

EXHIBIT 27

MANAGEMENT AND MARKETING AGREEMENT

BY AND BETWEEN

**CCW LA JOLLA, L.L.C.
A DELAWARE LIMITED LIABILITY COMPANY**

AND

**CLASSIC RESIDENCE MANAGEMENT LIMITED PARTNERSHIP,
AN ILLINOIS LIMITED PARTNERSHIP**

SHORT 0046

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SHORT 0049

MANAGEMENT AND MARKETING AGREEMENT

THIS MANAGEMENT AND MARKETING AGREEMENT (this "Agreement") is executed in several counterparts as of the _____ day of _____, 1998 (the "Effective Date"), by and between **CCW LA JOLLA, L.L.C.**, a Delaware limited liability company ("Operator"), and **CLASSIC RESIDENCE MANAGEMENT LIMITED PARTNERSHIP**, an Illinois limited partnership ("Classic").

RECITALS

A. Operator owns certain land, improvements and personalty (the "Property") located in the San Diego County, State of California, more particularly described in **Exhibit "A"** attached hereto and hereby made a part of this Agreement, for the purpose of operating a first-class retirement facility.

B. Operator desires to have Classic manage and market the Property for the account of the Operator as an RCFE (as hereinafter defined).

C. Operator and Classic desire to enter into this Agreement respecting the management and marketing of the Property by Classic upon the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

Article 1. Acquisition Operating Transition of Property.

Section 1.1 Development.

Contemporaneous with the execution of this Agreement, Classic has filed an application with the State of California, Department of Social Services, for licensure of the Property as a Residential Care Facility for the Elderly ("RCFE"). Operator intends to develop and, after issuance of a Preliminary Certificate of Authority, have Classic operate the Property as a continuing care retirement facility ("CCRC") under State of California Insurance Law, Public Health Law and related provisions of any other applicable laws.

Section 1.2 Furnishings and Equipment and Operating Equipment.

Operator shall cause and will continue to cause to exist, or to be purchased and installed in or about the Property all of the following, to the extent necessary or desirable to meet the first-class standard (as hereafter defined): (1) furniture, carpeting, wall covering, draperies, and furnishings for the public areas; (2) apartment, common area, and residential equipment (including appliances for the residential units, office equipment, and property management equipment as necessary); (3) uniforms, tools and utensils, and (4) china, glassware, linens, silverware and the like.

Section 1.3 Definitions.

As respects the standards of construction and maintenance, a "first-class standard" refers to the standard of construction, furnishing, finishing, fixturing, and equipping commensurate with (i) the standard found in the comparable quality residential facilities (hereinafter defined) located in the United States of America, offering to the residents thereof RCFE services or CCRC services (hereinafter defined) comparable to the services to be provided by Classic on behalf of Operator under this Agreement; (ii) the quality of construction, furnishings, fixtures, finishes, and equipment in other residential facilities comparable to the Property, and (iii) the quality of construction, furnishings, fixtures, finishes, and equipment found in other senior residential facilities managed and marketed by Classic and located in the United States of America.

As respects operational standards, a "first-class standard" refers, at any given time, to the standard of operation of (i) the comparable quality residential facilities located in the United States of America offering RCFE or CCRC services (as the case may be) comparable to the services to be provided by Classic under this Agreement; and (ii) other residential facilities managed by Classic. The first-class standard, with respect to operational standards, includes, without limitation, operations and maintenance of the Property with adequate staffing to provide staffing for the sale and service of food and beverage and for providing nursing; personal attendants, housekeeping, flat linen laundry, security, janitorial, maintenance, concierge, receptionist, parking attendant, and social and other entertainment activity services.

"CCRC facilities" or "RCFE facilities" means residential apartment complexes, health facilities, and related improvements, fixtures, furnishings, and equipment providing housing, food service, and other amenities for persons most of whom are sixty (60) years of age or older at which the operator or manager offers CCRC or RCFE services of a type comparable to the services to be provided by Classic on behalf of the Operator under this Agreement.

"CCRC services" means services to residents in congregate life care residential facilities provided by the operator or manager thereof, which services include all or some of the following: sale and service of food and beverage, assistance with daily living activities (such as grooming, bathing, dressing and the like), nursing and certain health services, the provisions of light housekeeping for residential units, flat linen laundry, general maintenance and repair of the Property, security, concierge, and social and other entertainment activities.

"Master Trust Loan" means a loan Operator intends to receive from a master trust ("Master Trust") that will be established for the benefit of trust grantors who are residents of the Community, which loan will be evidenced by a Master Trust Note in the original principal amount of \$100,000,000. Operator will enter into Residency Agreements (hereinafter defined) with residents, pursuant to which residents may, among other things, make a one-time lump sum

payment (the "Resident Payment") to the Master Trust, in exchange for a beneficial interest in the Master Trust.

"RCFE services" means services to residents in congregate rental residential facilities provided by the operator or manager thereof, which services include all or part of the sale and service of food and beverage, the provisions of light housekeeping for residential units, flat linen laundry, general maintenance and repair of the Property, security, concierge, and social and other entertainment activities.

In the event of a disagreement between Operator and Classic with regard to whether the construction, maintenance or operation of the Property is meeting the first-class standard, a representative designated by Operator and a representative designated by Classic shall establish a mutually convenient time and place for them to meet to discuss such disagreement. Operator and Classic agree to use good faith efforts to resolve such disputes; provided, however, that if such disputes cannot be resolved to the satisfaction of both parties, then the dispute shall be submitted to arbitration pursuant to Article 14.

Section 1.4 Plans and Specifications.

Operator may engage and retain from time to time as may be required, at no expense to Classic, such architects, designers, specialists, and contractors as shall be necessary and appropriate in connection with additions or modifications to the Property and in connection with the design, selection, purchase, and installation of the items set forth in Section 1.2 hereof. Operator, with reasonable diligence, shall cause to be prepared with respect to the items in Section 1.2 hereof, full and adequate plans and specifications so that, if equipped in accordance therewith, the Property shall meet and continue to meet a first-class standard and shall furnish copies of each thereof to Classic for its advance approval. Approvals required by this Section 1.4 shall not be unreasonably withheld.

Section 1.5 Technical Assistance Services Respecting Improvements.

In connection with services provided by Classic concerning review and approval and execution of modifications to the Property, Classic may negotiate and be entitled to charge fees, payable by Operator, for such services rendered.

Section 1.6 Annual Operating Budget.

On or about the last day of December of each fiscal year occurring after the Opening Date as set forth in Section 1.7 hereof, Classic will cause to be prepared and will submit to Operator drafts of a forecast of operating revenues and expenses of the Property for the ensuing fiscal year which shall be prepared in accordance with Classic's standard internal planning and budgeting processes, as from time to time in existence. Promptly following the submission of such forecast of operating revenues and expenses to Operator, one or more

representatives designated by Operator and one or more representatives designated by Classic shall establish a mutually convenient time and place for them to meet to discuss such materials and shall agree on an operating budget for such fiscal year (for each fiscal year, referred to as the "Annual Operating Budget"). Classic agrees to utilize reasonable efforts during the ensuing fiscal year to manage the Property in a manner which is as consistent as reasonably possible with such operating forecast, subject to then existing market circumstances and operating conditions; provided, however, that nothing herein is intended in any way (i) to limit or negate the authority conferred upon Classic elsewhere in this Agreement, (ii) to negate or limit the obligations of Operator under this Agreement, including, but not limited to the obligations of Operator to provide the funds required hereunder, or (iii) to otherwise limit or negate the terms and provisions of this Agreement. Operator acknowledges that each Annual Operating Budget is merely a forecast of operating revenues and expenses and is necessarily based upon estimates of uncertain future events and conditions. Accordingly, Classic shall have no liability to Operator if actual operating results vary to any extent from the aforesaid materials.

Section 1.7 Opening Date.

The "Opening Date" of the Property shall be the date the first resident takes occupancy of a unit pursuant to a Residency Agreement (hereinafter defined).

Article 2. Term.

Section 2.1 Original Term.

The original term of this Agreement shall commence on the Effective Date and shall continue until the succeeding December 31st, and for an aggregate of twenty-five (25) fiscal years thereafter, unless this Agreement shall be sooner terminated or extended as herein provided. Notwithstanding the foregoing, in the event that A/W Special Purpose Company, a California corporation ("A/W"), purchases (the "Purchase") all of the ownership interest of CC-La Jolla, Inc. (or its successor), in the Operator, Operator may terminate this Agreement as of the date the Purchase closes. Provided, however, Operator shall give to Classic at least ninety (90) days' notice of termination and upon the termination date Operator shall pay to Classic a termination fee equal to the lesser of (i) two times the amount of the Annual Management Fee paid to Classic hereunder for the fiscal year prior to the year of termination (the "Prior Year Fee"), and (ii) the product of (a) two times the Prior Year Fee and (b) a fraction the numerator of which is the number of days remaining in the Term (not taking into consideration the early termination) and the denominator of which is 720.

Section 2.2 Renewal Options.

