS' FEES AND COSTS) WHICH IT, JOINTLY OR SEVERALLY, EVER HAD OR MAY NOW HAVE AGAINST ANY OF THE RELEASED PARTIES FOR ANY MATTER, INCLUDING WITHOUT LIMITATION ANY CLAIMS ARISING OUT OF OR RELATED IN ANY WAY TO THE LOAN, THE LOAN DOCUMENTS, THE COLLATERAL FOR THE LOAN, THIS AGREEMENT OR THE ADMINISTRATION THEREOF, WHETHER KNOWN OR UNKNOWN, INCLUDING BUT NOT LIMITED TO ANY AND ALL CLAIMS BASED UPON OR RELYING ON ANY ALLEGATIONS OR ASSERTIONS OF DURESS, ILLEGALITY, UNCONSCIONABILITY, BAD FAITH, BREACH OF CONTRACT, REGULATORY VIOLATIONS, NEGLIGENCE, MISCONDUCT, OR ANY OTHER TORT, CONTRACT OR REGULATORY CLAIM OF ANY KIND OR NATURE. THIS RELEASE IS INTENDED TO BE FINAL AND IRREVOCABLE AND IS NOT SUBJECT TO THE SATISFACTION OF ANY CONDITIONS OF ANY KIND.

Section 19. Waiver Of Jury Trial. Each of the PARTIES agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by it or by any of its successors or assigns, on or with respect to this AGREEMENT, the LOAN (or the administration thereof), or any of the other LOAN DOCUMENTS, or which in any way relates, directly or indirectly, to its obligations to any other PARTY, shall be tried by a court and not by a jury. EACH OF THE PARTIES TO THIS AGREEMENT EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.

Section 20. Execution in Counterparts; Delivery. This AGREEMENT may be executed and delivered by the PARTIES in counterparts. Executed counterparts of this AGREEMENT may be delivered electronically.

[Signature Pages to Follow]

Signature Page to Extension Agreement

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT with the specific intention of creating an instrument under seal to be effective as of the above stated EFFECTIVE DATE.

WITNESS/ATTEST:

BORROWER:

CHARLOTTE CAMPUS, LLC

By: Erickson Retirement Communities, LLC,
A Maryland limited liability company,
Its Sole Member

By: _____(SEAL)

Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

Date: March __, 2008

GUARANTOR:

ERICKSON RETIREMENT COMMUNITIES, LLC,
A Maryland limited liability company

By: _____(SEAL)

Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

Date: March __, 2008

[Signature Continued on Next Page]

Signature Page to Extension Agreement

LENDER:

PNC BANK, NATIONAL ASSOCIATION

By: _____(SEAL)

Wendy M. Andrus, Vice President

Date: March __, 2008

SECOND EXTENSION AGREEMENT
(Charlotte Campus, LLC)

THIS SECOND EXTENSION AGREEMENT ("AGREEMENT") is made to be effective as of the 30th day of April, 2009 ("EFFECTIVE DATE"), by and between PNC BANK, NATIONAL ASSOCIATION ("LENDER"); CHARLOTTE CAMPUS, LLC ("BORROWER"); and ERICKSON RETIREMENT COMMUNITIES, LLC ("GUARANTOR"). Hereafter, the BORROWER and the GUARANTOR are collectively referred to as the "OBLIGORS" and the LENDER and the OBLIGORS are collectively referred to as the "PARTIES".

RECITALS

The LENDER is the holder of a loan ("LOAN") evidenced by a Promissory Note ("NOTE") dated August 27, 2008 in the originally stated principal amount of Ten Million Dollars (\$10,000,000.00).

The BORROWER secured its obligations to the LENDER in accordance with a Deed of Trust, Assignment of Leases And Rents, Security Agreement And Fixture Filing dated August 27, 2008 ("DEED OF TRUST").

The GUARANTOR has guaranteed to the LENDER the repayment and performance of all of the obligations owed by the BORROWER to the LENDER in accordance with a Guaranty Agreement dated August 27, 2008 ("GUARANTY"). Hereafter, the NOTE, the DEED OF TRUST, the GUARANTY, and all other documents, agreements and writings which evidence or secure the LOAN are collectively referred to as the "LOAN DOCUMENTS".

By Extension Agreement ("FIRST EXTENSION") dated March 31, 2009, the PARTIES agreed to extend the "Maturity Date" of the NOTE ("MATURITY DATE") from March 31, 2009 to April 30, 2009. The OBLIGORS have requested the LENDER to extend the MATURITY DATE to May 29, 2009. The LENDER is willing to agree to such extension in accordance with the terms of this AGREEMENT.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the PARTIES hereby agree as follows:

Section 1. **Recitals.** The OBLIGORS acknowledge that the Recitals set forth above are true and accurate. Each of the Recitals is incorporated into this AGREEMENT by reference and is made a part hereof.

Section 2. **Acknowledgment Of Obligations.** The OBLIGORS acknowledge that: (a) each of the LOAN DOCUMENTS is the valid and binding obligation of each OBLIGOR that is a party thereto, and is fully enforceable in accordance with all stated terms; and (b) the duties of each of the OBLIGORS to pay and perform its respective obligations to the LENDER in accordance with the terms of the LOAN DOCUMENTS are not subject to any set-offs, defenses or counterclaims.

Section 3. **Amendment And Modification Of Note.** The NOTE, as amended by the FIRST EXTENSION, is hereby amended and modified such that the "Maturity Date" of the NOTE is amended from the presently stated date of "April 30, 2009" to "May 29, 2009".

Section 4. **Extension Fee.** In consideration of the execution and delivery of this AGREEMENT by the LENDER and the agreement of the LENDER to the requested extension, the BORROWER agrees to pay to the LENDER on or before the EFFECTIVE DATE a non-refundable extension fee ("EXTENSION FEE") in the amount of Five Thousand Dollars (\$5,000.00). The EXTENSION FEE shall be deemed to have been fully earned by the LENDER upon the execution and delivery of this AGREEMENT by the LENDER. The EXTENSION FEE shall not be construed as a payment by the OBLIGORS of any of the reimbursable expenses or other sums due to the LENDER in accordance with the terms of this AGREEMENT or the LOAN DOCUMENTS.

Section 5. **Reimbursement Of Lender's Expenses.** The OBLIGORS agree to reimburse to the LENDER on or before the EFFECTIVE DATE for all expenses incurred by the LENDER in connection with this AGREEMENT and all other expenses incurred by the LENDER in connection with the consummation of the transactions and matters described herein, including without limitation all attorneys' fees incurred by the LENDER.

Section 6. Security. The obligations of the OBLIGORS to pay and perform their obligations under the LOAN DOCUMENTS to the LENDER shall continue to be secured by the liens, assignments, and security interests described and provided for in the LOAN DOCUMENTS, all of which are hereby ratified and confirmed by each of the OBLIGORS.

Section 7. Representations and Warranties. Each of the OBLIGORS represents and warrants to the LENDER as follows:

(a) All information and data submitted by or on behalf of the OBLIGORS in connection with this AGREEMENT and the transactions contemplated herein, is true, accurate and complete in all material respects as of the date made and contains no knowingly false, incomplete or misleading statements.

(b) The making and performance of this AGREEMENT by the OBLIGORS will not: (i) violate the OBLIGORS' organizational documents; (ii) violate any laws or result in a default under any contract, agreement, or instrument to which either of the OBLIGORS is a party or by which either of the OBLIGORS or any of their respective properties are bound; or (iii) result in the creation or imposition of any security interest in, or lien or encumbrance upon, the assets of either of the OBLIGORS except in favor of the LENDER.

(c) The BORROWER is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Maryland.

