BILL GARRETT, Davidson County
Trans:T20100052222 DEEDQC
Recvd: 08/23/10 13:43 58 pgs
Fees:292.00 Taxes:0.00
20100823-0066482

SPACE ABOVE RESERVED FOR RECORDER

Prepared under local supervision (exc MD) by:
Erik Quarfordt, Esq. @ Simpson Thacher & Bartlett LLP
425 Lexington Ave, NY, NY 10017

When recorded, return to:
Chicago Title #1209-3105 (NJM)
711 Third Avenue, Suite 500
New York, NY 10017

Preparer's Signature (exc MD) as to KY:

_____

Community Name/Location:
Waterford in Bellevue, Nashville, TN

Notice to Recorder:
a. This instrument to be indexed against the record owner(s) identified on Schedule B hereto, Grantor and Grantee.
b. Pursuant to the Second Amended Joint Plan of Reorganization in *In re Stayton SW Assisted Living, L.L.C.* (the Consolidated Sunwest Related Entities), approved by order of the Court in U.S. District Court, District of Oregon Case No. 6:09-cv-06082-HO, each recorder of deeds or similar official for any city, county or governmental unit in which this instrument is to be recorded is ordered to accept this instrument without requiring the payment of any document recording tax, stamp tax, conveyance fee, sales tax, mortgage tax, filing or recording fee, deed stamp, transfer tax, intangibles tax or similar tax or fee.

Real property tax bills to be sent to:
Grantee

Instrument:
Deed --- [Form for use in AL, AZ, CA, CO, CT, GA, IA, IN, KY, MD, MN, MO, MS, MT, NC, ND, NE, NM, NV, NY, OK, OR, PA, SC, TN, TX, UT, VA, WA, WI, WV & WY]

Dated:
As of the earliest notary date, but effective as of 8 / 05 /2010

Grantor:
Engine Co. #5's Waterford in Bellevue, LLC, an Oregon limited liability company, with an address of 7310 SW 63rd Ave, Portland, OR 97219

Grantee:
BRE/SW Waterford Bellevue LLC, a Delaware limited liability company, c/o Blackstone, 345 Park Ave, NY, NY 10154

Nature of Instrument:
This Instrument is a conveyance pursuant to: (a) that certain Settlement Agreement by and between Grantor and Stayton S.W. Assisted Living, LLC, an Oregon limited liability company; and (b) that certain Order (1) Approving Settlement Offers to Tenants in Common and (2) Authorizing Debtor to Execute and Perform Settlement Agreements entered May 10, 2010, in United States District Court Case No. 09-cv-6082-HO.

Witnesseth:
That the Grantor, in consideration of the sum of $1 (or as otherwise provided on Schedule of Consideration, if annexed) paid by Grantee, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey, transfer, assign and release unto Grantee, its successors and assigns, all of its estate, right, title and interest in and to that certain plot, piece or parcel of land (together with the buildings and improvements thereon erected) described on Schedule A hereto (the "Premises").

Together with:
All right, title and interest (if any) of Grantor in and to any streets and roads abutting the Premises to the center line thereof, as well as any gaps, strips or gores on, around or within the Premises.

Together with:
All right, title and interest (if any) of Grantor in and to any hereditaments and appurtenances, and all of the estate and rights of Grantor, including any after-acquired estates or interests.

To have and to hold:
The Premises herein conveyed unto the Grantee, its successors and assigns forever.

Disclaimer of Warranties of Title as to the Premises Conveyed Herein:
Notwithstanding anything to the contrary, this Instrument is executed and delivered without warranties of title, express or implied, of any kind whatsoever.

In witness whereof:
The undersigned, by its duly elected officer and pursuant to proper authority, has duly executed, acknowledged and delivered this instrument as of the day and year first above written.

Grantor:
Engine Co. #5's Waterford in Bellevue, LLC, an Oregon limited liability company

By: Engine Co. #5, LLC

By: _____
Print Name: Howard Larson
Title: Member, duly authorized

Witness #1 as to all signatures:

Heather Miller
Name: Heather Miller

Witness #2 as to all signatures:

_____
Name: _____

Notary Public as to Premises in GA:

_____
Notary Public

The following acknowledgment page, including notary execution, is hereby incorporated by reference into this page as if set forth hereon in its entirety.

State of OREGON
County of MULTNOMAH

Multi-State Acknowledgment:

On 6 / 21 /2010, before me, the undersigned officer, personally appeared HOWARD LARSON, personally known and acknowledged to me (or proved to me on the basis of satisfactory evidence) to be the MEMBER of the foregoing executing Grantor (hereinafter, the "Grantor") and that in such capacity, being duly sworn, and being authorized to do so, executed, subscribed and acknowledged the due execution of the foregoing instrument for the purposes therein contained, by signing the name of the Grantor by him/herself in his/her authorized capacity as such officer as his/her free and voluntary act and deed and the free and voluntary act and deed of said Grantor. *** Witness my hand and official seal.

Uniform Acknowledgment which is supplemental to the foregoing acknowledgment:

On 6 / 21 /2010, before me, the undersigned, a Notary Public in and for said State, personally appeared HOWARD LARSON personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument. *** Witness my hand and official seal.

CA Acknowledgment for use by CA Notaries only acting in CA which supersedes and replaces the foregoing acknowledgments:

On ____/____/2010, before me, _____, a Notary Public in and for the State of California, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument. *** I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. *** Witness my hand and official seal.

_____ [APPLY NOTARY SEAL BELOW]
Notary Public

OFFICIAL SEAL
TRAVIS TSOSIE
NOTARY PUBLIC - OREGON
COMMISSION NO. 415908
MY COMMISSION EXPIRES APRIL 2, 2011

TN Affidavit of Consideration or Value Addendum:

County of New York, State of NY:

The actual consideration or value, whichever is greater, for this transfer is $ 1.00

Grantee By: E Mendelsohn

Name: ~~Name: Eric Mendelsohn~~

Title: ~~Title: Senior VP - Corporate Development~~, duly authorized

Sworn to before me on 8 / 05 /2010

Ellea Bravakis

Notary Public

ELEA BRAVAKIS
Notary Public, State of New York
No. 01BR6154289
Qualified in Kings County
Certificate Filed in New York County
Commission Expires October 23, 2010

Schedule A:

Land in Davidson County, Tennessee, being Lot No. 3 on the Plan of Resubdivision of Lots 9 and 10, Bellevue Professional Park of record in Book 9700, page 782, in the Register's Office for Davidson County, Tennessee, to which Plan reference is hereby made for a more complete description of the property.

Being the same property conveyed to Nashville Senior Living Property, LLC, an Oregon limited liability company by deed from Ashraya, LLC, a Tennessee limited liability company of record as Instrument No. 20080530-0055214, in the Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Engine Co. #5's Waterford in Bellevue, LLC, as to a 2.78% interest, by Deed of record in Instrument No. 20080530-0055218, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Daniels' Waterford in Bellevue, LLC, as to a 6.01% interest, by Deed of record in Instrument No. 20080530-0055219, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to P Jubitz' Waterford in Bellevue, LLC, as to a 8.13% interest, by Deed of

record in Instrument No. 20080530-0055220, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Jubitz' Waterford in Bellevue, LLC, as to a 8.13% interest, by Deed of record in Instrument No. 20080530-0055221, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Chappel's Waterford in Bellevue, LLC, as to a 3.77% interest, by Deed of record in Instrument No. 20080530-0055222, Register's Office for Davidson County, Tennessee, dated May 16. 2008.

Continued

And being further conveyed to Sanchez' Waterford in Bellevue, LLC, as to a 3.91% Interest, by Deed of record in Instrument No. 20080530-0055223, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to SRE's Waterford in Bellevue, LLC, as to a 3.47% interest, by Deed of record in Instrument No. 20080530-0055224, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Jones' Wateford in Bellevue, LLC, as to a 13.05% interest, by Deed of record in Instrument No. 20080530-0055225, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Williams' Waterford in Bellevue, LLC, as to a 3.37% Interest, by Deed of record in Instrument No. 20080530-0055226, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Shupack's Waterford in Bellevue, LLC, as to a 9.08% Interest, by Deed of record in Instrument No. 20080530-0055227, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to D Gluckstein's Waterford in Bellevue, LLC, as to a 6.22% Interest, by Deed of record in Instrument No. 20080611-0060031, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to R Gluckstein's Waterford in Bellevue, LLC, as to a 3.50% Interest, by Deed of record in Instrument No. 20080611-0060032, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to Parmenter's Waterford in Bellevue, LLC, as to a 8.71% Interest, by Deed of record in Instrument No. 20080611-0060033, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to Tinsley's Waterford in Bellevue, LLC, as to a 2.39% Interest, by Deed of record in Instrument No. 20080611-0060034, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to SWP's Waterford in Bellevue, LLC, as to an 8.81% Interest, by Deed of record in Instrument No. 20100318-0020539, Register's Office of Davidson County, Tennessee, dated February 26, 2010; and Quit Claim Deed from Stayton SW Assisted Living, L.L.C. as Debtor in Possession under Oregon

Bankruptcy Case, of record as Instrment No. 20100318-0020540, of said Register's Office.

Addendum --- Waterford in Bellevue (TN):

Real property tax bills to be sent to:
BRE/SW Waterford Bellevue LLC, c/o Blackstone, 345 Park Ave, NY, NY 10154

Tax Parcel:
Map 142, Parcel 12.00

Address:
8118-B Sawyer Brown Rd in Nashville (Davidson), TN

CONSENT & LIMITED POWER OF ATTORNEY

DO NOT PRESENT FOR RECORDING EXCEPT ON NEED BASIS WHICH SHOULD NOT BE NECESSARY SINCE EACH TIC ACTUALLY SIGNED RESPECTIVE TIC DEED

Prepared under local supervision (exc MD) by:
David Petersen, Esq. @ Tonkon Torp LLP
888 SW Fifth Avenue, Suite 1600
Portland, OR 97204

When recorded, return to:
Chicago Title #1209-3105 (NJM)
711 Third Avenue, Suite 500
New York, NY 10017

Preparer's Signature (exc MD) as to KY:

_____

Community Name/Location:
Waterford in Bellevue, Nashville, TN

CONSENT OF MEMBERS WITHOUT A MEETING
AND
LIMITED DURABLE POWER OF ATTORNEY TO TRANSFER REAL ESTATE
(FOR USE BY MEMBER-MANAGED OREGON LLC ONLY)

Pursuant to ORS 63.130(4)(d) and (5) and/or the Company's operating agreement, the undersigned (each, a "**Donor/Principal**"), comprising a majority of the members of **Engine Co. #5's Waterford in Bellevue, LLC**, an Oregon limited liability company (the "**Company**"), hereby consent to the following actions and adopt the following resolutions without a meeting:

WHEREAS, the Company is the owner of an undivided interest in certain real property more particularly described in Exhibit A attached hereto and incorporated by this reference (the "**Property**");

WHEREAS, the Company is member-managed;

WHEREAS, the Company is a defendant in an adversary proceeding in the U.S. District Court, District of Oregon ("**Adversary Proceeding**") in which, among other things, Stayton SW Assisted Living, L.L.C. ("**Stayton**") seeks a judgment that Clyde A. Hamstreet, as Chief Restructuring Officer of Stayton ("**CRO**"), or his designee, has the authority to convey the Company's interest in the Property to BRE/SW Portfolio LLC ("**Purchaser**"), or to an entity designated by the Purchaser, as provided in that certain Agreement of Purchase, Sale and Contribution, entered into January 15, 2010, by and between Stayton and Purchaser, as amended by that certain Amendment No. 1 to Agreement of Purchase, Sale and Contribution, dated February 12, 2010, and by that certain Amendment No. 2 to Agreement of Purchase, Sale and Contribution, dated March 25, 2010, as such may be amended or restated in the future (the "**APA**"); and

WHEREAS, as provided in the APA and pursuant to (a) that certain Settlement Agreement by and between the Company and Stayton; and (b) that certain Order (1) Approving Settlement Offers to Tenants in Common and (2) Authorizing Debtor to Execute and Perform Settlement Agreements entered May 10, 2010, in United States District Court, District of Oregon, Case No. 09-cv-6082-HO, the CRO has provided the Company the opportunity to voluntarily convey its interest in the Property in exchange for either: (a) an indirect interest in Purchaser, or (b) cash, at the election of the Company;

NOW THEREFORE, the undersigned are hereby:

RESOLVED that the Company shall provide the CRO and his designee with the necessary authority to convey the Company's interest in the Property to Purchaser or Purchaser's designee in exchange for an indirect interest in Purchaser or for cash, as provided in the APA, which shall include without limitation execution of: (a) a deed in a form provided by the CRO conveying the interest of the Company in the Property to Purchaser or Purchaser's designee, which deed shall be held in escrow by the CRO pending closing of the sale to Purchaser; (b) a limited durable power of attorney as set forth below authorizing the CRO to make, execute, acknowledge and deliver, for and on behalf of the Company and in the name of the Company, such other and further documents and instruments, and to take such other and further action, as may be necessary or appropriate to more fully effectuate the conveyance of the Company's interest in the Property to Purchaser or Purchaser's designee; and (c) such other documents and agreements as are reasonably necessary to establish to the satisfaction of one or more title insurance companies that the undersigned have the legal authority to act on behalf of the Company as described herein; and

FURTHER RESOLVED that the Company irrevocably waives any right to contest or appeal the jurisdiction of the court in the Adversary Proceeding or any order or judgment issued therein, either in general or specifically with respect to the Company, including without limitation an order granting summary judgment declaring that the CRO or his designee has the authority to convey the Company's interest in the Property to Purchaser or its designee pursuant to a Stalking Horse Sale and Auction held May 17, 2010.

