



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

February 22, 2013

Mr. Chris Howlett
312 Cloister Court
Chapel Hill, NC 27514

Exempt from Review – Physician Office

Provider: RICHAN IV, LLC
Project Description: Develop a 38,367 square foot physician office building at 2226 Nelson Highway,
Chapel Hill, NC
County: Orange
FID #:


Dear Mr. Howlett:


In response to your letter of December 5, 2012 (Received February 11, 2013), the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(9). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Construction and the Acute and Home Care Licensure and Certification Sections of the Division of Health Service Regulation to determine if they have any requirements for development of the proposed physician office.

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,


F. Gene DePorter
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

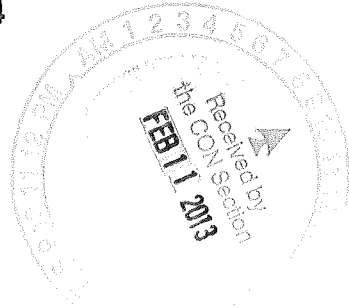
cc: Chief, Construction Section, DHSR
Chief, Acute and Home Care Licensure and Certification Section, DHSR



Done

RICHAN IV, LLC

312 Cloister Court
Chapel Hill, NC 27514
Tel. 919-490-5500
Fax 919-493-1978



December 5, 2012

Mr. Gene DePorter
Certificate of Need Section
DHSR, DHHS
2704 Mail Services Center
Raleigh, NC 27699-2704

RE: Notice of Development of Exempt Physician Office Building / RICHAN IV, LLC

Dear Mr. DePorter:

I am writing on behalf of RICHAN IV, LLC. RICHAN IV, LLC is planning to develop a building located at 2226 Nelson Highway, Chapel Hill, NC, 27517. The building is approximately 38,367sf. Spaces within the building may be leased to physician offices. Any tenants will be unrelated to the RICHAN IV, LLC.

The RICHAN IV LLC is requesting confirmation that the development of the physician office building is exempt from review pursuant to G.S. 131E-184(a)(9). G.S. 131E-184(a)(9) allows for the CON Section to exempt the acquisition of a physician office building, regardless of cost, unless a new institutional health service other than defined in G.S. 131E-176(16)(b) is offered or developed in the building. At this time, plans are for the suites within the office building to be leased to unrelated provider-based practices and unrelated hospital-based clinics. For now, the office building and its future tenants is not being planned to include any new institutional health services as defined in G.S. 131E-176(16)(b).

Please do not hesitate to contact me at 919-614-5326 if you need any additional information. Thank you for consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Howlett".

Chris Howlett