(d) There are no actions, suits or proceedings pending against either of the OBLIGORS.

(e) The OBLIGORS are current in their tax payment obligations to all applicable taxing authorities.

(f) There are no outstanding judgments or tax liens, or any pending litigation against either of the OBLIGORS the adverse determination of which would be likely to have a material adverse effect upon the OBLIGORS and their subsidiaries taken as a whole.

(g) The LENDER holds first lien priority perfected liens and security interests in and to the assets of the BORROWER as required by the terms and conditions of the LOAN DOCUMENTS, which liens shall survive intact the transactions contemplated by this AGREEMENT in the same lien priority existing immediately prior to the EFFECTIVE DATE.

Section 8. No Other Modifications Of Loan Documents. The OBLIGORS acknowledge that except as expressly provided for herein, the LOAN DOCUMENTS have not been amended, modified or changed in any respect, and remain enforceable against the PARTIES in accordance with all stated terms. In the event of any conflict between the stated terms of the LOAN DOCUMENTS and the terms of this AGREEMENT, the terms of this AGREEMENT shall control.

Section 9. No Novation; No Refinance. It is the intention of the PARTIES that nothing contained in this AGREEMENT shall be deemed to effect or accomplish or otherwise constitute a novation of any of the obligations or duties owed by either of the OBLIGORS to the LENDER or of any of the LOAN DOCUMENTS or to be a refinance of any of the LOAN.

Section 10. Subordination. The OBLIGORS agree that any current or future loans or other obligations owed by the BORROWER to the GUARANTOR are hereby subordinated in all respects to the repayment in full of all obligations owed by the BORROWER to the LENDER.

Section 11. Further Assurances. Each of the OBLIGORS agrees to execute and deliver to the LENDER such other documents as may, from time to time, be reasonably requested by the LENDER in order to execute upon or enforce the terms and conditions of this AGREEMENT or of any of the LOAN DOCUMENTS.

Section 12. Enforceability. This AGREEMENT shall inure to the benefit of and be enforceable against each of the PARTIES and their respective successors and assigns.

Section 13. Choice Of Law; Consent To Jurisdiction; Agreement As To Venue. This AGREEMENT shall be construed, performed and enforced and its validity and enforceability determined in accordance with the laws of the State of Maryland (excluding conflict of laws principles). Each of the OBLIGORS consents to the jurisdiction of the courts of the State of Maryland and the jurisdiction of the United States District Court for the District of Maryland if a basis for federal jurisdiction exists. Each of the OBLIGORS waives any right to object to the maintenance of a suit by the LENDER in any of the state or federal courts located anywhere in the State of Maryland on the basis of improper venue or inconvenience of forum.

Section 14. Amendment. This AGREEMENT may be amended only by a writing executed by all of the PARTIES.

Section 15. Time. Time is of the essence of this AGREEMENT.

Section 16. Waiver. No failure or delay by the LENDER in the exercise or enforcement of any of its rights under any LOAN DOCUMENT shall be a waiver of such right or remedy nor shall a single or partial exercise or enforcement thereof preclude any other or further exercise or enforcement thereof or the exercise or enforcement of any other right or remedy. The LENDER may at any time or from time to time waive all or any rights under this AGREEMENT or the other LOAN DOCUMENTS, but any such waiver must be specific and in writing and no such waiver shall constitute, unless specifically so expressed by the LENDER in writing, a future waiver of performance or exact performance by the OBLIGORS. No notice to or demand upon either OBLIGOR in any instance shall entitle any OBLIGOR to any other or further notice or demand in the same, similar or other circumstance.

Section 17. Obligations Unconditional. The obligations of the OBLIGORS set forth in this AGREEMENT and as required by the terms of the LOAN DOCUMENTS are absolute and unconditional, and are independent of any defense or rights of set-off, recoupment or counterclaim which either of the OBLIGORS might have or ever had against the LENDER. Each of the OBLIGORS agrees that all payments required hereunder and/or by the LOAN DOCUMENTS shall be made free of any deductions and without abatement, diminution or set-off.

Section 18. RELEASE. IN ORDER TO INDUCE THE LENDER TO ENTER INTO THIS AGREEMENT, EACH OF THE OBLIGORS FOREVER RELEASES AND DISCHARGES THE LENDER AND THE LENDER'S OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, AND AGENTS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, SUITS AND DAMAGES (INCLUDING CLAIMS FOR ATTORNEYS' FEES AND COSTS) WHICH IT, JOINTLY OR SEVERALLY, EVER HAD OR MAY NOW HAVE AGAINST ANY OF THE RELEASED PARTIES FOR ANY MATTER, INCLUDING WITHOUT LIMITATION ANY CLAIMS ARISING OUT OF OR RELATED IN ANY WAY TO THE LOAN, THE LOAN DOCUMENTS, THE COLLATERAL FOR THE LOAN, THIS AGREEMENT OR THE ADMINISTRATION THEREOF, WHETHER KNOWN OR UNKNOWN, INCLUDING BUT NOT LIMITED TO ANY AND ALL CLAIMS BASED UPON OR RELYING ON ANY ALLEGATIONS OR ASSERTIONS OF DURESS, ILLEGALITY, UNCONSCIONABILITY, BAD FAITH, BREACH OF CONTRACT, REGULATORY VIOLATIONS, NEGLIGENCE, MISCONDUCT, OR ANY OTHER TORT, CONTRACT OR REGULATORY CLAIM OF ANY KIND OR NATURE. THIS RELEASE IS INTENDED TO BE FINAL AND IRREVOCABLE AND IS NOT SUBJECT TO THE SATISFACTION OF ANY CONDITIONS OF ANY KIND.

Section 19. Waiver Of Jury Trial. Each of the PARTIES agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by it or by any of its successors or assigns, on or with respect to this AGREEMENT, the LOAN (or the administration thereof), or any of the other LOAN DOCUMENTS, or which in any way relates, directly or indirectly, to its obligations to any other PARTY, shall be tried by a court and not by a jury. EACH OF THE PARTIES TO THIS AGREEMENT EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.

Section 20. Execution in Counterparts; Delivery. This AGREEMENT may be executed and delivered by the PARTIES in counterparts. Executed counterparts of this AGREEMENT may be delivered electronically.

[Signature Pages to Follow]

Signature Page to Second Extension Agreement

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT with the specific intention of creating an instrument under seal to be effective as of the above stated EFFECTIVE DATE.

BORROWER:

CHARLOTTE CAMPUS, LLC

By: Erickson Retirement Communities, LLC,
A Maryland limited liability company,
Its Sole Member

By: _____ (SEAL)

Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

Date: April __, 2008

GUARANTOR:

ERICKSON RETIREMENT COMMUNITIES, LLC,
A Maryland limited liability company

By: _____ (SEAL)

Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

Date: April __, 2008

[Signature Continued on Next Page]

Signature Page to Second Extension Agreement

LENDER:

PNC BANK, NATIONAL ASSOCIATION

By: Wendy M. Andrus (SEAL)
Wendy M. Andrus, Vice President
Date: April 30, 2008

THIRD EXTENSION AGREEMENT
(Charlotte Campus, LLC)

THIS THIRD EXTENSION AGREEMENT ("AGREEMENT") is made to be effective as of the 29th day of May, 2009 ("EFFECTIVE DATE"), by and between PNC BANK, NATIONAL ASSOCIATION ("LENDER"); CHARLOTTE CAMPUS, LLC ("BORROWER"); and ERICKSON RETIREMENT COMMUNITIES, LLC ("GUARANTOR"). Hereafter, the BORROWER and the GUARANTOR are collectively referred to as the "OBLIGORS" and the LENDER and the OBLIGORS are collectively referred to as the "PARTIES".