NOW THEREFORE, in light of the above resolutions:

KNOW ALL MEN BY THESE PRESENTS, that the Company ("**Grantor/Principal**"), by the execution hereof by the Donor/Principal(s), does hereby make, constitute and appoint CLYDE A. HAMSTREET or SHIRLEY DUNN (each, a "**Donee/Agent**"), and either of them, acting alone, as Grantor/Principal's true and lawful agent and attorney-in-fact for Grantor/Principal, and in Grantor/Principal's name, place and stead, and for Grantor/Principal's use and benefit, to sell, transfer, contribute and convey to Purchaser or Purchaser's designee ("**Grantee**"), all or any portion of Grantor/Principal's interest in the Property, including without limitation:

(a) all rights, privileges, servitudes and appurtenances thereunto belonging;

(b) all buildings and improvements thereon;

(c) all easements, rights of way, development rights, riparian rights, privileges, appurtenances and other rights pertaining thereto;

(d) all right, title and interest of Grantor/Principal in and to (i) any land lying in the bed of any street, road or avenue opened or proposed, public or private, in front of or adjoining the Property, (ii) any award made or to be made in lieu thereof, (iii) any unpaid award for damage to the Property by reason of change of grade of any street, and (iv) any strips, gaps and gores adjoining to or adjacent to the Property; and

(e) all other property, real or personal, tangible or intangible, related to the Property;

and for Grantor/Principal and in Grantor/Principal's name to make, execute, acknowledge and deliver deeds of conveyance of the same, and to execute and deliver any and all documents, other agreements, assignments, deeds, bills of sale, closing statements, or other documents of transfer in Grantor/Principal's name and on Grantor/Principal's behalf which Grantor/Principal could execute if Grantor/Principal were present.

Without in any way limiting the foregoing, said attorney-in-fact shall be empowered and authorized generally to do, execute and perform any other act, deed and any required ancillary transfer form, matter or thing whatsoever which in the opinion of said attorney-in-fact ought to be done, executed or performed, of every kind and nature whatsoever, as fully and effectually as Grantor/Principal could do if personally present. Each and every act and thing which said attorney-in-fact may do or cause to be done in Grantor/Principal's name shall be conclusively deemed to be authorized by this instrument, whether such act or thing is hereinabove expressly enumerated or not. No Donee/Agent shall be liable for any loss sustained by me by reason of any action taken by such attorney-in-fact hereunder, unless said loss is caused by his or her fraud.

This Consent of Members Without a Meeting and Limited Durable Power of Attorney to Transfer Real Estate shall be unaffected by the disability (but not death) of any Donor/Principal, and shall automatically expire and be of no further force or effect on the earlier of: (a) final

notice from Purchaser to the CRO that Purchaser has elected not to acquire Company's interest in the Property, as provided in the APA; or (b) December 31, 2010 if the Company's interest in the Property has not been conveyed to Purchaser or Purchaser's designee by such date.

This instrument is dated as of the earliest notary date.

DONOR:

Engine Co. #5, LLC

By: _____
Print Name: Howard Larson, Member

Witness #1 as to all signatures:

Heather Miller
Name: Heather Miller

Witness #2 as to all signatures:

_____
Name: Eric Phillips

Notary Public as to Premises in GA:

_____
Notary Public

The following acknowledgment page, including notary execution, is hereby incorporated by reference into this page as if set forth hereon in its entirety.

State of OREGON
County of MULTNOMAH

Uniform Acknowledgment:

On 6 / 21 /2010, before me, the undersigned, a Notary Public in and for said State, personally appeared HOWARD LARSEN personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument. *** Witness my hand and official seal.

CA Acknowledgment for use by CA Notaries only acting in CA which supersedes and replaces the foregoing acknowledgments:

On _____/_____/2010, before me, _____, a Notary Public in and for the State of California, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument. *** I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. *** Witness my hand and official seal.

_____ [APPLY NOTARY SEAL BELOW]
Notary Public

OFFICIAL SEAL
TRAVIS TSOSIE
NOTARY PUBLIC - OREGON
COMMISSION NO. 415908
MY COMMISSION EXPIRES APRIL 2, 2011

EXHIBIT A

DESCRIPTION OF THE PROPERTY

Land in Davidson County, Tennessee, being Lot No. 3 on the Plan of Resubdivision of Lots 9 and 10, Bellevue Professional Park of record in Book 9700, page 782, in the Register's Office for Davidson County, Tennessee, to which Plan reference is hereby made for a more complete description of the property.

Being the same property conveyed to Nashville Senior Living Property, LLC, an Oregon limited liability company by deed from Ashraya, LLC, a Tennessee limited liability company of record as Instrument No. 20080530-0055214, in the Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Engine Co. #5's Waterford in Bellevue, LLC, as to a 2.78% interest, by Deed of record in Instrument No. 20080530-0055218, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Daniels' Waterford in Bellevue, LLC, as to a 6.01% interest, by Deed of record in Instrument No. 20080530-0055219, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to P Jubitz' Waterford in Bellevue, LLC, as to a 8.13% interest, by Deed of

record in Instrument No. 20080530-0055220, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Jubitz' Waterford in Bellevue, LLC, as to a 8.13% interest, by Deed of record in Instrument No. 20080530-0055221, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Chappel's Waterford in Bellevue, LLC, as to a 3.77% interest, by Deed of record in Instrument No. 20080530-0055222, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

Continued

And being further conveyed to Sanchez' Waterford In Bellevue, LLC, as to a 3.91% interest, by Deed of record in Instrument No. 20080530-0055223, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to SRE's Waterford in Bellevue, LLC, as to a 3.47% interest, by Deed of record in Instrument No. 20080530-0055224, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Jones' Wateford in Bellevue, LLC, as to a 13.05% interest, by Deed of record in Instrument No. 20080530-0055225, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Williams' Waterford in Bellevue, LLC, as to a 3.37% interest, by Deed of record in Instrument No. 20080530-0055226, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to Shupack's Waterford in Bellevue, LLC, as to a 9.08% interest, by Deed of record in Instrument No. 20080530-0055227, Register's Office for Davidson County, Tennessee, dated May 16, 2008.

And being further conveyed to D Gluckstein's Waterford in Bellevue, LLC, as to a 6.22% interest, by Deed of record in Instrument No. 20080611-0060031, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to R Gluckstein's Waterford in Bellevue, LLC, as to a 3.50% interest, by Deed of record in Instrument No. 20080611-0060032, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to Parmenter's Waterford in Bellevue, LLC, as to a 8.71% interest, by Deed of record in Instrument No. 20080611-0060033, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to Tinsley's Waterford in Bellevue, LLC, as to a 2.39% interest, by Deed of record in Instrument No. 20080611-0060034, Register's Office for Davidson County, Tennessee, dated June 11, 2008.

And being further conveyed to SWP's Waterford in Bellevue, LLC, as to an 8.81% Interest, by Deed of record in Instrument No. 20100318-0020539, Register's Office of Davidson County, Tennessee, dated February 26, 2010; and Quit Claim Deed from Stayton SW Assisted Living, L.L.C. as Debtor in Possession under Oregon

Bankruptcy Case, of record as Instrment No. 20100318-0020540, of said Register's Office.

034845/00001/2268870v1

ORDER CONFIRMING RECEIVER'S, CRO'S AND DEBTOR'S SECOND AMENDED JOINT PLAN OF REORGANIZATION AS MODIFIED BY THE FIRST MODIFICATION TO THE SECOND AMENDED JOINT PLAN OF REORGANIZATION GIVEN DOCKET ENTRY NUMBER 37428 ON 7/19/10 IN THE UNITED STATES DISTRICT COURT, DISTRICT OF OREGON, IN CASE ENTITLED IN RE: STAYTON SW ASSISTED LIVING, LLC, CASE NUMBER 09-CV-6082-HO

SEE ANNEXED

Albert N. Kennedy, OSB No. 821429 (Lead Attorney)
Direct Dial: (503) 802-2013
Facsimile: (503) 972-3713
E-Mail: al.kennedy@tonkon.com
Timothy J. Conway, OSB No. 851752
Direct Dial: (503) 802-2027
Facsimile: (503) 972-3727
E-Mail: tim.conway@tonkon.com
TONKON TORP LLP
1600 Pioneer Tower
888 S.W. Fifth Avenue
Portland, OR 97204

Attorneys for Debtor

FILED '10 JUL 19 12:27 USDC-ORE

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

EUGENE DIVISION

In re

USDC Case No. 09-cv-6082-HO

STAYTON SW ASSISTED LIVING, L.L.C. (the Consolidated Sunwest Related Entities),

Debtor.

Bankruptcy Court
Case No. 08-36637-tmb11
(Reference Withdrawn).

ORDER CONFIRMING RECEIVER'S CRO'S AND DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION AS MODIFIED BY THE FIRST MODIFICATION TO THE SECOND AMENDED JOINT PLAN OF REORGANIZATION

Receiver's, CRO's and Debtor's Second Amended Joint Plan of Reorganization (May 27, 2010), as amended by the First Modification to Receiver's, CRO's and Debtor's Second Amended Joint Plan of Reorganization (the "Plan"), having come on for hearing on July 13, 2010, and the Court after hearing on notice and having considered all responses and objections filed in opposition to confirmation and having received testimony and other evidence and having considered the records in this case, including pleadings and

evidence presented at evidentiary hearings, and the Court having issued its Findings of Fact and Conclusions of Law separately in connection herewith, and the Court having determined that the requirements for confirmation set forth in 11 U.S.C. § 1129(a) and (b) have been satisfied, now therefore,

IT IS ORDERED as follows:

1. The Motion to Modify Receiver's, CRO's and Debtor's Second Amended Joint Plan of Reorganization (May 27, 2010) is granted. The Plan is confirmed in all respects pursuant to 11 U.S.C. § 1129. A copy of the confirmed Plan is attached hereto as Exhibit A. Any and all objections have either been withdrawn or are hereby overruled in their entirety. Capitalized terms used but not defined in this Order shall have the meaning assigned to them in the Plan. As used herein, the term "Proponents" shall include all Sunwest Entities.

2. The Court expressly retains jurisdiction to resolve any disputes regarding the treatment under the Plan of the Claims of Class 4 Secured Creditors if the parties are unable to reach final agreement on the terms of loan modification agreements or other documents. All Class 4 Secured Claims that are not separately classified and treated in Sections 4.4.2 through 4.4.55 of the Plan will be treated under Sections 4.4.1 and 4.4.2 of the Plan.

3. The APA, as amended by Amendment No. 3 to the Agreement of Purchase, Sale and Contribution, (the "APA") and each of the agreements, documents and instruments executed in connection therewith is approved in its entirety. The APA and Transaction Documents, and any other related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on Debtor's estate.

4. Proponents are hereby authorized and directed to take all actions and enter into and execute all documents reasonably necessary or appropriate to effectuate the Plan, including, but not limited to, all obligations under the Transaction Documents. The transactions authorized herein shall be of full force and effect, regardless of any Proponent's or TIC Investor's lack of good standing in any jurisdiction in which such Proponent or TIC Investor is formed or authorized to transact business.

