

STRATEGIC ASHBY PONDS LENDER, LLC ET AL.
SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement (the "**Agreement**") is dated as of **April __, 2010** and entered into made by and among Erickson Retirement Communities, LLC, Erickson Construction, LLC ("**ERC**"), Erickson Group, LLC ("**Erickson Group**"), Ashburn Campus, LLC ("**Ashburn Debtor**"), Concord Campus GP, LLC and Concord Campus LP (together, the "**Concord Debtor**") (collectively, the "**Debtors**"), Strategic Ashby Ponds Lender, LLC ("**Strategic Ashby**") and Strategic Concord Landholder, LP ("**Strategic Concord**;" and together with Strategic Ashby, "**Strategic Entities**"). All parties referenced above are referred to herein collectively as the "**Settling Parties**". Subject to the occurrence of the Operative Date (defined below), this Agreement is intended by the Settling Parties to fully, finally and forever satisfy, resolve, discharge and settle any claims held between the parties that are related to the Mezzanine Loan Documents (as defined below), upon and subject to the terms and conditions hereof.

RECITALS

A. WHEREAS on October 19, 2009 (the "**Petition Date**"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the "**Erickson Bankruptcy**") in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "**Bankruptcy Court**"). The Debtors remain in possession of their assets and continue to manage their businesses as debtors in possession. No trustee or examiner has been appointed in these cases, although an examiner has been requested.

B. WHEREAS ERC is a Maryland limited liability company that owns and controls, among other assets, the subsidiaries Ashburn Debtor and Concord Debtor, which offer campus-style communities that offer seniors a life cycle of retirement services. Both campuses are open and operating but at various stages of development.

C. WHEREAS PNC Bank, National Association, as collateral and administrative agent (the "**Prepetition Agent**") and certain construction loan lenders (collectively, the "**Ashburn Lenders**") extended revolving loans (as may have been amended, restated, supplemented or otherwise modified from time to time, the "**Ashburn Construction Loan**") to Ashburn Debtor under that certain Construction Loan Agreement, dated May 31, 2007 by and between the Ashburn Lenders and the Ashburn Debtor. The proceeds of the Construction Loan Agreement were loaned to Ashburn Debtor and were used for the development and construction of a continuing care retirement community known as Ashby Ponds, located in Ashburn, Virginia (the "**Ashby Ponds Campus**"). In connection with the Ashburn Construction Loan, the Ashburn Debtor granted a first-priority lien to the Prepetition Agent on all of its assets relating to the Ashby Ponds Campus, including any proceeds and products therefrom (the "**Ashburn Property**"). In addition, ERC guaranteed the obligations relating to the Ashburn Construction Loan and granted a first-priority lien on its assets relating to the Ashby Ponds Campus. Accordingly, Prepetition Agent has a first-priority lien on the Sale Proceeds (defined below) relating to the Ashby Ponds Campus assets.

D. WHEREAS the Prepetition Agent, as collateral and administrative agent to certain construction loan lenders (collectively, the "**Concord Lenders**"; together with the Ashburn Lenders, the "**Lenders**"), extended revolving loans (as may have been amended, restated, supplemented or otherwise modified from time to time, the "**Concord Construction Loan**") to Concord Debtor under that certain Construction Loan Agreement, dated August 30, 2005 by and between the Concord Lenders and the Concord Debtor. The proceeds of the Construction Loan Agreement were loaned to Concord Debtor and were used for the development and construction of a continuing care retirement community known as Maris Grove located in Delaware County, Pennsylvania (the "**Maris Grove Campus**"). In connection with the Concord Construction Loan, the Concord Debtor granted a lien to the Prepetition Agent on all of its assets, including any proceeds and products therefrom. In addition, ERC and Erickson Group guaranteed the obligations relating to the Concord Construction Loan and granted a first-priority lien on their respective assets relating to the Maris Grove Campus (the "**Concord Property**"). Accordingly, Prepetition Agent has a first-priority lien on the Sale Proceeds relating to the Maris Grove Campus assets.

