

“EXHIBIT A”

FORM OF ESCROW AGREEMENT

This Agreement (this “Agreement”) is dated as of _____, 2009, by and among [NFP WHERE LANDOWNER IS A DEBTOR], a not-for-profit corporation (the “NFP”), [ERICKSON ENTITY] (“Debtor Landowner”) and JP MORGAN CHASE BANK N.A., as Escrow Agent (the “Escrow Agent”). Capitalized terms used but not defined herein have the meanings assigned to such terms in the Order (defined below). The NFP and the Debtor Landowner are sometimes collectively referred to herein as the “Parties.”

RECITALS

A. On [DATE], the Order Authorizing Debtors to Escrow Initial Entrance Deposits (the “Order”) was entered by the United States Bankruptcy Court for the Northern District of Texas (the “Bankruptcy Court”). The Order states that on each date that a particular initial entrance deposit (“IED”) is available for release to Debtor Landowner as provided under the Community Loan and the Construction Loan, such IED will be delivered to the Escrow Agent forthwith to be deposited into the Escrow Account. On [DATE], the DIP Financing Order was entered by the Bankruptcy Court.

B. The Escrow Agent acknowledges that it is willing to receive, hold and disburse the Escrowed Funds in escrow in accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

A.

DESIGNATION OF ESCROW AGENT AND DELIVERY OF ESCROWED FUNDS

1. Appointment by Escrow Agent. The NFP and Debtor Landowner hereby designate and appoint JP MORGAN CHASE BANK N.A. as Escrow Agent to receive, hold and disburse the Escrowed Funds, and the Escrow Agent hereby accepts such appointment to receive, hold and disburse the IEDs, upon the terms and subject to the conditions set forth in this Agreement.

2. Escrow Deposit. [Except in the case of the continuing care retirement community known as Ann’s Choice]², [O]n each date that a particular IED is available for release to Debtor Landowner as provided under the Community Loan and the Construction Loan, such IED will be

² In the case of Ann’s Choice, the Ann’s Choice Trustee and the NFP shall apply the IEDs pursuant to their obligations under the indentures, loan agreements and other bond documents associated with the Ann’s Choice Campus and only the balance of IEDs shall be deposited in the Escrow Account. **The form of escrow agreement relating to the Ann’s Choice Campus shall be in a form reasonably acceptable to the indenture trustee for the bonds associated with this facility.**

delivered to the Escrow Agent by wire transfer of immediately available funds to the following account designated by the Escrow Agent (the “Escrow Account”):

Bank	JP Morgan Chase Bank N.A.
ABA No:	021 000 021
Swift Code	
Account Name	Escrow Incoming Wire Account
Account No.	507953312
FFC A/C No.	
FFC A/C Title:	

The Escrow Agent shall hold all IEDs deposited into the Escrow Account in escrow, together with all Deposit Interest (defined below) thereon (collectively, the “Escrowed Funds”) on the terms and conditions set forth in this Agreement.

3. Investment of Escrowed Funds. During the term of this Agreement, the Escrowed Funds shall be invested in JP Morgan Chase Bank N.A Collateralized Money Market Deposit Account, which is in strict compliance with the requirements of section 345 of the Federal Bankruptcy Code (the “MMDA”) unless otherwise instructed in writing by all of the Parties to this Agreement and as shall be acceptable to the Escrow Agent. The MMDA have rates of compensation that may vary from time to time based upon market conditions. Written investment instructions, if any, shall specify the type and identity of the investments to be purchased and/or sold. The Escrow Agent is hereby authorized to execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent or any of its affiliates may receive compensation with respect to any investment directed hereunder including without limitation charging an agency fee in connection with each transaction. The Parties recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Escrowed Funds or the purchase, sale, retention or other disposition of any investment described herein. The Escrow Agent shall not have any liability for any loss sustained as a result of any investment in an investment made pursuant to the terms of this Agreement or as a result of any liquidation of any investment prior to its maturity or for the failure of the Parties to give the Escrow Agent instructions to invest or reinvest the Escrowed Funds. The Escrow Agent shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under this Agreement.

