



**Columbus Campus, LLC
Monthly Reporting Package
June 2008**

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↳ Project Summary

Columbus Campus, LLC

Project Overview

Project Description

Columbus Campus is a 83 acres project located in Hilliard, Ohio. The community is marketed under the name Hickory Chase and will consist of approximately 1,529 independent living apartments, 132 assisted living apartment and 84 skilled nursing beds upon its expected completion in 2020.

Financing Overview

- Columbus Campus closed a Construction Loan with KeyBank in the amount of \$90M in April 2008.
- Columbus Campus closed on a Mezzanine Financing with Windsor OH Holdings, LLC in the amount of \$21.4M in April 2008.
- Erickson has funded approximately \$8.8M in equity to date and 2.8M in short-term funding.

Executive Summary

Marketing Overview

Hickory Chase began taking deposits in July 2007. The community has met the test for standby deposits to obtain funding for the construction of RB 1.1. Hickory Chase has 14 net reservations, 139 standbys and 49 futures.

Columbus Campus, LLC

Critical Issues

There are no critical issues to report at this time.

Active Phase Status

<i>Phase/ Item</i>	<i>Construction Projected to Start</i>	<i>Projected To Open</i>
Community Building 1.0	Jun-08	Jun-09
Residential Building 1.1	Aug-08	Jun-09
Residential Building 1.2	Dec-08	Oct-09
Residential Building 1.3	May-09	Mar-10

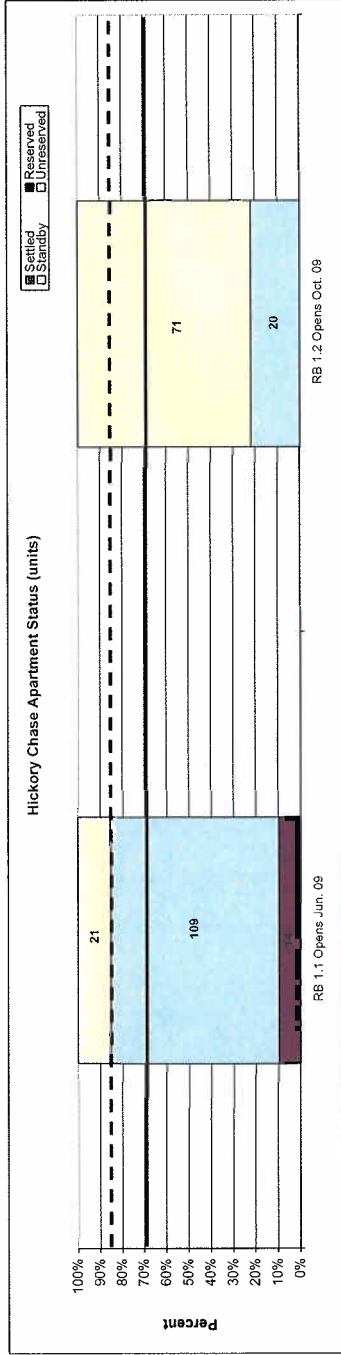
Proforma Update

**** in millions

	<u>Original Budget</u>	<u>CURRENT 6/30/2008 Budget</u>
Entrance Deposits	493	493
Purchase Option	<u>72</u>	<u>72</u>
Total Funds	565	565
Project Costs	377	377
Financing Costs	62	62
Operations Start Up (Working Capital) Ex. Reserves	28	28
Development Fees	<u>24</u>	<u>24</u>
Total Costs	<u>491</u>	<u>491</u>
Project Margin	<u><u>74</u></u>	<u><u>74</u></u>

2 Marketing Reports

Apartment Status by Building as of 06-30-08



144

91

	2007 2nd Qtr	2007 3rd Qtr	2007 4th Qtr	2008 1st Qtr	2008 2nd Qtr
Settled	0	0	0	0	0
Reservations	0	0	0	0	14
Standby	13	90	116	137	139
Futures	0	10	18	32	49
Total	13	100	134	169	202

Monthly Trends	2007 4th Qtr	2008 1st Qtr	2008 2nd Qtr
Net Settlements/Reservations/Standbys	4.3	25.7	7.0
Settlements	0.0	0.0	0.0

Anticipated Construction Test:
In order to start construction on new building, current buildings must be 85% Settled, Reserved, or Standby and there must be 70% of the new building under Standby

