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AMERICAN RETIREMENT CORP
Form T-3/A
September 12, 2002

As filed with the Securities and Exchange Commission on September 12, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-3
APPLICATION FOR QUALIFICATION OF INDENTURE
UNDER
THE TRUST INDENTURE ACT OF 1939

(Amendment No. 1)

AMERICAN RETIREMENT CORPORATION
(Name of Applicant)

111 WESTWOOD PLACE, SUITE 200
BRENTWOOD, TENNESSEE 37027
(Address of Principal Executive Offices)

SECURITIES TO BE ISSUED UNDER THE INDENTURE TO BE QUALIFIED:

| TITLE OF CLASS ----- | AMOUNT ----- |
|---|--|
| 5 3/4% Series A Senior Subordinated Notes Due 2002 | Up to a maximum aggregate principal amount of \$113,652,000 |

Approximate date of proposed public offering: As soon as practicable
following the qualification of the indenture covered
hereby under the Trust Indenture Act of 1939, as amended.

W.E. SHERIFF
CHIEF EXECUTIVE OFFICER
AMERICAN RETIREMENT CORPORATION
111 WESTWOOD PLACE, SUITE 200
BRENTWOOD, TENNESSEE 37027
(Name and Address of Agent for Service)

With a copy to:

T. ANDREW SMITH, ESQ.
BASS, BERRY & SIMS PLC
315 DEADERICK STREET, SUITE 2700
NASHVILLE, TENNESSEE 37238

The Applicant hereby amends this Application for Qualification on such date or
dates as may be necessary to delay its effectiveness until (i) the 20th day
after the filing of an amendment that specifically states that it shall

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supersede this Application for Qualification or (ii) such date as the Securities and Exchange Commission, acting pursuant to Section 307(c) of the Trust Indenture Act of 1939, may determine upon the written request of the Applicant.

FORM T-3

GENERAL

Explanatory Note

This Amendment No. 1 to Form T-3 amends and restates items 2 and 3.

ITEM 2. SECURITIES ACT EXEMPTION APPLICABLE.

Upon the terms set forth in an Amended and Restated Offering Memorandum dated September 12, 2002, and the related revised Letter of Transmittal (which together constitute the "Exchange Offer"), the Company is offering to exchange a combination of its newly issued 5 3/4% Series A Senior Subordinated Notes Due 2002 ("Series A Notes") and 10% Series B Convertible Senior Subordinated Notes Due 2008 ("Series B Notes"), for up to \$126.0 million aggregate principal amount of its outstanding 5 3/4% Convertible Subordinated Debentures Due 2002 (the "Existing Debentures"). The Company will extend the Exchange Offer to all holders of its outstanding Existing Debentures. Each holder of Existing Debentures that participates in the Exchange Offer will receive, for each \$1,000 principal amount of Existing Debentures properly tendered and not withdrawn, a total of \$1,029 principal amount of Series A Notes and Series B Notes. The relative principal amount of the Series A Notes and the Series B Notes to be issued in the exchange offer will be determined based upon the aggregate principal amount of Existing Debentures that are tendered in the exchange. If the Exchange Offer is completed, the Series A Notes will be governed by the indenture to be qualified under this Application for Qualification on Form T-3 (this "Application").

No tenders of the Series A Notes will be accepted before the effective date of this Application.

The Company has not and does not currently intend to sell, directly or indirectly, securities of the same class as the Series A Notes at or about the same time as the Exchange Offer.

The Company is making the Exchange Offer in reliance on Section 3(a)(9) of the Securities Act of 1933, as amended ("Securities Act"), to exempt the Exchange Offer from the registration requirements of the Securities Act. The Company has not paid or given, and will not pay or give, directly or indirectly, any commission or remuneration to any broker, dealer, salesman, agent or other person for soliciting tenders in the Exchange Offer. To the extent solicitations are undertaken by the Company's officers and employees, such officers and employees will not receive additional compensation for making such solicitations.