RECITALS

The LENDER is the holder of a loan ("LOAN") evidenced by a Promissory Note ("NOTE") dated August 27, 2008 in the originally stated principal amount of Ten Million Dollars (\$10,000,000.00).

The BORROWER secured its obligations to the LENDER in accordance with a Deed of Trust, Assignment of Leases And Rents, Security Agreement And Fixture Filing dated August 27, 2008 ("DEED OF TRUST").

The GUARANTOR has guaranteed to the LENDER the repayment and performance of all of the obligations owed by the BORROWER to the LENDER in accordance with a Guaranty Agreement dated August 27, 2008 ("GUARANTY"). Hereafter, the NOTE, the DEED OF TRUST, the GUARANTY, and all other documents, agreements and writings which evidence or secure the LOAN are collectively referred to as the "LOAN DOCUMENTS".

By Second Extension Agreement dated April 30, 2009, the PARTIES agreed to extend the "Maturity Date" of the NOTE ("MATURITY DATE") from April 30, 2009 to May 29, 2009. The OBLIGORS have requested the LENDER to extend the MATURITY DATE to June 30, 2009. The LENDER is willing to agree to such extension in accordance with the terms of this AGREEMENT.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the PARTIES hereby agree as follows:

Section 1. Recitals. The OBLIGORS acknowledge that the Recitals set forth above are true and accurate. Each of the Recitals is incorporated into this AGREEMENT by reference and is made a part hereof.

Section 2. Acknowledgment Of Obligations. The OBLIGORS acknowledge that: (a) each of the LOAN DOCUMENTS is the valid and binding obligation of each OBLIGOR that is a party thereto, and is fully enforceable in accordance with all stated terms; and (b) the duties of each of the OBLIGORS to pay and perform its respective obligations to the LENDER in accordance with the terms of the LOAN DOCUMENTS are not subject to any set-offs, defenses or counterclaims.

Section 3. Amendment And Modification Of Note. The NOTE, as amended by the FIRST EXTENSION, is hereby amended and modified such that the "Maturity Date" of the NOTE is amended from the presently stated date of "May 29, 2009" to "June 30, 2009".

Section 4. Reimbursement Of Lender's Expenses. The OBLIGORS agree to reimburse to the LENDER on or before the EFFECTIVE DATE for all expenses incurred by the LENDER in connection with this AGREEMENT and all other expenses incurred by the LENDER in connection with the consummation of the transactions and matters described herein, including without limitation all attorneys' fees incurred by the LENDER.

Section 5. Security. The obligations of the OBLIGORS to pay and perform their obligations under the LOAN DOCUMENTS to the LENDER shall continue to be secured by the liens, assignments, and security interests described and provided for in the LOAN DOCUMENTS, all of which are hereby ratified and confirmed by each of the OBLIGORS.

Section 6. Representations and Warranties. Each of the OBLIGORS represents and warrants to the LENDER as follows:

(a) All information and data submitted by or on behalf of the OBLIGORS in connection with this AGREEMENT and the transactions contemplated herein, is true, accurate and complete in all material respects as of the date made and contains no knowingly false, incomplete or misleading statements.

(b) The making and performance of this AGREEMENT by the OBLIGORS will not: (i) violate the OBLIGORS' organizational documents; (ii) violate any laws or result in a default under any contract, agreement, or instrument to which either of the OBLIGORS is a party or by which either of the OBLIGORS or any of their respective properties are bound; or (iii) result in the creation or imposition of any security interest in, or lien or encumbrance upon, the assets of either of the OBLIGORS except in favor of the LENDER.

(c) The BORROWER is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Maryland.

(d) There are no actions, suits or proceedings pending against either of the OBLIGORS.

(e) The OBLIGORS are current in their tax payment obligations to all applicable taxing authorities.

(f) There are no outstanding judgments or tax liens, or any pending litigation against either of the OBLIGORS the adverse determination of which would be likely to have a material adverse effect upon the OBLIGORS and their subsidiaries taken as a whole.

(g) The LENDER holds first lien priority perfected liens and security interests in and to the assets of the BORROWER as required by the terms and conditions of the LOAN DOCUMENTS, which liens shall survive intact the transactions contemplated by this AGREEMENT in the same lien priority existing immediately prior to the EFFECTIVE DATE.

Section 7. No Other Modifications Of Loan Documents. The OBLIGORS acknowledge that except as expressly provided for herein, the LOAN DOCUMENTS have not been amended, modified or changed in any respect, and remain enforceable against the PARTIES in accordance with all stated terms. In the event of any conflict between the stated terms of the LOAN DOCUMENTS and the terms of this AGREEMENT, the terms of this AGREEMENT shall control.

Section 8. No Novation; No Refinance. It is the intention of the PARTIES that nothing contained in this AGREEMENT shall be deemed to effect or accomplish or otherwise constitute a novation of any of the obligations or duties owed by either of the OBLIGORS to the LENDER or of any of the LOAN DOCUMENTS or to be a refinance of any of the LOAN.

Section 9. Subordination. The OBLIGORS agree that any current or future loans or other obligations owed by the BORROWER to the GUARANTOR are hereby subordinated in all respects to the repayment in full of all obligations owed by the BORROWER to the LENDER.

Section 10. Further Assurances. Each of the OBLIGORS agrees to execute and deliver to the LENDER such other documents as may, from time to time, be reasonably requested by the LENDER in order to execute upon or enforce the terms and conditions of this AGREEMENT or of any of the LOAN DOCUMENTS.

Section 11. Enforceability. This AGREEMENT shall inure to the benefit of and be enforceable against each of the PARTIES and their respective successors and assigns.

Section 12. Choice Of Law; Consent To Jurisdiction; Agreement As To Venue. This AGREEMENT shall be construed, performed and enforced and its validity and enforceability determined in accordance with the laws of the State of Maryland (excluding conflict of laws principles). Each of the OBLIGORS consents to the jurisdiction of the courts of the State of Maryland and the jurisdiction of the United States District Court for the District of Maryland if a basis for federal jurisdiction exists. Each of the OBLIGORS waives any right to object to the maintenance of a suit by the LENDER in any of the state or federal courts located anywhere in the State of Maryland on the basis of improper venue or inconvenience of forum.

Section 13. Amendment. This AGREEMENT may be amended only by a writing executed by all of the PARTIES.

Section 14. Time. Time is of the essence of this AGREEMENT.

Section 15. Waiver. No failure or delay by the LENDER in the exercise or enforcement of any of its rights under any LOAN DOCUMENT shall be a waiver of such right or remedy nor shall a single or partial exercise or enforcement thereof preclude any other or further exercise or enforcement thereof or the exercise or enforcement of any other right or remedy. The LENDER may at any time or from time to time waive all or any rights under this AGREEMENT or the other LOAN DOCUMENTS, but any such waiver must be specific and in writing and no such waiver shall constitute, unless specifically so expressed by the LENDER in writing, a future waiver of performance or exact performance by the OBLIGORS. No notice to or demand upon either OBLIGOR in any instance shall entitle any OBLIGOR to any other or further notice or demand in the same, similar or other circumstance.

Section 16. Obligations Unconditional. The obligations of the OBLIGORS set forth in this AGREEMENT and as required by the terms of the LOAN DOCUMENTS are absolute and unconditional, and are independent of any defense or rights of set-off, recoupment or counterclaim which either of the OBLIGORS might have or ever had against the LENDER. Each of the OBLIGORS agrees that all payments required hereunder and/or by the LOAN DOCUMENTS shall be made free of any deductions and without abatement, diminution or set-off.