Classic shall have the right (amounting to five (5) separate renewal options) to extend such original term for five (5) successive periods ("renewal terms") of five (5) fiscal years each; provided that, as to each renewal option, (1) Classic shall give notice to Operator of

Classic's election to extend such term at least nine (9) months prior to the time when the term then in force would otherwise expire; (2) at the time when such notice is given, there shall not be an uncured event of default on the part of Classic hereunder; and (3) to the extent applicable, the term of this Agreement shall have been extended for the prior renewal term, if any. Upon the timely and proper exercise of any such renewal option by Classic, the term of this Agreement shall be automatically extended on the same terms and provisions hereof, as may have been previously amended or modified, effective as of January 1, occurring after the expiration of the original term or the prior renewal term, as applicable, and shall continue for an aggregate of five (5) fiscal years thereafter, unless this Agreement shall be sooner terminated or extended as herein provided.

Section 2.3 Definition of Term.

As used herein, the "Term" shall mean the original term and any renewal term or terms.

Article 3. Use and Operation of the Property.

Section 3.1 Use and Standard of Operation. (a) Operator hereby grants to Classic the sole and exclusive right to manage and operate the Property pursuant to the terms of this Agreement. Classic agrees that, except to the extent excused as hereinafter provided, Classic will, as the agent of Operator, operate the Property during the Term in conformity with a first-class standard and in a businesslike and efficient manner; and Classic shall use the Property solely for the operation of (i) a RCFE, and, (ii) upon receiving a Preliminary Certificate of Authority from the State of California, a CCRC, conforming to a first-class standard and for other activities which are incidental or customary and usual in connection with such an operation. Except as otherwise specifically limited under this Agreement, Classic, as sole and exclusive agent of Operator, shall have absolute control and discretion in the operation of the Property, including, without limitation, the right and power to negotiate and enter into such reasonable contracts (including, without limitation, collective bargaining agreements or labor contracts), in the name and at the expense of Operator, as may be reasonably necessary or advisable in connection with the operation of the Property (subject, however, to Operator's right to approve contracts with a corporation or a person or persons controlling, controlled by, or under common control, or affiliated with Classic), and the right to determine the types of services offered, charges for food and beverages, charges for nursing or health services, labor policies for Classic's employees or Operator's employees supervised by Classic on behalf of Operator (including wage rates, the hiring and discharging of employees, and the installation of employee retirement or other benefit plans), and all phases of promotion and publicity relating to the operation, marketing and management of the Property. The rights of Operator to receive an amount based on the financial returns from the operation of the Property shall not be deemed to give Operator any interest, control or discretion in the operation of the Property which is vested in Classic, as agent for Operator, pursuant to this Agreement.

Anything herein to the contrary notwithstanding, Operator agrees that Classic may retain Rosemont Purchasing Company ("Rosemont") to act as a purchasing agent for Operator in connection with acquiring replacements of and additions to items listed in Section 1.2 or otherwise. Operator also agrees that Rosemont will be paid a fee for its services, which fee will be no greater than that charged by Rosemont to unaffiliated third parties for comparable services.

All employees at the Property shall be the employees of Classic. Classic, as agent for Operator, may reimburse Classic out of operating accounts for the total aggregate compensation, including, without limitation, fringe benefits and annual bonuses paid or payable by Classic, as Operator's agent, to the employees so assigned or, as the case may be, to all employees of the Property. The term "fringe benefits" shall, without limitation, include the cost of pension or profit sharing plans, workers' compensation benefits, group life and accident and health insurance or equivalent benefits and similar benefits available to such employees by virtue of their employment by Classic.

In the event and whenever Classic shall be subject to any tax, irrespective of its designation (including a fee, charge or other imposition for the issuance of a license, permit or the privilege to conduct a business or occupation), imposed, levied or assessed by the United States, the State of California, the County of San Diego, any subdivision or agency of the foregoing or any other government body, which tax is measured, in whole or in part, by reference to reimbursements to Classic for compensation, employment taxes or any fringe benefits paid or payable to or in respect of employees of the Property, then, and in any such event, Operator will indemnify and hold Classic harmless from and against any and all liability for such tax or taxes to the extent so measured. At Operator's request, Classic will resist, by appropriate proceedings, any liability for any tax which is the subject of the foregoing indemnification, in which case all costs and expenses (including, without limitation, attorneys' fees) incurred by Classic in resisting or defending itself against such liability shall be borne and paid for by Operator.

(b) Notwithstanding anything in this Section 3.1 or elsewhere in this Agreement contained, Classic shall be excused from its obligation to operate and manage the Property in conformity with a first-class standard (i) to the extent and whenever Classic shall be prevented from compliance with such standard by Force Majeure Causes (hereinafter defined), (ii) to the extent of any breach by Operator of any provision, including, without limitation, a breach of Operator's obligations under Sections 5.3(c) and 7.1 and (iii) to the extent and whenever there is herein provided a limitation upon Classic's ability to expend funds in respect of the Property; provided that the failure to expend funds by reason of the operation of such limitation shall reasonably prevent Classic from meeting such first-class standard. As used herein, "Force Majeure Causes" shall mean causes beyond the reasonable control of Classic, including casualties, war, insurrection, strikes, lockouts and governmental actions (but excluding causes which can be controlled by the expenditure of money in accordance with good business practices to the extent such monies are furnished to Classic by Operator).

It is expressly agreed and understood that each and every provision contained in this Agreement pursuant to which Classic is excused from its obligation to operate the Property in conformity with a first-class standard shall operate without prejudice to any other remedy (including, without limiting the generality of the foregoing, the right to terminate this Agreement) which Classic shall have under the terms of this Agreement, at law, in equity or otherwise.

Section 3.2 Leases, Concessions, and Utilities.

(a) Operational Leases.

(i) Without being required to obtain the approval of Operator, Classic shall be entitled to enter in or arrange leases, licenses, or concessions for any operations of the Property, any restaurant or food service operations or services, or for any other commercial operation in or about the Property. Any such lease, license, or concession shall be entered into in Operator's name and shall be executed by Operator (or Classic, as agent of Operator).

(ii) Classic shall, during the Term, use reasonable efforts to perform, as agent for Operator, all of the obligations of Operator as landlord, licensor, or concessionaire under all present or future leases, licenses, and concessions made or granted with respect to the Property.

(iii) Classic shall collect all rents, fees, and other sums falling due during the Term under any present or future lease, Residency Agreement, license, or concession, and shall deposit the same in the operating accounts.

(b) Residency Agreements.

In the name of Owner, or in its own name, Classic shall be entitled to enter into agreements with Residents ("Residency Agreements"), affording them a right of occupancy and/or providing services to them. In the name and at the expense of Operator, Classic shall be entitled to render or cause to be rendered the following services and perform or cause to be performed the following duties for Operator, as agent for Operator, and at the expense and, at Classic's election, in the name of Operator, in a faithful, diligent and efficient manner: (i) coordination of the plans of residents for moving their personal effects into the Property or out of it, with a view towards scheduling such movements so that there shall be a minimum of inconvenience to other Residents; (ii) maintenance of businesslike relations with residents whose service requests shall be received, considered and recorded in systematic fashion in order to show the action taken with respect thereto; (iii) collection of all monthly rents, fees and charges due from residents and rent from users or occupants of the Property, including the request, demand, collection, receipt and acknowledgment for any and all charges or rents which become due to Operator, and the taking of such legal action as Classic deems may be

necessary or desirable to enforce leases and residency agreements, including eviction proceedings as may be required under residency agreements; (iv) preparing or causing to be prepared for execution and filing by Operator all forms, reports and returns required by all federal, state or local laws in connection with the unemployment insurance, workmen's compensation insurance, disability benefits, social security and other similar taxes now in effect or hereafter imposed, and also any other requirements relating to the employment of personnel (anything contained herein to the contrary notwithstanding, however, Classic shall not be obligated to prepare any of Operator's state or federal income tax returns); (v) establishing, promulgating, and waiving, from time to time, rules and regulations for the residents of the Property in respect to their use and occupancy of the same under residency agreements; and (vi) with the approval of Operator (which approval shall not be unreasonably withheld), establishing, from time to time, guidelines and procedures for determining whether a resident is capable of satisfying the independent living test and criteria as a condition to such resident's continued occupancy of a unit in the Property and the procedures for enforcement of an adverse determination.

(c) Contracts and Supplies.

Classic, in the name of and on behalf of Operator and at Operator's expense, shall enter into contracts for the furnishing to the Property or maintenance of electricity, gas, water, steam, telephone, cleaning, vermin exterminators, furnace and air conditioning, security protection, pest control, appliances, and any other utilities, services, equipment and concessions which are reasonably required in connection with the occupancy and operation of the Property in accordance with the first-class standard, and shall place purchase orders for such equipment, tools, appliances, materials and supplies as are reasonably necessary to properly maintain the Property in accordance with the first-class standard.

Section 3.3 Bank Accounts.

(a) Operating Accounts.

There shall be deposited in a bank or banks designated by Operator and in accounts ("operating accounts") established in Operator's name monies advanced to the Property as operating working capital as provided in Section 7.1 hereof, and all monies received by Classic from the operations of the Property (excluding Entrance Fees as hereinafter defined and deposits). Classic shall reimburse itself for or pay out of the operating accounts, to the extent of the funds from time to time therein, all costs and expenses incurred or paid in connection with the operation of the Property, including, but not limited to, all costs and expenses arising out of the managing of the Property by Classic. Checks or other documents of withdrawal drawn upon the operating accounts shall be signed by representatives of Classic or Property employees designated by Classic, as agent for Operator, which persons drawing on such accounts shall be bonded

or otherwise insured. For the purpose hereof "Entrance Fees" means all amounts, other than monthly or other recurring service fees, paid pursuant to a Continuing Care Residency Agreement for the right to occupy a residential unit in the Property. Entrance Fees will be deposited in such accounts as may be designated by Operator, from time to time.

