

North Carolina Department of Health and Human Services Division of Health Service Regulation

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> Drexdal Pratt Division Director

June 3, 2015

Gerald L. Aben 2723 South State Street, Suite 400 Ann Arbor, MI 48104

No Review

Facility:

The Laurels of GreenTree Ridge

Project Description:

Change in indirect ownership management structure of facility

County:

Buncombe

FID #:

923203

Dear Mr. Aben:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter dated April 3, 2015, and received on April 7, 2015, regarding the above referenced transaction. Based on the CON law in effect on the date of this response to your request, the transaction described in your correspondence is not governed by, and therefore, does not currently require a certificate of need.

It should be noted that this determination is binding only for the facts represented in your correspondence. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,

Julie Halatek Project Analyst

ulie Halatik

Martha J. Frisone Martha J. Frisone

Assistant Chief, Certificate of Need

Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603 Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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The Laurels of GreenTree Ridge 70 Sweeten Creek Road Asheville, NC 28803

April 3, 2015



Via Federal Express

Martha Frisone

North Carolina Division of

2704 Mail Service Center

Raleigh, NC 27699-2704

Health Service Regulation

Beverly Speroff North Carolina Division of Health Service Regulation 2711 Mail Service Center Raleigh, NC 27699-2711

Megan Lamphere
North Carolina Division of
Health Service Regulation
Adult Care Licensure Section
2708 Mail Service Center
Raleigh, NC 27699-2708

Re:

The Laurels of GreenTree Ridge Medicare Provider #34-5303 NPI #1598710949 Medicaid Provider #3415303

To Whom it May Concern:

Please be advised that effective April 1, 2015 (the "Effective Date"), Aviv REIT, Inc. (NYSE: AVIV) ("Aviv") merged with Omega Healthcare Investors, Inc. (NYSE: OHI) ("Omega"). Aviv is the indirect owner of the real property and improvements comprising the Facility indicated above (the "Facility"), through Aviv's subsidiary Financing VI Healthcare Property, L.L.C. ("Financing VI"). Financing VI is the direct owner and landlord of the Facility. As of the Effective Date, Aviv is now a wholly-owned subsidiary of Omega, and Aviv will cease to be a publicly traded company (the "Merger"). As a result of the Merger, the ultimate ownership of Aviv and its wholly-owned subsidiaries (including Financing VI) has changed. However, the Merger does not change the licensed operator/tenant of the Facility or modify the existing health facility lease pertaining to the Facility. Additionally, none of the management or personnel of the Facility will change as a result of the Merger.

AA01\411326.1 ID\PGD - 074745\0097 Based upon our review of North Carolina law, it is our understanding that the Merger will not give rise to a "change of ownership" for CON, nursing home licensure, adult care facility licensure, or Medicaid enrollment purposes with respect to the Facility. However, we are notifying you of the Merger as it impacts the ultimate ownership of the real property leased by the licensee of the Facility.

Should you have any questions concerning the Merger or this notice letter, please do not hesitate to contact the undersigned at (734) 332-0033 or rschmick@schmicklaw.com.

Sincerely,

Raynold A. Schmick Corporate Secretary

cc: North Carolina Department of Health & Human Services

CSC

P.O. Box 300009

Raleigh, NC 27622-8009



Martha Frisone

North Carolina Division of

2704 Mail Service Center Raleigh, NC 27699-2704

Health Service Regulation

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Via Federal Express

Suite 400

April 3, 2015

Beverly Speroff North Carolina Division of Health Service Regulation 2711 Mail Service Center Raleigh, NC 27699-2711

Megan Lamphere North Carolina Division of Health Service Regulation Adult Care Licensure Section 2708 Mail Service Center Raleigh, NC 27699-2708

> Re: Laurel Health Care Company

Ms. Speroff, Ms. Frisone and Ms. Lamphere:

Dykema Gossett represents Laurel Health Care Company, from time to time, with respect to regulatory issues involving its licensed nursing home facilities. Enclosed please find a notice letter from Ray Schmick, Corporate Secretary of each Laurel facility identified in the enclosed letters. Mr. Schmick's letters apprise you of a third-party transaction, effective April 1, 2015, that resulted in a change to the real property owner of each Laurel facility.

Should you have any further questions regarding this matter, please feel free to contact me or to contact Mr. Schmick at (734) 332-0033 or rschmick@schmicklaw.com. Thank you.

Sincerely,

DYKEMA GOSSETTYCLC

California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.