5. Proponents are authorized and directed to execute any documents and take all other actions to transfer the Holdco Properties free and clear of all Encumbrances (as defined in the APA), TIC Interests, Required Removal Exceptions (as defined in the APA) and any other debts, claims, liens, liabilities or obligations (other than the Assumed Liabilities and Permitted Exceptions as those terms are defined in the APA) with any claims thereto attaching to the net proceeds of the sale of the Holdco Properties with the same validity, force and effect, and in the same order of priority, such claims now have against the Holdco Properties or the proceeds, subject to any rights, claims and defenses Proponents, as applicable, may possess with respect thereto, and all Persons are enjoined from in any way pursuing Acquirer, any affiliates of Acquirer or the Holdco Properties by suit or otherwise to recover on any Claims they may have against Debtor or the Holdco Properties as of the Effective Date.

6. The sale of the Holdco Properties to Acquirer pursuant to the Plan and this Order will vest Acquirer with good title to the Holdco Properties, free and clear of all Encumbrances (as defined in the APA), TIC Interests, Required Removal Exceptions and any other debts, claims, liens, liabilities or obligations, other than the Assumed Liabilities and Permitted Exceptions (as defined in the APA). Proponents are authorized and directed to execute any documents and take any further action to release any Encumbrances (as defined in the APA), TIC Interests, Required Removal Exceptions, Excluded Obligations and any other debts, claims, liens, liabilities or obligations (other than the Assumed Liabilities and

Permitted Exceptions as defined in the APA). A certified copy of this Order may be filed with the appropriate clerk(s) and/or recorded with the recorder(s) which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of the Excluded Obligations and all Encumbrances with respect to the Holdco Properties as of the Closing Date of any kind or nature whatsoever, other than the Assumed Liabilities.

7. The APA was negotiated, proposed and entered into by the parties without collusion, in good faith and from arm's length bargaining positions.

8. Acquirer has not assumed any liability or obligations with respect to the Excluded Obligations. All Persons are enjoined from in any way pursuing Acquirer, any affiliates of Acquirer or the Holdco Properties by suit or otherwise to recover on any claims they have against Debtor or any Sunwest Entity with respect to Excluded Obligations.

9. Acquirer is not merely a continuation of Debtor or any Sunwest Entity, there is no continuity of enterprise between Debtor, any Sunwest Entity and Acquirer, Acquirer is not a successor to Debtor or any Sunwest Entity, and the transactions contemplated by the APA do not amount to, or otherwise constitute a consolidation, merger or de facto merger of Acquirer and Debtor (or any Sunwest Entity).

10. The Assignment and Assumption of the Assumed Executory Contracts, Assumed Loan Documents, Assumed Unexpired Leases, and all Resident Contracts, except those otherwise specifically rejected by separate Order of Court as provided in the Plan are approved.

11. All defaults under the Assumed Executory Contracts, Assumed Unexpired Leases, Ground Leases and Resident Contracts to be assigned pursuant to the Plan (collectively, the "Assigned Agreements") have been or will be prior to the Effective Date cured by Debtor or waived by the counterparties to the Assigned Agreements and Acquirer has provided adequate assurances of future performance in respect of the Assigned Agreements to be assumed by Acquirer. Any provisions in any Assigned Agreements or

Permitted Exceptions (as defined in the APA) that restrict, prohibit or condition the assignment of such Assigned Agreements or the transfer of the Holdco Properties or allow any party to such Assigned Agreements or Permitted Exceptions to terminate, recapture, impose any penalty, condition on renewal or extension, or modify any term or condition upon the assignment of such Assigned Agreement, or the transfer of the Holdco Properties, constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under Sections 363 and 365 of the Bankruptcy Code for the assignment to Acquirer and the assumption by Acquirer of the Assigned Agreements and the transfer of the Holdco Properties have been satisfied. Upon the Closing, in accordance with Sections 363 and 365 of the Bankruptcy Code, Acquirer shall be fully and irrevocably vested with all right, title and interest of Debtor under the Assigned Agreements. All counterparties to the Assigned Agreements and Permitted Exceptions are forever barred and permanently enjoined from raising or asserting against Proponents or Acquirer any assignment fee, default, breach or claim, or pecuniary loss arising under or related to the Assigned Agreements and Permitted Exceptions existing as of the Effective Date or any assignment fee or condition to assignment arising by reason of the Closing.

12. Pursuant to 11 U.S.C. § 1146(a), the issuance, transfer or exchange of any security under the Plan, or the execution, delivery or recording of an instrument or transfer pursuant to, in implementation of, or as contemplated by the Plan, or the revesting, transfer, conveyance or sale of any real or personal property, including any TIC Interest, of Debtor, Reorganized Company or a TIC, and any transfers and conveyances of the Holdco Properties to Acquirer pursuant to, in implementation of, or as contemplated by the Plan, shall not be taxed under any state or local law imposing a document recording tax, conveyance fee, sales tax, stamp tax, deed stamp, transfer tax, mortgage tax, filing or recording fee, intangibles or similar tax, or similar tax or fee. Consistent with the foregoing, each recorder of deeds or similar official for any city, county or governmental unit in which

any instrument contemplated by the Plan is to be recorded is ordered and directed to accept such instrument without requiring the payment of any documentary, recording tax, stamp tax, conveyance fee, sales tax, mortgage tax, filing or recording fee, deed stamp, transfer tax, intangibles tax or similar tax, or similar tax or fee. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the transactions approved by this Order.

13. To the extent permitted under the Bankruptcy Code or other applicable law, this Order and the Plan shall be binding upon and shall govern the acts of all entities, including, but not limited to, Debtor, Reorganized Company, Claimants, Creditors, Investors, and all holders of Interests, and their respective successors, heirs and assigns and any subsequently appointed Chapter 11 or Chapter 7 trustee of Stayton, and all taxing authorities, filing agents, filing officers, title agents, title companies, recorders and/or registrars of mortgages, recorders and/or registrars of deeds, administrative agencies, governmental agencies or departments, secretaries of state, federal, state and local officials and all other persons and entities who may be required by operation of law, the duties of their office or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure as to title or state of title in or to the Holdco Properties or Trustco Properties, or any part thereof, and may be specifically enforced by Debtor, Reorganized Company, Trust Company or Acquirer.

14. This Court shall retain jurisdiction to resolve any controversy or claim as set forth in the Plan, including, but not limited to, any controversy or claim arising out of or relating to the APA.

15. This Order is a Final Order and the period in which an appeal must be filed shall commence immediately upon the entry hereof and in accordance with the Bankruptcy Rule 3020.

16. Debtor, Reorganized Company, Trustco, Rollover Member LLC, Receiver and CRO are authorized and directed to take any corporate or any other action

necessary, useful or appropriate to consummate, effectuate and implement the Plan and transactions contemplated by the Plan and to perform their obligations under the Plan. Specifically, Receiver and Rollover Member LLC are authorized and directed to distribute Rollover Equity Interests, including the non-voting profits participation interest, to Investors and the HFG Parties as provided in the Plan, the Distribution Plan, or by other Order of this Court.

17. Receiver and CRO are specifically authorized and empowered to take any corporate or other action on behalf of any Sunwest Entity that is necessary or appropriate to consummate, effectuate and implement the Plan and transactions contemplated by the Plan and to perform their obligations under the Plan, including the transfer and conveyance to Acquirer of the Holdco Properties on behalf of the Sunwest Entity holding legal title to such Holdco Properties.

18. In accordance with 11 U.S.C. § 1145, the issuance by Sunwest Rollover Member LLC of Rollover Equity Interests to Investors and the HFG Parties under the terms of the Plan are exempt from Section 5 of the Securities Act of 1933 and any state or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in a security.

19. The Facilities known as Golden Eagles Plaza and Eagles Manor, and the Sunwest home office building located at 3723 Fairview Industrial Drive, SE, Salem, Oregon, are each designated as Divestco Properties for all purposes under the Plan. The Settlement Agreement between Debtor, Receiver and LNR attached to the Plan as Exhibit 9-46 is approved and is binding on all parties.

20. Nothing in this Order or in the Plan will impair the validity or priority of any lien securing a Class 4 Secured Claim. All liens securing Class 4 Secured Claims will retain the validity and priority they had as of the Petition Date. Consequently, no appeal

from this Order or any Order entered in this case will impair the validity or priority of a lien securing a Class 4 Secured Claim.

21. On the Effective Date or as soon thereafter as possible, Debtor will pay all accrued property taxes and interest owing on the real property leased by Debtor from Bhree Roumagoux, Trustee for the E. Margaret Brummel Restated Revocable Trust and the Clyde U. Brummel Restated Revocable Trust.

DATED this 19th day of July, 2010.

Michael R. Hogan
United States District Court Judge

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EXHIBIT 14
TO
RECEIVER'S, CRO'S AND DEBTOR'S
SECOND AMENDED PLAN OF REORGANIZATION
(MAY 27, 2010)

SUNWEST ENTITIES

EXHIBIT 1

Aaron Ridge Apartments, LLC
Addie Meedom Cottages, LLC
Addie Meedom House, LLC
Albany Senior Living, LLC
Albany Specialty Care, LLC
Albuquerque Memory Care Community, LLC
Alpine Springs III, LLC
Alpine Springs, LLC
Amarillo Assisted Living Limited Partnership
Amarillo GP, LLC
Amethyst Arbor Assisted Living & Memory Care, LLC
Amethyst Inn Property; LLC
Anderson Senior Living, LLC
Anderson Senior Living Property, LLC
Apple Ridge Assisted Living, LLC
Arbrook Senior Living GP, LLC
Arbrook Senior Living Limited Partnership
Arlington Cooper GP, LLC
Arlington Cooper Senior Living Limited Partnership
Ashland Senior Living, LLC
Aspen Wind Assisted Living Community, LLC
Atwater Senior Living GP, LLC
Atwater Senior Living Limited Partnership
Atwater Senior Living Property GP, LLC
Atwater Senior Living Property Limited Partnership
Autumn Glen Assisted Living Community, LLC
Autumn Glen Cottages Property, LLC
Autumn Glen Cottages, LLC
Autumn Park Assisted Living Community, LLC
Autumn Park Cottages, LLC
Avondale Operator, LLC
Avondale Senior Living. LLC
Baltimore Senior Living, LLC
Barger Road Cottages, LLC
Batavia Senior Living, LLC
Bedford Gardens GP, LLC
Bedford Gardens Limited Partnership
Belton Senior Living Operator, LLC
Blossom Valley Cottages, LLC
Blue Mountain Associates Property, LLC
Blue Mountain Associates, LLC
Blue Mountain Ownership, LLC
Bluffs at Northwoods Apartments, LLC
Bluffs at Northwoods Property, LLC
Boones Ferry Place, LLC
Braxton Senior Living GP, LLC
Braxton Senior Living Limited Partnership
Braxton Senior Living Property GP, LLC
Braxton Senior Living Property Limited Partnership
Briarwood Retirement and Assisted Living Community LLC
Bridgeport Assisted Living, LLC
Bridgeport Senior Living, LLC
Britt Senior Living, LLC
Broken Arrow Senior Living, LLC
Brookwood AL Ownership, LLC
Broomfield Senior Living Property, LLC
Broomfield Senior Living, LLC
Buford Brookside Senior Living Property, LLC
Buford Brookside Senior Living, LLC
Buford Retirement Cottages, LLC
Buford Senior Living, LLC
Bull Springs Holdings, LLC
Butte Senior Living Property, LLC
Butte Senior Living, LLC
Callahan Court Specialty Care, LLC
Callahan Retirement Cottages, LLC
Callahan Village Assisted Living, LLC
Callahan Village II, LLC
Cambridge Court Assisted Living Limited Partnership
Cambridge Court GF, LLC
Cambridge Court GP, LLC
Cambridge Place GF, LLC
Camelot GP, LLC
Canterbury Gardens Senior Living GP, LLC
Canterbury Gardens Senior Living Limited Partnership
Canterbury Gardens Senior Living Property GP, LLC
Canterbury Gardens Senior Living Property Limited Partnership
Canton Senior Living Property, LLC
Canton Senior Living, LLC
Canyon Creek Asset Management, LLC
Canyon Creek Development, Inc.
Canyon Creek Financial, LLC
Canyon Crest Assisted Living & Memory Care, LLC
Cape Elizabeth Senior Living, LLC
Cape Elizabeth Senior Living Operator, LLC
Cape Elizabeth Senior Living Property, LLC
Carriage Inn GP, LLC
Carriage Inn Limited Partnership
Cascadia Canyon, LLC
CCD Commercial Properties, LLC
Cedar Park CP Property, LLC
Cedar Park CPGP, LLC
Centrum Homes, LLC
Century Fields Retirement and Assisted Living Community, LLC
Century Place, L.L.C.
Champlin, LLC
Chandler Place Property, LLC
Chandler Place Senior Living, LLC
Charlotte Oakdale Property, LLC
Charlotte Oakdale Senior Living, LLC
Charlotte Overlook Apartments, LLC
Cherry Oaks Senior Living, LLC
Chesterley Meadows Cottages, LLC
Cheyenne Senior Living Property, LLC