E. WHEREAS on May 31, 2007, Ashburn Debtor obtained subordinate financing from Strategic Ashby in the original principal amount of \$50,000,000 (the "**Ashby Mezzanine Loan**"). The Ashby Mezzanine Loan is secured by, among other things, a junior security interest and junior lien (which security interest and lien are junior and subordinate to the security interests and liens in favor of the Ashburn Lenders) on the Ashburn Property.

F. WHEREAS in connection with the Ashburn Mezzanine Loan, the Prepetition Agent, Strategic Ashby and Ashburn Debtor entered into that certain Tri-Party Agreement dated May 31, 2007 (as may have been amended, restated, supplemented or otherwise modified from time to time, the "**Ashburn Tri-Party Agreement**"), whereby Strategic Ashby agreed, among other things, to subordinate all of Strategic Ashby's interests in Ashby Ponds Campus, including the real property, improvements thereon and the interests of the Ashburn Debtor to the liens of the Prepetition Agent in such collateral. The Ashburn Tri-Party Agreement, together with the Ashby Mezzanine Loan, all of the loan documents relating to the Ashby Mezzanine Loan, and any other agreements between the parties relating to the Strategic Ashby's financing of the Ashby Ponds Campus shall be referred to collectively as the "**Ashby Mezzanine Loan Documents**."

G. WHEREAS on October 11, 2005, Strategic Concord entered into a transaction with the Concord Debtor to purchase the land upon which the Concord Debtor campus is located and to lease this property back to the Concord Debtor (which lease is subject to the security interests and liens in favor of the Concord Lenders granted in connection with the Concord Construction Loan) pursuant to the terms of the Ground Lease Agreement dated October 11, 2005 (the "**Concord Ground Lease**").

H. WHEREAS in connection with the Concord Ground Lease, the Prepetition Agent, Strategic Concord and Concord Debtor entered into that certain Ground Lessor Tri-Party Agreement dated October 11, 2005 (as may have been amended, restated, supplemented or otherwise modified from time to time, the "**Concord Tri-Party Agreement**"), whereby Strategic Concord agreed, among other things, to subordinate all of Strategic Concord's interests in Maris Grove Campus, including the real property, improvements thereon, the partnership

interests of the Concord Debtor to the liens of the Prepetition Agent in such collateral. The Concord Tri-Party Agreement, together with the Concord Ground Lease, all of the loan documents relating to the Concord Ground Lease, and any other agreement between the parties relating to the Strategic Concord's financing of the Maris Grove Campus shall be referred to collectively as the "**Concord Mezzanine Loan Documents**"; together with the Ashby Mezzanine Loan Documents and the Cross Tri-Party Agreement (as defined below), the "**Mezzanine Loan Documents**."

I. WHEREAS, in connection with the Ashburn Construction Loan and the Concord Construction Loan, the Prepetition Agent, Ashburn Debtor, Concord Debtor, Strategic Ashby and Strategic Concord, entered into that certain Cross Tri-Party Agreement, dated as of May 31, 2007 (the "**Cross Tri-Party Agreement**"), whereby Strategic Ashby and Strategic Concord agreed, among other things, to (i) subordinate all of the obligations owed to Strategic Ashburn by Concord Debtor to the obligations owed by the Concord Debtor to the Prepetition Agent for the benefit of all of the Concord Lenders, and (ii) subordinate all of the obligations owed to Strategic Concord by Ashburn Debtor to the obligations owed by the Ashburn Debtor to the Prepetition Agent for the benefit of the Ashburn Lenders.

J. WHEREAS on December 22 and 23, 2009, the Debtors conducted an auction for the sale of substantially all of the Debtors' assets. At the conclusion of the auction, Redwood-ERC Senior Living Holdings, LLC ("**Redwood**") was determined by the Debtors to have submitted the highest and best bid for the assets in the aggregate amount of \$365 million (the "**Sale Proceeds**").