4. Deposit Interest. Escrow Agent shall invest the IEDs in an interest-bearing account as set forth in Section 1.3 above. All interest accumulated on and proceeds from the IEDs (collectively, “Deposit Interest”) shall be held by Escrow Agent until the IEDs are released in accordance with the terms of this Agreement.

B.

RELEASE OF ESCROWED FUNDS

1. Release of Escrowed Funds. The Escrow Agent shall hold all funds in escrow and will not disburse the Escrowed Funds from the Escrow Account except in accordance with the joint written instructions (the “Notice”) of the NFP and the Debtor Landowner upon (i) to the extent deposited into the Escrow Account, a resident at the Project is entitled during the pendency of the chapter 11 case to a refund of such resident’s IED as provided in the resident’s Residence and Care Agreement with the NFP, (ii) confirmation of a plan of reorganization in the chapter 11 case or (iii) such other order of the Bankruptcy Court. The Escrow Agent shall release the Escrowed Funds in accordance with this Section 2.1 upon receipt of the Notice from the NFP and the Debtor Landowner substantially in the form of Exhibit A attached hereto after the Escrow Agent has been reimbursed for expenses in accordance with Section 3.3 hereof.

2.2 Dispute. The Escrow Agent shall not be responsible for performing any calculations with regards to Section 2.1 and shall act solely upon written instructions. In the event of any dispute between the parties, the Escrow Agent shall disregard any written instructions received pursuant to Section 2.1 and may hold the Escrowed Funds until the dispute is mutually resolved and the Escrow Agent is advised of this fact in writing by the respective parties or is otherwise instructed by a final judgment of a court of competent jurisdiction.

C.

RESPONSIBILITIES AND DUTIES OF ESCROW AGENT

1. Rights, Duties, Liabilities and Immunities of Escrow Agent.

(a) The Escrow Agent shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between the Parties, in connection herewith, if any, including without limitation the Order, nor shall the Escrow Agent be required to determine if any person or entity has complied with any such agreements, nor shall any additional obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement. In the event of any conflict between the terms and provisions of this Agreement, those of the Order, any schedule or exhibit attached to this Agreement, or any other agreement among the parties, the terms and conditions of this Agreement shall control. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any written notice, document, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties without inquiry and without requiring substantiating evidence of any kind. The Escrow Agent shall be under no duty to inquire into or

investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty to solicit any payments which may be due it or the Escrowed Funds, including, without limitation, the Escrow Deposit nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder.

(b) The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that a final adjudication of a court of competent jurisdiction determines that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either party. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through attorneys, and shall be liable only for its gross negligence or willful misconduct (as finally adjudicated in a court of competent jurisdiction) in the selection of any such attorney. The Escrow Agent may consult with counsel, accountants and other skilled persons to be selected and retained by it. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with, or in reliance upon, the advice or opinion of any such counsel, accountants or other skilled persons. In the event that the Escrow Agent shall be uncertain or believe there is some ambiguity as to its duties or rights hereunder or shall receive instructions, claims or demands from any party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be given a direction in writing by the Parties which eliminates such ambiguity or uncertainty to the satisfaction of Escrow Agent or by a final and non-appealable order or judgment of a court of competent jurisdiction. The parties agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

2. Copies of Certifications, Notices and Other Documentation. Promptly after receipt by the Escrow Agent from any other party herein of any written certificate, notice, request, waiver, consent, receipt or other document, the Escrow Agent shall furnish a courtesy copy of any of such items to such other party or parties.

3. Compensation. The Escrow Agent undertakes to perform all duties which are expressly set forth herein for a fee as described in Schedule 2, which shall be promptly paid by the Debtor Landowner. The Escrow Agent shall also be entitled to reimbursement by the Debtor Landowner for all reasonable expenses, disbursements and advances incurred or made by the Escrow Agent in accordance with any of the provisions of this Agreement (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ), exclusive of any such expense, disbursement or advance that may arise from its own gross negligence or willful misconduct. The NFP shall have no liability with respect to compensation of the Escrow Agent.