	Units	Test	Required Reserved/Standby	Settled	Reserved	Total Standby	Total Needed
Current Buildings Begins Const. June 08	RB 1.1	85%	122	0	14	109	0
Construction Test for Funding of Next Building (Assuming a 70% Threshold) Begins Const. Nov. 08	RB 1.2	70%	64	0	0	30	67

*Settlement vs. Covenant

Covenant Requirement
N/A
PTD Monthly Average as of 6/30/08
Opens June 09

*Test to break escrow is not applicable

NOTES:

We have met the construction funding test for RB 1.1. We need 67 more standbys in order to meet the construction test for RB 1.2 which is slated to start in October 2008.

2008 Monthly Marketing Trend Report

Campus: Hickory Chase

Monthly Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Average
1 Net Apt Reservations (MS)*	0	0	0	0	0	14							14	2.33
* New	0	0	0	0	0	14							14	2.33
* Resale	0	0	0	0	0	0							0	0
2 Gross Reservations (MS)	0	0	0	0	0	14							14	2.33
3 No. of Total Settlements (MS)*	0	0	0	0	0	0							0	0
* New	0	0	0	0	0	0							0	0
* Resale	0	0	0	0	0	0							0	0
4 No. of Initial Deposits (MS)	13	9	14	7	17	17							77	12.83
5 Requests for Refunds (MS)	0	0	1	2	2	2							7	1.17
6 Total Kit Requests (OT)	404	405	392	345	347	328							2,221	370.17
* MJO (OT)	221	208	200	148	146	152							1,075	179.17
* Sales Office (OT)	180	192	189	187	185	170							1,103	183.83
* Walk-ins (OT)	3	5	3	10	16	6							43	7.17
HC Kit Requests	1	0	0	2	0	0							3	0.50
7 Total Apts (OT)**	26	25	33	28	42	52							206	34.33
* First Time Apts (OT)	18	18	23	24	31	22							136	22.67
* Non Depositor Repeat Apts (OT)	3	1	2	0	5	1							12	2.00
* Depositor Apts (OT)	5	6	8	4	6	29							58	9.67
8 Walk-in Apts (OT)	0	0	0	0	0	1							1	0.17
Pipeline														
9 Reserved but Unsettled (P)	0	0	0	0	0	14							14	14.00
* New	0	0	0	0	0	14							14	14.00
* Resale	0	0	0	0	0	0							0	0
10 Standby (P)	126	131	137	138	145	139							139	136.00
11 Futures (P)	21	25	32	34	42	49							49	33.83
12 Total Deposits w/o Settled Apts (C) [9+10+11]	147	156	169	172	187	202							202	172.17
13 Total Settled Apts (P)	0	0	0	0	0	0							0	0
Total New Settled Apts (BS)	0	0	0	0	0	0							0	0
14 No. of Unsettled Apts (PRU)	0	0	0	0	0	144							144	144.00
15 Apts released by keys not turned in	0	0	0	0	0	0							0	0
Ratio (Line 12/14) (C)	N/A	N/A	N/A	N/A	N/A	1.40	N/A	N/A	N/A	N/A	N/A	N/A	1.40	1.20

Notes

* Net Reservations = Gross Reservations - Reservations withdrawn

** Total Apts = Non-Depositor (First-time and repeat) + Depositor (Futures, Standby, Reserved, Settled/Resident)



Marketing Summary

HCH

Date Range [>=6/1/08 and <=6/30/08]

LOC: Independent

Settlements	Count	Cash Collected	Current P-Note Due	Total
New	0	\$0	\$0	\$0
Resale	0	\$0	\$0	\$0
Total	0	\$0	\$0	\$0

Reservations	Initial Deposits	Priority List	Left To Settled	Withdraw	Net	Deposits Reserved	Reservations Settled	Reservations Withdrawn	Net Reservations
New	0	14	0	0	14	\$3,314,000	\$0	\$0	\$3,314,000
Resale	0	0	0	0	0	\$0	\$0	\$0	\$0
Total	0	14	0	0	14	\$3,314,000	\$0	\$0	\$3,314,000

Waiting Lists	Initial Deposits	Priority List	Changed Status	Net Change
Futures	8	0	1	7
Standby	9	0	15	-6
Total	17	0	16	1

