

EXHIBIT O-6
GE Term Sheet

[see attached]

Settlement Term Sheet – Six GE Loans

This Settlement Term Sheet has been prepared to facilitate mediation concerning six loans (the "Existing Loans") made by General Electric Capital Corporation and GE Business Financial Services, Inc. (collectively, "Lender") and commonly referred to as GE 4, GE 5, GE 6, ML 2, ML 5 and ML 7 and secured by first priority liens on 29 projects (the "Projects").

This Term sheet is to facilitate mediation and is for discussion purposes only. Nothing in this Term Sheet is binding on any party and no party will be bound to any agreement until such time, if any, as a formal written agreement shall have been executed and delivered among the parties. This Term Sheet supersedes the earlier term sheet among the parties.

The goal of this Term Sheet is to enter into a transaction (the "Transaction") and a definitive agreement (the "Agreement"). The date on which the Transaction becomes effective is the "Closing Date" (anticipated to be promptly after entry of the Approval Order (as defined below) and court approval of the "Distribution Plan" currently pending in the SEC receivership action. Closing shall occur expeditiously after entry of the Approval Order and may occur before or after the filing of the "Reorganization Case" contemplated by the Distribution Plan.

- Consolidation of Existing Loans. The six Existing Loans shall be consolidated into a single loan (the "Loan").
- Borrower. The Borrowers on the Loan shall be the 29 existing limited liability companies that own the Projects, on a joint and several basis (collectively, "Borrower").
- Initial Loan Documentation/Structure. On the Closing Date, Borrower and Lender will enter into a new loan agreement and related documents (the "New Loan Documents") and modifications of the existing mortgages (the "Mortgage Modifications"). The New Loan Documents will contain representations, warranties, covenants, events of default, and other provisions typically found in first mortgage loans secured by senior living facilities.
- Reorganization Plan. The Reorganization Plan shall provide that the claim of Lender shall be treated as set forth in the Agreement and the New Loan Documents. Lender shall vote in favor of the Plan with respect to its claim for the New Loan. Nothing in this Term Sheet affects any unsecured claim held by Lender and any such unsecured claim shall be treated the same as other unsecured claims.
- Master Tenant. Upon confirmation of the Reorganization Plan, the Borrowers will be permitted to lease the Projects to a "Master Tenant." The Master Tenant must be a wholly-owned subsidiary of the REITCO established under the Distribution Plan. There shall be a single Master Tenant for all the Projects. The Master Tenant may not own or lease any properties other than the Projects; provided that if Borrower can demonstrate to Lender's satisfaction that Master Tenant's leasing of additional properties is not harmful to Lender's interests, Master Tenant may be permitted to lease additional properties not financed by Lender. The terms of the Master Lease shall be reasonably satisfactory to Lender and otherwise consistent with the New Loan Documents. The Master Tenant shall enter into a lender/lessee agreement consistent with Lender's standard commercial practice.
- Restructured Principal Balance. The principal balance of the Loan shall be the sum of (a) the outstanding principal balances of the Existing Loans on the Closing Date, (b) the accrued past-due non-default contract rate interest on the ML 7 Loan, (c) a restructuring fee equal to 50bps

applied to the outstanding principal balances, and (d) reimbursement of Lender's costs and expenses in the amount of \$70,000 multiplied by the existing 29 Projects.