(b) Escrow and Reserve Accounts.

Operator may choose to establish and maintain certain interest-bearing account or accounts (the "Reserve and Escrow Accounts") for whatever purposes Operator may deem necessary. Classic shall comply with all applicable laws with respect to such deposits including, without limitation, the giving of any and all notices and the payment of all interest legally required with respect to such deposits. The Reserve and Escrow Account and all funds on deposit therein shall at all times be deemed to be the property of Operator, subject to all applicable laws with respect to such Reserve and Escrow Accounts. The interest generated from such Reserve and Escrow Account shall be the exclusive property of Operator. Classic shall not withdraw any sums from the Reserve and Escrow Accounts unless so instructed by Operator.

(c) Operator Accounts.

There shall be deposited in a bank or banks designated by Operator and in accounts ("Operator Accounts") established in Operator's name all monies received by Classic from the marketing of the residential units and management and operations of the Property, exclusive of amounts deposited in the Security Accounts (defined below). Classic shall reimburse itself for or pay out of the Operator Accounts, to the extent of the funds, from time to time therein, all costs and expenses incurred or paid in connection with the marketing program, including, but not limited to, commissions, fees, advertising costs and all other amounts required to perform Classic's obligations hereunder all as set forth in Section 3.8 hereof. Checks or other documents of withdrawal drawn upon the Operator accounts shall be signed by representatives of Classic as agent for the Operator, which persons drawing on such accounts shall be bonded or otherwise insured.

(d) Security Accounts.

There shall be deposited in a bank or banks designated by Operator and in separate accounts ("Security Accounts") established in Operator's name entrance fees and other funds received by Classic or Operator from residents or prospective residents whose use may be restricted by statute for some definite time period. Classic shall pay out of the Security Accounts, to the extent of the funds from time to time therein, all costs, expenses or refunds incurred or due in connection with each account's respective escrow and deposit agreement.

(e) Payment of Taxes.

To the extent that accounts described in this Section 3.3 are interest bearing accounts and that Classic is required to pay taxes on such interest as a fiduciary, the same shall be paid out of the Operator Accounts or Security Accounts, as the case may be.

Section 3.4 Negation of Partnership, Joint Venture or Lease.

Nothing in this Agreement contained shall constitute, or be construed to be or to create, a partnership, joint venture or lease between Operator and Classic with respect to the Property.

Section 3.5 Marketing Program. Classic will prepare a marketing and advertising program and will submit them to Operator for formal approval prior to the beginning of the marketing program. On or about the last day of December of each fiscal year, Classic will cause to be prepared and will submit to Operator drafts of a plan outlining the proposed marketing program for the ensuing fiscal year, which shall be prepared in accordance with Classic's standard internal planning and budgeting processes, as from time to time in existence. Promptly following the submission of such marketing and advertising program to Operator, representatives designated by Operator and a representative designated by Classic shall establish a mutually convenient time and place for them to meet to discuss such materials. The marketing program will be reviewed from time to time by the parties and may be modified by Operator upon Classic's recommendation.

Section 3.6 Costs of the Marketing Program. Classic will plan and arrange for the creative services, production, type, mix, copy, placement and purchase of the material and media to be purchased as necessary to implement said marketing program. The costs of goods and services called for in this paragraph shall be borne by the Operator. Operator shall additionally provide adequate office space at the Property for carrying out the marketing effort. Operator will develop and maintain an inventory of marketing materials for use in such quantities as shall be necessary to meet the reasonable needs and demands of the public. Classic may choose to use its affiliate company to prepare such materials and media, in which case the costs of those services will be paid by the Operator

Section 3.7 Personnel. Classic will have the responsibility to and shall hire and train sufficient and competent personnel to carry out the services under this Article. All employees engaged in the marketing program shall be the employees of Classic, subject to Classic's supervision. Classic, as agent for Operator, may reimburse Classic for the total aggregate compensation, including, without limitation, fringe benefits and annual bonuses paid or payable by Classic, as Operator's agent, to all employees engaged in the marketing program whether employed by or assigned to Classic. The term "fringe benefits" shall, without limitation, include the cost of pension or profit sharing plans, workers' compensation benefits, group life

and accident and health insurance or equivalent benefits and similar benefits available to such employees by virtue of their employment by Classic.

In the event and whenever Classic shall be subject to any tax, irrespective of its designation (including a fee, charge or other imposition for the issuance of a license, permit or the privilege to conduct a business or occupation), imposed, levied or assessed by the United States, the State of California, the County of San Diego, any subdivision or agency of the foregoing or any other government body, which tax is measured, in whole or in part, by reference to reimbursements to Classic for compensation, employment taxes or any fringe benefits paid or payable to or in respect of employees engaged in marketing the Property, then, and in any such event, Operator will indemnify and hold Classic harmless from and against any and all liability for such tax or taxes to the extent so measured. At Operator's request, Classic will resist, by appropriate proceedings, any liability for any tax which is the subject of the foregoing indemnification, in which case all costs and expenses (including, without limitation, attorneys' fees) incurred by Classic in resisting or defending itself against such liability shall be borne and paid for by Operator.

Section 3.8 Reimbursement for Expenses. Classic will prepare and deliver to Operator for Operator's approval a schedule of all costs, expenses or other amounts incurred under the provisions of this Article and for which Operator will be expected to pay or reimburse Classic, including, without limitation, the compensation and expenses of personnel engaged in accordance with Section 3.7 hereof. Classic shall be entitled to draw against Operator Accounts to pay all items approved by Operator and to reimburse itself for all approved expenditures.

Section 3.9 Third Parties. In connection with rendering its services and performing its duties for Operator, Classic may engage and retain the services of third parties and/or affiliate, including, without limitation, suppliers, contractors, repairmen, attorneys, accountants and other professionals, provided such engagement and retention shall be at fair market rates.

Article 4. Management Fees and Remittances to Operator.

Section 4.1 Fiscal Year.

A "fiscal year" shall mean a period of twelve (12) consecutive months included in the Term commencing on each January 1st and ending on December 31st of the same calendar year, except that the first fiscal year hereunder shall commence on the Opening Date and end on December 31st of the calendar year in which the Opening Date falls and, in the event that there shall be an early termination of the Term on a date other than December 31st, the last fiscal year under this Agreement shall end on such date of termination and shall commence on the preceding January 1st.

Section 4.2 Classic's Management Fee.

(a) Annual Management Fee. For each fiscal year Operator shall pay, and Classic shall receive, in respect of its management services hereunder, an amount (the "Annual Management Fee") equal to six percent (6%) of the annual Maintenance Fees for such fiscal year. "Maintenance Fees" shall mean all amounts, other than Entrance Fees and Resident Payments, paid by residents pursuant to Residency Agreements, or other agreements with residents or third parties.

(b) Time and Manner of Payment. With respect to any fiscal year and calendar month included therein, the Annual Management Fee shall be payable in monthly installments of one-twelfth (1/12) the estimated Annual Maintenance Fees that will be paid in such fiscal year, as set forth in the annual operating budget for such fiscal year. The monthly installments on account of such Annual Management Fee for any such calendar month shall be paid by Classic withdrawing the same from the Operating Accounts at any time after Classic shall furnish to Operator the unaudited financial statement for such calendar month, pursuant to Section 7.4 hereof.

If, for any fiscal year, the aggregate amount of the tentative monthly installments paid to Classic on account of the Annual Management Fee shall be more or less than the actual Annual Management Fee payable for such fiscal year based upon the final determination of annual Maintenance Fees for such fiscal year as reflected in the Certified Financial Statement for such fiscal year referred to in Section 7.4 hereof, then, by way of year-end adjustment, within fifteen (15) days after the delivery of such Certified Financial Statement to Operator, Classic shall pay into the Operating Accounts the amount of any such overpayment or withdraw from the Operating Accounts the amount of any such underpayment.

Section 4.3 Remittance to Operator.

Contemporaneously with furnishing the monthly statement for each calendar month pursuant to Section 7.4 hereof, Classic shall remit to Operator out of the Operating Accounts an amount (the "Operator's Remittance Amount") by which the total funds then in the Operating Accounts exceed the amount then reasonably required to be maintained in the Operating Accounts (after withdrawal of the Annual Management Fee and Administration Fee) in order to carry on the operation of the Property pursuant to a first-class standard and so that Classic may perform its obligations hereunder. Each remittance shall be paid to Operator at Operator's address then in effect hereunder for its receipt of notices hereunder, or at such other place as Operator may, from time to time, designate in a notice to Classic.

Section 4.4 CCRC Sales Fees. After conversion of the Property to a Continuing Care Retirement Community under application laws of the State of California, Operator shall pay to Classic a sales fee (the "Sales Fee"), payable upon occupancy by the resident. The Sales Fee due for each Residency Agreement shall be an amount which is equal to five percent (5%)

of the Entrance Fee as defined in each Residency Agreement. The Sales Fee shall be paid in addition to the Management Fee payable to Classic pursuant to Section 4.2 above.

Article 5. Fund for Operating Reserves.

Section 5.1 Operating Reserves.

At the end of each fiscal year, the Operator may choose to direct Classic to withdraw from the Operating Account and deposit into a fund (the "Reserve Fund") an amount established by the Operator. The Reserve Fund shall be maintained by Classic in trust for Operator in an interest bearing bank account. The Reserve Fund shall be controlled by an escrow agreement in form and substance acceptable to the Operator. The monies in the Reserve Fund shall be the property of the Operator. To the extent that Classic shall be required to pay any income taxes on such interest as a fiduciary, the same shall be payable out of the Reserve Fund.