Initial Deposits	Initial Deposits	Requests for Refund
Initial Deposits	17	
Requests for Refund		2

∞ Total Anticipated Budget

**Erickson Retirement Communities
Columbus Campus
Total Anticipated Budget
As of June 30, 2008**

	<u>Actual Costs JTD</u>	<u>% Complete to Budget</u>	<u>Estimate to Complete</u>	<u>As of 06/30/08 Estimate at Completion</u>	<u>Original Budget</u>	<u>Favorable/ (Unfavorable)</u>	
Entrance Deposits	0	0%	493,262,437	493,262,437	493,262,437	-	
Operating Lease	0	0%	13,713,675	13,713,675	13,713,675	-	
Funds Held/WC Loan Repayment	0	0%	(33,515,541)	(33,515,541)	(33,515,541)	-	
Total Deposits	-	0%	473,460,571	473,460,571	473,460,571	-	A
Hard Costs - Building	2,789,400	1%	244,121,732	246,911,132	246,911,132	-	
Hard Costs - Sitework	3,523,014	13%	22,839,904	26,362,918	26,362,918	-	
Architecture	3,277,871	25%	9,862,326	13,140,197	13,140,197	-	
Engineering	2,759,711	49%	2,882,735	5,642,446	5,642,446	-	
Builder's Risk	21,170	2%	1,024,745	1,045,916	1,045,916	-	
Fees, Permits & Bonds	1,654,632	31%	3,736,369	5,391,001	5,391,001	-	
Development Fee	0	0%	24,082,728	24,082,728	24,082,728	-	
Outside Legal	342,848	24%	1,058,803	1,401,651	1,401,651	-	
Construction MNGT Fee	68,270	1%	4,714,025	4,782,296	4,782,296	-	
Warranty Expense	0	0%	-	-	-	-	
Phase Costs Before Contingency	14,436,916	4%	314,323,369	328,760,284	328,760,284	-	
Contingency	0	0%	8,743,480	8,743,480	8,743,480	-	
Total Phase Costs	14,436,916	4%	323,066,848	337,503,764	337,503,764	-	B
Department Costs			-				
Pre-Development	0	0%	-	0	0	-	
Administration Department	1,019,600	38%	1,639,895	2,659,495	2,659,495	-	
Acquisitions and Development	2,494,883	19%	10,710,005	13,204,888	13,204,888	-	
Construction Management Services	30,752	0%	(30,752)	0	0	-	
Finance	0	0%	3,105,867	3,105,867	3,105,867	-	
Marketing Department	5,994,019	22%	21,523,804	27,517,823	27,517,823	-	
Information Services	412,158	18%	1,846,183	2,258,341	2,258,341	-	
Legal Department	109,596	23%	376,038	485,635	485,635	-	
Total Departmental Costs	10,061,009	20%	39,171,040	49,232,049	49,232,049	-	C
Total Hard & Soft Costs	24,497,925	6%	362,237,888	386,735,813	386,735,813	-	
Other Development Costs							
Land	11,626,980	100%	(30,000)	11,596,980	11,596,980	-	
Interest Costs	1,149,438	2%	59,246,154	60,395,591	60,395,591	-	
Financing Costs - L.O.C	2,632,422	148%	(858,109)	1,774,312	1,774,312	-	
Property Taxes	6,259	0%	1,346,237	1,352,496	1,352,496	-	
Capital Expenditures	409,320	31%	890,663	1,299,983	1,299,983	-	
Community Loan Interest	(616)	0%	616	0	0	-	
Total Other Development Costs	15,823,802	21%	60,595,560	76,419,362	76,419,362	-	D
Total Costs	40,321,727	9%	422,833,449	463,155,175	463,155,175	-	
Profit Margin	(40,321,727)		50,627,122	10,305,396	10,305,396	-	
Profit Margin %				2.18%	2.18%	0.00%	
Purchase Price				72,154,384			
Adjustment to Funds Held/WC Loan Repayment				33,515,541			
Start Up Loss Adjustment				(27,861,348)			
Operating Lease Adjustment				(13,713,675)			
Total Adjustments				64,094,903			
Enterprise Value				74,400,298			