- Interest Rate. Fixed interest rate of 5.25%.
- Term. The Loan will mature three years after the Closing Date. Borrower shall be entitled to two separate one-year extensions upon thirty days prior written notice subject to the following: (a) no Event of Default shall have occurred, (b) the interest rate shall adjust for the forthcoming year to a fixed rate equal to the Prime Rate on the date of adjustment plus 2%; provided that if the DSCR for the most recent 12-month period equals or exceeds 1.25, the 2% will be reduced to 1.75%, and (c) payment in cash of an extension fee equal to 25bps of the principal balance.
- Amortization. Interest only for first year following the Closing Date. Commencing on the 12th month after the Closing Date, principal payments will commence in an amount equal to 50% of 25-year straight line amortization for a period of 12 months. Thereafter, monthly principal payments shall be made based on a 25-year straight line amortization.
- Payments. Payments shall be payable monthly on the 10th day of each month, with a five-day grace period.
- Loan Fee. For so long as the Loan remains outstanding, Borrower shall pay to Lender a loan fee equal to one-half of one percent (0.50%) per annum applied to the outstanding principal balance. The loan fee shall be payable quarterly in arrears along with the payments due for the months of January, April, July, and October.
- Deferral of "PIK Amounts" Under Forbearance Agreements. The deferred interest and other amounts that would become due and payable on the expiration of the existing forbearance agreements shall be deferred to the scheduled maturity date. If no Event of Default has occurred by the scheduled maturity date and the Loan is timely repaid, these deferred amounts will be forgiven.
- Costs and Expenses. As indicated above, the initial principal balance shall be increased in consideration of the costs and expenses incurred by Lender in connection with the Existing Loans prior to the Closing Date. Any fees in excess of such amount shall be deferred to the scheduled maturity date. If no Event of Default has occurred by the scheduled maturity date and the Loan is timely repaid, these deferred amounts will be forgiven. The loan documents shall contain typical provisions requiring Borrower to reimburse Lender for out of pocket expenses on a going forward basis.
- Default Rate. The initial default rate shall be 4% over the contract rate. At such time as Borrower has made 24 monthly payments, if no Event of Default has occurred, the default rate shall reduce to 3% over the contract rate.
- Past Due Real Estate Taxes. Any past due real estate taxes shall be brought current with 15 days after the Closing Date.
- Impounds. Borrowers would make monthly payment of impounds for taxes and insurance. Impounds would be made available for taxes and insurance. Impounds for insurance will not be required if insurance payments are made on a monthly basis, but failure to make such insurance payment or failure to maintain insurance would constitute an Event of Default.
- CapEx and Deferred Maintenance Reserves. The Projections (as defined below) include line items for Capital Expenditures and Deferred Maintenance. The projected amount shall be paid each month to Lender as a reserve and made available to Borrowers to fund Capital Expenditures and Deferred Maintenance.

