

AMERICAN RETIREMENT CORP

Form 4

July 21, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
SHERIFF W E

2. Issuer Name **and** Ticker or Trading
Symbol
AMERICAN RETIREMENT CORP
[ACR]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
111 WESTWOOD PLACE, SUITE
200

3. Date of Earliest Transaction
(Month/Day/Year)
07/19/2006

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
Chairman, CEO and Pres.

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

BRENTWOOD, TN 37027

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount (1)	(A) or (D)	Price	
Common Stock	07/19/2006		F		26,452	D	\$ 32.9	417,969
Common Stock	07/21/2006		M		82,434	A	\$ 3.1	500,403
Common Stock								4,000
Common Stock								359,574
								I
								I
								By spouse
								By partnership

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Securities (Instr. 3 and 4)
Employee Stock Option (Right to Buy)	\$ 3.1	07/21/2006		M	82,434	01/04/2002 ⁽²⁾ 01/04/2011	Common Stock 82,4

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
SHERIFF W E 111 WESTWOOD PLACE, SUITE 200 BRENTWOOD, TN 37027	X Chairman, CEO and Pres.

Signatures

/s/ W.E. Sheriff 07/21/2006

Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On July 19, 2006, a tranche of restricted stock owned by the reporting person vested and the vesting provisions of additional tranches of restricted stock were accelerated due to the approval by American Retirement Corporation's ("the Company") shareholders of a plan of merger between the Company and Brookdale Senior Living, Inc. 26,452 shares were withheld from the shares delivered to the reporting person in order to satisfy the reporting person's tax withholding obligation.

(2) The option vested ratably in three annual installments beginning January 4, 2002.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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