

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this “Agreement”) is executed by the undersigned Tenant (“Prospective Tenant”) of the senior housing facility situated at 24552 Pacific Park Drive, Aliso Viejo, California, and commonly known as the Arcadian at Aliso (“the Property”), for the benefit of the owner of the Property, PHL Care, Inc (“Owner”).

Prospective Tenant is interested in reviewing files containing documents and other information related to the Property, including economic, marketing, and financial information that is confidential or proprietary, for the sole purpose of determining if Prospective Tenant wishes to present an offer to lease the Property. Owner is willing to permit such file review but only with the understanding that Owner’s allowing Prospective Tenant access to such files is for the sole purpose for facilitating evaluation of the Property in connection with an offer to lease, and it is not intended to be, nor shall it be construed to be a general release of the information contained therein. Therefore, in order to induce Owner to make such files available, and as a condition to such access and file review, absent fulfillment of which condition Owner would not permit any such review and access, and in consideration thereof, Prospective Tenant agrees as follow:

1. The evaluation material furnished to us will be used by us for no purpose other than evaluating a possible transaction involving the Prospective Tenant of the Property. Therefore, we agree to keep all evaluation material (other than information which is a matter of public knowledge or is provided in other sources readily available to the public) strictly confidential; provided, however, that such evaluation material may be disclosed to prospective partners, investors, officers, or employees, as well as to outside legal counsel, accounting firms and financial institutions, who need to know such information for the purpose of evaluating a possible lease of the Property by Prospect Tenant. Such third parties shall be informed by Prospect Tenant of the confidential nature of such information and shall be directed to treat the evaluation material with strict confidence subject to and in accordance with such direction. We agree not to copy or duplicate the evaluation material, other than for strictly internal uses as may be necessary to evaluate a possible transaction involving the Property.

In addition, we agree that without the prior written consent of the Owner, we will not disclose, and will direct any and all of our representatives who are given access to the evaluation material in accordance with the terms hereof not to disclose to any person (other than a person authorized hereunder), the fact that the evaluation material has been made available to us, that discussions and negotiations are now taking place or will take place, or any other terms, conditions, or other facts with respect to the possible lease acquisition of the Property.

2. The evaluation material furnished to Prospective Tenant will not be used by Prospective Tenant for any other purpose other than evaluating a possible lease transaction involving the Property with the Prospective Tenant.

3. We understand and acknowledge that Owner makes no representation or warranty as to the accuracy or completeness of the evaluation material. We agree that Owner shall have no liability to us or any of our representatives resulting from the use of or reliance on the evaluation material by us or respective representatives. Without limiting the foregoing, we acknowledge that it is solely our responsibility to conduct our own physical and other due diligence investigations including any toxics or hazardous material studies; however, we acknowledge that we are not authorized to do so without the prior written approval of Owner.

4. Owner reserves the right, in its sole discretion to negotiate with any party, sell to any party, or withdraw the Property from the market, all without any duty to inform Prospective Tenant and without incurring any liability of any kind to Prospective Tenant, Representatives, or any other person or entity.

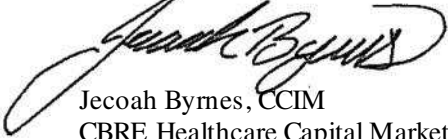
5. We agree to return all evaluation material, including material furnished to parties identified in paragraph one above, to Owner or owners exclusive representative immediately upon the request of Owner or Owner’s exclusive representative and not to retain any copies thereof.

6. This Agreement embodies the full understanding of the parties and may not be changed orally.

7. This Agreement shall be governed and construed in accordance with the laws of the State of California.

We are providing you with the Agreement as a condition to the commencement of our dealings in negotiations with the Owner. Please sign where indicated, and return a copy of this Agreement to me via email or fax in order to confirm your receipt and acknowledgement of the terms thereof.

Very truly yours,



Jecoa Bymes, CCIM
CBRE Healthcare Capital Markets
949.725.8467 (o)
949.725.8623 (f)

RECEIVED AND ACCEPTED THIS _____ DAY OF _____, 2013.

Prospective Tenant:

By: _____
Name

Print Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Date: _____