Cheyenne Senior Living, LLC
Chino Hills Senior Living , LLC
Chino Hills Senior Living Property, LLC
Chris Ridge Senior Living, LLC
Christianburg Senior Living, LLC
Clark 40, LLC
Clatsop Assisted Living, LLC
Clearlake GP, LLC
Clearlake Senior Living Limited Partnership
Clearlake Senior Living Property GP, LLC
Clearlake Senior Living Property Limited Partnership
Clovis Assisted Living, LLC
Cody Senior Living II Property, LLC
Cody Senior Living II, LLC
Cody Senior Living, LLC
Cold Springs Development I Property, LLC
Cold Springs Development I, LLC
Cold Springs Development II Property, LLC
Cold Springs Development II, LLC
College Park Associates I, LLC
College Park Property, LLC
Colonial Gardens, LLC
Columbia Senior Living, LLC
Commerce Senior Living Property, LLC
Commerce Senior Living, LLC
Copper Ridge Apartments, LLC
Cordova Cottages, LLC
Cordova Senior Living, LLC
Corinthians ALF Property Limited Partnership
Corinthians Assisted Living & Memory Care, LP
Corinthians I Retirement Community, LP
Corinthians I, LLC
Corinthians II, LLC
Cornelius Retirement, L.L.C.
Corona Senior Living GP, LLC
Corona Senior Living Limited Partnership
Corona Senior Living Property Limited Partnership
Corona Senior Living Property GP, LLC
Cottonwood Lodge Retirement, Assisted Living & Memory Care Community, LLC
Cougar Springs Assisted Living and Memory Care Community, LLC
Country Gardens Assisted Living, LLC
Court at Clifton Park, LLC
Court at Greece, LLC
Court at Orchard Park, LLC
Court at Round Rock Limited Partnership
CPSW, LLC
Crystal Terrace Retirement Community, LLC
CT Acres, LLC
CU 1, LLC
CU 14, LLC
CU 15, LLC
CU 16, LLC
CU 17, LLC
CU 18, LLC
CU 19, LLC
CU 2, LLC
CU 20, LLC
CU 21, LLC
CU 22, LLC
CU 23, LLC
CU 24, LLC
CU 25, LLC
CU 26, LLC
CU 27, LLC
CU 28, LLC
CU 29, LLC
CU 31, LLC
CU 32, LLC
CU 33, LLC
CU 34, LLC
CU 35, LLC
CU 36, LLC
CU 38, LLC
CU 40, LLC
CU 41, LLC
CU 42, LLC
CU 43, LLC
CU 44, LLC
CU 45, LLC
CU 48, LLC
CU 49, LLC
CU 51, LLC
CU 54, LLC
CU 55, LLC
CU 7, LLC
CU 8, LLC
CU Braxton, LLC
CU Buford, LLC
CU Canton, LLC
CU Eugene, LLC
CU Global, LLC
CU Gresham Chestnut, LLC
CU Mobile Gordon Oaks, LLC
CU Nanaimo, LLC
CU Paducah, LLC
CU Roanoke, LLC
CU Sheridan, LLC
CU Sioux City, LLC
CU SR 1, LLC
CU West Salem, LLC
CU Woodstock, LLC
CV Senior Living, LLC
Desert Amethyst Property, LLC
Desert Amethyst Retirement, LLC
Desert Springs Land, LLC
Desert Springs Senior Living, LLC
Dorchester House Retirement Residence LLC
Eagle Senior Care, LLC

Eagle Cove Senior Living, LLC
Eagle Meadows Assisted Living Community, LLC
Eagle Springs Specialized Care, LLC
Edgewood Vista Management, Inc.
Eldorado Heights Assisted Living Community, LLC
Eldorado Heights Investments, LLC
Ellensburg Care, L.L.C.
Emerald Pointe Assisted Living & Memory Care, LLC
Emerald Springs Assisted Living, LLC
Emerald Springs Property, LLC
Emerald Square Assisted Living, LLC
Encore Indemnity Management, LLC
ES 1, LLC
ES 14, LLC
ES 15, LLC
ES 16, LLC
ES 17, LLC
ES 18, LLC
ES 19, LLC
ES 2, LLC
ES 21, LLC
ES 22, LLC
ES 23, LLC
ES 25, LLC
ES 26, LLC
ES 27, LLC
ES 29, LLC
ES 32, LLC
ES 33, LLC
ES 34, LLC
ES 36, LLC
ES 39, LLC
ES 40, LLC
ES 41, LLC
ES 42, LLC
ES 43, LLC
ES 44, LLC
ES 45, LLC
ES 51, LLC
ES 54, LLC
ES 55, LLC
ES 7, LLC
ES 8, LLC
ES Braxton, LLC
ES Buford, LLC
ES Canton, LLC
ES Eugene, LLC
ES Global, LLC
ES Gresham Chestnut, LLC
ES Mobile Gordon Oaks, LLC
ES Mooresville, LLC
ES Nanaimo, LLC
ES Paducah, LLC
ES Roanoke, LLC
ES Sheridan, LLC
ES Sioux City, LLC
ES SR 2, LLC
ES SR I, LLC
ES Woodstock, LLC
Eugene Senior Living Apartments Property, LLC
Eugene Senior Living Apartments, LLC
Eugene Senior Living Property, LLC
Eugene Senior Living, LLC
Fairview Business Flex Campus, LLC
Fairview Services, LLC
Fairway Crossing Senior Living Property, LLC
Fairway Crossing Senior Living, LLC
Fairway Group I Ownership, LLC
Fairway Group I, LLC
Falls River Court Memory Care, LLC
Falls River Village Assisted Living, LLC
Florence Senior Living, LLC
Forest Lake Estates, LLC
Fortuna Assisted Living, LLC
Fortuna Cottages, LLC
FOSW, LLC
Fox River Assisted Living & Memory Care, LLC
Fox River Retirement Living, LLC
Franklin Senior Living, LLC
Fuse Ad Agency, Inc.
Gainesville Mall GP Purchaser, LLC
Gainesville Mall LP Purchaser, LLC
Gainesville Mall Property, LLC
Gainesville Property, LP
Garden Estates GP, LLC
Garden Estates of Corpus Christi Limited Partnership
Garden Estates of Temple Limited Partnership
Garden Estates of Tyler Limited Partnership
Garnet of Casa Grande Assisted Living, LLC
Gemstone Assisted Living Community, LLC
Gig Harbor Senior Living, LLC
Glastonbury Senior Living Property, LLC
Glastonbury Senior Living, LLC
Glen at Cala Hills, L.L.C.
Glendale at Murray Property, LLC
Glendale at Murray Senior Living, LLC
Glendale at Murray, LLC
Graham's Ferry Road Property, LLC
Graham's Ferry Road, LLC
Grand Court FW, LLC
Grand Court FW Property, Ltd.
Grandview Associates, Inc.
Grants Pass Cottages, LLC
Grayson Harrisburg Limited Partnership
Grayson Harrisburg Senior Living, LLC
Grayson Selinsgrove Limited Partnership
Grayson Selinsgrove Senior Living, LLC
Great Falls Senior Living Operator, LLC
Great Falls Senior Living, LLC
Greatwood Retirement & Assisted Living

Community, Limited Partnership
Greatwood Retirement & Assisted Living, LLC
Greenleaf Farms I, LLC
Greensboro Oakdale Property, LLC
Greensboro Oakdale Senior Living, LLC
Greenville Cottages Property, LLC
Greenville Cottages, LLC
Greenville Senior Living, LLC
Gresham Chestnut Senior Living Property, LLC
Gresham Chestnut Senior Living, LLC
Gresham Senior Living, LLC
Harder Development III, LLC
Harder Development IV, LLC
Harder Fisher Group, LLC
Harlingen GP, LLC
Harlingen Senior Living Limited Partnership
Hartwell Senior Living, LLC
Hawks Ridge Assisted Living Community, LLC,
nka Hood River Assisted Living, LLC
HD5, LLC
HD6, LLC
Hendersonville BG Property, LLC
Hendersonville BGGP, LLC
Hendersonville Senior Living, LLC
Hermiston Terrace Assisted Living LLC
Heron Pointe II, LLC
Heron Pointe III, LLC
Heron Pointe Retirement and Assisted Living
Residence, L.L.C.
HFJ II, LLC
HFJ, LLC
HFLW Employee Distributions, LLC
Highland Chaparral Senior Living GP, LLC
Highland Chaparral Senior Living Limited Partnership
Highland Chaparral Senior Living Property GP, LLC
Highland Chaparral Senior Living Property Limited Partnership
Highlands Senior Living Property, LLC
Highlands Senior Living, LLC
Hillside Senior Living Community, LLC
Hilton Head Senior Living, LLC
Hobbs Assisted Living, LLC
Holiday Lane Cottages GP, LLC
Holiday Lane Cottages Limited Partnership
Holiday Lane Estates Assisted Living Limited Partnership
Holiday Lane GP, LLC
Hoover Senior Living Property, LLC
Hoover Senior Living, LLC
HR Industrial Properties I Ownership, LLC
HR Industrial Properties I, LLC
HR Retail Associates I Ownership, LLC
HR Retail Associates I, LLC
HR Retail Properties I, LLC
HR Salem Associates, LLC
HR Salem Ownership, LLC
HR Salem Properties, LLC
HR Stayton Retail Ownership, LLC
HR Stayton Retail, LLC
Huntsville Senior Living, LLC
Inn at the Amethyst Assisted Living, LLC
Jackson Hole Property, LLC
Jackson Hole Senior Living, LLC
Jasper Senior Living Property, LLC
Jasper Senior Living, LLC
JD IV, LLC
JDP, LLC
JH-DF-AF, LLC
JH Stonebridge, LLC
JMH Sawmill Group, LLC
KAMAC Assisted Living, LLC
Kansas City Senior Living Property, LLC
Kansas City Senior Living, LLC
KDA Construction, Inc.
KDA Enterprises, LLC
Kearney Health, LLC
Kearney Senior Living, LLC
Kenmore Senior Living, LLC
Kennewick Care, L.L.C.
Kerrville Senior Living GP, LLC
Kerrville Senior Living Limited Partnership
Kerrville Senior Living Property GP, LLC
Kerrville Senior Living Property Limited Partnership
Kingman Senior Living Property II, LLC
Kingman Senior Living Property, LLC
Kingman Senior Living, LLC
Kingman Station Apartments, LLC
Kings Manor Oregon, LLC
Kings Manor, LLC
Kingsport Senior Living, LLC
La Grande Assisted Living, LLC
Lacey Care, L.L.C.
Lacey Senior Living, LLC
Lake Wylie Assisted Living, LLC
Lakeside Retirement Cottages, LLC
Las Cruces, LLC
Lassen House LLC
Laurel Springs Assisted Living, LLC
Lawrenceville Senior Living, LLC
Legacy Gardens Assisted Living, LLC
Legacy Georgia Senior Living Property, LLC
Legacy Georgia Senior Living, LLC
Lehigh Acres Senior Living, LLC
Lesser-Capitol, LLC
Lexington Senior Living Property, LLC
Lexington Senior Living, LLC
Lincoln City Assisted Living, LLC
Lompoc Senior Living GP, LLC
Lompoc Senior Living Limited Partnership
Lompoc Senior Living Property GP, LLC
Lompoc Senior Living Property Limited Partnership
Lone Oak Retirement Cottages, LLC

