

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

THIS REINSTATEMENT OF AND THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “Amendment”) dated as of November __, 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 as further amended by that certain Reinstatement of and Second Amendment to Purchase and Sale Agreement dated as of May 26, 2010 between Purchaser and Seller (the “Second Amendment”; the Second Amendment, together with the First Amendment and 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. Pursuant to the terms of the Second Amendment, Seller agreed to deliver to Purchaser Seller’s Environmental Plan setting forth what (if anything) Seller is willing to do with respect to the remediation the Environmental Conditions.

C. Purchaser has fully disclosed to Seller that it intends to use certain funds from the State of New Jersey Department of Environmental Protection Green Acres Program (“DEP Green Acres Program”) for the purchase of the Property. Seller acknowledges and fully understands that to the extent the DEP Green Acres Program does not approve the funding for the acquisition of the Property for whatever reason, Purchaser shall have no further responsibility or liability under the Agreement or this Amendment.

D. The parties desire to reinstate the Agreement and amend and clarify certain terms thereof, as more specifically 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:

3. Agreement Terminated and Reinstated. Reference is made to that certain letter from Purchaser to Seller dated September 10, 2010, and the subsequent correspondence between the parties (collectively, the “Prior Correspondence”). The parties hereby acknowledge and agree that the Agreement was terminated as a result of the Prior Correspondence and the Earnest Money Deposit has been returned to Purchaser. The parties hereby agree to proceed on the terms and conditions set forth herein. The Agreement is hereby reinstated and shall continue in full force and effect according to its terms, as amended hereby. To the extent of any inconsistencies

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or discrepancies between the Agreement and this Amendment, this Amendment controls in all respects.

6. Seller's Environmental Plan.

(a) On September 14, 2010, Seller delivered to Purchaser a certain letter dated September 14, 2010, from Birdsall Services Group ("Birdsall") representing the Seller's Environmental Plan. Seller has proposed to comply and complete each and every aspect of the work plan set forth in the Seller's Environmental Plan at Seller's sole cost and expense.

(b) Notwithstanding the provisions of the First Amendment and the Second Amendment, the parties hereby agree that Purchaser is not accepting or rejecting the Seller's Environmental Plan. The parties further agree that Purchaser shall not be required to close until (i) the DEP Green Acres Program approves the Seller's Environmental Plan, and (ii) the DEP authorizes the disbursement of funds to purchase the Property. To the extent these conditions are not met by December 31, 2010, TIME BEING OF THE ESSENCE, either party shall have the right, in its sole discretion, to terminate the Agreement and this Amendment by written notice to the other party and neither party will have any further liability to other party (except any matters that expressly survive the termination of the Agreement by its terms).

(c) Notwithstanding anything to the contrary set forth in the Agreement, Seller's sole obligations shall be to cause the completion of the work set forth in the Seller's Environmental Plan at Seller's sole cost and expense and to cause Birdsall to deliver its resulting report to Seller, Purchaser, and the New Jersey Department of Environmental Protection (the "DEP"), and to pursue the DEP's approval of the same. Purchaser shall forward Birdsall's report and materials to the DEP Green Acres Program and shall pursue obtaining the DEP Green Acres Program approval of the same, the purchase of the Property, and the use of DEP Green Acres Program funds for such purchase.

7. Closing Date. The Closing Date is hereby further extended to the date that is twenty (20) days after the DEP Green Acres Program has issued its approval of the completion of the work under the Seller's Environmental Plan and that funds to purchase the Property are available for disbursement. Purchaser shall notify Seller in writing promptly upon receiving any notices or information indicating the approval or disapproval of any such items from the DEP Green Acres Program.

8. Bind and Inure. This Amendment shall be binding upon and inure to the benefit of Seller, Purchaser and their respective heirs, successors and assigns. This Agreement is subject to the Purchaser adopting a resolution by its Township Council approving and authorizing same.

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

10. 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.

11. 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: ROBERT D. PARISI
Title: MAYOR