Article 6. Repairs and Changes; Legal Requirements.

Section 6.1 Repairs and Maintenance.

Except to the extent prevented by causes beyond its reasonable control (including Force Majeure Causes and the unavailability of funds from Operator), Classic shall, throughout the Term, take good care of the Property (other than such portions thereof as are leased to tenants who undertake a duty of repair and maintenance) and maintain the same in good order and condition and make all repairs thereto as may be necessary to maintain the Property in the first-class standard. However, Classic's responsibilities shall not include any matters related to the structural integrity of the Property, relating to defects in design of the Property, or the items set forth in Section 1.2 hereof, which shall be the responsibility of Operator throughout the Term.

Section 6.2 Compliance with Legal Requirements.

(a) Except as elsewhere herein limited or excused, Classic shall, throughout the Term, comply with all applicable requirements (collectively, the "Legal Requirements") of which Classic has knowledge under all laws, ordinances, orders, rules and regulations of governmental authorities having jurisdiction over the Property. Classic may, at its option, defend any actions, suits or other proceedings alleging noncompliance. Classic may, but only after approval by Operator (which approval shall not be unreasonably withheld), contest, by appropriate legal proceedings conducted in good faith, in the name of Classic or Operator, or both, the validity or application of any Legal Requirements. If Operator shall approve any such contest, Operator shall execute and deliver any appropriate documents which may be necessary or proper to permit Classic to prosecute such contest. Operator may, by notice to Classic, direct Classic to contest, or Operator may contest directly, any Legal Requirements which Classic may otherwise desire not to contest. In the event that any governmental agency shall give Classic

notice of such agency's intention to inspect the Property, Classic shall forthwith transmit a copy of such notice to Operator and Operator shall have the right to attend any such inspection.

(b) Except as elsewhere herein limited or excused, Operator shall, throughout the Term, comply with all Legal Requirements. Operator shall defend any actions, suits or other proceedings alleging non-compliance, and may contest, by appropriate legal proceedings conducted in good faith, the validity or application of any Legal Requirements. In the event that any governmental agency shall give Operator notice of such agency's intention to inspect the Property, Operator shall forthwith transmit a copy of such notice to Classic and Classic shall make the Property available for such inspection.

Section 6.3 Alterations and Additions.

Except in order to comply with the Legal Requirements and except as expressly provided in this Agreement, Classic shall make no alterations, additions or improvements in or to the Property without the approval of Operator (which approval shall not be unreasonably withheld). Notwithstanding the preceding sentence, (i) in the event any alterations, additions or improvements, structural or non-structural, shall be required in order that the Property be in compliance with applicable Legal Requirements, the same shall be the responsibility of Operator as provided in the Lease; and (iii) Classic, at Operator's expense, shall have the right to make emergency repairs or alterations in order to correct any manifest danger to life or property, or for preservation of the Property, or for the safety of residents or required to avoid the suspension of any utilities or other service to the Property.

Article 7. General Covenants of Classic and Operator.

Section 7.1 Working Capital.

Except as otherwise in this Agreement specifically provided, Operator shall, at all times during the Term, cause sufficient working capital funds to be on hand (which may be in the form of debt or equity proceeds, or through a third party contract such as a lease) in the Operating Accounts to assure the timely payment of all current liabilities of the operation and maintenance of the Property (including Classic's fees and the installments thereof payable under Section 4.2 and 4.3 hereof), the uninterrupted and efficient operation of the Property at all times during the Term and the performance by Classic of its other obligations hereunder. On the Opening Date, Operator shall have adequate funds in the operating accounts and there shall be on hand all necessary inventories of food, beverages, operating equipment and supplies; further, Operator shall have met all applicable Legal Requirements, including, without limitation, the procurement of all liquor and other licenses required to meet such Legal Requirements.

Section 7.2 Administrative Services.

Classic shall provide, or shall cause its affiliates to provide, in connection with the operation and for the benefit of the Property, certain administration assistance and services out of its general corporate offices (herein referred to, collectively, as "Administrative Services") as may be appropriate to comply with the first-class standard, including, without limitation, financial management and accounting, legal, supervisory, technical, marketing, employee relations, data processing, duplicating, and other consulting and administrative services and expertise.

Section 7.3 Right of Inspection and Review.

Classic shall afford to Operator and its duly authorized agents the right to enter upon any part of the Property at all reasonable times during the Term for the purpose of examining or inspecting the Property or examining or making extracts from the books and records of the Property operation, or for any other purpose which Operator, in its discretion, shall deem necessary or advisable, but the same shall be done with as little disturbance to the operation of the Property as possible.

Section 7.4 Financial Reports.

Classic shall deliver to Operator, within twenty (20) days after the end of each calendar month, an unaudited financial statement prepared from the books of account maintained by Classic and containing (i) a statement of current assets and current liabilities of the Property as of the end of such calendar month, (ii) a profit and loss statement showing the results of operation of the Property for such calendar month. In addition, Classic shall deliver to Operator, within ninety (90) days after the end of each calendar quarter, an unaudited financial statement prepared from the books of account maintained by Classic and containing a statement of the actual operating revenues and expenses of the Property for the preceding calendar quarter and the forecast for such operating revenues and expenses as contained in the Annual Budget. Within one hundred twenty (120) days after the end of such fiscal year Classic shall deliver to Operator a financial statement for such fiscal year (herein referred to as the "Certified Financial Statement"), containing a statement of the current assets and current liabilities of the Property as of the end of such fiscal year, and a profit and loss statement showing the results of operation of the Property (including rentals) for such fiscal year, with an opinion thereon after an audit by a duly licensed independent certified public accounting firm retained by Classic and approved by Operator. (Operator hereby gives approval to the firm of Coopers & Lybrand if such firm is properly licensed to make such audit and give such opinion.) Such Certified Financial Statement shall set forth the annual Maintenance Fees and the Annual Management Fee for such fiscal year. The cost of such audit in respect of such Certified Financial Statement for a fiscal year shall be charged as an expense of the operation of the Property for the succeeding fiscal year. If the opinion of such independent certified public accounting firm with respect to the matters set forth in such Certified Financial Statement for a fiscal year shall be an unqualified opinion, then such Certified Financial Statement shall be

conclusive upon the parties hereto with respect to such matters and shall be deemed to be a final determination of the annual Maintenance Fees and the Annual Management Fee, for such fiscal year.

Section 7.5 Operator's Warranties as to Title; Evidence of Title.

Operator warrants to Classic that it is the record owner of the Property, subject only to the terms of liens, easements, and other matters of record, none of which materially restrict Operator's right to operate the Project as a RCFE or Continuing Care Community.

Operator represents that it shall, throughout the term of the Agreement:

(a) Keep and maintain, or cause to be kept and maintained, any leases covering real or personal property or other agreements necessary to the ownership or control of the Property, or any part thereof, in full force and effect and free from default on Operator's behalf, and in this connection Operator shall pay and discharge, or cause to be paid and discharged, any ground rents or other rental payments or other charges payable by Operator in respect of the Property;

(b) Maintain, or cause to be maintained, in good standing and free from default, any and all mortgages affecting the Property (but no additional rights against Operator are hereby created in favor of any mortgagee under such mortgage); and

(c) Observe, or cause to be observed, and comply with, or cause to be complied with, any and all other liens, encumbrances, covenants, charges, burdens or restrictions pertaining to the Property, or any part thereof, none of which shall, however, materially and adversely affect the operation of the Property by Operator.

Section 7.6 Payment of Taxes.

During the Term, Operator shall, prior to delinquency, pay all ad valorem or other real and personal property taxes assessed or levied against the Property. At the election and request of Operator, Classic will pay such taxes, provided that, Operator causes the bills therefor to be submitted to Classic promptly and Operator provides sufficient funds in order for Classic to make such payments.

Section 7.7 Books and Records.

Classic shall keep full and adequate books of account and other records reflecting the results of the operation of the Property. Such books and records shall, at all times, be kept in all material respects, in accordance with generally accepted accounting principles, consistently applied, or in accordance with cash basis accounting, except as otherwise specified in this Agreement.

Section 7.8 Chain Allocation.

From time to time, Classic may perform or cause to be performed certain services, including but not limited to sponsoring national advertising, enacting incentive programs and implementing training programs, for the benefit of all facilities under management agreements with Classic or an Affiliate ("Chain Facilities"). The costs of these services will be divided among all Chain Facilities. The Operator shall pay these costs as they are billed.

Article 8. Insurance.

Section 8.1 Insurance to be Maintained Prior to the Commencement of Term.

Operator shall, at all times prior to the Opening Date, procure and maintain with responsible and properly licensed companies (i) public liability and indemnity and property insurance in respect of the Property fully protecting both Operator and Classic against loss or damage and (ii) adequate insurance for the full insurable value of the Property against all risk of direct physical damage, including, but not limited to, fire and extended coverage, boiler and machinery, and such other risks and perils for which insurance is customarily provided for RCFE's or CCRC's of similar character, and (iii) Workers' Compensation or similar insurance with respect to the occupation of the Property (or a portion thereof) by Operator's and Classic's employees prior to the Opening Date. All liability and indemnity policies evidencing such insurance shall name Classic as an additional insured thereunder by means of the following endorsement:

"Additional Insureds Endorsement"

Classic Residence Management Limited Partnership, Hyatt Corporation, and all affiliated, associated, proprietary, or subsidiary companies, partnerships, and trusts as they may now exist or exist hereafter and any firm name, trade name or style under which they may operate and their respective officers, directors, employees and agents."

