

2013-003603

Klamath County, Oregon

04/04/2013 03:32:08 PM

Fee: \$132.00

MC95469

Prepared by, and after recording  
return to:  
Thomas A. Hauser, Esquire  
Ballard Spahr LLP  
300 East Lombard Street, 18th Floor  
Baltimore, Maryland 21202

**ASSUMPTION AND RELEASE AGREEMENT**

<b>Transferor:</b>	<b>PELICAN POINTE ASSISTED LIVING, LLC</b>
<b>Transferee:</b>	<b>ARHC PPKLAOR01, LLC</b>
<b>Original Guarantor:</b>	<b>DALE L. BURGHARDT and JULIE M. BURGHARDT</b>
<b>New Guarantor:</b>	<b>AMERICAN REALTY CAPITAL HEALTHCARE TRUST, INC.</b>
<b>Fannie Mae:</b>	<b>FANNIE MAE</b>

**Statutory Notice:**

- A. The address of the entity holding a lien or other interest created by this Security Instrument is: **c/o Red Mortgage Capital, LLC  
Two Miranova Place, 12th Floor  
Columbus, Ohio 43215**
- B. The tax account number(s) of the Land subject to the lien or in which the interest is created: **3809-34BC-400  
3809-34BC-500  
3809-34BC-600**

127 AMT  
Assumption and Release Agreement  
Fannie Mae

Form 6406  
06-12

Page 1  
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## ASSUMPTION AND RELEASE AGREEMENT

This ASSUMPTION AND RELEASE AGREEMENT ("**Agreement**") is dated as of March 28, 2013, by and among (i) PELICAN POINTE ASSISTED LIVING, LLC, an Oregon limited liability company ("**Transferor**"), (ii) ARHC PPKLAOR01, LLC, a Delaware limited liability company ("**Transferee**"), (iii) DALE L. BURGHARDT and JULIE M. BURGHARDT, husband and wife (collectively, jointly and severally, "**Original Guarantor**"), (iv) AMERICAN REALTY CAPITAL HEALTHCARE TRUST, INC., a Maryland corporation ("**New Guarantor**"), and (v) FANNIE MAE, the corporation duly organized under the Federal National Mortgage Association Charter Act, as amended, 12 U.S.C. Section 1716 et seq. and duly organized and existing under the laws of the United States ("**Fannie Mae**").

### RECITALS:

A. Pursuant to that certain Multifamily Loan and Security Agreement dated as of March 30, 2012, executed by and between Transferor and Red Mortgage Capital, LLC, a Delaware limited liability company ("**Original Lender**") (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Loan Agreement**"), Original Lender made a loan to Transferor in the original principal amount of Twelve Million Seven Hundred Fifty-Seven Thousand Five Hundred and 00/100 Dollars (\$12,757,500.00) (the "**Mortgage Loan**"), as evidenced by, among other things, that certain Multifamily Note, dated as of March 30, 2012, executed by Transferor and made payable to Original Lender in the amount of the Mortgage Loan (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Note**"). The current servicer of the Mortgage Loan is Red Mortgage Capital, LLC ("**Loan Servicer**").

B. In addition to the Loan Agreement, the Mortgage Loan and the Note are secured by, among other things, (i) a Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of March 30, 2012, and recorded as instrument number 2012-003324 in the land records of Klamath County, Oregon (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Security Instrument**") encumbering the land as more particularly described in Exhibit A attached hereto (the "**Mortgaged Property**"); and (ii) an Environmental Indemnity Agreement by Transferor for the benefit of Original Lender dated as of the date of the Loan Agreement (the "**Environmental Indemnity**").

C. The Security Instrument has been assigned to Fannie Mae pursuant to that certain Assignment of Deed of Trust, dated as of March 30, 2012, and recorded as instrument number 2012-003325 in the land records of Klamath County, Oregon.

D. The Loan Agreement, the Note, the Security Instrument, the Environmental Indemnity and any other documents executed in connection with the Mortgage Loan, including but not limited to those listed on Exhibit B to this Agreement, are referred to collectively as the

**“Loan Documents.”** Transferor is liable for the payment and performance of all of Transferor’s obligations under the Loan Documents.