Section 17. Conditions Precedent to Effectiveness of This Agreement. The Obligors acknowledge and agree that this Agreement shall become effective only upon the satisfaction of both of the following conditions precedent ("Conditions Precedent"): (a) the receipt by the Lender of satisfactory evidence that the Guarantor has obtained an agreement from all necessary parties pursuant to which the requisite holders of the Guarantor's revolving credit facility have agreed to forbear through June 30, 2009 from exercising enforcement remedies arising as a result of any existing defaults under such credit facility; (c) the receipt by the Lender of satisfactory evidence that the holders of project indebtedness of the subsidiaries of the Guarantor have either agreed to waive, or have agreed to forbear from exercising, through June 30, 2009 their respective enforcement remedies arising as a result of existing defaults or that the exercise of such enforcement remedies is effectively stayed as a result of any applicable subordination and other agreements.

Section 18. Additional Event of Default. The exercise of any default enforcement rights or remedies by any holder of indebtedness of either the Guarantor or any of its Subsidiaries against the Guarantor or a Subsidiary shall be an immediate event of default under the loan documents evidencing and securing the Loan.

Section 19. RELEASE. IN ORDER TO INDUCE THE LENDER TO ENTER INTO THIS AGREEMENT, EACH OF THE OBLIGORS FOREVER RELEASES AND DISCHARGES THE LENDER AND THE LENDER'S OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, AND AGENTS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, SUITS AND DAMAGES (INCLUDING CLAIMS FOR ATTORNEYS' FEES AND COSTS) WHICH IT, JOINTLY OR SEVERALLY, EVER HAD OR MAY NOW HAVE AGAINST ANY OF THE RELEASED PARTIES FOR ANY MATTER, INCLUDING WITHOUT LIMITATION ANY CLAIMS ARISING OUT OF OR RELATED IN ANY WAY TO THE LOAN, THE LOAN DOCUMENTS, THE COLLATERAL FOR THE LOAN, THIS AGREEMENT OR THE ADMINISTRATION THEREOF, WHETHER KNOWN OR UNKNOWN, INCLUDING BUT NOT LIMITED TO ANY AND ALL CLAIMS BASED UPON OR RELYING ON ANY ALLEGATIONS OR ASSERTIONS OF DURESS, ILLEGALITY, UNCONSCIONABILITY, BAD FAITH, BREACH OF CONTRACT, REGULATORY VIOLATIONS, NEGLIGENCE, MISCONDUCT, OR ANY OTHER TORT, CONTRACT OR REGULATORY CLAIM OF ANY KIND OR NATURE. THIS RELEASE IS INTENDED TO BE FINAL AND IRREVOCABLE AND IS NOT SUBJECT TO THE SATISFACTION OF ANY CONDITIONS OF ANY KIND.

Section 20. Waiver Of Jury Trial. Each of the PARTIES agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by it or by any of its successors or assigns, on or with respect to this AGREEMENT, the LOAN (or the administration thereof), or any of the other LOAN DOCUMENTS, or which in any way relates, directly or indirectly, to its obligations to any other PARTY, shall be tried by a court and not by a jury. EACH OF THE PARTIES TO THIS AGREEMENT EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.

Section 21. Execution in Counterparts; Delivery. This AGREEMENT may be executed and delivered by the PARTIES in counterparts. Executed counterparts of this AGREEMENT may be delivered electronically.

[Signature Pages to Follow]

Signature Page to Third Extension Agreement

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT with the specific intention of creating an instrument under seal to be effective as of the above stated EFFECTIVE DATE.

BORROWER:

CHARLOTTE CAMPUS, LLC

By: Erickson Retirement Communities, LLC,
A Maryland limited liability company,
Its Sole Member

By: _____ (SEAL)

Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

Date: May __, 2008

GUARANTOR:

ERICKSON RETIREMENT COMMUNITIES, LLC,
A Maryland limited liability company

By: _____ (SEAL)

Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

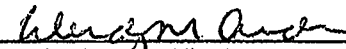
Date: May __, 2008

[Signature Continued on Next Page]

Signature Page to Third Extension Agreement

LENDER:

PNC BANK, NATIONAL ASSOCIATION

By:  (SEAL)
Wendy M. Andrus, Vice President
Date: May 29, 2008

FORBEARANCE AGREEMENT
(Charlotte Campus, LLC)

THIS FORBEARANCE AGREEMENT ("AGREEMENT") is made to be effective as of the 30th day of June, 2009 ("EFFECTIVE DATE"), by and between PNC BANK, NATIONAL ASSOCIATION ("LENDER"); CHARLOTTE CAMPUS, LLC ("BORROWER"); and ERICKSON RETIREMENT COMMUNITIES, LLC ("GUARANTOR"). Hereafter, the BORROWER and the GUARANTOR are collectively referred to as the "OBLIGORS" and the LENDER and the OBLIGORS are collectively referred to as the "PARTIES".

RECITALS

The LENDER is the holder of a loan ("LOAN") evidenced by a Promissory Note dated August 27, 2008 in the originally stated principal amount of Ten Million Dollars (\$10,000,000.00). The LOAN is payable in full on the EFFECTIVE DATE.

The BORROWER has advised the LENDER that the BORROWER will not pay the LOAN in full on the EFFECTIVE DATE. Such payment default constitutes an Event Of Default (the "EVENT OF DEFAULT") under the applicable loan documents which evidence and secure the LOAN.

The BORROWER has requested that the LENDER forbear from exercising its rights and remedies arising as a result of the EVENT OF DEFAULT until 12:00 pm on July 10, 2009. The LENDER has agreed to the BORROWER'S request.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the PARTIES hereby agree as follows:

Section 1. Recitals. The OBLIGORS acknowledge that the Recitals set forth above are true and accurate. Each of the Recitals is incorporated into this AGREEMENT by reference and is made a part hereof.

Section 2. Acknowledgment Of Obligations And Events Of Default. The OBLIGORS acknowledge that: (a) the LOAN is in default as of the EFFECTIVE DATE; and (b) in the absence of this AGREEMENT, the LENDER would have the immediate and unconditional right to exercise the LENDER'S enforcement and collection rights and remedies against the OBLIGORS. **EACH OBLIGOR HEREBY UNCONDITIONALLY REAFFIRMS AND RATIFIES ALL OF ITS RESPECTIVE OBLIGATIONS TO THE LENDER.**

Section 3. Forbearance. The LENDER agrees to forbear from exercising the default, enforcement and collection rights and remedies against the OBLIGORS which the LENDER is otherwise entitled to exercise for the period ("FORBEARANCE PERIOD") commencing on the EFFECTIVE DATE and ending on that date ("TERMINATION DATE") which is the earlier of: (a) the date of the occurrence of an "ADDITIONAL EVENT OF DEFAULT" (defined below); or (b) 12:00 pm on July 10, 2009. The LOAN shall be due and payable in full on the TERMINATION DATE.

Section 4. Reimbursement Of Lender's Expenses. The OBLIGORS agree to reimburse the LENDER on or before the EFFECTIVE DATE for all expenses incurred by the LENDER in connection with the negotiation and preparation of this AGREEMENT and all due diligence conducted by the LENDER with respect to the OBLIGORS and their assets, and all other expenses incurred by the LENDER in connection with the consummation of the transactions and matters described herein, including without limitation all attorneys' fees, appraisal fees, consulting fees, fees and costs of all environmental consultants, filing costs, and other expenses incurred by the LENDER.

Section 5. Additional Events of Default. The following shall constitute "ADDITIONAL EVENTS OF DEFAULT" under this AGREEMENT and shall be additional "Events of Default" under the applicable loan documents:

(a) The commencement of a voluntary or involuntary federal bankruptcy proceeding, state insolvency or receivership proceeding or other similar proceeding by or against any OBLIGOR or any of their assets; and

(b) The recordation of any federal, state or local tax liens or any judgments against any of the OBLIGORS.