K. WHEREAS on December 14, 2009, the Strategic Entities filed a Joint Motion with other campus mezzanine lenders HCP ER3, LP in Warminster, Pennsylvania, HCP ER2, LP in Novi, Michigan, HCP ER6, LP in Houston Texas for an Order Appointing an Examiner Pursuant to 11 U.S.C. § 1104 (the "**Joint Motion for Appointment of an Examiner**").

L. WHEREAS on December 21, 2009 the Debtors filed an adversary proceeding complaint relating to the Concord Debtor campus seeking a declaratory judgment that the sale/leaseback transactions with Strategic Concord be recharacterized as financing agreements and not lease arrangements [AP Case No. 09-03464] (the "**Recharacterization Proceedings**").

M. WHEREAS among others, the Agent for the lenders under the Corporate Revolver,¹ the Landowner Debtors, the Agents for the Construction Lenders (each as defined in the Plan) and Strategic Entities claim a competing lien and claim against the Sale Proceeds.

N. WHEREAS on March 8, 2010, the Court approved the Debtors' Disclosure Statement for Debtors' Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (the "**Disclosure Statement**") and authorized the Debtors' solicitation of the Debtors' Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (as such plan may be amended and modified, the "**Plan**"). The Plan and Disclosure Statement contemplate a settlement of the respective claims against and to the Sale Proceeds,

¹ Terms used herein and not otherwise defined herein shall have the meaning ascribed to them under the Plan.

including a resolution of the disputes of the claims of the Strategic Entities as further set forth herein.

O. WHEREAS, on March 10, 2010, the Prepetition Agent filed adversary complaints against the Strategic Entities for damages and injunctive relief relating to the enforcement of the Ashburn Tri-Party Agreement and the Concord Tri-Party Agreement [AP Case Nos. 10-03043 and 10-03044] (the "Subordination Proceedings").

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Settling Parties hereby agree as follows, subject to Bankruptcy Court approval:

Section 1. PAYMENTS AND TRANSFERS

1.1 Cash Payment. Upon the Operative Date (defined below) or as soon thereafter as is reasonably practicable, a cash payment shall be made by to the Strategic Entities of \$1,000,000 from the TIP pursuant to, and in accordance with, the terms and conditions of the Plan, and allocated between the Strategic Entities as they may subsequently direct prior to April 13, 2010.

1.2 Strategic Concord agrees to transfer legal ownership of the Concord Property. Strategic Concord covenants to convey legal title by quitclaim deed, in a form reasonably acceptable to the Debtors and Redwood, pursuant to the Plan, the parcel of real property related to the Concord Ground Lease as more particularly described in the Purchase Agreement dated October 11, 2005 (the "Concord Purchase Agreement"), by and among Concord Debtor, ERC and Strategic Concord, for the acquisition of the real property relating to the Maris Grove Campus, located in Delaware County, Pennsylvania (as more particularly described in the Concord Purchase Agreement), on the Operative Date (the "Transfer").

1.3 Allowed Claims. Upon the Operative Date, Strategic Ashby shall have (i) an allowed general unsecured claim in the amount of \$52,172,000.00 against Ashburn Debtor, (ii) an allowed general unsecured claim in the amount of \$52,172,000.00 against Concord Debtor, and (iii) an allowed general unsecured claim in the amount of \$52,172,000.00 against ERC; and Strategic Concord shall have (x) an allowed general unsecured claim in the amount of \$25,836,000.00 against Concord Debtor, (y) an allowed general unsecured claim against Ashburn Debtor in the amount of \$25,836,000.00, and (z) an allowed general unsecured claim against ERC in the amount of \$25,836,000.00 (collectively, the "Allowed Claims"). The Allowed Claims shall participate in Tier C Subclass distributions pursuant to the Plan, subject to the limitations set forth in the Plan; provided further, however, that the amount distributed to Strategic Ashby shall not exceed \$52,672,000.00, and the amount distributed to Strategic Concord shall not exceed \$26,336,000.00, less each entity's respective portion of the \$1,000,000.00 paid from the TIP.