Lubbock Assisted Living Limited Partnership
Lubbock GP, LLC
Macleay-Cordon LLC
Macon Senior Living Property, LLC
Macon Senior Living, LLC
Magnolia Gardens Assisted Living, LLC
Magnolia Gardens Senior Living Property, LLC
Magnolia Gardens Senior Living, LLC
Manor House Memory Care, LLC
Marietta Senior Living, LLC
Mc Cook Senior Living, LLC
MCK, LLC
Meadow Wind Assisted Living Community, LLC
Meadowlark Assisted Living Community, LLC
Meadowlark Cottages GP, LLC
Meadowlark Cottages Limited Partnership
Medallion Assisted Living Limited Partnership
Medallion GP, LLC
Medford Senior Living Property, LLC
Medford Senior Living, LLC
Memphis KG Property, LLC
Memphis KGGP, LLC
Memphis Senior Living, LLC
Merced GP, LLC
Merced Senior Living Limited Partnership
Metro St. Louis Property, LLC
Middlefield Oaks Assisted Living and Memory Care Community, LLC, nka Middlefield Oaks I, LLC
Milton Senior Care, LLC
Milton Senior Community, L.L.C.
Minnetonka Senior Living, LLC
Minot Senior Living, LLC
Mobile Gordon Oaks Senior Living Property, LLC
Mobile Gordon Oaks Senior Living, LLC
Mobile KP Property, LLC
Mobile KPGP, LLC
Modesto GP, LLC
Modesto Senior Living Limited Partnership
Montclair Senior Living, LLC
Mooresville Senior Living Property, LLC
Mooresville Senior Living, LLC
Morgan City, LLC
Morrow Heights, LLC
Moses Lake Senior Care, LLC
Mountain View Village Assisted Living and Retirement Cottages, LLC
Mt. Pleasant Oakdale I ALZ, LLC
Mt. Pleasant Oakdale I Property, LLC
Mt. Pleasant Oakdale II ALF, LLC
Mt. Pleasant Oakdale II Property, LLC
MVP Sports, LLC
Nanaimo GP, LLC
Nanaimo Senior Living Limited Partnership
Nanaimo Senior Living Group, Ltd.
Nashville Senior Living, LLC
Nashville Senior Living Property, LLC
Neawanna by the Sea Limited Partnership, nka Seaside ALF & Cottages Limited Partnership
Newnan Senior Living II Property, LLC
Newnan Senior Living, LLC
Newtown Senior Living, LLC
North Lima Senior Living, LLC
Northglenn Assisted Living, LLC
Northglenn Management, Inc.
Northglenn Property, LLC
Northwesterly Assisted Living, LLC
Oahu Senior Living, LLC
Ocala CH Property, Ltd
Ocala CHGP, LLC
Oklahoma City Senior Living, LLC
Oklahoma Senior Living Property, LLC
Olmstead Falls Properties, LLC
Olmsted Falls Holdings, LLC
Olmsted Falls Senior Living Property, LLC
Olmsted Falls Senior Living, LLC
Omak Alzheimer's Care, L.L.C.
Orange Senior Living, LLC
Orchard Glen Retirement Community, LLC
Orchard Park, LLC
Oregon Gardens Assisted Living, LLC
Osprey Court Senior Living, LLC
Osprey Pointe Cottages, LLC
Overland Lamar Senior Living, LLC
Overland Rose Senior Living, LLC
Ownership College Park Associates, LLC
Ownership Smart Park, LLC
Oxford Senior Living Property, LLC
Oxford Senior Living, LLC
Paducah Senior Living Property, LLC
Paducah Senior Living, LLC
Paradise Valley Retirement Community, LLC
Paragon Gardens GP, LLC
Paragon Gardens Limited Partnership
Park Meadows, L.L.C.
Park Place Assisted Living Community, LLC
Park Place Assisted Living, LLC
Parkview Estates Cottages, LLC
Peachtree Village Retirement, LLC
Peridot Assisted Living Community, LLC
PH Whitman Road Associates, LLC
PH Whitman Road, LLC
Phoenix JH, LLC
Phoenix Senior Living Property, LLC
Phoenix Senior Living, LLC
Pikesville Senior Living, LLC
Pinehurst Oakdale Property, LLC
Pinehurst Oakdale Senior Living, LLC
Plano GP, LLC
Plano Limited Partnership
Plum Ridge Care Community, LLC

Pointe at Cedar Park LLC
Port Orchard Alzheimer's Care, L.L.C.
Portland Senior Living, LLC
Portland Senior Living Property, LLC
Post Falls Land, LLC
Post Falls Senior Living, LLC
Post Pointe Atlanta, LLC
Post Pointe MGR, Inc.
Poulsbo Senior Living, LLC
Preston Hollow Assisted Living Limited Partnership
Preston Hollow GP, LLC
PRH Properties, LLC
Providence City, LLC
Pullman Senior Care Properties, LLC
Pullman Senior Care Properties II, LLC
Purcell Senior Living, LLC
Puyallup Senior Care, L.L.C.
Puyallup Senior Living, LLC
Rainbow GF, LLC
Redding Senior Care, LLC
Regal Estates Assisted Living Limited Partnership
Regal Estates Cottages GP, LLC
Regal Estates Cottages Limited Partnership
Regal Estates GP, LLC
Richland Special Care, L.L.C.
Riddle Road Property, LLC
Riverdale Senior Living, LLC
River's Edge NC Apartments, LLC
River's Edge NC Property, LLC
Riverside at Belfair Assisted Living, LLC
Riverside Senior Living GP, LLC
Riverside Senior Living Limited Partnership
Riverside Senior Living Operator, LLC
Roanoke SW Retirement, LLC
Rock Springs Senior Living, LLC
Rockwood Homes, LLC
Rose Valley Cottages II, LLC
Rose Valley Cottages, LLC
Roswell Assisted Living, LLC
Roswell Senior Living, LLC
Round Rock GP, LLC
Sacramento GC Assisted Living, LLC
Sanddollar Court Memory Care, LLC
Sanddollar Village Assisted Living, LLC
Sandia Springs Assisted Living & Memory Care, LLC
Scappoose Assisted Living, LLC
Seaside Senior Living, LLC
Seattle Senior Living, LLC
Sellwood Landing Retirement and Assisted Living Community, LLC
Senenet, Inc.
Senior Living Care, LLC
Senior Living Holdings I, LLC
Senior Living Holdings II, LLC
Senior Living Holdings III, LLC
Senior Living Holdings IV, LLC
Senior Living Holdings Ownership, LLC
Senior Living Properties II, LLC
Senior Living Properties III, LLC
Senior Living Properties V, LLC
Senior Living Properties, LLC
Sequim Senior Living, LLC
Settler's Park, LLC, nka Baker City Senior Living, LLC
Seward Senior Living, LLC
Sheridan Senior Living Property, LLC
Sheridan Senior Living, LLC
Shore Pines Assisted Living Community, LLC
Sierra Hills Assisted Living Community, LLC
Silver Creek DEF Property, LLC
Silver Indemnity, Ltd
Silver Insurance Management, LLC
Silverstar Destinations LLC
Silverstar Destinations Property LLC
Silverstar Outdoor LLC
Sioux City Senior Living Property, LLC
Sioux City Senior Living, LLC
Site Works, Inc.
Smart Park PH 1, LLC
Smart Park PH 3 Leasing, LLC
Smart Park PH 3, LLC
Smart Park PH 4 Leasing, LLC
Smart Park PH 4, LLC
Smart Park PH 5, LLC
Southbury Property, LLC
Southbury Senior Living, LLC
Southpark Senior Living, LLC
Spartanburg Senior Living, LLC
Spokane Senior Living, LLC
Spring Arbor Property, LLC
Spring Arbor Senior Living, LLC
Spring Lake Property, LLC
Spring Pointe, LLC
Spring Village Retirement, LLC
Spring Village, LLC
Spring Wind Assisted Living Community, LLC
Springfield Assisted Living, LLC
St. George Senior Living, LLC
St. Peters Senior Living Property, LLC
St. Peters Senior Living, LLC
Stayton SW Assisted Living, L.L.C.
Sterling Assisted Living Holdings, LLC
Sterling Assisted Living Property, LLC
Sterling Assisted Living, LLC
Stevens Point Senior Living, LLC
Stone Mountain Senior Living, LLC
Summerfield House Assisted Living, LLC
Sunnyside Court Assisted Living Community, LLC
Sunrise Creek Assisted Living and Memory Care Community, LLC
Sunshine Village Assisted Living & Memory Care, LLC

Sunshine Village Cottages Property, LLC
Sunshine Village Cottages, LLC
Sunshine Village Property, LLC
Sunwest Associates II, LLC
Sunwest Associates III, LLC
Sunwest Associates Limited Liability Company
Sunwest Management, Inc.
Sunwest Properties II, LLC
Sunwest Properties, LLC
SW Airplane Hanger, LLC
SW Hoop, LLC
Sweetwater Springs Assisted Living & Memory Care Community, LLC
Sweetwater Springs Cottages, LLC
TAB Hawk's Ridge, LLC
Tahlequah Senior Living Property, LLC
Tahlequah Senior Living, LLC
TD I, LLC
TD/SR Property Investments, LLC
Temple Cottages GP, LLC
Temple Cottages Limited Partnership
Temple GP, LLC
Terre Haute Senior Living Property, LLC
Terre Haute Senior Living, LLC
The Palms Assisted Living & Memory Care, LLC
The Suites Assisted Living Community, LLC, nka Grants Pass ALF, LLC
Third Street Investments, L.L.C.
TLC North, L.L.C.
Toms River Assisted Living, LLC
Toms River Senior Living Property, LLC
Toms River Senior Living, LLC
Tualatin Senior Care, LLC
Tulsa Senior Living, LLC
Tyler GP, LLC
Ukiah Assisted Living, LLC
University Care, LLC
Vancouver Care, L.L.C.
Vancouver Senior Living, LLC
Vegas Assisted Living, LLC
Verus College Place I, LLC
Victor Senior Living, LLC
Villa del Rey-Roswell, Ltd
Village at Greece, LLC
Vineyard Blvd Senior Living Property, LLC
Vineyard Blvd Senior Living, LLC
Waterfield Memory Care Community, LLC
Wayne Health, LLC
Wayne Senior Living, LLC
W-E Specialized Care, LLC
Wenatchee Care, L.L.C.
Wenatchee Cottages, LLC
Wenatchee Senior Care, L.L.C.
West Allis Senior Living, LLC
West Columbia Senior Living, LLC
West Linn Senior Living, LLC
West Salem Orchard Heights Property, LLC
West Salem Orchard Heights, LLC
West Salem Senior Living Property, LLC
West Salem Senior Living, LLC
Western Pennsylvania Senior Living GP, LLC
Western Pennsylvania Senior Living Limited Partnership
Wichita Falls Apartments Property, LLC
Wichita Falls Apartments, LLC
Willow Trace Apartments, LLC
Willow Trace Property, LLC
Willows at Sherman Assisted Living & Memory Care Community Limited Partnership
Willows at Sherman Community GP, LLC
Wilsonville Retirement, LLC
Winston-Salem Oakdale Property, LLC
Winston-Salem Oakdale Senior Living, LLC
Woodburn Senior Living, LLC
Woodside Assisted Living Community, LLC
Woodstock Oaks Senior Living Property, LLC
Woodstock Oaks Senior Living, LLC
Woodstock Senior Living, LLC
Yakima Alzheimer's Care, L.L.C.
Yakima Medical School Holdings, LLC
Yakima Senior Care, L.L.C.
Yakima Senior Living Holdings, LLC
Yakima Senior Living Operator Holdings, LLC
Yakima Senior Living Property LLC
Yakima Senior Living, LLC

NOTICE OF ASSIGNMENT

SEE ANNEXED

BRE/SW Portfolio LLC
c/o The Blackstone Group
345 Park Avenue
New York, new York 10154

August 3, 2010

Stayton SW Assisted Living, L.L.C.
One SW Columbia
Suite 1000
Portland, OR 97258

Re: Assignment

Ladies and Gentlemen:

Reference is made to that certain Agreement of Purchase, Sale and Contribution, dated as of January 15, 2010, by and among Stayton SW Assisted Living, L.L.C. , an Oregon limited liability company constituting the Unitary Sunwest Enterprise designated in the Approval Order of the United States District Court for the District of Oregon dated October 2, 2009, and Assignor, as amended by that certain Amendment No. 1 to Agreement of Purchase, Sale and Contribution, dated as of January 15, 2010, that certain Amendment No. 2 to Agreement of Purchase, Sale and Contribution, dated as of March 25, 2010, and that certain Amendment No. 3 to Agreement of Purchase, Sale and Contribution, dated as of July 13, 2010 (as so amended, the "PSA").. Capitalized terms used and not otherwise defined herein shall have the respective meanings assigned to such terms in the PSA.

This letter shall constitute Purchaser's written notice pursuant to Section 14.3 of the PSA that Purchaser has (i) assigned its rights and obligations under the PSA with respect to each of the individual Properties listed on Schedule I to the applicable entity set forth opposite the name of each such Property on Schedule I (each such entity, an "Assignee"), and (ii) designated each such Assignee to take title to the applicable Property set forth opposite such Assignee's name on Schedule I (and any Personal Property related to such Property). Each Assignee is an Affiliate of Purchaser.