Section 6. No Modifications Of Loan Documents. The OBLIGORS acknowledge that except as expressly provided for herein, the applicable loan documents have not been amended, modified or changed in any respect, and remain enforceable against the PARTIES in accordance with all stated terms. In the event of any conflict between the stated terms of the applicable loan documents and the terms of this AGREEMENT, the terms of this AGREEMENT shall control.

Section 7. No Novation; No Refinance. It is the intention of the PARTIES that nothing contained in this AGREEMENT shall be deemed to effect or accomplish or otherwise constitute a novation of any of the obligations or duties owed by any of the OBLIGORS to the LENDER or of any of the applicable loan documents or to be a refinance of the LOAN.

Section 8. Enforceability. This AGREEMENT shall inure to the benefit of and be enforceable against each of the PARTIES and their respective successors and assigns.

Section 9. Choice Of Law; Consent To Jurisdiction; Agreement As To Venue. This AGREEMENT shall be construed, performed and enforced and its validity and enforceability determined in accordance with the laws of the State of Maryland (excluding conflict of laws principles). Each of the OBLIGORS consents to the jurisdiction of the courts of the State of Maryland and if a basis for federal jurisdiction exists, the jurisdiction of the United States District Court for the District of Maryland. Each of the OBLIGORS waives any right to object to the maintenance of a suit by the LENDER in any of the state or federal courts located anywhere in the State of Maryland on the basis of improper venue or inconvenience of forum.

Section 10. Amendment. This AGREEMENT may be amended only by a writing executed by all of the PARTIES.

Section 11. Time. Time is of the essence of this AGREEMENT.

Section 12. RELEASE. IN ORDER TO INDUCE THE LENDER TO ENTER INTO THIS AGREEMENT, EACH OF THE OBLIGORS FOREVER RELEASES AND DISCHARGES THE LENDER AND THE LENDER'S OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, AND AGENTS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, SUITS AND DAMAGES (INCLUDING CLAIMS FOR ATTORNEYS' FEES AND COSTS) WHICH IT, JOINTLY OR SEVERALLY, EVER HAD OR MAY NOW HAVE AGAINST ANY OF THE RELEASED PARTIES FOR ANY MATTER, INCLUDING WITHOUT LIMITATION ANY CLAIMS ARISING OUT OF OR RELATED IN ANY WAY TO THE LOANS, THE APPLICABLE LOAN DOCUMENTS, THE COLLATERAL FOR THE LOANS, THIS AGREEMENT OR THE ADMINISTRATION THEREOF, WHETHER KNOWN OR UNKNOWN, INCLUDING BUT NOT LIMITED TO ANY AND ALL CLAIMS BASED UPON OR RELYING ON ANY ALLEGATIONS OR ASSERTIONS OF DURESS, ILLEGALITY, UNCONSCIONABILITY, BAD FAITH, BREACH OF CONTRACT, REGULATORY VIOLATIONS, NEGLIGENCE, MISCONDUCT, OR ANY OTHER TORT, CONTRACT OR REGULATORY CLAIM OF ANY KIND OR NATURE. THIS RELEASE IS INTENDED TO BE FINAL AND IRREVOCABLE AND IS NOT SUBJECT TO THE SATISFACTION OF ANY CONDITIONS OF ANY KIND.

Section 13. Waiver Of Jury Trial. Each of the PARTIES agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by it or by any of its successors or assigns, on or with respect to this AGREEMENT, the LOANS (or the administration thereof), or any of the other applicable loan documents, or which in any way relates, directly or indirectly, to its obligations to any other PARTY, shall be tried by a court and not by a jury. EACH OF THE PARTIES TO THIS AGREEMENT EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.

Section 14. Execution in Counterparts; Delivery. This AGREEMENT may be executed and delivered by the PARTIES in counterparts. Executed counterparts of this AGREEMENT may be delivered electronically.

[Signature Pages to Follow on Next Page]

Signature Page to Forbearance Agreement

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT with the specific intention of creating an instrument under seal to be effective as of the above stated EFFECTIVE DATE.

BORROWER:

CHARLOTTE CAMPUS, LLC

By: Erickson Retirement Communities, LLC,
A Maryland limited liability company,
Its Sole Member

By: _____ (SEAL)
Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary

GUARANTOR:

ERICKSON RETIREMENT COMMUNITIES, LLC,
A Maryland limited liability company

By: _____ (SEAL)
Gerard F. Doherty
Executive Vice President, General
Counsel and Secretary


[Signature Continued on Next Page]

Signature Page to Forbearance Agreement

LENDER:

PNC BANK, NATIONAL ASSOCIATION

By:

 (SEAL)
Name: Sean Schroeder
Title: AVP

PNC BANK, National Association
Trade Service Operations
3rd Floor
500 First Avenue
Pittsburgh, PA 15219
Mail Stop: P7-PFSC-03-T

SWIFT: PNCUS33
Telephone: 1-800-682-4689



BENEFICIARY:
STATE OF NORTH CAROLINA
DEPARTMENT OF INSURANCE
SEE BELOW FOR COMPLETE ADDRESS
RALEIGH, NC 27603

APPLICANT:
CHARLOTTE CAMPUS LLC
701 MAIDEN CHOICE LANE
BALTIMORE MD 21228

ATTENTION: RON ENNIS

IRREVOCABLE STANDBY LETTER OF CREDIT

OUR REFERENCE: 18110602-00-000
AMOUNT: USD \$100,000.00
ISSUE DATE: OCTOBER 28, 2008
EXPIRY DATE: JUNE 01, 2010
EXPIRY PLACE: OUR COUNTERS

BENEFICIARY'S COMPLETE NAME AND ADDRESS:
STATE OF NORTH CAROLINA
DEPARTMENT OF FINANCIAL EVALUATION DIVISION
DOBBS BUILDING
430 N. SALISBURY STREET
RALEIGH, NC 27603

WE (HEREINAFTER THE "BANK") HEREBY ESTABLISH THIS IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR FOR DRAWINGS UP TO U.S. \$ 100,000.00 (ONE HUNDRED THOUSAND AND NO/100 UNITED STATES DOLLARS) EFFECTIVE IMMEDIATELY. THIS LETTER OF CREDIT IS ISSUED, PRESENTABLE AND PAYABLE AT OUR OFFICE AT, 500 FIRST AVENUE, 3RD FLOOR, P7-PFSC-03-T, PITTSBURGH, PA 15219, ATTN: STANDBY LETTER OF CREDIT DEPARTMENT, (THE "BANK ADDRESS") AND EXPIRES WITH OUR CLOSE OF BUSINESS ON JUNE 1, 2010 THE ("EXPIRATION DATE").

WE HEREBY UNDERTAKE TO PROMPTLY HONOR YOUR SIGHT DRAFT(S) DRAWN ON US INDICATING OUR IRREVOCABLE LETTER OF CREDIT NO. 18110602-00-000 FOR ALL OR PART OF THIS CREDIT, IF PRESENTED AT THE BANK ADDRESS ON OR BEFORE THE EXPIRATION DATE OR ANY AUTOMATICALLY EXTENDED EXPIRATION DATE. EXCEPT AS STATED HEREIN, THIS UNDERTAKING IS NOT SUBJECT TO ANY AGREEMENT, CONDITION OR QUALIFICATION. THE OBLIGATION OF THE BANK UNDER THIS IRREVOCABLE LETTER OF CREDIT IS THE INDIVIDUAL OBLIGATION OF THE BANK AND IS IN NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO.