Section 8.2 Insurance to be Maintained During Term.

Operator shall maintain, at all times during the Term, the following insurance respecting the Property in amounts and with responsible and properly licensed companies as approved by Classic (such amounts shall in no event be less than the amounts required under any mortgage, deed of trust or security agreement affecting the Property):

(a) Public liability insurance for injury to or death of persons and damage to or loss of property, with endorsements including coverage for those risks listed in **Exhibit "B"** attached hereto and a part hereof;

(b) Workers' compensation, including employer's liability and a broad form "all states" endorsement or similar insurance as may be required by law;

(c) Insurance against all risk of direct physical loss, including but not limited to, fire and extended coverage, including business interruption and rental loss, boiler and machinery coverage including use and occupancy, and such other risks and perils with respect to which insurance is customarily carried by Classic for facilities of similar character;

(d) Crime and fidelity insurance against dishonest acts by employees and others;

(e) Professional Liability Insurance against acts of employees of Classic or the Operator and performance of medical related duties; and

(f) Such other insurance as Classic shall deem necessary for protection against claims, liabilities and losses arising from the operation of the Property.

All policies evidencing the foregoing insurance shall name Operator as the principal insured and shall contain the Additional Insured Endorsement and (if required by Operator) any mortgagee of the Property as additional insureds thereunder.

Whenever Operator is about, or proposes, to purchase any insurance policy or policies required under this Section 8.2, Operator shall invite a bid (the "Classic Bid") from Classic who may obtain a bid from Hyatt Corporation, a Delaware corporation ("Hyatt"), or its Affiliates, covering such policy or policies and prepared by Hyatt's or its Affiliate's insurance broker or adviser. The Classic Bid may be based upon self-insurance (as described in Section 8.5) or providing all or part of the insurance in question under a blanket policy insuring, in addition to the Property, other congregate residential facilities operated by Classic and hotels operated by Hyatt or its affiliates, in which event the insurance premiums to be included in the Classic Bid shall be those properly allocable to the Property, as determined in good faith by the insurance carrier or carriers involved.

Section 8.3 Notice of Cancellation or Change.

All insurance policies required to be carried hereunder shall, to the extent obtainable, have attached thereto an endorsement that the same shall not be canceled or changed without at least thirty (30) days' prior written notice to all named insureds and additional insureds.

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Section 8.4 Evidence of Insurance Coverage.

For the purpose of evidencing compliance with the provisions of this Article 8, Operator shall from time to time furnish to Classic certified duplicate policies of all insurance required to be maintained by Operator pursuant to this Article 8.

Section 8.5 Self-Insurance.

Operator understands that Classic customarily and in the course of managing facilities in its chain, may self-insure and assume the risk of certain losses and liabilities and places certain coverages with an affiliated insurance carrier. Subject to the next succeeding paragraph, Classic and Operator agree that Classic may, in submitting the Classic Bid, be a self-insurer of all or any of the risks described in this Article 8, or may place coverage with such affiliated carrier, so long as such self-insurance or coverage is consistent in type and amount with Classic's self-insurance or coverage practices at other congregate residential facilities.

In the event that Classic self-insures, it will carry insurance, in customary amounts, above the self-insured deductibles protecting Operator and Classic. Operator shall be named as an additional insured in said policies.

Article 9. Indemnification of Operator.

To the extent that Operator shall not be fully covered by insurance, but subject to Operator's obligations under Section 7.1, Classic will indemnify and hold harmless Operator from any damages, liability, cost, claim or expense, including attorneys' fees, arising out of or in connection with the operation of the Property or Classic's operations other than at the Property. The costs of such indemnity shall be borne as follows:

(a) If the damage, liability, cost, claim or expense is attributable to Classic's gross negligence, willful misconduct, or breach of this Agreement, the cost of such indemnification shall be borne solely by Classic; and

(b) If the damage, liability, cost, claim or expense is attributable to any other reason or cause, the cost of such indemnification shall be paid by Classic out of the Operating Accounts and Operator shall reimburse Classic on account thereof.

Classic's obligations under this Article 9 shall not include any losses, expenses or damages arising from any matters relating to the structural integrity of the Property or other matters relating to defects in design, materials or workmanship in the construction of the Property (other than alterations or additions made by Classic pursuant to Section 6.3).

SHORT 0068

Article 10. Damage to and Destruction of Property.

Section 10.1 Operator's Duty of Restoration.

If the Improvements, or any portion thereof, shall be damaged or destroyed at any time or times during the Term by fire or any other casualty, at no expense or risk to Classic, Operator shall, using due diligence and dispatch, repair, rebuild or replace the damage or cause the same to occur (such repairing, rebuilding or replacing being herein called "restoration"), so that after restoration the Property shall be substantially the same as prior to such damage or destruction, and all proceeds of insurance shall be made available to Operator for this purpose. If Operator fails to undertake restoration within sixty (60) days after such fire or other casualty, or shall fail to complete the same diligently, Operator may delegate to Classic, and Classic may elect or refuse to undertake or complete, the restoration for the account of Operator, and Classic if it so elects shall be entitled, upon demand, to be repaid therefor (including all necessary incidental costs and expenses incurred in connection therewith), together with interest on the aggregate out-of-pocket amount expended at the Prime Rate (as defined in Article 11 hereof) at the time of such expenditure plus two percent (2%) per annum (but not to exceed the maximum interest allowed by law) from the date of making such expenditure or expenditures until repayment thereof. In such case, the proceeds of insurance shall be made available to Classic for this purpose, provided that Operator shall have the right to ensure that such proceeds of insurance shall be applied to restoration.

Section 10.2 Operator's Election Not to Restore.

Anything contained in Section 10.1 to the contrary notwithstanding, if, in connection with any casualty, the cost of restoration shall equal or exceed (i) twenty-five percent (25%) of the replacement cost thereof immediately prior to such casualty if such casualty shall be covered by insurance or (ii) ten percent (10%) of such replacement cost if such casualty is not insurable under the insurance policies required to be maintained hereunder, then, and in either event, Operator shall have an election exercisable by notice to Classic, given within ninety (90) days from the occurrence of such casualty, not to restore the Property and if Operator elects not to restore the facility, Classic may elect within thirty (30) days of Occupant's notice to Classic to terminate this Agreement. If neither party terminates this Agreement during said thirty (30) day period, the right to terminate shall lapse and this Agreement shall remain in full force.

Article 11. Interest on Overdue Sums.

If either party (the "liable party") shall fail to pay, when due, to the other party (the "non-liable party") any sum payable to the latter hereunder, then the liable party shall, without notice to or demand upon it, be liable to the non-liable party for the payment of such sum, together with interest thereon at the rate of (i) Prime Rate plus 4% per annum or (ii) the maximum rate of interest allowed by law, whichever shall be less, from the date when such sum shall become due to the date of actual payment. As used herein, "Prime Rate" shall mean a per

annum rate of interest which, from day to day, shall be equal to the rate of interest established, from time to time (whether or not charged in each instance), by First National Bank of Chicago or any successor institution (the "Reference Bank"), as the Reference Bank's general reference rate of interest after taking into consideration such factors as the Reference Bank, from time to time, may consider appropriate in the Reference Bank's sole discretion (it being understood that the Reference Bank, from time to time, may make various loans at rates of interest having no relationship to such general reference rate); provided, however, that if the Reference Bank has more than one established general reference rate, the term "Prime Rate" as used herein, shall mean the Reference Bank's highest established general reference rate. Each change in the Prime Rate or the maximum lawful rate shall become effective, without notice to the parties, on the effective date of each change in such rates. Should the Reference Bank abolish or abandon the practice of establishing a general reference rate, then the Prime Rate used for the balance of the term of this Agreement shall be that interest rate or other general reference rate then in effect, which, from time to time, most effectively approximates the initial definition of "Prime Rate" set forth above, as determined by Classic. With respect to the calculation of the Reference Bank's general reference rate, a certificate or letter from the Reference Bank setting forth any change in the general reference rate during the term of this Agreement, signed by any officer of the Reference Bank, shall be binding and conclusive upon the parties; provided, however, that in no event shall any party ever be required to obtain such a certificate or letter at any time during the Term.

Article 12. Events of Default.

The following shall constitute events of default hereunder:

(1) The failure of either party (the "defaulting party") to pay to the other party (the "non-defaulting party") any sum which may become due hereunder within fifteen (15) days after receipt by the defaulting party of a notice from the non-defaulting party specifying such failure; or

(2) The failure by either party (the "defaulting party") to perform, keep or fulfill any of the terms, covenants, undertakings, obligations or conditions set forth in this Agreement other than those referred to in the foregoing paragraph (1), and the continuance of such failure without cure for a period of thirty (30) days after receipt by the defaulting party of notice thereof from the other party hereto (the "non-defaulting party") specifying such failure; or, in the event such failure is of a nature that it cannot, with due diligence and in good faith, be cured within thirty (30) days and such defaulting party fails to proceed promptly and with due diligence and in good faith to cure the same and thereafter to prosecute the curing of such failure with due diligence and in good faith (it being intended that, in connection with a failure not susceptible of being cured with diligence and in good faith within (30) days, the time of such defaulting party within which to cure the same shall be extended for such period as may be necessary for the curing thereof with due diligence and in good faith).