4 Project Schedule

**Columbus Campus
Project Schedule
June 30, 2008**

Project	Original Scheduled Completion Date	Substantially Completed	Variance (in Months)
Community Building 1.0	Mar-09	Jun-09	(3.0)
Transitional Spaces	Mar-14	Mar-14	-
Residential Building 1.1	Mar-09	Jun-09	(3.0)
Residential Building 1.2	Sep-09	Oct-09	(1.0)
Residential Building 1.3	Mar-10	Mar-10	-
Residential Building 1.4	Oct-10	Oct-10	-
Residential Building 1.5	Sep-11	Sep-11	-
Residential Building 1.6	Sep-12	Sep-12	-
Residential Building 1.7	Mar-13	Mar-13	-
Community Building 2.0	Mar-14	Mar-14	-
Residential Building 2.1	Mar-14	Mar-14	-
Residential Building 2.2	Mar-14	Mar-14	-
Residential Building 2.3	Aug-15	Aug-15	-
Residential Building 2.4	Mar-16	Mar-16	-
Residential Building 2.5	Oct-16	Oct-16	-
Residential Building 2.6	Apr-17	Apr-17	-
Chapel 1	Apr-17	Apr-17	-
Gate House 1	Mar-09	Mar-09	-
Maintenance Building 1	Apr-17	Apr-17	-
Marketing Center 1	Dec-07	Dec-07	-
Extended Care 1A	Oct-10	Oct-10	-
Extended Care 1B	Mar-14	Mar-14	-
Extended Care 2.0	Apr-17	Apr-17	-

Bank Covenant:

Phases CB 1.0 - RB 2.1 - Substantial completion shall be 3 months after original schedule date.
RB 2.2 & thereafter - Substantial completion shall be 6 months after original schedule date.

19 Landowner Financial Statements

ERICKSON RETIREMENT COMMUNITIES
Columbus Campus
Landowner Balance Sheet
Jun, FY08

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	Current Balance	Change from Prior Year
ASSETS		
Current Assets		
Fixed Assets		
Land and Improvements	11,626,980	11,626,980
Other Fixed Assets	409,320	409,320
Total Fixed Assets	12,036,300	12,036,300
Accumulated Depreciation	(19,267)	(19,267)
Total Fixed Assets net of Depreciation	12,017,033	12,017,033
Construction in Progress	23,397,138	23,397,138
Total Fixed Assets, Net and CIP	35,414,171	35,414,171
Other Assets		
Community Note Receivable	176,616	176,616
Deferred Financing Costs, net	1,603,333	1,603,333
Total Other Assets	1,779,949	1,779,949
TOTAL ASSETS	37,194,119	37,194,119
LIABILITIES & MEMBERS' CAPITAL		
Current Liabilities		
Accounts Payable	146,295	146,295
Construction G.C. Payable	1,380,031	1,380,031
Retainage Payable	364,575	364,575
Other Current Liabilities	125,685	125,685
Short-Term Interest Payable	266,875	266,875
ERC Short-Term Funding	2,782,316	2,782,316
Intercompany	1,460,318	1,460,318
Total Current Liabilities	6,526,095	6,526,095
Long-Term Liabilities		
Line of Credit Payable	3,428,268	3,428,268
Sale/Leaseback Payable	21,350,000	21,350,000
Total Long-Term Liabilities	24,778,268	24,778,268
Total Liabilities	31,304,363	31,304,363
Members' Capital		
Members' Capital	8,826,871	8,826,871
Members' Capital Sub-Debt Interest	367,109	367,109
Current Year's Income (Loss)	(3,304,224)	(3,304,224)
Total Members' Capital	5,889,757	5,889,757
TOTAL LIABILITIES & MEMBERS' CAPITAL	37,194,119	37,194,119

ERICKSON RETIREMENT COMMUNITIES
Columbus Campus
Landowner Income Statement
Jun, FY08