Please contact David Roth at (212) 583-5885 with any questions.

[Signature Page Follows]

Yours truly,

BRE/SW Portfolio LLC

By: _____

Name: Eric Mendelsohn
Title: Senior VP – Corporate Development

cc: Thomas Wettlaufer, Sunwest Management
Michael Grassmueck, Grassmueck Group
Albert Kennedy, Tonkon Torp LLP
David Zaro, Allen Matkins Leck Gamble Mallory & Natsis, LLP

Schedule I
Assignment of Properties to Affiliates

Assignee	Property
BRE/SW Absaroka LLC	Absaroka, Cody, WY
BRE/SW Alpine Court LLC	Alpine Court, Eugene, OR
BRE/SW Alpine Springs LLC	Alpine Springs, Eugene, OR
BRE/SW Apple Ridge LLC	Apple Ridge , Denver , CO
BRE/SW Azalea Gardens LLC	Azalea Gardens, Oxford, MS
BRE/SW Beacon Pointe LLC	Beacon Pointe, Clifton Park, NY
BRE/SW Big Sky LLC	Big Sky, Butte, MT
BRE/SW Bluegrass Terrace LLC	Terrace at Bluegrass, Hendersonville, TN
BRE/SW Brentmoor LLC	Brentmoor, Minot, ND
BRE/SW Briarwood LLC	Briarwood, Springfield, OR
BRE/SW Bridgeport Heritage LLC	Heritage, The, Bridgeport, WV
BRE/SW Brookside LLC	Brookside, Buford, GA
BRE/SW Buckingham Estates LLC	Buckingham Estates, Glastonbury, CT
BRE/SW Cambridge Place LLC	Cambridge Place, Great Falls, MT
BRE/SW Canterbury Court LLC	Canterbury Court, Harlingen, TX
BRE/SW Canterbury Gardens LLC	Canterbury Gardens, Harlingen, TX
BRE/SW Canyonview Estates LLC	Canyonview Estates, Amarillo, TX
BRE/SW Carriage Inn LLC	Carriage Inn, Portland, TX
BRE/SW Cedar Ridge LLC	Cedar Ridge, Broken Arrow, OK
BRE/SW Century Fields LLC	Century Fields, Lebanon, OR
BRE/SW Champlin Shores LLC	Champlin Shores, Champlin, MN
BRE/SW Chandler Place LLC	Chandler Place, Rock Hill, SC
BRE/SW Chehalem Springs LLC	Chehalem Springs, Newberg, OR
BRE/SW Chesterley Court LLC	Chesterly Court, Yakima, WA
BRE/SW Chesterley Meadows LLC	Chesterly Meadows, Yakima, WA
BRE/SW Chestnut Lane LLC	Chestnut Lane, Gresham, OR

Assignee	Property
BRE/SW Chris Ridge LLC	Chris Ridge, Phoenix, AZ
BRE/SW Churchill LLC	Churchill, Mooresville, NC
BRE/SW Clearlake LLC	Rosemont at Clearlake, Houston, TX
BRE/SW Cliff View LLC	Cliff View, Saint George, UT
BRE/SW Cordova Estates LLC	Cordova Estates, Cordova, TN
BRE/SW Cottage Village LLC	Cottage Village, Lubbock, TX
BRE/SW Cottages LLC	The Cottages, Albuquerque, NM
BRE/SW Cougar Springs LLC	Cougar Springs, Redmond, OR
BRE/SW Courtyard Gardens LLC	Courtyard Gardens, Lawrenceville, GA
BRE/SW Crimson Ridge LLC	Court at Greece/Crimson Ridge Gardens/Harvest Glen, Greece, NY
BRE/SW Crimson Ridge LLC	Village at Greece/Crimson Ridge Meadows, Greece, NY
BRE/SW Crown Pointe LLC	Crown Pointe, Riverside , CA
BRE/SW Culpepper Place LLC	Culpepper Place, Paducah, KY
BRE/SW Del Ray Villa LLC	Villa Del Rey, Roswell, NM
BRE/SW Dry Creek LLC	Dry Creek, Ellensburg, WA
BRE/SW Eagle Cove LLC	Eagle Cove, Eagle Pointe, OR
BRE/SW Eagle Meadows LLC	Eagle Meadows, College Place, WA
BRE/SW Eden Estates LLC	Eden Estates, Bedford, TX
BRE/SW Eldorado Heights LLC	Eldorado Heights, Klamath Falls, OR
BRE/SW Emerald Estates LLC	Emerald Estates, Baltimore, MD
BRE/SW Emerald Pointe LLC	Emerald Pointe, Cedar City, UT
BRE/ SW Englewood Arbor LLC	Englewood Heights, Yakima, WA
BRE/SW Fishers Landing LLC	Fishers Landing, Vancouver, WA
BRE/SW Flint River LLC	Flint River, Macon, GA
BRE/SW Fox River LLC	Fox River, Appleton, WI
BRE/SW Georgian Place LLC	Georgian Place, Newnan, GA
BRE/SW Glendale Place LLC	Glendale Place, Murray, KY
BRE/SW Grayson View LLC	Grayson View-Sellinsgrove, Sellinsgrove, PA

Assignee	Property
BRE/SW Hawthorne Inn Greenville LLC	Hawthorne Inn at Greenville, Greenville, SC
BRE/SW Hawthorne Inn Hilton Head LLC	Hawthorne Inn at Hilton Head, Hilton Head, SC
BRE/SW Heartland Park LLC	Heartland Park, Seward, NE
BRE/SW Heritage Place LLC	Heritage Place, Tahlequah, OK
BRE/SW Hermiston Terrace LLC	Hermiston Terrace, Hermiston, OR
BRE/SW Heron Pointe Cottages LLC	Heron Pointe Cottages, Monmouth, OR
BRE/SW Heron Pointe LLC	Heron Pointe, Monmouth, OR
BRE/SW Hillside LLC	Hillside, McMinnville, OR
BRE/SW Holiday Lane LLC	Holiday Lane Estates, North Richland Hills, TX
BRE/SW Jasper Terrace LLC	Terrace at Jasper, Jasper, AL
BRE/SW La Villa LLC	La Villa, Roswell, NM
BRE/SW Lake Pointe LLC	Lake Pointe, Hartwell, GA
BRE/SW Lake Springs LLC	Lake Springs, Buford, GA
BRE/SW Lake Springs LLC	Lake Springs Cottages, Buford, GA
BRE/SW Lakeside Cottages LLC	Lakeside Cottages, Stayton, OR
BRE/SW Lakeside LLC	Lakeside, Stayton, OR
BRE/SW Lassen House LLC	Lassen House, Red Bluff, CA
BRE/SW Laurel Gardens LLC	Laurel Gardens, Florence, SC
BRE/SW Legacy Crossing LLC	Legacy Crossing, Franklin, TN
BRE/SW Legacy Gardens LLC	Legacy Gardens, Madison, WI
BRE/SW Lexington Gardens LLC	Lexington Gardens, West Columbia, SC
BRE/SW Magnolia Gardens LLC	Magnolia Gardens, Muskogee, OK
BRE/SW Manchester House LLC	Manchester House, Oklahoma City, OK
BRE/SW Manor House LLC	Manor House, Roseburg, OR
BRE/SW Maplewood LLC	Maplewood, Bridgeport, WV
BRE/SW Meadowlark LLC	Meadowlark, Yreka, CA
BRE/SW Medallion LLC	Medallion, Dallas, TX
BRE/SW Minnetonka LLC	Minnetonka, Minnetonka, MN

Assignee	Property
BRE/SW Monroe House LLC	Monroe House, Sterling, VA
BRE/SW Montclair Park LLC	Montclair Park, Poulsbo, WA
BRE/SW Moses Lake LLC	Moses Lake, Moses Lake, WA
BRE/SW Mountain Laurel LLC	Mountain Laurel, Glastonbury, CT
BRE/SW Mountain View LLC	Mountain View-Ashland, Ashland, OR
BRE/SW Necanicum Village LLC	Necanicum Village, Seaside, OR
BRE/SW Northpark Place LLC	Northpark Place, Sioux City, IA
BRE/SW Northridge LLC	Northridge, Kearney , NE
BRE/SW Oak Tree Village LLC	Oak Tree Village, St. Peters, MO
BRE/SW Oakridge LLC	Oakridge, Stevens Point, WI
BRE/SW Oaks LLC	Oaks, The, Wayne, NE
BRE/SW Orchard Glen LLC	Orchard Glen, Orchard Park, NY
BRE/SW Orchard Park LLC	Orchard Park, Clearlake, CA
BRE/SW Osprey Court LLC	Osprey Court, McMinnville, OR
BRE/SW Oswego Springs LLC	Oswego Springs, Portland, OR
BRE/SW Palm Meadows LLC	Palm Meadows Court, Hilton Head, SC
BRE/SW Palm Meadows Village LLC	Palm Meadows Village, Hilton Head, SC
BRE/SW Palms LLC	Palms, The, Roseville, CA
BRE/SW Paradise Valley LLC	Paradise Valley, Phoenix, AZ
BRE/SW Park Avenue LLC	Park Avenue Estates, Lexington, NE
BRE/SW Park Place LLC	Park Place-OR, Portland, OR
BRE/SW Parkway Village LLC	Parkway Village, Spokane, WA
BRE/SW Peachtree Village-GA LLC	Peachtree Vllage-GA, Commerce, GA
BRE/SW Peridot LLC	Peridot, Prescott, AZ
BRE/SW Quail Hollow LLC	Quail Hollow, Richland, WA
BRE/SW Quakers Landing LLC	Court at Orchard Park/Quaker's Landing, Orchard Park, NY
BRE/SW Remington House LLC	Remington House, Kingsport, TN
BRE/SW River Plaza LLC	Plaza on the River, Kerrville, TX

Assignee	Property
BRE/SW River Road LLC	River Road, Keizer, OR
BRE/SW River Valley Landing LLC	River Valley Landing, Tualatin, OR
BRE/SW Riverstone Terrace LLC	Terrace at Riverstone, Canton, GA
BRE/SW Rose Terrace LLC	Rose Terrace, Memphis, TN
BRE/SW Rose Valley Cottages LLC	Rose Valley Cottages, Scappose, OR
BRE/SW Rose Valley LLC	Rose Valley, Scappose, OR
BRE/SW Sandia Springs LLC	Sandia Springs, Rio Rancho, NM
BRE/SW Sellwood Landing LLC	Sellwood Landing, Portland, OR
BRE/SW Sequoia Springs Cottages LLC	Sequoia Springs Cottages , Fortuna , CA
BRE/SW Sequoia Springs LLC	Sequoia Springs, Fortuna, CA
BRE/SW Spring Arbor LLC	Spring Arbor, Rock Hll, SC
BRE/SW Spring Creek LLC	Spring Creek Gardens, Plano, TX
BRE/SW Spring Estates LLC	Spring Estates, Kenmore, WA
BRE/SW Spring Meadows Cottages LLC	Spring Meadows Cottages, Grants Pass, OR
BRE/SW Spring Meadows LLC	Spring Meadows, Grants Pass, OR
BRE/SW Spring Mountain LLC	Spring Mountain, Marietta, GA
BRE/SW Spring Pointe LLC	Spring Pointe, Grants Pass, OR
BRE/SW Spring Village LLC	Spring Village, Grants Pass, OR
BRE/SW Statesman House LLC	Statesman Club, Oklahoma City, OK
BRE/SW Stone Mountain LLC	Stone Mountain, Stone Mountain, GA
BRE/SW Stonebridge LLC	Stonebridge, Vancouver, WA
BRE/SW Sugarland Ridge LLC	Sugarland Ridge, Sheridan, WY
BRE/SW Sun Mountain Plaza LLC	Plaza at Sun Mountain, Las Vegas, NV
BRE/SW Sunrise Creek LLC	Sunrise Creek, Montrose, CO
BRE/SW Sunshine Village LLC	Sunshine Village, Phoenix, AZ
BRE/SW Sweetwater Springs LLC	Sweetwater Springs, Lithia Springs, GA
BRE/SW Waterford Bellevue LLC	Waterford in Bellevue, Nashville, TN
BRE/SW West Park Place LLC	West Park Place, West Allis, WI

Assignee	Property
BRE/SW Willow Ridge LLC	Willow Ridge, Mc Cook, NE
BRE/SW Willows at Sherman LLC	Willows at Sherman, Grayson, TX
BRE/SW Windfield Village LLC	Windfield Village, Wilsonville, OR
BRE/SW Woodside Village LLC	Woodside Village, Springfield, OR
BRE/SW Woodstock Estates LLC	Woodstock Estates, Woodstock, GA
BRE/SW Woodstock Terrace LLC	Terrace at Woodstock, Woodstock, GA
BRE/SW Wyndmoor LLC	Wyndmoor, Terre Haulte, IN

ASSIGNMENT AND ASSUMPTION

SEE ANNEXED

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "Assignment and Assumption") is made and entered into as of August 3, 2010, by and between BRE/SW Portfolio LLC, a Delaware limited liability company ("Assignor"), and the various entities listed on Schedule I, each a Delaware limited liability company (each, an "Assignee" and, collectively, "Assignees").