SHORT 0070

If an event of default shall occur, the non-defaulting party may give to the defaulting party notice of intention to terminate the Term after the expiration of a period of fifteen (15) days from the date of such notice and, upon the expiration of such period, this Agreement shall terminate. Such termination shall be without prejudice to any right to damages which the non-defaulting party may have against the defaulting party under applicable law.

Article 13. Trade Name.

During the Term, the Property may be known and designated, if Classic elects, as "La Jolla Village Towers, a Classic Residence by Hyatt". Classic may elect at any time to change the name of the Property. Operator acknowledges that "Hyatt" and "Classic Residence by Hyatt" are both protected names (herein called the "protected names"). Operator further acknowledges that the protected names, when used either alone or in conjunction with any other word or words, are the exclusive property of Classic or its affiliate, Hyatt Corporation. Accordingly, Operator agrees that no right or remedy of Operator for any default of Classic hereunder, nor the delivery of possession of the Property to Operator upon the expiration or sooner termination of the Term, nor any provision of this Agreement, shall confer upon Operator, or any transferee, assignee or successor of Operator, or any person, firm or corporation claiming by or through Operator, the right to use the protected names, either alone or in conjunction with any other word or words, in connection with the use or operation of the Property or otherwise. In the event of any breach of this covenant by Operator, Classic and/or its affiliate Hyatt Corporation shall be entitled to damages, to relief by injunction, and to all other available legal rights or remedies, and this provision shall be deemed to survive the expiration or sooner termination of the Term.

Article 14. Arbitration.

Except as otherwise herein provided, if any controversy should arise between the parties in the performance, interpretation or application of this Agreement, either party may serve upon the other a written notice stating that such party desires to have such controversy reviewed by a board of three (3) arbitrators and naming the person whom such party has designated to act as an arbitrator. Within fifteen (15) days after receipt of such notice, the other party shall designate a person to act as arbitrator and shall notify the party requesting arbitration of such designation and the name of the person so designated. The two (2) arbitrators designated as aforesaid shall promptly select a third arbitrator, on five (5) days' notice in writing to the other, or both arbitrators shall apply to the American Arbitration Association to designate and appoint such third arbitrator. If the party upon whom such written request for arbitration is served shall fail to designate its arbitrator within fifteen (15) days after receipt of such notice, then the arbitrator designated by the party requesting arbitration shall act as the sole arbitrator and shall be deemed to be the single, mutually approved, arbitrator to resolve such controversy. The arbitration shall be conducted in accordance with the Rules of the American Arbitration Association. The parties to the arbitration, in addition to the rights granted under the Rules of the American Arbitration Association, shall have the right to offer evidence and testify at the

hearings, cross-examine witnesses and conduct discovery in accordance with the procedural and evidentiary rules then prevailing in the federal court the venue of which includes Chicago, Illinois. If at the time such arbitration is to be held, the American Arbitration Association is not in existence and has no successor, the arbitrator shall be appointed by the chief or senior judge of the United States District Court for the Northern District of Illinois, or by any successor court, upon application of either party. After being duly appointed, the arbitrators shall proceed with all reasonable dispatch to determine the question submitted. The arbitration shall be an "expedited arbitration" under the commercial arbitration rules of the American Arbitration Association if the issue involved concerns the reasonableness of the conduct of any party. The decision and award of a majority of the arbitrators or of such sole arbitrator shall be binding upon both Operator and Classic and shall be enforceable in any court of competent jurisdiction. Such decision and award may allocate the costs of such arbitration to one of the parties or disproportionately between the parties. Any arbitration pursuant to this Article 14 shall take place in Chicago, Illinois.

Article 15. Successors and Assigns.

Section 15.1 Assignment by Classic.

Classic shall have the right to assign its rights and obligations under this Agreement, without the consent of Operator, to any Affiliate (as defined in Section 15.4 hereof) of Classic or to any assignee who also acquires all, or substantially all, of the assets of Classic and assumes its obligations, including those hereunder. In such latter event, Classic's liability hereunder shall terminate upon such assignment, but in the event of such an assignment to an Affiliate, Classic shall continue to be liable under this Agreement to the same extent as though such assignment had not been made. Except as hereinabove provided, Classic shall not assign its rights and obligations under this Agreement without the approval of Operator (which approval shall not be unreasonably withheld). In the event that Classic shall assign its rights and obligations under this Agreement to any Affiliate (the "assignee affiliate"), as hereinbefore provided, then the sale by Classic or by an Affiliate of controlling interest in such assignee affiliate shall constitute an assignment of Classic's interest requiring Operator's approval, as provided in the immediately preceding sentence, except for a sale which is part of a sale of all, or substantially all, of the assets of Classic to an assignee who assumes its obligations, including those hereunder (in which case, any contingent liability of Classic hereunder shall terminate upon such sale).

It is understood and agreed that any approval given by Operator to any assignment shall not be deemed a waiver of the covenant herein contained against assignment in any subsequent case. Any assignee who succeeds to the interest of Classic hereunder (or to the interest of an assignee of Classic hereunder) shall be deemed to be Classic hereunder for all purposes.

Section 15.2 Assignment by Operator.

Operator shall not have the right to lease, hypothecate or convey the Property or any portion thereof, or to assign its interest in this Agreement, without the prior approval of Classic (which shall not be unreasonably withheld), and which approval shall be based on various factors, including, among others, the reputation of the transferee or its principals and management and the ability of the prospective transferee to fulfill the financial obligations of Operator hereunder. Any approved assignee shall expressly assume in writing the obligations of Operator hereunder. Notwithstanding the foregoing, A/W may sell, transfer, hypothecate or assign its interest in the Operator without the necessity of obtaining the prior approval of Classic and Operator may sell, hypothecate, or convey the Property or any portion thereof, or assign its interest in this Agreement, to an Affiliate without the approval of Classic, provided that such Affiliate at all times qualifies as an Affiliate of the original Operator hereof.

For the purposes of this Agreement, an assignment of this Agreement shall be deemed to have occurred, if, within any twelve (12) month period, there is a transfer of more than ten percent (10%) of the beneficial ownership of Operator other than by bequests, devises or transfers under laws of intestacy.

Section 15.3 Binding on Successors.

The terms, provisions, covenants, undertakings, agreements, obligations, and conditions of this Agreement, subject to the restrictions under Sections 15.1 and 15.2, shall be binding upon and shall inure to the benefit of the successors in interest and the assigns of the parties hereto with the same effect as if mentioned in each instance where the party hereto is named or referred to.

Section 15.4 "Affiliate" Defined.

As used herein, "Affiliate" shall mean, with respect to Classic, a "Hyatt Affiliate" (hereinafter defined). As used herein, "Affiliate" shall mean, with respect to Operator, (a) any Person directly or indirectly owning, controlling or holding with power to vote fifty percent (50%) or more of the outstanding voting securities of a corporate Operator, (b) any corporate Person fifty percent (50%) or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by Operator, (c) any person directly or indirectly controlling, controlled by or under common control with Operator, so long as the common Person owns fifty percent (50%) or more of the equity interest in Operator and such Person, and (d) if Operator is a partnership, any general partner owning or controlling fifty percent (50%) or more of the revenue interests in such Operator. As used in the definition of Affiliate, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities by contract or otherwise. As used herein, "Person" shall mean any individual, partnership, corporation, trust, or other entity or association.

As used herein, "Hyatt Affiliate" shall mean (i) Classic Residence Management, Inc.; (ii) HG, Inc., a Delaware corporation ("HG"); or (iii) (A) any natural Person that is the immediate ancestor of Nicholas J. Pritzker, deceased, or any descendant of such immediate ancestor (and for this purpose an adopted natural Person shall be deemed to be the natural issue of his or her adopting parent) or the spouse or former spouse of any of such descendant; (B) the trustee of any trust principally for the benefit of any natural Person described in (iii)(A) preceding; (C) any corporation or other entity of which the Controlling Persons, directly or indirectly, are Classic Residence Management, Inc., HG, or any one or more of the persons or trustees described in (iii)(A) or (iii)(B) preceding; or (D) any partnership of which the Controlling Persons, directly or indirectly, are Classic Residence Management, Inc., HG, or any one or more of the Persons described in (iii)(A), (iii)(B), or (iii)(C) preceding. "Controlling Persons" shall mean the Persons who have control of another Person.

Article 16. Miscellaneous.

Section 16.1 Notices.

All notices to be given hereunder shall be given in writing and shall be deemed given when delivered by messenger or by the U.S. mails, with postage prepaid, registered or certified, and, if intended for Operator, delivered or addressed to:

CCW La Jolla, L.L.C.
Madison Plaza
200 West Madison
Suite 3700
Chicago, Illinois 60606
Attention: General Counsel

and if intended for Classic, delivered or addressed to:

Classic Residence Management Limited Partnership
Madison Plaza
200 West Madison
Suite 3700
Chicago, Illinois 60606
Attention: General Counsel

Either party hereto may change the address for notices hereunder by such party giving notice of such change to the other party hereto in the manner hereinabove provided. If Classic is given the name and address of any mortgagees, it will give copies of all notices given to Operator to such mortgagees, in the manner set forth in this Section 16.

Section 16.2 Approvals.