The Company has not retained a dealer-manager in connection with the Exchange Offer. The Company has engaged Cohen & Steers Capital Advisors for financial advisory services in connection with the Company's debt restructuring. The Company has also engaged Bass, Berry & Sims PLC for legal services in connection with the Company's debt restructuring and U.S. Bank National Association as exchange agent and D.F. King & Co., Inc. as information agent in connection with the Exchange Offer.

All of the above-mentioned advisors, consultants and agents will receive reasonable and customary fees. None of the fee arrangements are conditioned on the success of the Exchange Offer and none of such advisors, consultants and agents are authorized to solicit the exchange of Existing

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Debentures in the Exchange Offer.

No holder of Existing Debentures has made or will be requested to make any cash payment in connection with the Exchange Offer other than the payment of any applicable taxes, in accordance with the terms of the Offering Memorandum and Letter of Transmittal.

AFFILIATIONS

ITEM 3. AFFILIATES.

(a) Set forth below are all subsidiaries of the Company, all of which are wholly owned, either directly or indirectly, by the Company unless otherwise indicated.

1. ARC Air Force Village, L.P., a Tennessee limited partnership
2. ARC Aurora, LLC, a Tennessee limited liability company
3. ARC Bahia Oaks, Inc., a Tennessee corporation
4. ARC Boca Raton, Inc., a Tennessee corporation
5. ARC Boynton Beach, LLC, a Tennessee limited liability company
6. ARC Brandywine, LLC, a Tennessee limited liability company
7. ARC Brandywine Management, LLC, a Tennessee limited liability company
8. ARC Brandywine Real Estate Holdings, LLC, a Delaware limited liability company
9. ARC Brookmont Terrace, Inc., a Tennessee corporation
10. ARC Capital Corporation, a Tennessee corporation
11. ARC Capital Corporation II, a Tennessee corporation
12. ARC Carriage Club of Jacksonville, Inc., a Tennessee corporation
13. ARC Castle Hills, L.P., a Tennessee limited partnership
14. ARC Charlotte, Inc., a Tennessee corporation
15. ARC Cleveland Heights, LLC, a Tennessee limited liability company
16. ARC Cleveland Park, LLC, a Tennessee limited liability company
17. ARC Coconut Creek, LLC, a Tennessee limited liability company
18. ARC Coconut Creek Management, Inc., a Tennessee corporation
19. ARC Corpus Christi, Inc., a Tennessee corporation
20. ARC Countryside, LLC, a Tennessee limited liability company
21. ARCPH Holdings, Inc., a Tennessee corporation
22. ARC Creative Marketing, LLC, a Tennessee limited liability company
23. ARC Cypress Station, L.P., a Tennessee limited partnership
24. ARC Deane Hill, LLC, a Tennessee limited liability company
25. ARC Delray Beach, LLC, a Tennessee limited liability company
26. ARC Fleetwood, LLC, a Tennessee limited liability company
27. ARC Flint, Inc., a Tennessee corporation
28. ARC Fort Austin Properties, Inc., a Tennessee corporation
29. ARC Freedom, Inc., a Tennessee corporation
30. ARC GP, Inc., a Tennessee corporation
31. ARC Greenwood Village, Inc., a Tennessee corporation
32. ARC Hampton Post Oak, Inc., a Tennessee corporation
33. ARC HDV, LLC, a Tennessee limited liability company
34. ARC Heritage Club, Inc., a Tennessee corporation
35. ARC Holland, Inc., a Tennessee corporation
36. ARC Holland Real Estate Holdings, LLC, a Delaware limited liability company
37. ARC Holley Court, LLC, a Tennessee limited liability company
38. ARC Holley Court Management, Inc., a Tennessee corporation
39. ARC Homewood Victoria, Inc., a Tennessee corporation
40. ARC Imperial Plaza, Inc., a Tennessee corporation
41. ARC Imperial Services, Inc., a Tennessee corporation
42. ARC Lady Lake, Inc., a Tennessee corporation
43. ARC Lake Seminole Square Real Estate Holdings, LLC, a Delaware limited liability company
44. ARC Lakeway, L.P., a Tennessee limited partnership
45. ARC Lakewood, LLC, a Tennessee limited liability company