E. Original Guarantor is liable under the Guaranty of Non-Recourse Obligations dated as of March 30, 2012 (the **“Guaranty”**).

F. Each of the Loan Documents has been duly assigned or endorsed to Fannie Mae.

G. Fannie Mae has been asked to consent to (i) the transfer of the Mortgaged Property to Transferee and the assumption by Transferee of the obligations of Transferor under the Loan Documents (the **“Transfer”**) and (ii) the release of Original Guarantor from its obligations under the Guaranty and the assumption by New Guarantor of Original Guarantor’s obligations under the Guaranty (the **“Guarantor Assumption”**).

H. Fannie Mae has agreed to consent to the Transfer and Guarantor Assumption subject to the terms and conditions stated below.

### **AGREEMENTS:**

NOW, THEREFORE, in consideration of the mutual covenants in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### **1. Recitals.**

The recitals set forth above are incorporated herein by reference.

#### **2. Defined Terms.**

Capitalized terms used and not specifically defined herein have the meanings given to such terms in the Loan Agreement. The following terms, when used in this Agreement, shall have the following meanings:

**“Claims”** means any and all possible claims, demands, actions, costs, expenses and liabilities whatsoever, known or unknown, at law or in equity, originating in whole or in part, on or before the date of this Agreement, which Transferor, Original Guarantor or any of their respective partners, members, officers, agents or employees, may now or hereafter have against the Indemnites, if any and irrespective of whether any such claims arise out of contract, tort, violation of laws, or regulations, or otherwise in connection with any of the Loan Documents, including, without limitation, any contracting for, charging, taking, reserving, collecting or receiving interest in excess of the highest lawful rate applicable thereto and any loss, cost or damage, of any kind or character, arising out of or in any way connected with or in any way resulting from the acts, actions or omissions of the Indemnites, including any requirement that the Loan Documents be modified as a condition to the transactions contemplated by this Agreement, any charging, collecting or contracting for prepayment premiums, transfer fees, or assumption fees, any breach of fiduciary duty, breach of any duty of fair dealing, breach of confidence, breach of funding commitment, undue influence, duress, economic coercion,

violation of any federal or state securities or Blue Sky laws or regulations, conflict of interest, negligence, bad faith, malpractice, violations of the Racketeer Influenced and Corrupt Organizations Act, intentional or negligent infliction of mental distress, tortious interference with contractual relations, tortious interference with corporate governance or prospective business advantage, breach of contract, deceptive trade practices, libel, slander, conspiracy or any claim for wrongfully accelerating the Note or wrongfully attempting to foreclose on any collateral relating to the Mortgage Loan, but in each case only to the extent permitted by applicable law.

**“Indemnitees”** means, collectively, Original Lender, Fannie Mae, Loan Servicer and their respective successors, assigns, agents, directors, officers, employees and attorneys, and each current or substitute trustee under the Security Instrument.

**“Transfer Fee”** means an amount that is one percent (1%) of the outstanding unpaid principal balance of the Mortgage Loan.

### **3. Assumption of Transferor’s Obligations.**

Transferor hereby assigns and Transferee hereby assumes all of the payment and performance obligations of Transferor set forth in the Note, the Security Instrument, the Loan Agreement and the other Loan Documents in accordance with their respective terms and conditions, as the same may be modified from time to time, including payment of all sums due under the Loan Documents. Transferee further agrees to abide by and be bound by all of the terms of the Loan Documents, all as though each of the Loan Documents had been made, executed and delivered by Transferee.

### **4. Assumption by New Guarantor of Liability for the Guaranty.**

New Guarantor hereby assumes all liability of Original Guarantor under the provisions of the Guaranty.