If a party shall desire the approval of the other party hereto to any matter, such party may give notice to such other party that it requests such approval, specifying in such notice the matter as to which such approval is requested and reasonable detail respecting such matter. If such other party shall not respond negatively in writing to such notice within forty (40) days after receipt thereof, such other party shall be deemed to have approved the matter referred to in such notice.

Section 16.3 Further Instruments.

Upon notice from either party to the other, Classic and Operator shall execute (in recordable form) and deliver to the party requesting the same an appropriate instrument which, when recorded, will impart constructive notice to third parties of the rights of Classic under this Agreement. Each party hereto shall further execute and deliver all such other appropriate supplemental agreements and other instruments and take such other action as may be necessary to make this Agreement fully and legally effective, binding and enforceable as between the parties hereto and as against third parties, or as the other party may reasonably request.

Section 16.4 Indemnification of Classic.

Operator shall indemnify and hold harmless Classic and its directors, officers, employees and agents from and against any and all liability, loss, damages, costs and expenses (collectively, "Liabilities") arising out of, or incurred in connection with any violation or failure to comply with any Legal Requirement and the management and operation of the Property, except those caused by the gross negligence, willful misconduct or willful violations of Legal Requirements by Classic or its employees or agents occurring during the Term.

Without limiting the generality of the foregoing, Operator shall indemnify and hold harmless Classic and its directors, officers, employees and agents from and against any and all Liabilities arising out of, or relating to, the provisions of the Employee Retirement Income Security Act of 1974 and the Multi-Employer Pension Plan Act of 1980.

Section 16.5 Applicable Law.

This Agreement shall be governed in all respects by the internal laws of the State of Illinois.

Section 16.6 Payment of Amounts Due to Classic.

If, pursuant to the terms of this Agreement, the Term and Classic's management of the Property are terminated, Operator's obligations to pay to Classic any other amounts due

to Classic hereunder shall survive such termination and shall continue until all such amounts, with interest, at the rate provided in Section 11, are paid in full. If such termination is the result of condemnation of, or a casualty to the Property, the amounts due to Classic shall be paid out of any condemnation award or insurance proceeds available to Operator after satisfaction of the holder of the first mortgage. If the condemnation award or any insurance proceeds are insufficient, Operator shall be obligated to pay all such amounts to Classic from other funds of Operator.

Section 16.7 Survival and Continuation.

Notwithstanding the termination of this Agreement, all terms, provisions and obligations of either party contained herein which, in order to give them effect and accomplish their intent and purpose, need to survive such termination (e.g., Sections 16.4 and 16.5) shall, by agreement between Operator and Classic, survive and continue until they have been fully satisfied or performed.

Section 16.8 Classic Approvals.

Operator and Classic agree that in each instance in this Agreement or elsewhere wherein Classic is required to give its approval of plans, specifications, budgets and/or financing, no such approval shall imply or be deemed to constitute an opinion by Classic, nor impose upon Classic any responsibility for the design or construction of building elements, including, but not limited to, structural integrity or life/safety requirements or adequacy of budgets and/or financing. The scope of Classic's review and approval of plans and specifications is limited solely to the adequacy and relationship of spaces and aesthetics of the Property for use as a RCFE or CCRC, as the case may be.

All reviews and approvals by Classic under the terms of this Agreement are for the sole and exclusive benefit of Operator and no other person or party shall have the right to rely on any such reviews or approvals by Classic. Classic shall have the absolute right, in its sole discretion, to waive any such reviews or approvals as a condition to its performance under this Agreement.

Section 16.09 Sale of Securities.

In the event Operator, or any person controlling Operator, shall, at any time, sell or offer to sell any securities issued by Operator through the medium of any prospectus or otherwise, it shall do so only in compliance with all applicable federal and state securities laws, and shall clearly disclose to all purchasers and offerees that (i) neither Classic, Hyatt, nor any of their officers, directors, agents or employees, as applicable, shall in any way be deemed an issuer or underwriter of said securities, and that (ii) Classic, Hyatt, and said officers, directors, agents and employees, as applicable, have not assumed and shall not have any liability arising out of or related to the sale or offer of said securities, including, without limitation, any liability or

responsibility for any financial statements, projections or other financial information contained in any prospectus or similar written or oral communication. Classic shall have the right to approve any description of Classic or Hyatt, or any description of this Agreement or of Operator's relationship with Classic hereunder or Hyatt, which may be contained in any prospectus or other communication, and Operator agrees to furnish copies of all such materials to Classic for such purpose not less than twenty (20) days prior to the delivery thereof to any prospective purchaser. Operator agrees to indemnify, defend and hold Classic and Hyatt, and their respective officers, directors, agents and employees, as applicable, free and harmless of and from any and all liabilities, costs, damages, claims or expenses arising out of or related to the sale or offer of any securities of Operator.

Section 16.10 Exhibits.

The following Exhibits are attached to this Agreement and incorporated herein by this reference:

- Exhibit "A" - *Description of Land and Improvements*
- Exhibit "B" - *Insurance Coverage Areas*

SHORT 0077

IN WITNESS WHEREOF, Operator and Classic have executed this Agreement as of the day and year first above set forth.

CLASSIC:

**CLASSIC RESIDENCE MANAGEMENT
LIMITED PARTNERSHIP**, an Illinois limited
partnership

By: **CLASSIC RESIDENCE MANAGEMENT,
INC.**, a Delaware corporation, its general
partner

[
By: John Kevin Poorman
Name: John Kevin Poorman
Title: EVP

Operator:

By: **CCW LA JOLLA, L.L.C.**,
a Delaware limited liability company

By: **CC-LA JOLLA, INC.**,
a Delaware corporation
Its: Member

[
By: John Kevin Poorman
Name: John Kevin Poorman
Title: EVP

SHORT 0078

EXHIBIT A

DESCRIPTION OF LAND AND IMPROVEMENTS

Parcel A:

Parcels 1 and 2 of Parcel Map No. 17546, in the City of San Diego, County of San Diego, State of California, filed in the Office of the County Recorder of San Diego County June 30, 1995 as File No. 1995-0278329 of Official Records.

Parcel B:

Easements for the purposes set forth in the Reciprocal Agreement for Access recorded October 2, 1990 as File No. 90-537242 of Official Records, and as amended by that certain Maintenance Agreement recorded March 13, 1992 as File No. 1992-0139560 of Official Records, lying within Lots 10, 11, 12 and 13 of Costa Verde, in the City of San Diego, County of San Diego, State of California, according to map thereof no. 12045, filed in the Office of the County Recorder of San Diego County, April 18, 1988.

Parcel C:

Easements for the purposes set forth in the Access Easement Agreement Las Palmas Square recorded March 13, 1992 as File No. 1992-0139561 of Official Records, lying within Lots 9 and 10 of Costa Verde, in the City of San Diego, County of San Diego, State of California, according to map thereof no. 12045, filed in the Office of the County Recorder of San Diego County, April 18, 1988.

EXHIBIT B

INSURANCE COVERAGE AREAS

I. Comprehensive General Liability

Premises Operations

Elevators

Independent Contractors

Blanket Contractual

Worldwide Products Liability (U.S. Suit or Foreign Indemnity)

Personal Injury (including Contractual) Exclusion C deleted

Amendment of "Bodily Injury" to include Mental Anguish, Mental Injury, or illness whether or not accompanied by physical injury or illness suffered by any person or persons

Employees as Additional Insureds

Broad Form Property Damage

Fire Legal Liability (\$50,000 per location)

Host Liquor Liability (including Loss of Means of Support)

Liquor Liability

XCU exclusion deleted

Incidental Malpractice (including determination of incapacity and moving people out)

II. Innkeepers Liability Including Safe Deposit Box Liability

III. Comprehensive Automobile Liability Limits:

Includes all owned, hired, leased (or substitute) automobiles.

Use of other auto - broad form - Blanket coverage for all Classic officers and/or employees while acting within the scope of their duties, including an individual while a resident of the household, and spouse and dependent children of such individual.

IV. Garagekeepers Legal Liability:

Fire and Explosion

Theft

Riot, Civil Commotion, Malicious Mischief and Vandalism, Collision or upset

Including coverage for personal property left in insured vehicle

SHORT 0081

DEVELOPMENT MANAGEMENT AGREEMENT

THIS DEVELOPMENT MANAGEMENT AGREEMENT (the "Agreement") is made and entered into as of the ____ day of _____, 2003, by and between CCW LaJolla, LLC, a Delaware corporation ("Owner"), and CLASSIC RESIDENCE MANAGEMENT LIMITED PARTNERSHIP, an Illinois partnership ("Manager").

RECITALS:

A. Owner desires to develop and construct upon the Property an expansion of the continuing care retirement community and related amenities and improvements (the "Project"). Pursuant to a written Management and Marketing Agreement (the "Management Agreement") between Owner and Manager dated as of the date of this Agreement, Manager will operate the Project upon completion.

B. Owner desires to engage Manager to act as the development manager for the Project and to perform the services described in this Agreement.

AGREEMENTS:

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Owner and Manager hereby adopt the foregoing recitals as part of this Agreement and hereby further covenant and agree as follows:

1. Appointment of Manager. Owner hereby appoints Manager as the exclusive development manager for the Project and Manager accepts such appointment. The duties of Manager under this Agreement shall commence immediately and expire upon completion of development and construction of the Project. This Agreement shall be terminable by either party without penalty upon not more than 180 days' notice. In addition to the foregoing, if the Management Agreement terminates prior to the completion of development and construction of the Project, Manager or Owner may terminate this Agreement.