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	Period Activity	Period Budget	Period Variance	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance
Departmental Expenses						
Development Administration	149,144	102,925	(46,219)	827,352	618,538	(208,814)
Construction Manganement Services	5,092	3,647	(1,445)	30,752	21,880	(8,871)
Administration	142,288	47,808	(94,480)	759,248	286,850	(472,398)
Marketing	177,993	140,099	(37,894)	1,191,639	841,258	(350,381)
Sales and Information	78,448	94,460	16,012	462,439	553,448	91,009
Information Services	50,653	16,884	(33,769)	270,150	101,306	(168,844)
Legal	11,743	3,914	(7,829)	62,628	23,486	(39,143)
Capitalized Costs	(437,367)	-	437,367	(2,412,570)	-	2,412,570
Net Departmental Expense	177,993	409,738	231,745	1,191,639	2,446,766	1,255,128
Other Operating Expenses						
Depreciation	9,788	-	(9,788)	19,267	-	(19,267)
Amortization	20,295	-	(20,295)	959,764	-	(959,764)
Total Other Operating Expenses	30,084	-	(30,084)	979,032	-	(979,032)
Total Operating Expenses	208,077	409,738	201,661	2,170,670	2,446,766	276,096
Non-Operating Revenue						
Note Rec/Other Interest	449	-	449	616	-	616
Total Non-Operating Revenue	449	-	449	616	-	616
Non-Operating Expenses						
Interest Expense LOC, net(Sub-debt)	-	-	-	432,148	-	(432,148)
Equity Partner Interest Expense	266,875	-	(266,875)	633,984	-	(633,984)
Financing Costs	(4,567)	-	4,567	67,187	-	(67,187)
Real Estate & Other Taxes	-	-	-	850	-	(850)
Total Non-Operating Expenses	262,308	-	(262,308)	1,134,169	-	(1,134,169)
NET INCOME (LOSS)	(469,935)	(409,738)	(60,197)	(3,304,224)	(2,446,766)	(857,457)

ERICKSON RETIREMENT COMMUNITIES
Columbus Campus
Landowner Cash Flow Statement
Jun, FY08

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	<u>Period Activity</u>	<u>Year-to-Date</u>
Cash Flows from Operating Activities:		
Net Income (Loss)	(469,935)	(3,304,224)
Adjustments to reconcile Net Income (Loss) to Net Cash (Used In) Provided by Operating Activities:		
Depreciation	9,788	19,267
Amortization	20,295	959,764
Changes in:		
Current Liabilities	(100,358)	271,980
Interest Payable	(8,896)	266,875
ERC Short-Term Funding	1,081,801	2,782,316
Intercompany	1,099,995	1,460,318
Net Cash (Used In) Provided by Operating Activities	1,632,690	2,456,297
Cash Flows from Investing Activities:		
CIP and Other Fixed Assets	(2,357,574)	(35,433,438)
Net Cash (Used In) Provided by Investing Activities	(2,357,574)	(35,433,438)
Cash Flows from Financing Activities:		
Deferred Financing Costs	-	(2,563,097)
Community Note Receivable	(136,449)	(176,616)
Retainage Withheld (Released)	136,258	364,575
Change in General Contractor Payable	449,305	1,380,031
Proceeds (Repay) LOC Sub-Debt	3,428,268	24,778,268
Members' Capital	-	21,109,305
Members' Drawing	(3,428,268)	(12,282,434)
Net Cash (Used In) Provided by Financing Activities	449,113	32,610,032
Change in Cash	-	-
Beginning Cash Balance	-	-
Ending Cash Balance	-	-

9 Community Financial Statements

HCH
Comparative Balance Sheet
(in thousands)

	YTDJun FY08	YTDMay FY08	Change	YTDDec FY07	Change
Assets					
<i>Current Assets</i>					
Cash	143	15	127	16	127
Prepays	0	0	0	0	0
Total Current Assets	143	15	127	16	127
<i>Limited Use Cash and Investments</i>					
Escrow Deposits	248	193	56	137	112
Total Limited Use Cash & Investments	248	193	56	137	112
<i>Non-Current Assets</i>					
Fixed Assets- Net	11	10	1	-	11
Total Non-Current Assets	11	10	1	-	11
Total Assets	403	218	184	153	250
Liabilities					
<i>Current Liabilities</i>					
Accounts Payable and Accrued Liabilities	44	30	14	32	12
Total Current Liabilities	44	30	14	32	12
<i>Non-Current Liabilities</i>					
Advance Deposits	242	187	55	134	108
Long Term Liabilities	177	40	136	-	177
Total Non-Current Liabilities	419	227	191	134	285
Total Liabilities	462	257	206	166	296
Net Assets					
Unrestricted Net Assets	(13)	(13)	-	-	(13)
Current Year Increase (Decrease) In Net Assets	(47)	(25)	(21)	(13)	(34)
Total Net Assets	(60)	(38)	(21)	(13)	(47)
Total Liabilities and Net Assets	403	218	184	153	250