### **5. Transferor’s and Original Guarantor’s Representations and Warranties.**

Transferor and Original Guarantor represent and warrant to Fannie Mae as of the date of this Agreement that:

(a) the Note has an unpaid principal balance of \$12,595,524.61 and prior to default bears interest at the rate of five and nine one-hundredths percent (5.09%) per annum;

(b) the Note requires that monthly payments of principal and interest in the amount of \$69,188.45 be made on or before the first (1st) day of each month, continuing to and including April 1, 2022, when all sums due under the Loan Documents will be immediately due and payable in full;

(c) the Security Instrument is a valid first lien on the Mortgaged Property for the full unpaid principal amount of the Mortgage Loan and all other amounts as stated in the Loan Documents;

(d) there are no defenses, offsets or counterclaims to the Note, the Security Instrument, the Loan Agreement, the Guaranty or the other Loan Documents;

(e) there are no defaults by Transferor or Original Guarantor (to the extent Original Guarantor is a party thereto) under the provisions of the Note, the Security Instrument, the Loan Agreement, the Guaranty or the other Loan Documents;

(f) all provisions of the Note, the Security Instrument, the Loan Agreement, the Guaranty and other Loan Documents are in full force and effect; and

(g) there are no subordinate liens of any kind covering or relating to the Mortgaged Property, nor are there any mechanics' liens or liens for unpaid taxes or assessments encumbering the Mortgaged Property, nor has notice of a lien or notice of intent to file a lien been received.

Transferor and Original Guarantor understand and intend that Fannie Mae and Transferee will rely on the representations and warranties contained herein.

**6. Transferee's and New Guarantor's Representations and Warranties.**

Transferee and New Guarantor represent and warrant to Fannie Mae as of the date of this Agreement that neither Transferee nor any New Guarantor has any actual knowledge that any of the representations made by Transferor and Original Guarantor in Section 5 above are not true and correct.

**7. Consent to Transfer.**

Fannie Mae hereby consents to the Transfer and to the assumption by Transferee of all of the obligations of Transferor under the Loan Documents, subject to the terms and conditions set forth in this Agreement. Fannie Mae's consent to the transfer of the Mortgaged Property to Transferee is not intended to be and shall not be construed as a consent to any subsequent transfer which requires Lender's consent pursuant to the terms of the Loan Agreement.

**8. Consent to Guarantor Assumption.**

Fannie Mae hereby consents to the Guarantor Assumption, subject to the terms and conditions set forth in this Agreement. Fannie Mae's consent to the Guarantor Assumption is not intended to be and shall not be construed as a consent to any subsequent transfer which requires Lender's consent pursuant to the terms of the Loan Agreement.

**9. Release of Transferor and Original Guarantor.**

In reliance on Transferor's, Original Guarantor's, Transferee's and New Guarantor's representations and warranties in this Agreement, Fannie Mae releases Transferor and Original Guarantor from all of their respective obligations under the Loan Documents, provided, however, that Transferor is not released from any liability pursuant to this Agreement or the Environmental Indemnity for any liability that relates to the period prior to the date hereof,

regardless of when such environmental hazard is discovered and Original Guarantor is not released from any liability pursuant to this Agreement or the provisions of the Guaranty relating to the Environmental Indemnity for any liability that relates to the period prior to the date hereof, regardless of when such environmental hazard is discovered. If any material element of the representations and warranties made by Transferor and Original Guarantor contained herein is false as of the date of this Agreement, then the release set forth in this Section 9 will be cancelled as of the date of this Agreement and Transferor and Original Guarantor will remain obligated under the Loan Documents as though there had been no such release.

#### **10. Amendment and Modification of Loan Documents.**

As additional consideration for Fannie Mae's consent to the Transfer and Guarantor Assumption as provided herein, Transferee, New Guarantor and Fannie Mae hereby agree to (and Transferor consents to) a modification and amendment of the Loan Documents as set forth in that certain First Amendment to Multifamily Loan and Security Agreement by and between Transferee and Fannie Mae.

#### **11. Limitation of Amendment.**

Except as expressly stated herein, all terms and conditions of the Loan Documents, including the Loan Agreement, Note, Security Instrument and Guaranty, shall remain unchanged and in full force and effect.

