

**REINSTATEMENT OF AND SECOND AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

THIS REINSTATEMENT OF AND SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") dated as of May __, 2010 (the "Effective Date"), is made by and between TOWNSHIP OF WEST ORANGE, NEW JERSEY, a municipal corporation of the State of New Jersey ("Purchaser"), and SUNRISE WEST ORANGE NJ SENIOR LIVING, LLC, a Delaware limited liability company ("Seller").

RECITALS:

A. Purchaser and Seller are parties to that certain Purchase and Sale Agreement dated as of March 10, 2010 (the "Initial Agreement"), as amended by that certain Amendment to Purchase and Sale Agreement dated as of March 31, 2010 between Purchaser and Seller (the "First Amendment"), and the First Amendment together with the Initial Agreement, the "Agreement", for the purchase and sale of certain real property located at 577 Mount Pleasant Avenue, in West Orange, New Jersey, as more particularly described in the Agreement (the "Property").

B. By letter dated May 11, 2010, Purchaser terminated the Agreement pursuant to Section 4.4 of the Agreement and Section 1 of the First Amendment.

C. The parties desire to reinstate the Agreement and amend certain of the terms thereof, as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereby agree as follows:

1. Agreement Reinstated. The Agreement is hereby reinstated and shall continue in full force and effect according to its terms, as amended hereby, as if it was never terminated.

2. Waiver of Due Diligence Period. Purchaser hereby acknowledges and agrees that it has (i) elected to proceed beyond the Due Diligence Period, and (ii) waived its right to terminate the Agreement pursuant to Section 4.4. of the Agreement.

3. Environmental Remediation Work.

(a) Reference is made to that certain Site Investigation Report dated May 2010 and prepared by the PMK Group, Inc., a business unit of Birdsall Services Group ("BSG-PMK"), setting forth the Phase II environmental assessment findings for the Property (the "Phase" and certain environmental conditions on the Property (the "Environmental Conditions").

(b) As soon as practicable after the Effective Date of this Amendment, Seller shall deliver to Purchaser a plan setting forth what (if anything) Seller is willing to do with respect to remediation any of the Environmental Conditions ("Seller's Environmental Plan"). For the avoidance of doubt, Seller's Environmental Plan may state that Seller has elected not to

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perform any remediation work with respect to Environmental Conditions at the current time. Within three (3) business days after Purchaser's receipt of Seller's Environmental Plan, Purchaser may either (i) provide written notification to Seller that Seller's Environmental Plan is acceptable ("Purchaser's Acceptance Notice"), or (ii) propose in writing an alternative plan for remediation of the Environmental Conditions ("Alternative Environmental Plan"). Purchaser's failure to deliver written notice to Seller pursuant to subsections (i) or (ii) of the immediately preceding sentence shall be deemed an acceptance by Purchaser of Seller's Environmental Plan.

(c) If Purchaser delivers a Purchaser's Acceptance Notice to Seller or is deemed to have accepted Seller's Environmental Plan pursuant to the terms of Section 3(b) of this Amendment or if Seller delivers a Seller's Acceptance Notice pursuant to the terms of Section 3(d) of this Amendment, it is expressly agreed that Purchaser shall have no right to terminate the Agreement except (i) as set forth in Section 8.2 of the Agreement, or (ii) in the event Seller fails to complete by the Closing Date any work designated to be completed on or prior to the Closing Date in Seller's Environmental Plan (or if applicable, the Alternative Environmental Plan).

(d) If Purchaser delivers an Alternative Environmental Plan to Seller pursuant to the terms of Section 3(b) of this Amendment, then within three (3) business days after Seller's receipt of an Alternative Environmental Plan, Seller may either (i) provide written notification to Purchaser that the Alternative Environmental Plan is acceptable ("Seller's Acceptance Notice"), or (ii) terminate this Agreement by written notice to Purchaser, in which event, to the extent the conditions set forth in Section 3(e) below are satisfied by Purchaser, the Escrow Agent shall refund the Earnest Money Deposit to Purchaser, and the parties thereafter shall have no further obligations under this Agreement, except as specifically survive such termination.

(e) If the Agreement is terminated for any reason (including without limitation, pursuant to Section 3(d)(ii) of this Amendment), the refund of the Earnest Money Deposit to Purchaser shall be contingent upon the satisfaction of Purchaser's obligations set forth in the last sentence of Section 2 of the First Amendment.

4. Closing Date. The Closing Date (as defined in Section 5.1 of the Agreement) is hereby extended to the date that is ten (10) business days after the occurrence of one of the following events: (i) Purchaser's receipt of Seller's Acceptance Notice, or (ii) Seller's receipt of Purchaser's Acceptance Notice; provided, however, Seller shall have the sole and exclusive right to further extend the Closing Date in order to complete any work designated to be completed on or prior to the Closing Date in Seller's Environmental Plan (or if applicable, the Alternative Environmental Plan).

5. Bind and Inure. This Amendment shall be binding upon and inure to the benefit of Seller, Purchaser and their respective heirs, successors and assigns.

6. Capitalized Terms. All capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Agreement.

7. Ratification. Except as hereby amended, the Agreement is hereby ratified and shall continue in full force and effect in accordance with its terms. In the event of any conflict or

inconsistency between the terms and provisions of this Amendment and the Agreement, this Amendment shall control.

8. Counterpart Execution and Electronic Distribution. This Amendment may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one instrument. The parties agree that the execution and delivery hereof by facsimile or other electronic means shall have the full force and effect as if it had been executed and delivered in the original.

[Signature page follows.]

IN WITNESS WHEREOF, Seller and Purchaser have caused this Amendment to be executed under seal as of the date first above written.

SELLER:

Sunrise West Orange NJ Senior Living, LLC,
a Delaware limited liability company

By: Sunrise Senior Living Services, Inc.,
a Delaware corporation,
its sole member

By: _____
Name: _____
Title: _____

PURCHASER:

Township of West Orange, New Jersey,
a municipal corporation of the State of New Jersey

By: _____
Name: _____
Title: _____