

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

May 11, 2015

J. Melvin Deaton P.O. Box 2568 Hickory, NC 28603-2568

Exempt from Review - Acquisition of Facility

Facility:

Heritage Suites

Type of Facility:

Adult Care Home

Acquisition by:

Fayetteville NC Senior Property, LLC

County:

Cumberland

FID #:

990115

Dear Mr. Deaton:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of March 30, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Fayetteville NC Senior Property, LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Adult Care Licensure Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to G.S. 131E-181(b): "A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need."

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

cc:

Tanya S. Rupp

Project Analyst

Adult Care Licensure Section, DHSR

Assistant Chief, Healthcare Planning

Assistant Chief, Certificate of Need

Cool Springs Senior Care, LLC

Post Office Box 2568 Hickory, North Carolina 28603-2568 Phone: (828) 322-5535 Fax: (828) 322-3897

March 30, 2015

Ms. Martha Frisone, Assistant Chief Division of Health Service Regulation Healthcare Planning and Certificate of Need Section North Carolina Department of Health & Human Services 2704 Mail Service Center Raleigh, NC 27699-2704



Re: No

Notice of Exempt Acquisition of Heritage Suites (FID: 990115) pursuant to Section 131E-184(a)(8) of the North Carolina General Statutes

Dear Ms. Frisone:

I am writing on behalf of Fayetteville NC Senior Property, LLC, to provide notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section (the "Agency") of a transaction involving Heritage Suites (License Number HAL-026-061), a licensed adult care home located at 240 Ann Street, Fayetteville (Cumberland County), North Carolina (the "Facility").

The Facility is currently owned by IP-Fayetteville Health Holdings, LLC. The Facility is leased to and operated by Fayetteville AL Holdings, LLC (the "Current Licensed Operator"). Pursuant to the transaction, the Facility will be acquired by Fayetteville NC Senior Property, LLC (the "Buyer"). Following the conclusion of the transaction, the Facility will continue to be operated as an adult care home and the Facility will continue to be operated by the Current Licensed Operator pursuant to its lease agreement with the Buyer.

The acquisition of the Facility will not involve the development of any new health service facility or otherwise qualify as a "new institutional health service" which would be subject to review under applicable Certificate of Need statutes or regulations. Pursuant to this letter, the Buyer hereby requests that the Agency confirm that the acquisition of the Facility is exempt from Certificate of Need review and approval pursuant to Section 131E-184(a)(8) of the North Carolina General Statutes.

If you require additional information, please contact me at (828) 261-7312. Thank you for your consideration of this request.

Best regards,

/Melvin Deaton