#### **12. Further Assurances.**

Transferee and New Guarantor agree at any time and from time to time upon request by Fannie Mae to take, or cause to be taken, any action and to execute and deliver any additional documents which, in the opinion of Fannie Mae, may be necessary in order to assure to Fannie Mae the full benefits of the amendments contained in this Agreement.

#### **13. Modification.**

This Agreement embodies and constitutes the entire understanding among the parties with respect to the transactions contemplated herein, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument.

#### **14. Priority; No Impairment of Lien.**

Nothing set forth herein shall affect the priority, validity or extent of the lien of any of the Loan Documents, nor, except as expressly set forth herein, release or change the liability of any party who may now be or after the date of this Agreement, become liable, primarily or secondarily, under the Loan Documents.

**15. Costs.**

*URB*  
Transferee ~~and Transferor~~ agree to pay all fees and costs (including attorneys' fees) incurred by Fannie Mae and the Loan Servicer in connection with Fannie Mae's consent to and approval of the Transfer and Guarantor Assumption, and the Transfer Fee in consideration of the consent to that transfer.

**16. Financial Information.**

Transferee and New Guarantor each represents and warrants to Fannie Mae that all financial information and information regarding the management capability of Transferee and New Guarantor provided to the Loan Servicer or Fannie Mae was true and correct as of the date provided to the Loan Servicer or Fannie Mae and remains materially true and correct as of the date of this Agreement.

**17. Release.**

(a) Transferee, Transferor, Original Guarantor(s) and New Guarantor(s) jointly and severally unconditionally and irrevocably release and forever discharge the Indemnitees from all Claims jointly and severally agree to indemnify the Indemnitees, and hold them harmless from any and all claims, losses, causes of action, costs and expenses of every kind or character in connection with the Claims or the transfer of the Mortgaged Property. Notwithstanding the foregoing, Transferor shall not be responsible for any Claims arising from the action or inaction of Transferee and New Guarantor, and Transferee and New Guarantor shall not be responsible for any Claims arising from the action or inaction of Transferor or Original Guarantor.

(b) This release is accepted by Fannie Mae and Loan Servicer pursuant to this Agreement and shall not be construed as an admission of liability on the part of any party.

(c) Transferor, Transferee, Original Guarantor(s) and New Guarantor(s) hereby represent and warrant that they are the current legal and beneficial owners of all Claims, if any, released hereby and have not assigned, pledged or contracted to assign or pledge any such Claim to any other person.

(d) Nothing set forth herein shall release or change the liability of any other guarantors or of Borrower or any other party who may now be or after the date of this Agreement, become liable, primarily or secondarily, under the Guaranty and the other Loan Documents.

**18. Governing Law; Consent to Jurisdiction and Venue.**

Section 15.01 (Governing Law; Consent to Jurisdiction and Venue) of the Loan Agreement is hereby incorporated herein as if fully set forth in the body of this Agreement.

**19. Notice.**

**(a) Process of Serving Notice.**

All notices under this Agreement shall be:

- (1) in writing and shall be:
  - (A) delivered, in person;
  - (B) mailed, postage prepaid, either by registered or certified delivery, return receipt requested;
  - (C) sent by overnight courier; or
  - (D) sent by electronic mail with originals to follow by overnight courier;
- (2) addressed to the intended recipient at its respective address set forth at the end of this Agreement; and
- (3) deemed given on the earlier to occur of:
  - (A) the date when the notice is received by the addressee; or
  - (B) if the recipient refuses or rejects delivery, the date on which the notice is so refused or rejected, as conclusively established by the records of the United States Postal Service or any express courier service.

**(b) Change of Address.**

Any party to this Agreement may change the address to which notices intended for it are to be directed by means of notice given to the other parties to this Agreement in accordance with this Section 19.

**(c) Default Method of Notice.**

Any required notice under this Agreement which does not specify how notices are to be given shall be given in accordance with this Section 19.

**(d) Receipt of Notices.**

No party to this Agreement shall refuse or reject delivery of any notice given in accordance with this Agreement. Each party is required to acknowledge, in writing, the receipt of any notice upon request by the other party.