Section 2. WITHDRAWAL OF CLAIMS AND RELEASES

2.1 Withdrawal of all of Strategic Entities' Motions, and Objections in the Erickson Bankruptcy Proceedings. Upon the Operative Date, the Strategic Entities shall take such steps and file such documents as are necessary to cause the withdrawal of all contested

matters relating to confirmation and consummation of the Plan, appointment of an Examiner, and such other pleadings and documents filed in the Erickson Bankruptcy related to the Strategic Entities' claims.

2.2 Withdrawal of the Debtors' Complaints for Declaratory Judgment. Upon the Operative Date and conditioned upon the occurrence of the Transfer, the Debtors shall take such steps and file such documents as are necessary to cause the withdrawal and dismissal of the Recharacterization Proceedings.

2.3 Withdrawal of the Prepetition Agent's Complaints in the Subordination Proceedings. Upon the Operative Date and conditioned on the occurrence of the Transfer, the Prepetition Agent shall take such steps and file such documents as are necessary to cause the withdrawal and dismissal of the Subordination Proceedings.

2.4 Joint Release of All Other Claims. Upon the Operative Date and conditioned upon the occurrence of the Transfer, each Settling Party expressly, and by operation of the Final Order, on behalf of itself and its predecessors, successors and assigns, hereby fully, forever and finally generally waives, releases and discharges, the other Settling Party, and each of the Settling Parties, and each of their employees, agents, representatives, independent contractors, consultants, experts, attorneys, accountants, trustees, predecessors, successors, heirs, and assigns, and all persons or entities acting by, through or on behalf of any of them, of and from any and all claims, rights, duties, actions, causes of action, torts or tort liability, duty of care liability claims, contracts, damages, losses, debts, obligations, agreements, liabilities, indemnifications, environmental or other regulatory or governmental claims or obligations, attorneys' fees, costs, expenses, settlements, judgments, fines, restitution or forfeitures, of any nature whatsoever, whether asserted or unasserted, known or unknown, suspected or unsuspected, fixed or contingent, and whether arising under state statutory law, federal statutory law, state common law, federal common law or otherwise, which arise out of or relate to (i) any of the Strategic Entities' claims against the Debtors or their non-debtor affiliates, or (ii) any of the interests or former interests held by any of the Strategic Entities (or any of their affiliates or former affiliates) related to the Debtors or their non-debtor affiliates; provided however, that the foregoing release shall not apply to the obligations set forth in this Agreement and is subject to the rights of the Strategic Entities to assert the Allowed Claims against the Debtors as provided for herein and in the Plan.

2.5 Subordination/Subrogation/Pay-Over. As set forth in the Plan, each of the Ashburn Lenders and Concord Lenders waive all (i) subordination and pay-over rights with respect to distributions from the TIP and the Liquidating Creditor's Trust and the receipt thereof by the Strategic Entities; and (ii) subrogation rights with respect to any claims filed by Strategic Entities, including any mezzanine loan/sale-leaseback deficiency claims or mezzanine loan/sale-leaseback guarantee claims that have been voluntarily waived by the Strategic Entities; provided that the Lenders' pay-over waivers and subrogation waivers shall only be effective upon approval of this Agreement and the Operative Date of the Plan (the "**Lenders Waiver**").

2.6 Cumulative Effect of Releases. For the avoidance of doubt, nothing herein shall limit or condition the release, injunction and exculpation provisions provided for in section 12 of the Plan. The Strategic Entities hold Participating Mezzanine Claims and are Third Party

Releasees, subject to the terms and conditions of the Plan, and all other claims, rights, causes of action and damages of the Lenders relating to (i) the Strategic Entities and (ii) the Mezzanine Loan Documents shall be forever released, enjoined, waived and discharged as provided in section 12 of the Plan, conditioned upon the occurrence of the Effective Date under the Plan.