IT IS A CONDITION OF THIS IRREVOCABLE LETTER OF CREDIT THAT IT IS DEEMED TO BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST NINETY (90) DAYS PRIOR TO ANY EXPIRATION DATE, WE NOTIFY YOU BY LETTER ADDRESSED TO CCRC MANAGER, FINANCIAL EVALUATION DIVISION, NORTH CAROLINA DEPARTMENT OF INSURANCE, DOBBS BUILDING 430 N. SALISBURY STREET RALEIGH, NC 27603, (THE "COMMISSIONER'S ADDRESS"), THAT WE ELECT NOT TO CONSIDER THIS IRREVOCABLE LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL PERIOD.

PNC BANK, NATIONAL ASSOCIATION
Trade Service Operations
3rd Floor
500 First Avenue
Pittsburgh, PA 15219
Mail Stop: P7-PFSC-03-T

SWIFT: PNCUS33
Telephone: 1-800-682-4689



IT IS A FURTHER CONDITION OF THIS IRREVOCABLE LETTER OF CREDIT THAT IF THIS IRREVOCABLE LETTER OF CREDIT EXPIRES DURING AN INTERRUPTION OF THE BANK'S CONDUCT OF BUSINESS CAUSED BY AN ACT OF GOD, RIOT, CIVIL COMMOTION, INSURRECTION, WAR OR OTHER CAUSE BEYOND THE BANK'S CONTROL, OR BY ANY LABOR STRIKE OR LOCKOUT, THE EXPIRATION DATE WILL AUTOMATICALLY BE EXTENDED BY THE PERIOD OF THE INTERRUPTION(S).

THIS IRREVOCABLE LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE LAWS OF THE STATE OF NORTH CAROLINA AND THE 2007 REVISION OF THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION 600) AND, IN THE EVENT OF ANY CONFLICT, THE LAWS OF THE STATE OF NORTH CAROLINA WILL CONTROL.

SHOULD YOU HAVE OCCASION TO COMMUNICATE WITH US REGARDING THIS IRREVOCABLE LETTER OF CREDIT, KINDLY DIRECT YOUR COMMUNICATION TO THE ATTENTION OF OUR STANDBY LETTER OF CREDIT DEPARTMENT CLIENT SERVICE CENTER AT 800-682-4689 MAKING SPECIFIC REFERENCE TO OUR IRREVOCABLE LETTER OF CREDIT NUMBER 18110602-00-000.

IF ANY LEGAL PROCEEDINGS ARE INITIATED WITH RESPECT TO PAYMENT OF THIS IRREVOCABLE LETTER OF CREDIT, IT IS AGREED THAT SUCH PROCEEDINGS SHALL BE SUBJECT TO THE COURTS AND LAWS OF THE STATE OF NORTH CAROLINA.

BANK SEAL

PNC BANK, NATIONAL ASSOCIATION
GLOBAL TRADE SERVICE OPERATIONS

PNC Bank, National Association
Trade Service Operations
500 First Avenue - 3rd Floor
Pittsburgh, PA 15219
Mail stop: P7-PFSC-03-T

Customer Service: 1-800-682-4689
SWIFT Address: PNCCUS33



DATE: SEPTEMBER 30, 2009

CHARLOTTE CAMPUS LLC
MAIL STOP 103
P O BOX 22000
CATONSVILLE MD 21228

ACCOUNTS RECEIVABLE ADVICE

OUR REFERENCE: 18110602-00-000
APPLICANT: CHARLOTTE CAMPUS LLC
BENEFICIARY: STATE OF NORTH CAROLINA

THE FOLLOWING FEES ARE NOW DUE:

STANDBY COMMISSION					
BILLING PERIOD:	DAYS	BASIS AMOUNT	RATE	FEE AMOUNT	
07/01/2009 09/30/2009	92	100,000.00	1.00%	255.56	
					\$255.56

TOTAL AMOUNT DUE:

\$255.56

PLEASE SEND YOUR REMITTANCE BY CHECK PAYABLE TO PNC BANK, NATIONAL ASSOCIATION, INCLUDING OUR REFERENCE NUMBER AS IT APPEARS ABOVE.
PLEASE ATTACH A COPY OF THIS ADVICE TO YOUR REMITTANCE AND FORWARD IT TO:

PNC BANK NATIONAL ASSOCIATION
500 FIRST AVENUE
TRADE SERVICE OPERATIONS, 3RD FLOOR
PITTSBURGH, PA 15219

OR

SETTLEMENT CAN BE MADE VIA FEDWIRE TRANSFER TO PNC BANK N.A.
FEDERAL RESERVE OF PITTSBURGH ABA 043000096, ACCOUNT 1017238669 ATTN:
TRADE SERVICE OPERATIONS, PITTSBURGH, PA UNDER ADVICE TO US QUOTING OUR
REFERENCE AS IT APPEARS ABOVE.

** IN THE EVENT THIS INVOICE IS NOT PAID WITHIN 30 DAYS, A TRACER FEE
WILL BE INCURRED.

THIS IS A COMPUTER GENERATED DOCUMENT; A MANUAL SIGNATURE IS NOT
Page 1 of 2 18110602-00-000

PNC Bank, National Association
Trade Service Operations
500 First Avenue - 3rd Floor
Pittsburgh, PA 15219
Mail stop: P7-PFSC-03-T

Customer Service: 1-800-682-4689
SWIFT Address: PNCCUS33



DATE: DECEMBER 31, 2009

CHARLOTTE CAMPUS LLC
MAIL STOP 103
P O BOX 22000
CATONSVILLE MD 21228

ACCOUNTS RECEIVABLE ADVICE

OUR REFERENCE:	18110602-00-000
APPLICANT:	CHARLOTTE CAMPUS LLC
BENEFICIARY:	STATE OF NORTH CAROLINA

THE FOLLOWING FEES ARE NOW DUE:

STANDBY COMMISSION	BILLING PERIOD:	DAYS	BASIS AMOUNT	RATE	FEE AMOUNT
	10/01/2009	12/31/2009	92	100,000.00	1.00%
					255.56
					\$255.56

					\$255.56

TOTAL AMOUNT DUE:

PLEASE SEND YOUR REMITTANCE BY CHECK PAYABLE TO PNC BANK, NATIONAL ASSOCIATION, INCLUDING OUR REFERENCE NUMBER AS IT APPEARS ABOVE.
PLEASE ATTACH A COPY OF THIS ADVICE TO YOUR REMITTANCE AND FORWARD IT TO:

PNC BANK NATIONAL ASSOCIATION
500 FIRST AVENUE
TRADE SERVICE OPERATIONS, 3RD FLOOR
PITTSBURGH, PA 15219

OR

SETTLEMENT CAN BE MADE VIA FEDWIRE TRANSFER TO PNC BANK N.A.
FEDERAL RESERVE OF PITTSBURGH ABA 043000096, ACCOUNT 1017238669 ATTN:
TRADE SERVICE OPERATIONS, PITTSBURGH, PA UNDER ADVICE TO US QUOTING OUR
REFERENCE AS IT APPEARS ABOVE.

** IN THE EVENT THIS INVOICE IS NOT PAID WITHIN 30 DAYS, A TRACER FEE
WILL BE INCURRED.

THIS IS A COMPUTER GENERATED DOCUMENT; A MANUAL SIGNATURE IS NOT
REQUIRED.

GUARANTY AGREEMENT

This Guaranty Agreement (this "**Guaranty**") is made as of the 27th day of August, 2008, by and among ERICKSON RETIREMENT COMMUNITIES, LLC, a Maryland limited liability company (the "**Guarantor**"), and PNC BANK, NATIONAL ASSOCIATION, a national banking association (the "**Lender**").