WITNESSETH:

WHEREAS, Assignor is a party to that certain Agreement of Purchase, Sale and Contribution, dated as of January 15, 2010, by and among Stayton SW Assisted Living, L.L.C., an Oregon limited liability company constituting the Unitary Sunwest Enterprise designated in the Approval Order of the United States District Court for the District of Oregon dated October 2, 2009, and Assignor, as amended by that certain Amendment No. 1 to Agreement of Purchase, Sale and Contribution, dated as of January 15, 2010, that certain Amendment No. 2 to Agreement of Purchase, Sale and Contribution, dated as of March 25, 2010, and that certain Amendment No. 3 to Agreement of Purchase, Sale and Contribution, dated as of July 13, 2010 (as so amended, the "PSA");

WHEREAS, pursuant to Section 14.3 of the PSA, Assignor desires, effective as of the date hereof, (i) to assign, transfer and convey all of its right, title, interest and benefit to, in and under the PSA with respect to the individual properties listed on Schedule I hereto (each, a "Property" and, collectively, the "Properties") to the applicable Assignee listed opposite the name of each such Property on Schedule I, and (ii) to designate each Assignee to take title to the fee or leasehold interest (as applicable) in the applicable Property listed opposite the name of such Assignee on Schedule I hereto (together with any Personal Property related to such applicable Property), provided that Assignor will continue to remain primarily liable under the PSA notwithstanding any such assignment and designation; and

WHEREAS, each Assignee desires to accept the above assignment and designation, with such assignment to be effective as of the date hereof.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree as follows:

1. Capitalized terms used and not otherwise defined in this Assignment and Assumption Agreement shall have the respective meanings assigned to such terms in the PSA.

2. In accordance with and subject to the terms and conditions of the PSA, Assignor hereby (i) assigns, transfers and conveys all of its right, title, interest and benefit to, in and under the PSA with respect to the Properties to the applicable Assignee listed opposite the name of each Property on Schedule I, and (ii) designates each Assignee to take title to the fee or leasehold interest (as applicable) in the applicable Property listed opposite the name of such Assignee on Schedule I hereto (together with any Personal Property related to such applicable

Property), provided that Assignor will continue to remain primarily liable under the PSA notwithstanding any such assignment and designation.

3. Each Assignee hereby accepts such transfer and designation and agrees to fulfill, perform and discharge, from and after the date hereof, all of the commitments, obligations and liabilities of Assignor under the PSA with respect to the applicable Property listed opposite the name of such Assignee on Schedule I, in each case, accruing from and after the date hereof.

4. The parties hereto agree to cooperate at all times from and after the date hereof with respect to all of the matters described herein, and to execute such further assignments, releases, assumptions, amendments, notifications and other documents, and to take or cause to be taken such other actions as may be reasonably requested for the purpose of giving effect to, or evidencing or giving notice of, the transactions contemplated by this Assignment and Assumption.

4. The parties hereto agree that, except as expressly set forth herein, this Assignment and Assumption shall not alter, amend or modify or otherwise affect the terms, provisions and conditions of the PSA and the PSA shall remain in full force and effect.

5. This Assignment and Assumption shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

6. This Assignment and Assumption may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

7. This Assignment and Assumption shall be governed by, and interpreted in accordance with, the laws of the State of New York, all rights and remedies being governed by such laws.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment and Assumption as of the day and year first above written.

ASSIGNOR:

BRE/SW Portfolio LLC

By: _____

Name: Eric Mendelsohn
Title: Senior VP – Corporate Development

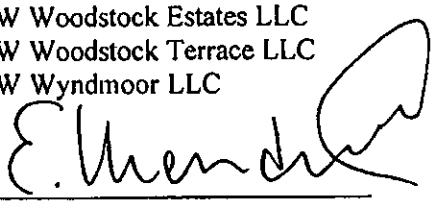
ASSIGNEES:

BRE/SW Absaroka LLC
BRE/SW Alpine Court LLC
BRE/SW Alpine Springs LLC
BRE/SW Apple Ridge LLC
BRE/SW Azalea Gardens LLC
BRE/SW Beacon Pointe LLC
BRE/SW Big Sky LLC
BRE/SW Bluegrass Terrace LLC
BRE/SW Brentmoor LLC
BRE/SW Briarwood LLC
BRE/SW Bridgeport Heritage LLC
BRE/SW Brookside LLC
BRE/SW Buckingham Estates LLC
BRE/SW Cambridge Place LLC
BRE/SW Canterbury Court LLC
BRE/SW Canterbury Gardens LLC
BRE/SW Canyonview Estates LLC
BRE/SW Carriage Inn LLC
BRE/SW Cedar Ridge LLC
BRE/SW Century Fields LLC
BRE/SW Champlin Shores LLC
BRE/SW Chandler Place LLC
BRE/SW Chehalem Springs LLC
BRE/SW Chesterley Court LLC
BRE/SW Chesterley Meadows LLC
BRE/SW Chestnut Lane LLC
BRE/SW Chris Ridge LLC
BRE/SW Churchill LLC
BRE/SW Clearlake LLC
BRE/SW Cliff View LLC

BRE/SW Cordova Estates LLC
BRE/SW Cottage Village LLC
BRE/SW Cottages LLC
BRE/SW Cougar Springs LLC
BRE/SW Courtyard Gardens LLC
BRE/SW Crimson Ridge LLC
BRE/SW Crown Pointe LLC
BRE/SW Culpepper Place LLC
BRE/SW Del Ray Villa LLC
BRE/SW Dry Creek LLC
BRE/SW Eagle Cove LLC
BRE/SW Eagle Meadows LLC
BRE/SW Eden Estates LLC
BRE/SW Eldorado Heights LLC
BRE/SW Emerald Estates LLC
BRE/SW Emerald Pointe LLC
BRE/ SW Englewood Arbor LLC
BRE/ SW Englewood Properties LLC
BRE/SW Fishers Landing LLC
BRE/SW Flint River LLC
BRE/SW Fox River LLC
BRE/SW Georgian Place LLC
BRE/SW Glendale Place LLC
BRE/SW Grayson View LLC
BRE/SW Hawthorne Inn Greenville LLC
BRE/SW Hawthorne Inn Hilton Head LLC
BRE/SW Heartland Park LLC
BRE/SW Heritage Place LLC
BRE/SW Hermiston Terrace LLC
BRE/SW Heron Pointe Cottages LLC
BRE/SW Heron Pointe LLC
BRE/SW Hillside LLC
BRE/SW Holiday Lane LLC
BRE/SW Jasper Terrace LLC
BRE/SW La Villa LLC
BRE/SW Lake Pointe LLC
BRE/SW Lake Springs LLC
BRE/SW Lakeside Cottages LLC
BRE/SW Lakeside LLC
BRE/SW Lassen House LLC
BRE/SW Laurel Gardens LLC
BRE/SW Legacy Crossing LLC
BRE/SW Legacy Gardens LLC
BRE/SW Lexington Gardens LLC
BRE/SW Magnolia Gardens LLC
BRE/SW Manchester House LLC

BRE/SW Manor House LLC
BRE/SW Maplewood LLC
BRE/SW Meadowlark LLC
BRE/SW Medallion LLC
BRE/SW Minnetonka LLC
BRE/SW Monroe House LLC
BRE/SW Montclair Park LLC
BRE/SW Moses Lake LLC
BRE/SW Mountain Laurel LLC
BRE/SW Mountain View LLC
BRE/SW Necanicum Village LLC
BRE/SW Northpark Place LLC
BRE/SW Northridge LLC
BRE/SW Oak Tree Village LLC
BRE/SW Oakridge LLC
BRE/SW Oaks LLC
BRE/SW Orchard Glen LLC
BRE/SW Orchard Park LLC
BRE/SW Osprey Court LLC
BRE/SW Oswego Springs LLC
BRE/SW Palm Meadows LLC
BRE/SW Palm Meadows Village LLC
BRE/SW Palms LLC
BRE/SW Paradise Valley LLC
BRE/SW Park Avenue LLC
BRE/SW Park Place LLC
BRE/SW Parkway Village LLC
BRE/SW Peachtree Village-GA LLC
BRE/SW Peridot LLC
BRE/SW Quail Hollow LLC
BRE/SW Quakers Landing LLC
BRE/SW Remington House LLC
BRE/SW River Plaza LLC
BRE/SW River Road LLC
BRE/SW River Valley Landing LLC
BRE/SW Riverstone Terrace LLC
BRE/SW Rose Terrace LLC
BRE/SW Rose Valley Cottages LLC
BRE/SW Rose Valley LLC
BRE/SW Sandia Springs LLC
BRE/SW Sellwood Landing LLC
BRE/SW Sequoia Springs Cottages LLC
BRE/SW Sequoia Springs LLC
BRE/SW Spring Arbor LLC
BRE/SW Spring Creek LLC
BRE/SW Spring Estates LLC

BRE/SW Spring Meadows Cottages LLC
BRE/SW Spring Meadows LLC
BRE/SW Spring Mountain LLC
BRE/SW Spring Pointe LLC
BRE/SW Spring Village LLC
BRE/SW Statesman House LLC
BRE/SW Stone Mountain LLC
BRE/SW Stonebridge LLC
BRE/SW Sugarland Ridge LLC
BRE/SW Sun Mountain Plaza LLC
BRE/SW Sunrise Creek LLC
BRE/SW Sunshine Village LLC
BRE/SW Sweetwater Springs LLC
BRE/SW Waterford Bellevue LLC
BRE/SW West Park Place LLC
BRE/SW Willow Ridge LLC
BRE/SW Willows at Sherman LLC
BRE/SW Windfield Village LLC
BRE/SW Woodside Village LLC
BRE/SW Woodstock Estates LLC
BRE/SW Woodstock Terrace LLC
BRE/SW Wyndmoor LLC

By: 

Name: Eric Mendelsohn
Title: Senior VP – Corporate Development

Schedule I
Assignment of Properties to Affiliates

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BRE/SW Alpine Springs LLC	Alpine Springs, Eugene, OR
BRE/SW Apple Ridge LLC	Apple Ridge , Denver , CO
BRE/SW Azalea Gardens LLC	Azalea Gardens, Oxford, MS
BRE/SW Beacon Pointe LLC	Beacon Pointe, Clifton Park, NY
BRE/SW Big Sky LLC	Big Sky, Butte, MT
BRE/SW Bluegrass Terrace LLC	Terrace at Bluegrass, Hendersonville, TN
BRE/SW Brentmoor LLC	Brentmoor, Minot, ND
BRE/SW Briarwood LLC	Briarwood, Springfield, OR
BRE/SW Bridgeport Heritage LLC	Heritage, The, Bridgeport, WV
BRE/SW Brookside LLC	Brookside, Buford, GA
BRE/SW Buckingham Estates LLC	Buckingham Estates, Glastonbury, CT
BRE/SW Cambridge Place LLC	Cambridge Place, Great Falls, MT
BRE/SW Canterbury Court LLC	Canterbury Court, Harlingen, TX
BRE/SW Canterbury Gardens LLC	Canterbury Gardens, Harlingen, TX
BRE/SW Canyonview Estates LLC	Canyonview Estates, Amarillo, TX
BRE/SW Carriage Inn LLC	Carriage Inn, Portland, TX
BRE/SW Cedar Ridge LLC	Cedar Ridge, Broken Arrow, OK
BRE/SW Century Fields LLC	Century Fields, Lebanon, OR
BRE/SW Champlin Shores LLC	Champlin Shores, Champlin, MN
BRE/SW Chandler Place LLC	Chandler Place, Rock Hill, SC
BRE/SW Chehalem Springs LLC	Chehalem Springs, Newberg, OR
BRE/SW Chesterley Court LLC	Chesterly Court, Yakima, WA
BRE/SW Chesterley Meadows LLC	Chesterly Meadows, Yakima, WA
BRE/SW Chestnut Lane LLC	Chestnut Lane, Gresham, OR