**20. Counterparts.**

This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall constitute one and the same instrument.



## **21. Severability; Entire Agreement; Amendments.**

The invalidity or unenforceability of any provision of this Agreement or any other Loan Document shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall remain in full force and effect. This Agreement contains the complete and entire agreement among the parties as to the matters covered, rights granted and the obligations assumed in this Agreement. This Agreement may not be amended or modified except by written agreement signed by the parties hereto.

## **22. Construction.**

(a) The captions and headings of the sections of this Agreement are for convenience only and shall be disregarded in construing this Agreement.

(b) Any reference in this Agreement to an "Exhibit" or "Schedule" or a "Section" or an "Article" shall, unless otherwise explicitly provided, be construed as referring, respectively, to an exhibit or schedule attached to this Agreement or to a Section or Article of this Agreement. All exhibits and schedules attached to or referred to in this Agreement, if any, are incorporated by reference into this Agreement.

(c) Any reference in this Agreement to a statute or regulation shall be construed as referring to that statute or regulation as amended from time to time.

(d) Use of the singular in this Agreement includes the plural and use of the plural includes the singular.

(e) As used in this Agreement, the term "including" means "including, but not limited to" or "including, without limitation," and is for example only and not a limitation.

(f) Whenever a party's knowledge is implicated in this Agreement or the phrase "to the knowledge" of a party or a similar phrase is used in this Agreement, such party's knowledge or such phrase(s) shall be interpreted to mean to the best of such party's knowledge after reasonable and diligent inquiry and investigation.

(g) Unless otherwise provided in this Agreement, if Lender's approval, designation, determination, selection, estimate, action or decision is required, permitted or contemplated hereunder, such approval, designation, determination, selection, estimate, action or decision shall be made in Lender's sole and absolute discretion.

(h) All references in this Agreement to a separate instrument or agreement shall include such instrument or agreement as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

(i) "Lender may" shall mean at Lender's discretion, but shall not be an obligation.

**23. WAIVER OF TRIAL BY JURY.**

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF BORROWER AND LENDER (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR THE RELATIONSHIP BETWEEN THE PARTIES AS BORROWER AND LENDER, THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

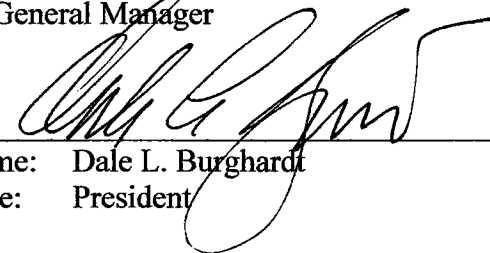
**[Remainder of Page Intentionally Blank]**

IN WITNESS WHEREOF, the parties have signed and delivered this Agreement under seal (where applicable) or have caused this Agreement to be signed and delivered under seal (where applicable) by its duly authorized representative. Where applicable law so provides, the parties intend that this Agreement shall be deemed to be signed and delivered as a sealed instrument.

**TRANSFEROR:**

PELICAN POINTE ASSISTED LIVING, LLC,  
an Oregon limited liability company

By: Burghardt Investment Corporation,  
an Oregon corporation,  
its General Manager

By:  (SEAL)  
Name: Dale L. Burghardt  
Title: President

Address: c/o Frontier Management  
17400 SW Upper Boones Ferry Rd.,  
Suite 230  
Durham, OR 97224

STATE OF )  
 ) ss:  
COUNTY OF )

This instrument was acknowledged before me on MARCH 23, 2013, by Dale L. Burghardt, as the President of Burghardt Investment Corporation, an Oregon corporation, the General Manager of PELICAN POINTE ASSISTED LIVING, LLC, an Oregon limited liability company.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )

On MARCH 23, 2013 before me, EDWARD JENNINGS - NOTARY PUBLIC  
DATE

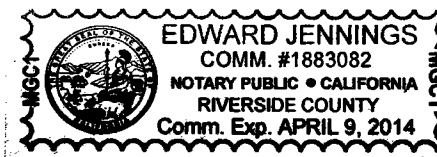
personally appeared, DALE L. BURGHARDT

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Edward Jennings (SEAL)  
NOTARY PUBLIC SIGNATURE



## OPTIONAL INFORMATION

THIS OPTIONAL INFORMATION SECTION IS NOT REQUIRED BY LAW BUT MAY BE BENEFICIAL TO PERSONS RELYING ON THIS NOTARIZED DOCUMENT.