4. Successor Escrow Agent. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving thirty (30) days advance notice in writing of such resignation to the parties specifying a date when such resignation shall take effect. If the Parties have failed to appoint a successor escrow agent prior to the expiration of thirty (30) days following receipt of the notice of resignation, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto. Escrow Agent's sole responsibility after such thirty (30) day notice period expires shall be to hold the Escrowed Funds (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, or in accordance with the directions of a final order or judgment of a court of competent jurisdiction, at which time of delivery Escrow Agent's obligations hereunder shall cease and terminate. The Escrow Agent shall have the right to make demand on the Debtor Landowner for any amount due and owing to the Escrow Agent, plus any costs and expenses the Escrow Agent shall reasonably believe may be incurred by the Escrow Agent in connection with the termination of this Agreement, in which event the Debtor Landowner shall promptly pay such amount to the Escrow Agent.

5. Indemnity. Debtor Landowner shall indemnify, defend and hold harmless the Escrow Agent and its affiliates and their respective successors, assigns, directors, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel) (collectively "Losses") arising out of or in connection with (a) the Escrow Agent's execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnitee, except in the case of any Indemnitee to the extent that such Losses are finally adjudicated by a court of competent jurisdiction to have been primarily caused by the gross negligence or willful misconduct of such Indemnitee, or (b) its following any instructions or directions, whether joint or singular, from the parties, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof.

6. Patriot Act Disclosure. Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act") requires the Escrow Agent to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, the Parties acknowledge that Section 326 of the USA PATRIOT Act and the Escrow Agent's identity verification procedures require the Escrow Agent to obtain information which may be used to confirm the Parties identity including without limitation name, address and organizational documents ("identifying information"). The Parties agree to provide the Escrow Agent with and consent to the Escrow Agent obtaining from third parties any such identifying information required as a condition of opening an account with or using any service provided by the Escrow Agent

7. Taxpayer Identification Numbers ("TIN"). The Parties have provided the Escrow Agent with their respective fully executed Internal Revenue Service ("IRS") Form W-8, or W-9 and/or other required documentation. The Parties each represent that its correct TIN assigned by the IRS, or any other taxing authority, is set forth in the delivered forms, as well as in the Substitute IRS

Form W-9 set forth on the signature page of this Agreement with or using any service provided by the Escrow Agent.

8. Tax Reporting. All interest or other income earned under this Agreement shall be allocated to Debtor Landowner and reported, as and to the extent required by law, by the Escrow Agent to the IRS, or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Escrow Deposit by the Debtor Landowner whether or not said income has been distributed during such year. Any other tax returns required to be filed will be prepared and filed by the Debtor Landowner with the IRS and any other taxing authority as required by law. The Parties acknowledge and agree that Escrow Agent shall have no responsibility for the preparation and/or filing of any income, franchise or any other tax return with respect to the Escrowed Funds or any income earned by the Escrow Deposit. The Parties further acknowledge and agree that any taxes payable from the income earned on the investment of any sums held in the Escrow Deposit shall be paid by the Debtor Landowner. In the absence of written direction from the Parties, all proceeds of the Escrowed Funds shall be retained in the Escrowed Funds and reinvested from time to time by the Escrow Agent as provided in this Agreement. Escrow Agent shall withhold any taxes it deems appropriate, including but not limited to required withholding in the absence of proper tax documentation, and shall remit such taxes to the appropriate authorities.

D.

MISCELLANEOUS

1. Accounting. Every two weeks, the Debtor Landowner must provide to the Prepetition Agent (including any applicable indenture trustee) an accounting of the IEDs deposited into the Escrow Account, including the name of the resident from whom the IED was collected, the building unit number to which such IED pertains and the amount of such IED.

2. Liens. The Prepetition Agent of the Construction Loan shall have a continuing first priority lien against the IEDs subject to (i) the validity, priority or extent that such lien existed prepetition, (ii) the rights of the residents in such IEDs as set forth in the Order, and (iii) any further order of the Bankruptcy Court regarding interests in the IEDs (including any order with respect to the DIP financing).

3. Waiver. A waiver of any of the provisions of this Agreement shall not constitute and shall not be deemed a waiver of any other provision of this Agreement, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver. Wherever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 4.3.