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46. ARC LifeMed, Inc., a Tennessee corporation
47. ARC Lowry, LLC, a Tennessee limited liability company
48. ARCLP-Charlotte, LLC, a Tennessee limited liability company
49. A.R.C. Management Corporation, a Tennessee corporation
50. ARC Management, LLC, a Tennessee limited liability company
51. ARC Naples, LLC, a Tennessee limited liability company

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52. ARC Northwest Hills, L.P., a Tennessee limited partnership
53. ARC Oakhurst, Inc., a Tennessee corporation
54. ARC Parklane, Inc., a Tennessee corporation
55. ARC Park Regency, Inc., a Tennessee corporation
56. ARC Partners, Inc., a Florida corporation
57. ARC Partners II, Inc., a Tennessee corporation
58. ARC Pearland, L.P., a Tennessee limited partnership
59. ARC Pecan Park, L.P., a Tennessee limited partnership
60. ARC Pecan Park/Padgett, Inc., a Tennessee corporation
61. ARC Peoria, LLC, a Tennessee limited liability company
62. ARC Pinegate, L.P., a Tennessee limited partnership
63. ARC Post Oak, L.P., a Tennessee limited partnership
64. ARC Richmond Heights, LLC, a Tennessee limited liability company
65. ARC Richmond Place, Inc., a Delaware corporation
66. ARC Richmond Place Real Estate Holdings, LLC, a Delaware limited liability company
67. ARC Rossmoor, Inc., a Tennessee corporation
68. ARC Santa Catalina, Inc., a Tennessee corporation
69. ARC Santa Catalina Real Estate Holdings, LLC, a Delaware limited liability company
70. ARC SC Holdings, LLC, a Delaware limited liability company
71. ARC SCC, Inc., a Tennessee corporation
72. ARC Scottsdale, LLC, a Tennessee limited liability company
73. ARC Shadowlake, L.P., a Tennessee limited partnership
74. ARC Shavano, L.P., a Tennessee limited partnership
75. ARC Shavano Park, Inc., a Tennessee corporation
76. ARC Spring Shadow, L.P., a Tennessee limited partnership
77. ARC Sun City Center, Inc., a Tennessee corporation
78. ARC Sun City Center Real Estate Holdings, LLC, a Delaware limited liability company
79. ARC Sun City Golf Course, Inc., a Tennessee corporation
80. ARC Tarpon Springs, Inc., a Tennessee corporation
81. ARC Therapy Services, LLC, a Tennessee limited liability company
82. ARC Victoria, L.P., a Tennessee limited partnership
83. ARC Westlake Village, Inc., a Tennessee corporation
84. ARC Westover Hills, L.P., a Tennessee limited partnership
85. ARC Willowbrook, L.P., a Tennessee limited partnership
86. ARC Wilora Assisted Living, LLC, a Tennessee limited liability company
87. ARC Wilora Lake, Inc., a Tennessee corporation
88. Assisted Care of the Villages, a Florida general partnership(1)
89. CRICFW One, LLC, a Delaware limited liability company
90. FALP Acquisition Company, LLC, a Tennessee limited liability company
91. FALP Holding Company, LLC, a Tennessee limited liability company
92. FALP Newport News Company, LLC, a Tennessee limited liability company
93. FALP Newport News Holding Company, LLC, a Tennessee limited liability company
94. Flint Michigan Retirement Housing L.L.C., a Michigan limited liability company(2)
95. Fort Austin Limited Partnership, a Texas limited partnership
96. Fort Austin Real Estate Holdings, LLC, a Tennessee limited liability company

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- 97. Freedom Group-Lake Seminole Square, Inc., a Tennessee corporation
- 98. Freedom Group-Naples Management Company, Inc., a Tennessee corporation
- 99. Freedom Village of Holland Michigan, a Michigan general partnership
- 100. Freedom Village of Sun City Center, Ltd., a Florida limited partnership
- 101. Homewood at Brookmont Terrace, LLC, a Tennessee limited liability company
- 102. LaBarc, L.P., a Tennessee limited partnership(3)
- 103. Lake Seminole Square Management Company, Inc., a Tennessee corporation

 (1) 50% owned by our wholly owned subsidiary, ARC Lady Lake, Inc.