Section 3. APPROVALS

3.1 Plan of Reorganization. Approval for this Agreement will require entry of an order confirming the Plan that incorporates and reflects these terms and conditions of this Agreement. If this Agreement is not approved through confirmation of the Plan, this Agreement shall be null and void.

3.2 Strategic Entities Support. The Strategic Entities agree to support the Plan, subject to the terms contained herein, including but not limited to the releases, waivers and injunctions provided to and for the benefit of the Settling Parties and the Lenders as set forth in the Plan.

Section 4. MUTUAL REPRESENTATIONS, COVENANTS AND WARRANTIES

Each of the Settling Parties represents warrants and agrees with the other Settling Parties as follows:

4.1 Independent Advice. It has received independent legal advice from its attorneys with respect to each of the matters contained herein, including the advisability of making the settlement provided herein, executing the Agreement and the transactions contemplated thereby.

4.2 Reliance. Except as expressly stated in this Agreement, neither it nor any of its officers, members, managers, agents, partners, employees, representatives, or attorneys has made any statement or representation to any person regarding any fact relied upon in entering into this Agreement, and it is not relying upon any statement, representation or promise of any person (or of any officer, agent, employee, representative, or attorney for any other person) in executing this Agreement. Rather, except as expressly set forth in this Agreement, each Settling Party is relying exclusively on its own diligence and investigation.

4.3 Diligence and Investigation. It has made such investigation of the facts pertaining to this Agreement and of all the matters pertaining thereto as it deems necessary.

4.4 Understanding. It has read this Agreement and understands the contents hereof.

4.5 No Assignment. There has been no assignment, sale or transfer, by operation of law or otherwise of such parties' interests related to the Ashby Campus or the Concord Campus, or any claim, right, cause of action, demand, obligation, liability or interest released by it as provided herein.

Section 5. CONDITIONS OF SETTLEMENT, EFFECT OF DISAPPROVAL, CANCELLATION OR TERMINATION

5.1 Operative Date. This Agreement shall become operative on the first date on which each of the following has occurred (such date being defined as the "**Operative Date**"):

(a) **Execution.** This Agreement has been fully executed;

(b) **Final Orders.** The Bankruptcy Court has entered orders confirming the Plan, neither the operation nor effect of which has been reversed, stayed, modified or amended, and as to which order, or any revision, modification or amendment thereto, the time to appeal or seek review or rehearing has expired and as to which no appeal or petition for review or rehearing has been taken or is pending (the "**Final Order**") and such Plan has been substantially consummated in accordance with the provisions of the Plan, including but not limited to the closing of the sale to Redwood. The Final Order shall also consist of an order to which an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial has been filed, or the time to do any of the foregoing has not yet expired, but as to which the Settling Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and

(c) **Effective Date.** The Effective Date (as defined in the Plan) has occurred.

5.2 Termination Date.

(a) If the Operative Date does not occur on or before May 10, 2010, unless such date is extended by a writing signed by all Settling Parties and consented to by the Prepetition Agent (the "**Termination Date**"), then this Agreement shall become null and void, subject to and in accordance with Section 5.3, below, and the Settling Parties shall be returned to the status quo ante as if this Agreement had never been executed.

(b) If the Court does not enter the Final Order, or if the Court enters a Final Order and appellate review is sought and, on such review, the entry of the Final Order is finally vacated, modified or reversed, then this Agreement and the settlement incorporated herein shall be cancelled and terminated, unless all parties who are adversely affected thereby (including the Lenders), in their sole discretion within ten (10) days from the date of the mailing of such ruling to such parties, provide written notice to all other parties hereto of their intent to proceed with the settlement under the terms of the Final Order as modified by the Court or on appeal.