Assignee	Property
BRE/SW Chris Ridge LLC	Chris Ridge, Phoenix, AZ
BRE/SW Churchill LLC	Churchill, Mooresville, NC
BRE/SW Clearlake LLC	Rosemont at Clearlake, Houston, TX
BRE/SW Cliff View LLC	Cliff View, Saint George, UT
BRE/SW Cordova Estates LLC	Cordova Estates, Cordova, TN
BRE/SW Cottage Village LLC	Cottage Village, Lubbock, TX
BRE/SW Cottages LLC	The Cottages, Albuquerque, NM
BRE/SW Cougar Springs LLC	Cougar Springs, Redmond, OR
BRE/SW Courtyard Gardens LLC	Courtyard Gardens, Lawrenceville, GA
BRE/SW Crimson Ridge LLC	Court at Greece/Crimson Ridge Gardens/Harvest Glen, Greece, NY
BRE/SW Crimson Ridge LLC	Village at Greece/Crimson Ridge Meadows, Greece, NY
BRE/SW Crown Pointe LLC	Crown Pointe, Riverside , CA
BRE/SW Culpepper Place LLC	Culpepper Place, Paducah, KY
BRE/SW Del Ray Villa LLC	Villa Del Rey, Roswell, NM
BRE/SW Dry Creek LLC	Dry Creek, Ellensburg, WA
BRE/SW Eagle Cove LLC	Eagle Cove, Eagle Pointe, OR
BRE/SW Eagle Meadows LLC	Eagle Meadows, College Place, WA
BRE/SW Eden Estates LLC	Eden Estates, Bedford, TX
BRE/SW Eldorado Heights LLC	Eldorado Heights, Klamath Falls, OR
BRE/SW Emerald Estates LLC	Emerald Estates, Baltimore, MD
BRE/SW Emerald Pointe LLC	Emerald Pointe, Cedar City, UT
BRE/ SW Englewood Arbor LLC	Englewood Heights, Yakima, WA
BRE/SW Fishers Landing LLC	Fishers Landing, Vancouver, WA
BRE/SW Flint River LLC	Flint River, Macon, GA
BRE/SW Fox River LLC	Fox River, Appleton, WI
BRE/SW Georgian Place LLC	Georgian Place, Newnan, GA
BRE/SW Glendale Place LLC	Glendale Place, Murray, KY
BRE/SW Grayson View LLC	Grayson View-Sellinsgrove, Sellinsgrove, PA

Assignee	Property
BRE/SW Hawthorne Inn Greenville LLC	Hawthorne Inn at Greenville, Greenville, SC
BRE/SW Hawthorne Inn Hilton Head LLC	Hawthorne Inn at Hilton Head, Hilton Head, SC
BRE/SW Heartland Park LLC	Heartland Park, Seward, NE
BRE/SW Heritage Place LLC	Heritage Place, Tahlequah, OK
BRE/SW Hermiston Terrace LLC	Hermiston Terrace, Hermiston, OR
BRE/SW Heron Pointe Cottages LLC	Heron Pointe Cottages, Monmouth, OR
BRE/SW Heron Pointe LLC	Heron Pointe, Monmouth, OR
BRE/SW Hillside LLC	Hillside, McMinnville, OR
BRE/SW Holiday Lane LLC	Holiday Lane Estates, North Richland Hills, TX
BRE/SW Jasper Terrace LLC	Terrace at Jasper, Jasper, AL
BRE/SW La Villa LLC	La Villa, Roswell, NM
BRE/SW Lake Pointe LLC	Lake Pointe, Hartwell, GA
BRE/SW Lake Springs LLC	Lake Springs, Buford, GA
BRE/SW Lake Springs LLC	Lake Springs Cottages, Buford, GA
BRE/SW Lakeside Cottages LLC	Lakeside Cottages, Stayton, OR
BRE/SW Lakeside LLC	Lakeside, Stayton, OR
BRE/SW Lassen House LLC	Lassen House, Red Bluff, CA
BRE/SW Laurel Gardens LLC	Laurel Gardens, Florence, SC
BRE/SW Legacy Crossing LLC	Legacy Crossing, Franklin, TN
BRE/SW Legacy Gardens LLC	Legacy Gardens, Madison, WI
BRE/SW Lexington Gardens LLC	Lexington Gardens, West Columbia, SC
BRE/SW Magnolia Gardens LLC	Magnolia Gardens, Muskogee, OK
BRE/SW Manchester House LLC	Manchester House, Oklahoma City, OK
BRE/SW Manor House LLC	Manor House, Roseburg, OR
BRE/SW Maplewood LLC	Maplewood, Bridgeport, WV
BRE/SW Meadowlark LLC	Meadowlark, Yreka, CA
BRE/SW Medallion LLC	Medallion, Dallas, TX
BRE/SW Minnetonka LLC	Minnetonka, Minnetonka, MN

Assignee	Property
BRE/SW Monroe House LLC	Monroe House, Sterling, VA
BRE/SW Montclair Park LLC	Montclair Park, Poulsbo, WA
BRE/SW Moses Lake LLC	Moses Lake, Moses Lake, WA
BRE/SW Mountain Laurel LLC	Mountain Laurel, Glastonbury, CT
BRE/SW Mountain View LLC	Mountain View-Ashland, Ashland, OR
BRE/SW Necanicum Village LLC	Necanicum Village, Seaside, OR
BRE/SW Northpark Place LLC	Northpark Place, Sioux City, IA
BRE/SW Northridge LLC	Northridge, Kearney , NE
BRE/SW Oak Tree Village LLC	Oak Tree Village, St. Peters, MO
BRE/SW Oakridge LLC	Oakridge, Stevens Point, WI
BRE/SW Oaks LLC	Oaks, The, Wayne, NE
BRE/SW Orchard Glen LLC	Orchard Glen, Orchard Park, NY
BRE/SW Orchard Park LLC	Orchard Park, Clearlake, CA
BRE/SW Osprey Court LLC	Osprey Court, McMinnville, OR
BRE/SW Oswego Springs LLC	Oswego Springs, Portland, OR
BRE/SW Palm Meadows LLC	Palm Meadows Court, Hilton Head, SC
BRE/SW Palm Meadows Village LLC	Palm Meadows Village, Hilton Head, SC
BRE/SW Palms LLC	Palms, The, Roseville, CA
BRE/SW Paradise Valley LLC	Paradise Valley, Phoenix, AZ
BRE/SW Park Avenue LLC	Park Avenue Estates, Lexington, NE
BRE/SW Park Place LLC	Park Place-OR, Portland, OR
BRE/SW Parkway Village LLC	Parkway Village, Spokane, WA
BRE/SW Peachtree Village-GA LLC	Peachtree Vllage-GA, Commerce, GA
BRE/SW Peridot LLC	Peridot, Prescott, AZ
BRE/SW Quail Hollow LLC	Quail Hollow, Richland, WA
BRE/SW Quakers Landing LLC	Court at Orchard Park/Quaker's Landing, Orchard Park, NY
BRE/SW Remington House LLC	Remington House, Kingsport, TN
BRE/SW River Plaza LLC	Plaza on the River, Kerrville, TX

Assignee	Property
BRE/SW River Road LLC	River Road, Keizer, OR
BRE/SW River Valley Landing LLC	River Valley Landing, Tualatin, OR
BRE/SW Riverstone Terrace LLC	Terrace at Riverstone, Canton, GA
BRE/SW Rose Terrace LLC	Rose Terrace, Memphis, TN
BRE/SW Rose Valley Cottages LLC	Rose Valley Cottages, Scappose, OR
BRE/SW Rose Valley LLC	Rose Valley, Scappose, OR
BRE/SW Sandia Springs LLC	Sandia Springs, Rio Rancho, NM
BRE/SW Sellwood Landing LLC	Sellwood Landing, Portland, OR
BRE/SW Sequoia Springs Cottages LLC	Sequoia Springs Cottages , Fortuna , CA
BRE/SW Sequoia Springs LLC	Sequoia Springs, Fortuna, CA
BRE/SW Spring Arbor LLC	Spring Arbor, Rock Hll, SC
BRE/SW Spring Creek LLC	Spring Creek Gardens, Plano, TX
BRE/SW Spring Estates LLC	Spring Estates, Kenmore, WA
BRE/SW Spring Meadows Cottages LLC	Spring Meadows Cottages, Grants Pass, OR
BRE/SW Spring Meadows LLC	Spring Meadows, Grants Pass, OR
BRE/SW Spring Mountain LLC	Spring Mountain, Marietta, GA
BRE/SW Spring Pointe LLC	Spring Pointe, Grants Pass, OR
BRE/SW Spring Village LLC	Spring Village, Grants Pass, OR
BRE/SW Statesman House LLC	Statesman Club, Oklahoma City, OK
BRE/SW Stone Mountain LLC	Stone Mountain, Stone Mountain, GA
BRE/SW Stonebridge LLC	Stonebridge, Vancouver, WA
BRE/SW Sugarland Ridge LLC	Sugarland Ridge, Sheridan, WY
BRE/SW Sun Mountain Plaza LLC	Plaza at Sun Mountain, Las Vegas, NV
BRE/SW Sunrise Creek LLC	Sunrise Creek, Montrose, CO
BRE/SW Sunshine Village LLC	Sunshine Village, Phoenix, AZ
BRE/SW Sweetwater Springs LLC	Sweetwater Springs, Lithia Springs, GA
BRE/SW Waterford Bellevue LLC	Waterford in Bellevue, Nashville, TN
BRE/SW West Park Place LLC	West Park Place, West Allis, WI

Assignee	Property
BRE/SW Willow Ridge LLC	Willow Ridge, Mc Cook, NE
BRE/SW Willows at Sherman LLC	Willows at Sherman, Grayson, TX
BRE/SW Windfield Village LLC	Windfield Village, Wilsonville, OR
BRE/SW Woodside Village LLC	Woodside Village, Springfield, OR
BRE/SW Woodstock Estates LLC	Woodstock Estates, Woodstock, GA
BRE/SW Woodstock Terrace LLC	Terrace at Woodstock, Woodstock, GA
BRE/SW Wyndmoor LLC	Wyndmoor, Terre Haulte, IN

ORDER (1) APPROVING SETTLEMENT OFFERS TO TENANTS IN COMMON AND (2) AUTHORIZING DEBTOR TO EXECUTE AND PERFORM SETTLEMENT AGREEMENTS ENTERED MAY 10, 2010, IN UNITED STATES DISTRICT COURT CASE NO. 09-CV-6082-HO

SEE ANNEXED

FILED '10 MAY 10 16:06 USDC-ORE

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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

EUGENE DIVISION

In re

STAYTON SW ASSISTED LIVING, L.L.C.,
(the Consolidated Sunwest Related Entities),

Debtor.

USDC Case No. 09-cv-6082-HO

Bankruptcy Court
Case No. 08-36637-tmb11
(Reference Withdrawn)

ORDER (1) APPROVING SETTLEMENT OFFERS TO TENANTS IN COMMON AND (2) AUTHORIZING DEBTOR TO EXECUTE AND PERFORM SETTLEMENT AGREEMENTS

This matter having come on to be heard on May 6, 2010 on Debtor's Motion for (1) Approval of Settlement Offers to Tenants in Common and (2) Authorizing Debtor to Execute and Perform Settlement Agreements; and due and adequate notice of the Motion having been given under the circumstances; and it appearing that the relief requested by Debtor in the Motion is in the best interests of Debtor's estate, its creditors, and other parties in interest; and sufficient

DOCKETED 5/11/10

cause appearing therefor, now, therefore,

IT IS HEREBY ORDERED:

1. The Motion is granted.

2. Debtor is authorized to send to tenants in common holding TIC Interests in Holdco Properties an offer, supporting documents and proposed Settlement Agreement in substantially the form attached hereto as Exhibit A.

3. Debtor is authorized to enter into and perform settlement agreements with Tenants in Common pursuant to the terms of the Settlement Agreement attached hereto as Exhibit 3 to Exhibit A.

DATED this 10th day of May, 2010.

s/ Michael R. Hogan
Michael Hogan
U.S. District Court Judge

Submitted by:

TONKON TORP LLP

By */s/ Jeanne M. Chamberlain*
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