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- 99. LifeMed, LLC, a Delaware limited liability company(4)
- 100. Plaza Professional Pharmacy, Inc., a Virginia corporation
- 101. Trinity Towers Limited Partnership, a Tennessee limited partnership

 (2) 37.5% owned by our wholly owned subsidiary, ARC Flint, Inc.

(3) 61.35% owned by our wholly owned subsidiary, ARC Sun City Center, Inc.

(4) 33% owned by our wholly owned subsidiary, ARC LifeMed, Inc.

(b) Set forth below is a list of the affiliates of the Company, including their respective percentages of voting securities of the Company as of August 14, 2002. Shares of Common Stock subject to options held by directors and executive officers of the Company that are exercisable within 60 days of the date hereof are deemed outstanding for the purpose of computing such director's or executive officer's beneficial ownership.

| AFFILIATES | PERCENTAGE OWNERSHIP |
|--|----------------------|
| 1. W.E. Sheriff, Chairman and Chief Executive Officer, Director | 5.0% (1) (2) |
| 2. Christopher J. Coates, President and Chief Operating Officer, Director | 2.0% |
| 3. Gregory B. Richard, Director | * |
| 4. H. Todd Kaestner, Executive Vice President - Corporate Development | 1.2% |
| 5. George T. Hicks, Executive Vice President - Finance, Chief Financial Officer, Secretary and Treasurer | 1.3% |
| 6. Frank M. Bumstead, Director | * |
| 7. Clarence Edmonds, Director | 2.2% (1) (3) |
| 8. John A. Morris, Jr., M.D., Director | 2.2% (4) |
| 9. Daniel K. O'Connell, Director | * |
| 10. Nadine C. Smith, Director | * |
| 11. Lawrence J. Stuesser, Director | * |
| 12. James T. Money, Executive Vice President - Sales and Marketing | 1.3% |
| 13. Ross C. Roadman, Senior Vice President - Strategic Planning and | * |

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Investor Relations

- 14. Terry L. Frisby, Senior Vice President - Human Resources, Corporate Compliance and Culture *
- 15. Bryan D. Richardson, Senior Vice President - Finance and Accounting *
- 16. Each subsidiary listed in Item 3(a) hereof -- (5)

* Less than one percent

- (1) Includes shares of Common Stock that certain persons presently have the right to acquire pursuant to the conversion provisions of the Company's Existing Debentures.
- (2) Includes shares of Common Stock beneficially owned by a family partnership in which Mr. Sheriff is a general partner and shares of Common Stock beneficially owned by Mr. Sheriff's wife.
- (3) Includes shares of Common Stock owned by The Jack C. Massey Foundation, of which Mr. Edmonds serves as president and as a co-trustee, shares of Common Stock beneficially owned by a trust of which Mr. Edmonds and his wife serve as co-trustees and lifetime beneficiaries, and shares of Common Stock beneficially owned by Mr. Edmonds' wife. Mr. Edmonds disclaims beneficial ownership of his wife's shares.

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- (4) All shares of Common Stock are beneficially owned by partnerships owned and controlled by Dr. Morris, his brother, and other members of Dr. Morris's family.
- (5) None of the company's subsidiaries listed in Item 3(a) hereof own any of the Company's securities.