HCH
Statement of Operations by Natural Expense
All LOB, All Entities
Jun, FY08
(in thousands)

	Jun		YTD(Jun)		YTDDec	
	Actual	BudVar	Actual	BudVar	Forecast	FcstVar
Operating Revenue						
Departmental Revenues	5	5	17	17	17	17
Total Operating Revenue	5	5	17	17	17	17
Operating Expense						
Wages	9	(9)	9	(9)	9	(9)
Employee Benefits	1	(1)	1	(1)	1	(1)
Contract Labor Expense	10	(10)	19	(19)	19	(19)
Supplies Expense	-	-	0	0	0	0
Professional Fee Expense	5	(5)	33	(33)	33	(33)
Other Expense	0	0	3	(3)	3	(3)
Total Operating Expense	26	(26)	66	(66)	66	(66)
Operating Income	(21)	(21)	(49)	(49)	(49)	(49)
Interest Expense	0	0	1	(1)	1	(1)
Investment Income	0	0	3	3	3	3
Total Non-Operating Income	0	0	2	2	2	2
Increase (Decrease) in Net Assets	(21)	(21)	(47)	(47)	(47)	(47)

Current Month Occupancy

	Independent	Assisted Living	Skilled Nursing
Billed Units	#MISSING	#MISSING	#MISSING
Available Units	#MISSING	#MISSING	#MISSING
Occupancy %	#MISSING	#MISSING	#MISSING

HCH
Statement of Cash Flows
 Jun , FY08
 (in thousands)

	<u>Current</u>	<u>YTD</u>
Cash Flows from Operating Activities		
Net Income	(21)	(47)
Adjustments to Reconcile Income		
(Increase)/Decrease in Prepaid Expenses	0	0
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	14	12
Net Cash Provided by Operating Activities	<u>(7)</u>	<u>(35)</u>
Cash Flows from Investing Activities		
(Increase)/Decrease in Limited Use Cash and Investments	(56)	(112)
(Increase)/Decrease in Fixed Assets	(1)	(11)
Net Cash Used in Investing Activities	<u>(57)</u>	<u>(123)</u>
Cash Flows from Financing Activities		
Increase/(Decrease) in Advance Deposits	55	108
Increase/(Decrease) in Long Term Liabilities	136	177
Net Cash Provided by Financing Activities	<u>191</u>	<u>285</u>
Increase (Decrease) in Cash	127	127
Aggregate Other Items to Reconcile Cash	-	-
Cash Beginning of Period	15	16
Cash End of Period	<u>143</u>	<u>143</u>

✓ Supplemental Information

Columbus Campus, LLC Loan Covenant Compliance Summary

As of June 30, 2008

Satisfied
Pending
Not Met

Reporting Covenants

Description		Status
Monthly-Landowner Financial Statements	Enclosed	
Monthly-Community Financial Statements	Enclosed	
Monthly-Community Marketing Reports	Enclosed	
Monthly-ERC Financial Statements/MD&A	Attached	
Monthly-Project Status Report	Enclosed	
Monthly-Compliance Letter	Enclosed	
2007 Audited Financial Statements	Provided @ closing	
2008 Community Budget	Provided @ closing	
2007 Tax Returns or Extensions (if applicable)*	Provided @ closing	
2008 Annual Insurance Certificates	Provided @ closing	

Financial/Other Covenants

Description	Covenant		Actual	Status
ERC Liquidity (in millions)	Minimum	\$ 100.0	\$ 144.0	
Letter of Credit Sub-Limit (in millions)	Maximum	\$ 5.0	-	
Working Capital Loan Sub-Limit (in millions)	Maximum	\$ 44.0	\$ 0.2	
PTD Absorbtion/Month	Minimum	10.0	N/A	

* Landowners which are Limited Liability Corporations (LLC's) do not file tax returns, these entities are consolidated with the Erickson Group Tax Filings