2. Duties of Manager. In furtherance of and without limiting the generality of the foregoing, Manager shall (a) maintain in good standing and comply with applicable development and construction permits and approvals, (b) comply with all state and federal laws and other applicable statutory and regulatory requirements, (c) arrange, supervise and coordinate all construction and development activities, (d) recommend, engage upon prior approval by Owner, and supervise Owner's contractors, engineers, architects, surveyors, designers, planners, accountants, and other professionals (collectively, "Owner's Contractors"), throughout the planning, designing, permitting, development and construction of the Project, (e) comply with the requirements of Owner's financing and coordinate with the Project lender, (f) prepare Project loan draw requests in accordance with procedures set forth in loan documents relating to the Project, and (g) generally implement and

supervise all aspects of development and construction of the Project in accordance with the Project lender and the Project budgets and Project plans established or approved by Owner.

Owner hereby authorizes Manager to enter into agreements and undertake obligations on behalf of and as agent for Owner for the purpose of exercising the duties and prerogatives granted by Owner to Manager under this Agreement; provided, however, all agreements entered into and obligations undertaken by Manager for Owner must be consistent with any Project approvals previously granted by Owner. In lieu of exercising this authority, Manager may have Owner execute such agreements or undertake such obligations. If Manager executes any document or undertakes any obligation in connection with the Project pursuant to this Agreement, Manager shall be acting as agent of Owner and not in its individual capacity. Manager shall not be required to advance any payment to or for the account of the Owner except with Owner's funds, and Manager shall not be obligated to incur any liability or obligation for Owner's account which is not consistent with the capital structure of Owner and Project financing. All obligations incurred by Manager as a result of performing this Agreement shall be paid by Owner, except for any such obligations arising out of the gross negligence or willful misconduct of Manager, its officers, employees or agents, or out of acts taken by Manager which are in breach of or outside the scope of Manager's authority under this Agreement.

3. Duties of Owner. Owner shall: (a) make available to Manager, consistent with the capital structure of Owner and Project financing, the funds necessary to permit Manager to pay when due all obligations incurred pursuant to this Agreement in connection with the Project, (b) approve or disapprove matters relating to the Project which are submitted from time to time by Manager to Owner for approval, whether or not this Agreement requires Owner's approval of any such matter and (c) pay and otherwise keep current its performance under contracts it is a party to relating to the Project.

4. Manager's Fees.

(a) Amount. In consideration of the performance by Manager of the services described in this Agreement, Owner shall pay to Manager a development management fee (the "Development Management Fee") in the total amount of five percent (5%) of general construction, permits and testing, A&E and consultants fees and FF&E. Based on the parties' estimates of the foregoing costs and fees as of the date of this Agreement, the parties estimate that the Development Fee will be \$3.9 million. In addition, Manager shall be entitled to reimbursement of monies advanced by Manager to third parties on behalf of Owner in the performance by Manager of its duties under this Agreement; provided, however, Manager's corporate overhead expense shall be paid by Manager out of its own separate funds. In the event this Agreement terminates prior to the substantial completion of the Project, Manager shall be entitled to a prorata portion of the Development Management Fee, which corresponds to the percentage of project completion on the termination date.

(b) Manner of Payment. The Development Management Fee shall be paid \$50,000 per month on the first day of each month (or such lesser amount based upon the value of

work in place as of the last day of the preceding month), commencing on the Effective Date, with the balance due upon issuance of the Certificate of Occupancy for the building in the Project which is last to be substantially completed.

5. Monthly Reports. Manager shall provide Owner Project progress reports once a month, throughout the development and construction phase of the Project. The reports shall be in such form and shall include such information as shall be required or otherwise reasonably be requested by Owner or the Project lender.

6. Insurance. Owner shall obtain and maintain for the Project insurance coverages in such amounts, against such risks and with such insurers as Owner customarily carries for projects similar to the Project and as may be required from time to time by the Project lender. Manager shall be included as an additional insured, as a Project expense, to the extent of Manager's insurable interest.

7. Default. If at any time during the term of this Agreement an Event of Default (as hereafter defined) shall occur with respect to or on the part of either party (the "defaulting party"), then the other party (the "non-defaulting party") may exercise the rights and remedies hereinafter set forth. For the purposes hereof, an "Event of Default" shall mean the existence of any one or more of the following enumerated circumstances, conditions or events after the giving of any notice which may be specifically required herein, without cure of the proscribed event:

(a) Material Default. A default by Manager or Owner in the performance of any material obligation or covenant of this Agreement and the default is not cured within thirty (30) days following written notice thereof, or such additional time as may reasonably be necessary under the circumstances; or

(b) Bankruptcy or Receivership. Manager or Owner applies for or consents to the appointment of a receiver, trustee or liquidator of all or a substantial part of its assets, or makes a general assignment for the benefit of its creditors, or files a voluntary petition in bankruptcy or a petition seeking reorganization, composition, arrangement with creditors, liquidation or similar relief under any present or future statute, law or regulation or files any answer admitting the material allegations of a petition filed against it in any such proceeding, or is adjudicated bankrupt or insolvent, or takes any action in anticipation of dissolution.

Upon the occurrence of an Event of Default hereunder, the non-defaulting party shall be entitled to avail itself of any and all rights and remedies against the defaulting party available at law or in equity, including without limitation the following rights and remedies: (i) termination of this Agreement by written notice of such termination, in which event this Agreement shall be terminated at the time designated by the non-defaulting party in such notice, (ii) institution of an action against the defaulting party for specific performance (with or without terminating this Agreement) and/or for recovery from the defaulting party of all damages suffered, incurred or sustained by the non-defaulting party as the result of, by reason of or in connection with such default, and (iii) at the sole

option of the non-defaulting party, performance of the duty or payment of the obligation giving rise to the default, in which event any expenses reasonably incurred in connection therewith shall be reimbursed by the defaulting party upon demand, together with interest on the amount so expended at the lesser of (i) the maximum rate allowed by law and (iv) fifteen percent (15%), from the date of expenditure to the date of reimbursement.

8. Assignment by Manager. Manager shall not assign its rights and obligations under this Agreement without the approval of Owner (which approval shall not be unreasonably withheld if the assignee is a Hyatt Affiliate, and otherwise may be granted or withheld in Owner's sole discretion). Notwithstanding the foregoing, this Agreement may be assigned to the Lender who provides the Initial Financing.

9. Assignment by Owner. Owner shall not have the right to sublease, hypothecate or convey the Property or any portion thereof, or to assign its interest in this Agreement, without the prior approval of Manager (which shall not be unreasonably withheld), and which approval shall be based on various factors, including, among others, the reputation of the transferee or its principals and management and the ability of the prospective transferee to fulfill the financial obligations of Owner hereunder. Any approved assignee shall expressly assume in writing the obligations of Owner hereunder. Notwithstanding the foregoing and without Manager's approval, Owner may sell, hypothecate, or convey its interest in the Property or any portion thereof, or assign its interest in this Agreement if (i) such act does not constitute a Transfer or (ii) the Transferee is a Hyatt Affiliate.

10. Governing Law. Manager and Owner agree that all disputes relating the performance and/or interpretation of any term or provision of this Agreement shall be governed by the laws of the State of Illinois.

11. No Waiver of Breach. No failure by Manager or Owner to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, or to exercise any right or remedy consequent upon a breach hereof, shall constitute a waiver of any such breach or any subsequent breach of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Agreement; but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

12. Communications. All notices, requests, approvals and other communications required or permitted to be delivered under this Agreement must be in writing and are effective upon receipt (or upon refusal to accept delivery) if sent by:

- (a) Federal Express or other nationally-recognized overnight courier service, deposited for prepaid overnight delivery, with return receipt requested;
- (b) United States Mail, certified, return receipt requested, postage prepaid; or

(c) Personal delivery.

In each instance, such communication shall be addressed to the other party at its address as follows:

If to Owner: CCW-LaJolla, LLC
200 West Madison Street
Suite 3700
Chicago, Illinois 60606
Attention: General Counsel

If to Manager: CLASSIC RESIDENCE MANAGEMENT LIMITED
PARTNERSHIP
200 West Madison Street
Suite 3700
Chicago, Illinois 60606
Attention: Senior Vice President of Development

or to any other address any party may designate by 10 days' prior notice to the other party.

13. Successors and Assigns. Subject to the provisions of Paragraphs 8 and 9, this Agreement shall inure to the benefit of and shall bind Owner and Manager and the successors and assigns of each.

14. Changes. This Agreement may not be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought.

15. Litigation. In the event of litigation between the parties related to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party, in addition to any other sums which may be found to be due, the reasonable attorneys', paralegals' and expert fees and costs of action, incurred by the prevailing party in preparation for trial, at trial, at retrial, upon the appeal of any lower court decision, and in any administrative or insolvency proceedings.

16. Project Marketing and Management. Project marketing and management are not included in the services to be provided by Manager pursuant to this Agreement.

IN WITNESS WHEREOF, Manager and Owner have caused this Agreement to be signed by their duly-authorized representatives as of the date first above written.

OWNER:

CCW LAJOLLA, LLC
a Delaware corporation

By: _____
Its: _____

MANAGER:

**CLASSIC RESIDENCE MANAGEMENT
LIMITED PARTNERSHIP**, an Illinois limited
partnership

By: _____
Its: _____