RECITALS

The Lender has agreed to make a loan to Charlotte Campus, LLC, a Maryland limited liability company (the "**Borrower**") in the principal amount of Ten Million Dollars (\$10,000,000.00) (the "**Loan**"), which Loan shall be evidenced by a Promissory Note from the Borrower to the Lender in the principal amount of Ten Million Dollars (\$10,000,000.00) (together with all amendments, substitutions or replacements thereto, the "**Note**"). The Loan shall be used by the Borrower to finance the costs of acquisition of certain land located in Mecklenburg County, North Carolina (the "**Land**").

The Lender is willing to make the Loan to the Borrower on the terms and conditions set forth in the Note and other Loan Documents referred to therein (collectively, the "**Loan Documents**"), but only if the Guarantor guarantees repayment of the Loan and performance of all of the Borrower's obligations under the Loan Documents in accordance with the terms and conditions of this Guaranty Agreement.

The Guarantor is an affiliate of the Borrower and will benefit from the Lender making the Loan to the Borrower and is willing to give the guaranty requested so as to induce the Lender to make the Loan to the Borrower.

AGREEMENTS

NOW THEREFORE, in consideration of these premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor gives the following guaranty of payment and of performance to the Lender:

Section 1. Defined Terms. All capitalized terms used in this Guaranty without definition shall have the meanings ascribed to such terms in the other Loan Documents.

Section 2. Representations and Warranties of the Guarantor. The Guarantor represents and warrants that:

(a) It has reviewed all documents referred to herein or otherwise relating to the Loan Documents, and this Guaranty is its binding obligation and is fully enforceable against it in accordance with its terms;

(b) There are (i) no provisions of any existing mortgage, indenture, contract or agreement binding on the Guarantor or affecting its property (other than any such

agreements with the Lender), and (ii) to the Guarantor's knowledge no provision of law or order of court or of any administrative officer or administrative agency, binding upon the Guarantor or its property, which would conflict with or in any way prevent the execution, delivery or performance of the terms of this Guaranty or which would be in default or breached or violated (as applicable) as a result of such execution, delivery or performance;

(c) The financial information heretofore delivered to Lender regarding the Guarantor is true and correct as of the date thereof; there has been no material adverse change in the financial position of the Guarantor since the date of such financial information and no such material adverse change is pending or threatened;

(d) Except as otherwise previously disclosed in writing to Lender, there are no proceedings pending, or so far as the Guarantor knows, threatened, before any court or administrative agency or officer which will materially adversely affect the financial position of the Guarantor;

(e) The Guarantor is a limited liability company duly formed and validly existing in good standing under the laws of the State of Maryland;

(f) The Guarantor (i) has the necessary power, authority and legal right to own its property and carry on the business now being conducted by it and to enter into the transactions contemplated by this Guaranty and the other Loan Documents, (ii) has duly authorized the execution and delivery of this Guaranty and the other Loan Documents and the performance and observations of the terms, covenants, agreements and provisions hereof and thereof, and (iii) will at all times perform all acts necessary to maintain its legal existence and continue its authority to act in accordance with the representations in this paragraph; and

(g) All of the representations of the Guarantor and, to the best of the Guarantor's knowledge and belief, the representations of the Borrower, made in the course of obtaining the Loan from the Lender and contained in the Loan Documents are true and correct and are not knowingly misleading and the Guarantor agrees to indemnify the Lender from any loss or expense as a result of a breach of the foregoing warranty.

Section 3. Guaranty. Subject to the terms of this Guaranty, the Guarantor hereby, fully, absolutely, unconditionally and irrevocably guarantees to the Lender all of the following obligations (collectively referred to as the "**Guaranteed Obligations**"):

(a) The full and prompt payment when due (not merely the collection) of all amounts due with respect to the Note, and the observance and performance by the Borrower of all of the Borrower's obligations under the Loan Documents;

(b) The full and prompt payment (not merely the collection) of all present and future liabilities and obligations of the Borrower to the Lender of every kind and description, now existing or hereafter owing, matured or unmatured, direct or indirect, absolute or contingent or joint or several and the observance and performance by the Borrower of all of the Borrower's obligations with respect to the Loan;

(c) The payment of all expenses and charges (including all court costs and reasonable attorneys' fees) paid or incurred by the Lender in realizing upon any of the obligations guaranteed above or in enforcing any of the Loan Documents; and

(d) The performance of all obligations of the Borrower under the Loan Documents.

Section 4. Nature of the Guaranty. The guaranty of the Guarantor hereunder shall be direct, immediate, and primary.

Section 5. The Lender Need Not Pursue Against Borrower, Guarantor, or Collateral. The Lender shall be under no obligation to pursue its rights against the Borrower or any other guarantor or pledgor, or against any collateral pledged by the Borrower or any other guarantor or pledgor, or under any mortgage, deed of trust, pledge agreement or any other instrument securing the Loan before pursuing the Lender's rights against the Guarantor.

Section 6. Rights of the Lender to Deal with Borrower, Guarantor, and Collateral. The Lender may without compromising, impairing, or in any way releasing the Guarantor from its obligations hereunder and without obtaining the prior approval of the Guarantor at any time or from time to time (a) waive or excuse a default or defaults by the Borrower, the Guarantor or any other guarantor or pledgor; (b) grant extensions of time for payment or performance by the Borrower, the Guarantor or any other guarantor or pledgor; (c) release, substitute, or add collateral of the Borrower, the Guarantor or any other guarantor or pledgor; (d) release the Borrower, the Guarantor or any other guarantor or pledgor; or (e) modify, change or amend in any respect the Lender's agreement with the Borrower, the Guarantor or any other guarantor or pledgor.

The Guarantor further agrees to all provisions of the Loan Documents which refer or relate to the Guarantor or which require its consent or joinder, as fully as if such provisions were set forth herein.

Section 7. Waivers by Guarantor. The Guarantor waives (a) presentment and demand for performance of any obligations to be performed by the Borrower, the Guarantor or any other guarantor or pledgor and (b) notice of default by the Borrower, the Guarantor or any other guarantor or pledgor.

Section 8. Liability of Guarantor Unaffected by Third Party Bankruptcy and Insolvency Proceeding. To the extent permitted by law, no modification, limitation or discharge of liability of the Borrower, the Guarantor or any other guarantor or pledgor under any of the Loan Documents arising out of, or by virtue of, any bankruptcy, arrangement, reorganization or similar proceedings for release of debtors under federal or state law shall affect the liability of the Guarantor hereunder in any manner whatsoever, and the Guarantor hereby waives all rights and benefits which might accrue to it by reason of any such proceedings.

Section 9. Covenants. The Guarantor hereby covenants and agrees:

(a) To comply with the terms of each and every provision of the Loan Documents which refers or relates to the Guarantor;

(b) Upon obtaining knowledge thereof, promptly to give notice in writing to the Lender of any litigation, pending or threatened, and of any proceeding before any governmental or regulatory agency or officer which might have a material, adverse effect on the financial position of the Guarantor (any suit or suits in which the amount in controversy is less than \$100,000 in the aggregate being hereby deemed not to be material);

(c) To pay and discharge, or cause to be paid or discharged, all taxes, assessments and governmental charges or levies imposed upon any of the properties of the Guarantor, all claims for labor, supplies, rent and any other obligations, prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a lien or charge upon any such properties; provided, however, that the Guarantor shall not be required to pay or cause to be paid any such tax, assessment, charge, levy or claim so long as the Lender has been given notice of the intention of the Guarantor to institute any contest thereof and so long as, in the opinion of the Lender, (i) the payment is being diligently contested in good faith by appropriate proceedings, (ii) the security for the Guaranteed Obligations is not impaired and (iii) the Guarantor (as appropriate) has effectively stayed or prevented the sale of its properties;

(d) Except as may be permitted in the other Loan Documents, not to sell or otherwise dispose, or cause or allow any other person or entity to sell or otherwise dispose, without prior written consent of the Lender, of any property or properties of the Guarantor except for sales or leases for a consideration approximately equal to fair market value or fair market rental or other fair and appropriate consideration; provided, however, that the Lender shall not unreasonably withhold consent to any disposition that would not have a material adverse effect on the financial position of the Guarantor; and

(e) To maintain its primary banking relationship with the Lender so long as the Loan remains outstanding.