- Cash Management. Cash management procedures shall be continued so that the Lender maintains a perfected security interest in Project revenue and can be assured that all project revenue is used for budgeted project expenses and not diverted to other uses. When the Projects are leased to the Master Tenant, the Master Tenant will enter into cash management documents with Lender to assure Lender's ongoing perfection in Project revenue and cash balances. Project revenue and cash may not be commingled with other funds.
- Financial Reporting. Borrower has delivered financial projections (the "Projections") to Lender. Borrower shall deliver monthly financial statements that show, among other things, a comparison to the Projections. Borrower shall also supply weekly reports of cash balances.
- Management. Sunwest Management, Inc. ("SMI") shall continue to serve as property manager until the new manager takes over pursuant to the Restructuring Plan. The terms of the new management contract governing the Projects will be on standard industry terms. SMI and Lender (and thereafter, the new manager and Lender) will enter into a Lender/Manager agreement consistent with Lender's standard commercial practice. The monthly management fee shall be the lesser of (a) 6%, or (b) if the terms of the management contract with the new manager provides for a lower percentage fee for Sunwest projects generally, such lower amount.
base fee of 6%
DM
- Financial Covenants. 1.20x DSCR based on TTM. (Covenants for initial four quarters to be set after Lender completes evaluation of Projections.).
base fee DM
- Excess Cash Flow. Upon delivery of quarterly financial statements, Borrower will deposit the "excess cash flow" for such quarter into a project reserve account (which will be available for project expenses and debt service). At such time as the project reserve account contains an amount equal to 1½ months average expenses, any additional excess cash flow shall be disbursed (a) 10% to Lender as a principal prepayment, and (b) 90% to Borrower (which 90% shall not be restricted and may be used by Borrower for any lawful purpose, including owner distributions).
- No Prepayment Premium. The Loan may be prepaid in part or in full at any time without payment of any prepayment premium.
- Loan Assumption. The Loan would be assumable by a third party transferee subject to (a) such transferee satisfying Lender's then customary requirements for new borrowers (e.g., background checks), (b) payment of a 1% assumption fee, and (c) the principals of any assignee shall provide Lender with a "bad boy" guaranty.
- Release of Projects. Borrower has notified Lender that Borrower intends to sell the Projects known as Canyon Crest, Cooper Villa, Grayson View, Chancellor Place, and Legacy of Dallas (the "Disposition Projects"). Upon request, Lender will provide Borrower with a minimum release price for each Disposition Project. Borrower shall be permitted to sell the Disposition Projects in a third-party arm's length sale (subject to an outside sale date to be negotiated) and Lender will release its lien on each Disposition Project for the net sale proceeds so long as the net sale proceeds exceeds the minimum.
- Pre-Closing Obligations. Prior to the Closing Date, Borrower shall continue to make timely payment on account of the Existing Loans (at the non-default rate). After the Closing Date, in addition to the payments referenced above, Borrower shall continue to make the payments required under the Swap Transactions that currently exist with respect to the Projects.
- Development of Financing Alternatives. GE will work with Sunwest if requested to do so to assist in developing alternative financing options for Sunwest. The financing options would include (a) the ability to refinance some or all of the GE projects post-effective date, (b) the ability to refinance non-GE projects after the effective date, and (c) providing a financing option for a complete refinancing of the entire REITCO portfolio or a major portion thereof. Sunwest

understands that financings would be contingent upon GE's obtaining requisite credit approvals, the terms of any financing would be on market terms, and that the borrowing entity or entities must meet GE's underwriting criteria and be financially sound.

- Mediation; Court Approval. This term sheet shall be presented to Judge Velure in connection with the ongoing voluntary mediation being conducted by Judge Velure. Upon approval by Judge Velure, the parties will seek the Approval Order from Judge Hogan.
- Approval Order. The parties will obtain an order from Judge Hogan approving the Transaction (the "Approval Order"). The Approval Order will (a) approve all of the terms and conditions of the Transaction, (b) release Lender and the Projects from the injunction, (c) provide that Lender shall be entitled to exercise its legal rights and remedies upon the occurrence of an Event of Default, (d) include a release of Lender from all claims, known and unknown, that would bind Borrowers, SMI, the guarantors, the SEC receiver, tenant in common investors, and other third parties, (e) provide that the lien arising under the Mortgage Modifications constitutes a first priority lien on the Projects (including the interest of any co-owners), (f) contain such provisions as are necessary to enable Lender to receive clean title insurance policies for the Mortgage Modifications, and (g) enjoin a future bankruptcy filing by Borrower or a subsequent property owner (other than the Reorganization Case contemplated under the Distribution Plan).
- SEC Lawsuit Constitutes a Default. The commencement of legal action against Lender by the SEC shall constitute an Event of Default.
- Withdrawal from Appeal. Upon entry of the Approval Order, Lender will withdraw from the appeal of the SEC Receivership injunction order.

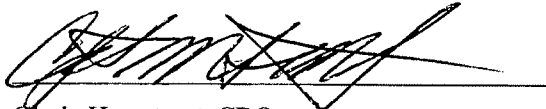
By its signature below, each party indicates that it approves this Term Sheet. Signature below does not bind any party but indicates the consent of such party to proceed with further steps regarding this transaction.

Dated: September 2, 2009

GENERAL ELECTRIC CAPITAL CORPORATION
GE BUSINESS FINANCIAL SERVICES, INC.



Ben McCarrick



Clyde Hamstreet, CRO

Management Committee Member