5.3 Effect of Termination. Unless otherwise ordered by the Court, in the event that this Agreement shall not become effective on or prior to the Termination Date or this Agreement should terminate, or be cancelled, or otherwise fail to become effective for any reason, including, without limitation, in the event that the settlement as described herein is not approved by the Court or the Final Order is reversed or vacated following any appeal taken therefrom, then:

(a) the Settling Parties shall be restored to their respective positions as of March 18, 2010, with all of their respective claims and defenses, preserved as they existed on that date, including, without limitation, the Proofs of Claim filed with respect to the Concord Ground Leases held by Strategic Concord for the Concord Debtor Campus, the Ashburn

Mezzanine Loan claim held by Strategic Ashby for the Ashburn Debtor Campus, and all claims and defenses in the Recharacterization Proceedings. The Settling Parties shall take such steps and file such documents as are necessary to cause such claims and defenses to be restored;

(b) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Settling Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and

(c) any judgment or order entered by the Court in accordance with the terms of this Agreement shall be treated as vacated, *nunc pro tunc*.

Section 6. NO ADMISSIONS

6.1 No Admissions. The Settling Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them relating to the Strategic Entities, and it shall not be deemed an admission by any Settling Party as to the merits of any claim or defense with respect to such disputes.

6.2 Agreement Inadmissible. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Settling Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

6.3 Recitals Not Binding. In the event that the settlement is terminated or does not receive preliminary or final court approval, the Recitals set forth in the agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

Section 7. MISCELLANEOUS PROVISIONS

7.1 Intent/Further Assurances. The Settling Parties: (a) acknowledge that it is their intent to consummate this Agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of this Agreement.

7.2 Avoidability. In the event that the settlement is terminated or does not receive final court approval, then, subject to Section 5.2 hereof, this Agreement shall be terminated in accordance with Section 5.3 of this Agreement.

7.3 Good Faith. The Settling Parties agree that the Agreement as described herein were negotiated in good faith by the Settling Parties, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel.

7.4 Disclosure. Nothing in this Agreement shall prohibit any comment on the accuracy of any public description of the settlement.

7.5 Amendments. This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties, as the case may be, or their respective successors-in-interest.

7.6 Authority. Each counsel or other person executing this Agreement on behalf of any party hereto hereby warrants that such person has the full authority to do so.

7.7 Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Court.

7.8 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

7.9 Jurisdiction. The United States Bankruptcy Court for the Northern District of Texas, Dallas Division, shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of such Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

7.10 Governing Law. This Agreement shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of Maryland, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Maryland without giving effect to that State's choice of law principles.

7.11 Interpretation. The Settling Parties, including their counsel, have participated in the preparation of this Agreement, and this Agreement is the result of the joint efforts of the Settling Parties. This Agreement has been accepted and approved as to its final form by all Settling Parties and upon the advice of their respective counsel. Accordingly, any uncertainty or ambiguity existing in this Agreement shall not be interpreted against any Settling Party as a result of the manner of the preparation of this Agreement. Each Settling Party agrees that any statute or rule of construction providing that ambiguities are to be resolved against the drafting Settling Party shall not be employed in the interpretation of this Agreement and are hereby waived.

7.12 Entire Agreement. This Agreement constitutes the entire agreement between the Settling Parties and no representations, warranties or inducements have been made to any party concerning this Agreement other than the representations, warranties and covenants contained

and memorialized herein. It is understood by the Settling Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law. The prevailing party in any dispute under this Agreement shall be entitled to its attorneys' fees and costs.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed.

THE DEBTORS

Erickson Retirement Communities, LLC

Name: Date:
Title:

Erickson Construction, LLC

Name:
Title:

Date:

Erickson Group, LLC

Name:
Title:

Date:

Senior Campus Services, LLC

Name:
Title:

Date:

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