TITLE OR TYPE OF DOCUMENT ASSUMPTION AND RELEASE AGREEMENT

DATE OF DOCUMENT \_\_\_\_\_ NUMBER OF PAGES \_\_\_\_\_

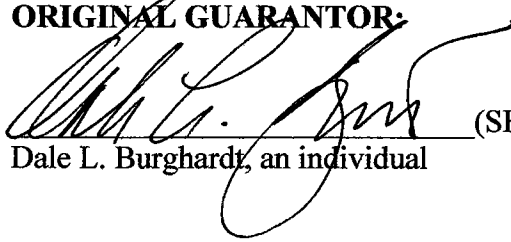
SIGNERS(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

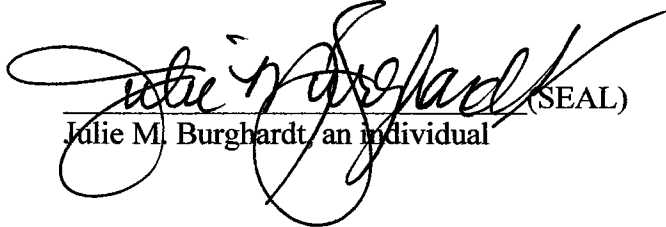
SIGNER'S NAME \_\_\_\_\_ SIGNER'S NAME \_\_\_\_\_

RIGHT THUMBPRINT

RIGHT THUMBPRINT

**ORIGINAL GUARANTOR:**

 (SEAL)  
Dale L. Burghardt, an individual

 (SEAL)  
Julie M. Burghardt, an individual

Address: One Hughes Center Drive  
Suite 306  
Las Vegas, Nevada 89169

STATE OF )  
 ) ss:  
COUNTY OF )

This instrument was acknowledged before me on MARCH 23, 2013, by Dale L. Burghardt, and Julie M. Burghardt, to be their free acts and deeds.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )

On MARCH 23, 2013 before me, EDWARD JENNINGS - NOTARY PUBLIC  
DATE

personally appeared, DALE L. BURGHARDT AND JULIE M. BURGHARDT

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

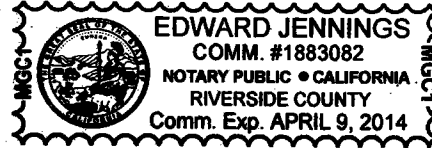
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Edward Jennings

(SEAL)

NOTARY PUBLIC SIGNATURE



## OPTIONAL INFORMATION

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DATE OF DOCUMENT \_\_\_\_\_ NUMBER OF PAGES \_\_\_\_\_

SIGNERS(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

SIGNER'S NAME \_\_\_\_\_ SIGNER'S NAME \_\_\_\_\_

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RIGHT THUMBPRINT

**TRANSFEREE:**

ARHC PPKLAOR01, LLC,  
a Delaware limited liability company

By: [Signature] (SEAL)  
Name: Jesse C. Galloway  
Title: Authorized Signatory

Address: c/o American Realty Capital  
405 Park Avenue, 12<sup>th</sup> Floor  
New York, New York 10022  
Attention: Edward M. Weil, Jr.

With a copy to:

c/o American Realty Capital  
405 Park Avenue, 12<sup>th</sup> Floor  
New York, New York 10022  
Attention: Jesse C. Galloway, Jr.

STATE OF New York  
COUNTY OF New York ) ss:

This instrument was acknowledged before me on March 25<sup>th</sup>, 2013, by  
Jesse Galloway, as the Authorized Signatory of ARHC PPKLAOR01, LLC, a  
Delaware limited liability company.