SCHEDULE VI

Covenant Compliance Letter


July 31, 2008

KeyBank National Association
Lead Arranger and Administrative Assistant
Cleveland, Ohio 44114
Attention: Charles J. Shoop, Senior Vice President

RE: Columbus Campus, LLC

Ladies and Gentlemen:

This letter is submitted in connection with financial statements required to be provided under section 8.3 of the Construction Loan Agreement dated April 16, 2008 (the "Loan Agreement") relating to Hickory Chase. To the best knowledge of the undersigned, who is Chief Financial Officer of the entities submitting such financial statements, no Default, as defined in the Loan Agreement, has occurred and is continuing, and no Event of Default, as defined in the loan agreement, has occurred. All original promissory notes evidencing advances under the Community Loan Documents have been delivered (or are being delivered herewith) to you.



Jeffrey A. Jacobson
Executive Vice President
& Chief Financial Officer

Columbus Campus, LLC

Balance Test

Projected: As of June 30, 2008

Projected Fair Market Value at Completion

Phase	Completion Date	Status	No. of Units	Average Deposit per Unit	Total Deposit by Phase	Total Deposits Received	Future Deposits Remaining to be Collected	Coverage Amount	
Residential	1.1		145	264,041	38,285,972	0	38,285,972	1,200,000	
Residential	1.2		91	259,400	23,605,438	0	23,605,438	1,200,000	
Residential	1.3		87	261,195	22,723,967	0	22,723,967	1,200,000	
Residential	1.4		139	276,677	38,458,172	0	38,458,172	1,200,000	
Residential	1.5		133	283,545	37,711,537	0	37,711,537	1,200,000	
Residential	1.6		81	286,264	23,187,392	0	23,187,392	1,200,000	
Residential	1.7		157	299,001	46,943,184	0	46,943,184	1,200,000	
Residential	2.1		163	301,587	49,158,663	0	49,158,663	1,200,000	
Residential	2.2		110	297,108	32,681,914	0	32,681,914	1,200,000	
Residential	2.3		107	330,906	35,406,903	0	35,406,903	1,200,000	
Residential	2.4		118	340,019	40,122,185	0	40,122,185	1,200,000	
Residential	2.5		95	324,480	30,825,622	0	30,825,622	1,200,000	
Residential	2.6		103	330,562	34,047,879	0	34,047,879	1,200,000	
Extended Care 1A	10/1/2010		36	158,909	5,720,738	0	5,720,738		
Extended Care 1B	3/1/2014		48	178,854	8,584,988	0	8,584,988		
Extended Care 2	4/1/2017		132	195,439	25,797,883	0	25,797,883		
Minimum Coverage Amount								9,000,000	
			1,745			493,262,437	0	493,262,437	21,000,000

BALANCE TEST COMPUTATIONS

	Estimate at Completion
	<u>Through 2020</u>
Future Deposits Remaining to Be Collected	493,262,437
Less Working Capital	(33,515,541)
Operating Lease through December 2011	13,713,675
Purchase Option ³	<u>36,077,192</u>
Total Future Deposit/Lease Cash Receipts	509,537,763
Total Future Anticipated Cash Receipts	509,537,763
Cost to Complete: (Cash Basis)	
Hard Costs ¹	266,961,637
Soft Costs ²	<u>147,128,332</u>
Total Costs to Complete	<u>414,089,969</u>
Cash on Hand	0
Other Current Liabilities	
Construction G.C. Payable	1,380,031
Retainage Payable/Current Liabilities *	<u>5,146,064</u>
Total Other Current Liabilities	<u>6,526,095</u>
Long - Term Liabilities	
Line of Credit Payable/Subordinate Debt	3,428,268
Sale/Leasback Payable	<u>21,350,000</u>
Total Long - Term Liabilities	<u>24,778,268</u>
Balance Test Coverage Amount	<u>21,000,000</u>
Total Future Anticipated Cash Disbursements	466,394,331

BALANCE TEST

43,143,432 Passes Test

^{1/} Hard Costs Include Building and Sitework.

^{2/} Soft Costs Include: Architecture, Engineering, Fees & Permits, Builder's Risk, Outside Legal, Departmental Costs, Warranty, FF&E, Financing costs, Interest Costs, Land, Property Taxes, Development Fees, Insurance Reserve, Construction MNGT Fee

^{3/} Represents 50% of Purchase Option