4. Notices. All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by telecopier, facsimile

transmission or other electronic means of transmitting written documents; or (c) sent to the parties at their respective addresses indicated herein by registered or certified U.S. mail, return receipt requested and postage prepaid, or by private overnight mail courier service. The respective addresses to be used for all such notices, demands or requests are as follows:

If to the NFP, to: [ADDRESS]

With a copy to: Herman B. Rosenthal
Whiteford, Taylor & Preston L.L.P.
Seven Saint Paul Street
Baltimore, Maryland 21202-1626
Facsimile: 410-234-2351

If to Debtor Landowner, to: [ADDRESS]

With a copy to: DLA Piper LLP (US)
1251 Avenue of the Americas
New York, NY 10020
Attn.: Jeremy Johnson
Facsimile: (212) 884-8562

If to Escrow Agent, to: JP Morgan Chase Bank N.A.
Escrow Services
4 New York Plaza, 21st Fl
New York, NY 10004
Attn: Ilona Kandarova
Facsimile: (212) 623-6168

If personally delivered, such communication shall be deemed delivered upon actual receipt; if electronically transmitted pursuant to this Section, such communication shall be deemed delivered the next business day after transmission (and sender shall bear the burden of proof of delivery); if sent by overnight courier pursuant to this Section, such communication shall be

deemed delivered upon receipt; and if sent by U.S. mail pursuant to this Section, such communication shall be deemed delivered as of the date of delivery indicated on the receipt issued by the relevant postal service, or, if the addressee fails or refuses to accept delivery, as of the date of such failure or refusal. Any party to this Agreement may change its address for the purposes of this Agreement by giving notice thereof in accordance with this Section.

5. Entire Agreement; Amendment. Except for the Order, this Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written.

6. Amendment and Termination. This Agreement may be amended only by the express written consent of the parties hereto, provided that such amendment is not inconsistent with the Order, which consent on the part of the Escrow Agent shall not be unreasonably withheld or delayed if the duties or responsibilities of the Escrow Agent are not increased by such amendment. This Agreement will terminate on the date on which the entire Escrowed Funds have been distributed.

7. Headings. The headings in this Agreement are for reference purposes and shall not affect the meaning or interpretation of this Agreement.

8. Applicable Law; Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of [insert jurisdiction where CCRC is located]. The Parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Agreement.

9. Severability. If any term or provision of this Agreement or the application thereof to any entity or person or circumstance is or to any extent shall become invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to entities, persons, or circumstances other than those held invalid or unenforceable under the laws now or hereafter in effect in the jurisdiction governing this Agreement, shall not be affected thereby, and each term and provision shall be held valid and enforceable to the greatest possible extent.

10. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by exchange of facsimile signatures provided, that, original signatures are exchanged promptly thereafter.

11. Construction. The parties and their respective legal counsel actively participated in the negotiation and drafting of this Agreement, and in the event of any ambiguity or mistake herein, or any dispute among the parties with respect to the provisions hereof, no provision of this Agreement shall be construed unfavorably against any of the parties on the ground that he, it, or his or its counsel was the drafter thereof.

12. Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

13. Security Procedures. (a) In the event funds transfer instructions are given (other than in writing at the time of execution of this Agreement), whether in writing, by facsimile or otherwise, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the person or persons designated on Schedule 1 hereto ("Schedule 1"), and the Escrow Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in a writing actually received and acknowledged by the Escrow Agent. If the Escrow Agent is unable to contact any of the authorized representatives identified in Schedule 1, the Escrow Agent is hereby authorized to seek confirmation of such instructions by telephone call-back to any one or more of the NFP's or the Debtor Landowner's executive officers ("Executive Officers"), as the case may be, which shall include the titles of Chairman, President, Secretary or Treasurer, as the Escrow Agent may select. Such "Executive Officer" shall deliver to the Escrow Agent a fully executed incumbency certificate, and the Escrow Agent may rely upon the confirmation of anyone purporting to be any such officer. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the NFP or the Debtor Landowner to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The Parties acknowledge that these security procedures are commercially reasonable.

14. Compliance with Court Orders. In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, entity, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

15. Force Majeure. No party to this Agreement is liable to any other party for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

[NFP]

By: _____
Name:
Title:

[Debtor Landowner]

By: _____
Name:
Title:

JP Morgan Chase Bank N.A.

By: _____
Name:
Title: