



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

September 1, 2011

Via E-mail

Mr. Robert Bateman
Chief Financial Officer
Emeritus Corporation
3131 Elliott Avenue, Suite 500
Seattle, WA 98121

**Re: Emeritus Corporation
Form 10-K for the Fiscal Year Ended December 31, 2010
Filed March 11, 2011
File No. 1-14012**

Dear Mr. Bateman:

We have reviewed your response letter dated August 5, 2011 and your filings and have the following comment. As noted in our letter dated July 26, 2011, we have limited our review to only your financial statements and related disclosures and do not intend to expand our review to other portions of your documents. Please provide us with the requested information so we may better understand your disclosure.

Please respond to this letter within ten business days by providing the requested information or by advising us when you will provide the requested response. If you do not believe our comment applies to your facts and circumstances, please tell us why in your response.

After reviewing the information you provide in response to this comment, we may have additional comments.

Liquidity and Capital Resources, page 50

1. We note your response to comment two in our letter dated July 26, 2011. Since the \$20 million cash on hand is not available to fund your operations, please tell us why such cash is not classified as restricted cash. Refer to your basis in the accounting literature.

Mr. Robert Bateman
Emeritus Corporation
September 1, 2011
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Please file all correspondence over EDGAR. You may contact Kathryn Jacobson, Senior Staff Accountant, at (202) 551-3365 or Dean Suehiro, Senior Staff Accountant, at (202) 551-3384 if you have questions regarding comments on the financial statements and related matters. Please contact me at (202) 551-3810 with any other questions.

Sincerely,

/s/ Robert S. Littlepage for

Larry Spigel
Assistant Director