CC-Palo Alto, Inc.
Form 5-5 Supplemental Details on All Reserves

Reserves Classified as Cash and Cash Equivalents on Form 5-5:

Financial Institution	Account Type	Account Details		Amount	
None	Cash	Petty Cash maintained on site	$	500	
Bank of America, N.A.	Business Checking Account	Petty Cash Checking Account	$	8,512	
Bank of America, N.A.	Business Checking Account	Operating Account	$	5,330,978	
Bank of America, N.A.	Business Checking Account	Ownership Account (operating portion)	$	22,033,063	
UBS	Self Directed Investment Account	Ownership Account - Money Market	$	428,321	
Bank of America, N.A.	Business Checking Account	Payroll Account	$	(683)	
Bank of America, N.A.	Business Checking Account	Real Estate Tax Account	$	10,167	
Total Cash and Cash Equivalents			**$**	**27,810,858**	**A**

Reserves Classified as Investment Securities on Form 5-5:

Financial Institution	Account Type	Account Details		Amount	
UBS	Self Directed Investment Account	Operating Reserve - CD's, Money Market	$	2,386,530	
UBS	Self Directed Investment Account	Ownership Account - Corporate Bonds and Notes	$	63,652,202	
Total Investment Securities			**$**	**66,038,732**	**B**

Reserves Classified as Unused Available Letters of Credit on Form 5-5:

Financial Institution	Account Type	Account Details		Amount	
Bank of America, N.A.	Certificate of Deposit	Ground Lease Letter of Credit Collateral	$	6,000,000	
Total Unused Available Letters of Credit			**$**	**6,000,000**	**C**

Reserves Classified as Other - Security Deposit on Form 5-5:

Financial Institution	Account Type	Account Details		Amount	
Stanford	Security Deposit	Stanford Cash Reserve	$	1,277,290	
Total Other - Security Deposit			**$**	**1,277,290**	**D**

Reserves Not Considered as Qualifying Assets and Not Listed on Form 5-5:

Financial Institution	Account Type	Account Details		Amount	
Bank of America, N.A.	Business Checking Account	Ownership Account (resident deposit portion)	$	513,410	
Bank of America, N.A.	Business Checking Account	Ownership Account (Entrance fee reserve portion)	$	6,044,321	
UBS	Self Directed Investment Account	Capital Reserve - US Treasuries, US TIPS Bonds	$	6,861,735	
Total Reserves Not Listed on Form 5-5			**$**	**13,419,466**	**E**
Total Cash and Cash Equivalents and Investment Securities		**(A+B+C+D+E)**	**$**	**114,546,346**	

Cash, Assets Limited as to Use, and Deposits in Audited Financial Statements:

Cash and cash equivalents (page 3) (policy disclosed on page 7)	$	27,810,858
Short-term investments (page 3) (policy disclosed on page 8)	$	4,144,470
Current portion of assets limited as to use (page 3) (policy disclosed on page 8&12)	$	513,410
Long-term investments (page 3) (policy disclosed on page 12)	$	59,507,732
Assets limited as to use, net of amounts required for current liabilities (page 3) (policy disclosed on page 8&12)	$	21,292,586
Deposits (page 3) (policy disclosed on page	$	1,277,290
Total cash and cash equivalents and assets limited as to use	**$**	**114,546,346**

Reconciliation of Details Above to Form 5-5:

Total Qualifying Assets listed for liquid reserve	**(A+B+C+D)**	**$**	**101,126,880**
Qualifying Assets - Cash and Cash Equivalents - Operating Expense Reserve		$	23,226,011
Qualifying Assets - Investment Securities - Operating Expense Reserve		$	66,038,732
Qualifying Assets - Investment Securities - Debt Service Reserve		$	4,584,847
Qualifying Assets - Unused Available Letters of Credit - Operating Expense Reserve		$	6,000,000
Qualifying Assets - Other - Security Deposit - Operating Expense Reserve		$	1,277,290
Total Qualifying Assets listed for liquid reserve		**$**	**101,126,880**

Per Capita Cost Detail:

Form 1-2 line 5 - Total Operating Expense for Continuing Care Residents	$	51,025,335
Form 1-1 line 5 - Mean # of Continuing Care Residents		570.5
Per Capita Costs	**$**	**89,440**