



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

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne
Assistant Secretary for Audit and
Health Service Regulation

January 21, 2016

Jo-Ann Marchica, Senior Attorney
Arent Fox, LLP
1717 K Street, NW
Washington DC 20006-5344

No Review

Record #: 1836
Facility Name: Sunrise of Cary
FID #: 070629
Business Name: Sunrise Wake County NC Senior Living, LLC
Project Description: Change in ownership structure of parent company
County: Wake

Dear Ms. Marchica:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of January 7, 2016 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

However, you need to contact the Agency's Adult Care Licensure Section to determine if they have any requirements for development of the proposed project.

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.



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

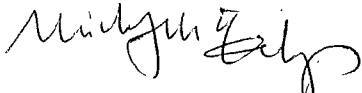
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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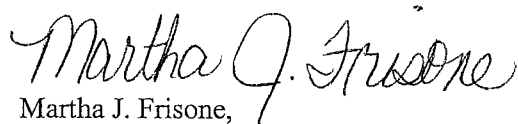


Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Michael J. McKillip
Project Analyst



Martha J. Frisone,
Assistant Chief, Certificate of Need

cc: Adult Care Licensure Section, DHSR
Kelli Fisk, Program Assistant, Healthcare Planning, DHSR



January 7, 2016

VIA FEDEX

Ms. Megan Lamphere, Chief
Ms. Danyelle Brown
NC Department of Health & Human Services
Division of Health Services Regulation
Adult Care Licensure Section
805 Biggs Drive
Raleigh, North Carolina 27603

Re: Notice of Change

Dear Ms. Lamphere and Ms. Brown:

We are writing to notify you of a transaction involving Sunrise of Cary, an adult care home located at 1206 West Chatham Street, Cary, North Carolina 27513 (the "Facility"). The current licensed operator of the Facility is Sunrise Wake County NC Senior Living, LLC ("Licensee").

HCRI Sun Two Pool One, LLC ("Pool One") is the sole member of the Licensee. HCRI SL II TRS Corp. ("TRS Corp.") is the sole member of Pool One. Prior to the business restructuring, the sole shareholder of TRS Corp. was HCRI/SRZ Master OpCo, LLC ("HCRI"), a wholly-owned subsidiary of Welltower Inc.,¹ a publicly traded company. Effective December 31, 2015, HCRI transferred its ownership interest in TRS Corp. to Welltower TRS Holdco LLC, a direct subsidiary of Welltower Inc. There are no other changes to the ownership of the Licensee, or to the day-to-day operations of the Facility, as a result of the business restructuring.

We have attached hereto flowcharts that illustrate: (1) the ownership structure of the Licensee before the business restructuring (Appendix A); and (2) the ownership structure of the Licensee after the business restructuring (Appendix B).

¹ Formerly known as Health Care REIT, Inc. prior to a legal name change.

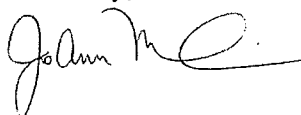
Jo-Ann Marchica

Senior Attorney
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marchica.jo-ann@arentfox.com

Reference Number:
034745.00011

We understand that the business restructuring is not a change of ownership for licensure or certificate of need purposes. Please accept this letter as official notice of the business restructuring. If you have any questions, please do not hesitate to contact me. Thank you.

Sincerely,

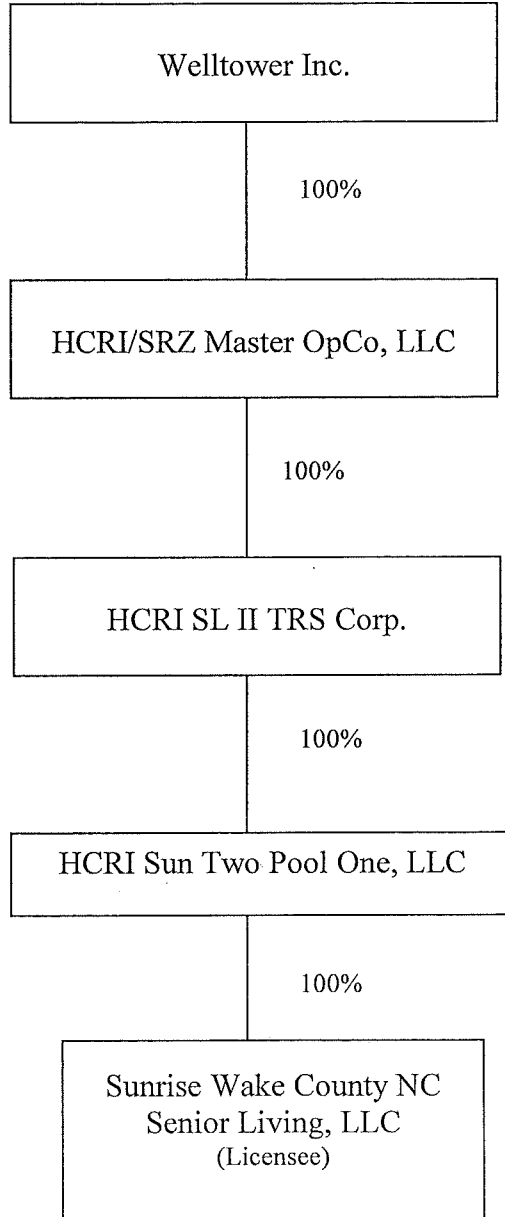


Jo-Ann Marchica

cc: Cynthia Rerucha, Esq.

✓ Ms. Martha Frisone
Section Chief
Certificate of Need Section
809 Ruggles Drive
Dorthea Dix Campus
Raleigh, North Carolina 27603

Appendix A
Ownership Structure of the Licensee Before the Business Restructuring



Appendix B
Ownership Structure of the Licensee After the Business Restructuring