STEPHANIE ALISON LEAL  
Notary Public, State of New York  
No. 01LE626666  
Qualified in Kings County  
Commission Expires Sept. 17, 2016

[Signature]  
Notary Public

My commission expires: 9/17/16

**NEW GUARANTOR:**

**AMERICAN REALTY CAPITAL HEALTHCARE  
TRUST, INC.,**  
a Maryland corporation

By:  (SEAL)  
Name: **Edward M. Weil, Jr.**  
Title: **President**

Address: c/o American Realty Capital  
405 Park Avenue, 12<sup>th</sup> Floor  
New York, New York 10022  
Attention: Edward M. Weil, Jr.

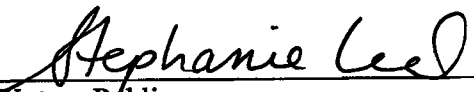
With a copy to:

c/o American Realty Capital  
405 Park Avenue, 12<sup>th</sup> Floor  
New York, New York 10022  
Attention: Jesse C. Galloway, Jr.

STATE OF New York )  
 ) ss:  
COUNTY OF New York

This instrument was acknowledged before me on March 25<sup>th</sup>, 2013, by  
Edward M. Weil, as the President of American Realty Capital  
Healthcare Trust, Inc., a Maryland corporation.

STEPHANIE ALISON LEAL  
Notary Public, State of New York  
No. 01LE6268688  
Qualified in Kings County  
Commission Expires Sept. 17, 2016

  
Notary Public

My commission expires: 9/17/16



**FANNIE MAE:**

By: RED MORTGAGE CAPITAL, LLC,  
a Delaware limited liability company,  
its Attorney-in-Fact

By: Cherie B Hartsough (SEAL)  
Name: Cherie B. Hartsough  
Title: Vice President

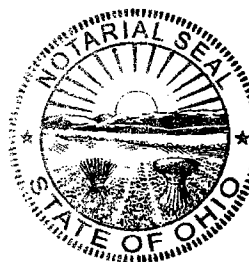
Address: Two Miranova Place, 12<sup>th</sup> Floor  
Columbus, Ohio 43215

STATE OF OHIO                    )  
  ) ss:  
COUNTY OF FRANKLIN        )

This instrument was acknowledged before me on March 22, 2013, by Cherie B. Hartsough, as Vice President of RED MORTGAGE CAPITAL, LLC, a Delaware limited liability company, attorney-in-fact for Fannie Mae.

Noelle M. Bartrum  
Notary Public for Ohio

My Commission Expires: 10-3-17



Noelle M. Bartrum  
Notary Public, State of Ohio  
My Commission Expires 10-3-2017

**EXHIBIT A to  
ASSUMPTION AND RELEASE AGREEMENT**

**LEGAL DESCRIPTION:** Real property in the County of Klamath, State of Oregon, described as follows:

**PARCEL 1:**

**THAT PORTION OF TRACT 40B LYING SOUTH AND WESTERLY OF THE U.S.B.R. "A" CANAL AND EASTERLY OF WASHBURN WAY AND ALL OF TRACT 40C, ENTERPRISE TRACTS, IN THE COUNTY OF KLAMATH, STATE OF OREGON.**

**EXCEPTING THEREFROM THAT PORTION DEEDED TO KLAMATH COUNTY IN VOLUME 335, PAGE 87, AND PARCEL DEEDED TO UNITED STATE OF AMERICA FOR CANALS AND LATERALS RECORDED JUNE 25, 1909 IN VOLUME 27, PAGE 236 AND IN VOLUME 38, PAGES 209 AND 210, ALL DEED RECORDS OF KLAMATH COUNTY, OREGON, AND THAT PORTION OF TRACT 40C DESCRIBED AS FOLLOWS:**

**BEGINNING AT A ONE-HALF INCH IRON PIN ON THE EAST RIGHT OF WAY LINE OF WASHBURN WAY, SAID POINT BEING NORTH 00° 20' 00" EAST ALONG THE CENTERLINE OF WASHBURN WAY AND ALONG THE WEST LINE OF SECTION 34 A DISTANCE OF 332.19 FEET AND SOUTH 89° 33' 03" EAST A DISTANCE OF 30.00 FEET FROM THE 5/8 INCH IRON PIN MARKING THE WEST ONE-QUARTER CORNER OF SECTION 34; THENCE NORTH 00° 20' 00" EAST ALONG THE EAST RIGHT OF WAY LINE OF WASHBURN WAY A DISTANCE OF 285.00 FEET TO A ONE-HALF INCH IRON PIN; THENCE SOUTH 89° 33' 03" EAST PARALLEL WITH THE NORTH LINE OF "MILLS GARDEN" SUBDIVISION A DISTANCE OF 472.43 FEET TO A ONE-HALF INCH IRON PIN; THENCE CONTINUING SOUTH 89° 33' 03" EAST A DISTANCE OF 29 FEET MORE OR LESS, TO THE WESTERLY RIGHT OF WAY LINE OF THE U.S.B.R. "A" CANAL; THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE IN THE NORTH LINE OF "MILLS GARDEN" SUBDIVISION; THENCE NORTH 89° 33' 03" WEST ALONG THE NORTH LINE OF "MILLS GARDEN" (SOUTH 89° 45' WEST BY SAID SUBDIVISION PLAT) A DISTANCE OF 20.96 FEET, MORE OR LESS, TO A TWO-INCH IRON PIPE; THENCE CONTINUING NORTH 89° 33' 03" WEST ALONG SAID SUBDIVISION LINE A DISTANCE OF 606.40 FEET TO THE POINT OF BEGINNING.**

**ALSO EXCEPTING THEREFROM ANY PORTION LYING WITHIN THE BOUNDARIES OF WASHBURN WAY.**

**PARCEL 2:**

**A TRACT OF LAND SITUATED IN TRACTS 40B AND 40C, ENTERPRISE TRACTS, IN THE NW 1/4 OF SECTION 34, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF KLAMATH, STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**BEGINNING AT AN IRON PIN LOCATED NORTH 0 DEGREES 24' WEST A DISTANCE OF 792.2 FEET FROM THE TWO-INCH PIPE MARKING THE INITIAL POINT OF "MILLS GARDENS" SUBDIVISION, SAID INITIAL POINT BEING NORTH 0 DEGREES 24' WEST A DISTANCE OF 15.0 FEET AND NORTH 89 DEGREES 45' EAST A DISTANCE OF 30.0 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 34 ACCORDING TO THE OFFICIALLY RECORDED PLAT OF SAID "MILLS GARDENS" SUBDIVISION; THENCE NORTH 0 DEGREES 24' WEST A DISTANCE OF 85.0 FEET TO AN IRON PIN; THENCE NORTH 89 DEGREES 36' EAST A DISTANCE OF 100.0 FEET TO AN IRON PIN; THENCE SOUTH 0 DEGREES 24' EAST A DISTANCE OF 85.0 FEET TO AN IRON PIN; THENCE SOUTH 89 DEGREES 36' WEST A DISTANCE OF 100.0 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.**

**EXCEPT THEREFROM THAT PORTION LYING WITHIN THE BOUNDARIES OF WASHBURN WAY.**

**EXHIBIT B to  
ASSUMPTION AND RELEASE AGREEMENT**

1. Multifamily Loan and Security Agreement dated as of March 30, 2012, by and between Transferor and Original Lender.
2. Multifamily Note dated as of March 30, 2012, by Transferor for the benefit of Original Lender (including any amendments, riders, exhibits, addenda or supplements, if any).
3. Deed of Trust, Assignment of Rents and Security Agreement, (including any amendments, riders, exhibits, addenda or supplements, if any) dated as of March 30, 2012, by Transferor for the benefit of Original Lender.
4. Environmental Indemnity Agreement dated as of March 30, 2012, from Transferor for the benefit of Original Lender
5. Guaranty of Non-Recourse Obligations dated as of March 30, 2012 from Original Guarantor to Original Lender.