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CONTENTS OF APPLICATION FOR QUALIFICATION. This Application for Qualification comprises:

- (a) Pages numbered 1 to 7, consecutively (including an attached Exhibit Index).
- (b) The statement of eligibility and qualification of U.S. Bank National Association, as trustee, on Form T-1 under the New Indenture to be qualified.*
- (c) The following exhibits in addition to those filed as a part of the statement of eligibility and qualification of the trustee:

Exhibit T3A Charter of Company (incorporated by reference from the Company's Registration Statement on Form S-1 (Registration No. 333-23197)).

Articles of Amendment to the Charter of Company (incorporated by reference from the Company's Form

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10-K for the year ended December 31, 1998).

Articles of Amendment to the Charter of Company (incorporated by reference from the Company's Form 10-K for the year ended December 31, 1999).

Exhibit T3B Bylaws of Company, as amended (incorporated by reference from the Company's Form 10-K for the year ended December 31, 1998).

Exhibit T3C Form of Indenture between Company and the Trustee (incorporated by reference from the Company's Schedule TO filed August 14, 2002).

Exhibit T3D Not Applicable.

Exhibit T3E-1 Offering Memorandum, dated as of August 14, 2002 (incorporated by reference from the Company's Schedule TO filed August 14, 2002).

Exhibit T3E-2 Letter of Transmittal, dated August 14, 2002 (incorporated by reference from the Company's Schedule TO filed August 14, 2002).

Exhibit T3E-3 Letter to Clients, dated August 14, 2002 (incorporated by reference from Amendment No. 1 to the Company's Schedule TO filed August 15, 2002).

Exhibit T3E-4 Notice of Guaranteed Delivery, dated August 14, 2002 (incorporated by reference from the Company's Schedule TO filed August 14, 2002).

Exhibit T3E-5 Letter to Registered Holders, dated August 14, 2002 (incorporated by reference from the Company's Schedule TO filed August 14, 2002).

Exhibit T3E-6 Letter to Holders of Old Convertible Debentures dated August 26, 2002 (incorporated by reference from Amendment No. 3 to the Company's Schedule TO filed August 26, 2002).

Exhibit T3E-7 Supplement to Offering Memorandum, dated August 29, 2002 (incorporated by reference from Amendment No. 4 to the Company's Schedule TO filed August 29, 2002).

Exhibit T3E-8 Amended and Restated Offering Memorandum, dated as of September 12, 2002 (incorporated by reference from Amendment No. 5 to the Company's Schedule TO filed September 12, 2002).

Exhibit T3E-9 Letter of Transmittal, dated September 12, 2002 (incorporated by reference from Amendment No. 5 to the Company's Schedule TO filed September 12, 2002).

Exhibit T3E-10 Letter to Clients, dated September 12, 2002 (incorporated by reference from Amendment No. 5 to the Company's Schedule TO filed September 12, 2002).

Exhibit T3E-11 Notice of Guaranteed Delivery, dated September 12, 2002 (incorporated by reference from Amendment No. 5 to the Company's Schedule TO filed September 12, 2002).

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Exhibit T3E-12 Letter to Registered Holders, dated September 12, 2002 (incorporated by reference from Amendment No. 5 to the Company's Schedule TO filed September 12, 2002).

Exhibit T3F Cross reference sheet showing the location in the Indenture of the provisions inserted therein pursuant to Sections 310 through 318(a), inclusive, of the Trust Indenture Act of 1939 (included as part of Exhibit T3C).

* previously filed

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SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Applicant, American Retirement Corporation, a Tennessee corporation, has duly caused this Amendment No. 1 to Application for Qualification to be signed on its behalf by the undersigned, thereunto duly authorized, and its seal to be hereunto affixed and attested, all in the City of Brentwood, in the State of Tennessee, on the 12th day of September, 2002.

AMERICAN RETIREMENT CORPORATION

BY: /s/ GEORGE T. HICKS

Name: George T. Hicks
Title: Executive Vice President - Finance,
Chief Financial Officer and Treasurer

Attest: /s/ H. TODD KAESTNER

Name: H. Todd Kaestner
Title: Executive Vice President -
Corporate Development

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