Section 10. Intentionally Deleted.

Section 11. Default. An Event of Default shall be deemed to have occurred under this Agreement upon the occurrence of any one or more of the following events: (a) the failure of the Guarantor to promptly pay or perform all or any part of the Guaranteed Obligations as specified in Section 3 of this Guaranty within ten (10) days after such payment or performance is due, (b) the entry of one or more judgments in excess of \$250,000 in the aggregate against the Guarantor and the failure to satisfy such judgment within thirty (30) days (either by payment or by the filing of a supersedeas bond) unless such judgments have been appealed in good faith and the legal effect of such appeals is to stay the obligation to satisfy such judgments until resolution of the appeals; (c) the Guarantor defaults in the performance or observance of the provisions of Section 9(c), 9(d) or 9(e) of this Agreement; (d) the Guarantor defaults in the performance or observance of any other agreement, covenant, or condition set forth in this Agreement, which default is not cured in full within a reasonable time (but in no event to exceed thirty (30) days) after the Lender gives the Guarantor written notice thereof; provided, however, that the Lender may, in its sole discretion, extend the cure period for any default upon the reasonable request of the Guarantor, in the event that the default cannot be cured within the time set forth in this Agreement and the Guarantor is diligently pursuing cure of the default; or (e) the occurrence of any default or Default under any of the Loan Documents, and the expiration of any applicable

grace or cure period with respect thereto, or the occurrence of any Event of Default under any of the other Loan Documents.

Section 12. Confession of Judgment; Jurisdiction and Venue. At any time following an Event of Default hereunder, the Guarantor 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 Guarantor against the Guarantor in favor of the Lender, in the full amount of the outstanding Loan, plus attorneys' fees of ten percent (10%) of such amount up to a maximum for attorneys' fees of Three Hundred Thousand Dollars (\$300,000) (but this provision shall not limit the obligation of the Guarantor to pay all attorneys' fees incurred by the Lender).

The Lender agrees that in attempting to satisfy or enforce any judgment by confession obtained against the Guarantor in connection with this Guaranty, the Lender shall not seek or demand, solely with respect to attorneys' fees incurred by them in connection with this Guaranty, any amounts in excess of the actual amount of reasonable attorneys' fees charged to the Lender. The Lender agrees not to sell or assign any judgment obtained pursuant to this Section 12 unless the assignee agrees to be bound by the provisions of the immediately preceding sentence. The Guarantor agrees that venue shall be proper in any County of the State of Maryland or in 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 Guarantor 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 Guarantor 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 Guarantor 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 Guarantor's rights under Rule 2-611 of the Maryland Rules of Civil Procedure to file a motion to open, vacate or modify a judgment by confession in good faith and within the timeframes permitted by such Rule, which rights the Guarantor does not waive. The authority and power to appear for and enter judgment against the Guarantor 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 Lender shall deem necessary or desirable.

Section 13. Other Remedies. At any time following an Event of Default, the Lender shall also be authorized to bring an action against the Guarantor for all amounts owing in connection with the Loan, and to pursue any other rights and remedies provided in the Loan Documents upon the occurrence of any Default or Event of Default, or otherwise available under applicable laws.

Section 14. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, THE GUARANTOR, AND THE LENDER BY

THE ACCEPTANCE OF THIS AGREEMENT BY THE GUARANTOR, HEREBY WAIVES 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 GUARANTOR WHOM ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE EXECUTION OF THIS AGREEMENT 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 GUARANTOR FURTHER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTOOD THE MEANING AND RAMIFICATIONS OF THIS WAIVER PROVISION.

Section 15. Expenses of Collection. Should this Guaranty or any claim hereunder be referred to an attorney for enforcement, whether or not suit is filed, the Guarantor jointly and severally shall pay all of the Lender's actual costs, fees (including reasonable attorneys' fees) and expenses resulting from such referral.

Section 16. Binding Nature. This Guaranty shall inure to the benefit of and be enforceable by the Lender and its respective successors and assigns, and shall be binding upon and enforceable against the Guarantor and the Guarantor's successors and assigns.

Section 17. Assignment; Termination of Guaranty. This Guaranty may not be assigned by the Lender except in accordance with the terms of the Loan Documents. This Guaranty shall terminate upon the performance by the Borrower and the Guarantor of all obligations to the Lender under the Loan Documents and the indefeasible repayment in full of all sums due the Lender, whether principal, interest, fees, charges, assessments, or otherwise.

Section 18. Restrictions on Becoming a Creditor of the Borrower. The Guarantor hereby waives any claim, as that term is defined in the United States Bankruptcy Code, which the Guarantor might now have or might hereafter acquire against the Borrower, including, but not limited to, claims arising by way of subrogation, reimbursement, indemnity, exoneration, contribution, extensions of credit or equity contributions, it being the intent of the parties that the Guarantor shall not be a creditor of the Borrower under the United States Bankruptcy Code.

Section 19. Notices. All notices required or permitted hereunder shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, to the following addresses:

If to the Guarantor:

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

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

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

If to the Lender:

c/o PNC Bank, National Association
Two Hopkins Plaza
Baltimore, Maryland 21201
Attention: D. Seward Woelper
Vice President

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

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

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.

Section 20. 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 Lender in exercising any Rights hereunder, or under any other instrument executed by the Borrower or any other person 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 Lender of any default by the Borrower, the Guarantor or any other person 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 Guaranty shall be contrary to any law which the Lender might seek to apply or enforce, or should otherwise be defective, the other provisions, or parts of such provisions, of this Guaranty shall not be affected thereby, but shall continue in full force and effect. All Rights of the Lender hereunder are irrevocable and cumulative, and not alternative or exclusive, and shall be in addition to all Rights given hereunder or in or by any other instruments or any laws now existing or hereafter enacted.

Section 21. Choice of Law. This Guaranty and the rights and obligations of the parties hereunder shall be governed, construed and interpreted in accordance with the laws of the State of Maryland (excluding principles of conflicts of law), both in interpretation and performance.

Section 22. Tense, Gender, Captions. As used herein, the plural shall refer to and include the singular, and the singular, the plural and the use of any gender shall include and refer to any other gender as the context may require. All captions are solely for the purpose of convenience.

Section 23. Terms of Documents. The Guarantor has read the Loan Documents and fully understands the terms thereof and the extent of its obligations in guaranteeing the payment of the Loan as described in Section 3 of this Guaranty.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, and intending to be legally bound hereby, Guarantor has hereunto set its hands and seal as of the day and year first above written.

WITNESS:

GUARANTOR:

ERICKSON RETIREMENT COMMUNITIES, LLC,
a Maryland limited liability company

Cathy M. Thompson

By:

Gerald R. Doherty

(SEAL)

Executive Vice President, General Counsel
and Secretary

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
jbillo@gebsmith.com

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

February 24, 2010

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 Bilodeau
Counsel for PNC Bank, National Association

Enclosures
JSB:lb

CHARLOTTE