



CO2017-035

J. Douglas Warren
President

CHS
PROPERTIES

RECEIVED
AUG 16 2017
STATE HEALTH PLANNING
& DEVELOPMENT AGENCY

August 15, 2017

Mr. Alva Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street, Suite 870
Montgomery, AL 36106

RE: Change of Ownership – The Haven Memory Care Facility (“The Haven”)

Dear Mr. Lambert:

The purpose of this letter is to inform your office that on, or about October 1, 2017, CHS Properties, Inc. will, subject to the receipt of regulatory approvals, finalize an asset purchase agreement for the acquisition of 43 specialty care assisted living facility (“SCALF”) beds known as The Haven. The facility is located at 6848 Gulf Shores Parkway, Gulf Shores, Alabama 36542. The current owner of The Haven is South Alabama Healthcare, LLC. Noland Health Services, Inc. is the sole member and manager.

Enclosed you will find:

- A Change of Ownership Application executed by both parties.
- The required filing fee of \$2,500.

If you need additional information or have any questions, please contact me at (251) 981-0200. Thank you in advance for your assistance.

Sincerely,

Doug Warren
President & CEO

cc: Carol Knight, Noland Health Services, Inc.

AUG 16 2017

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))

Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))

Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 003-S0207
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider:
(ADPH Licensure Name) The Haven Memory Care Facility

Physical Address: 6848 Gulf Shores Parkway

Gulf Shores, Alabama 36542

County of Location: Baldwin

Number of Beds/ESRD Stations: 43 SCALF beds

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. n/a

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of
Facility named in Part I: South Alabama Healthcare, LLC

Mailing Address: 600 Corporate Parkway, Suite 100

Birmingham, AL 35242

Operator (Entity Name): Same as owner

Part III: Acquiring Entity Information

Name of Entity: CHS Properties, Inc.

Mailing Address: 25819 Canal Road

Orange Beach, AL 36561

Operator (Entity Name): Same As Acquiring Entity

Proposed Date of Transaction is on or after: On or after October 1, 2017

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 6,000,000

Type of Beds: SCALF

Number of Beds/ESRD Stations: 43

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost: **See Attached**

Projected Equipment Cost: \$ _____

Projected Construction Cost: \$ _____

Projected Yearly Operating Cost: \$ _____

Projected Total Cost: \$ _____

On an Attached Sheet Please Address the Following: See Attached

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

DRAFT
CHS Properties, Inc.
Attachment to Change of Ownership Application
Facility to be Acquired: The Haven Memory Care Facility – SHPDA ID 003-S0207

Part IV. Financial Scope of the Project.

The total cost of the asset purchase is \$6,000,000. There will be no construction. Existing equipment will be acquired through the asset purchase. The annual operating costs are estimated at \$1,700,000.

Part IV. Additional Questions

1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).

Specialty Care Assisted Living Facility (SCALF) will continue to be offered. CHS Properties, Inc., a current provider of SCALF services.

2.) Whether the proposal will include the addition of any new beds.

No, the acquisition does not include the addition of any new beds.

3.) Whether the proposal will involve the conversion of beds.

No, the acquisition does not involved the conversion of beds.

4.) Whether the assets and stock (if any) will be acquired.

The proposed transaction is an asset purchase. The transaction does not involve any stock.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): Gary Goff

[Signature]

Operator(s): _____

Title/Date: EVP/CFO

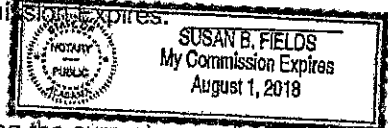
August 10, 2017

SWORN to and subscribed before me, this 10th day of August, 2017.

(Seal)

[Signature]
Notary Public

My Commission Expires:



Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): CHK Properties, Inc.

[Signature]

Operator(s): COMMUNITY SENIOR LIFE, Inc.

Title/Date: PRESIDENT & CEO

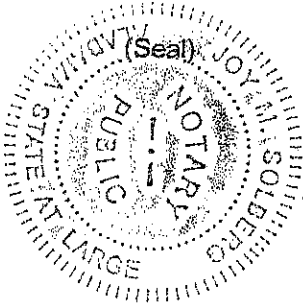
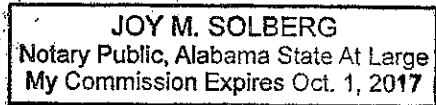
AUGUST 14, 2017

SWORN to and subscribed before me, this 14th day of August, 2017.

(Seal)

[Signature]
Notary Public

My Commission Expires: _____



Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule

If this application is for a conversion to a Specialty Care Assisted Living Facility, skip items 21 and 22 and proceed to the Mandatory Acknowledgment Notice on page 8. NOTE: The Mandatory Acknowledgment Notice as required by State Law is NOT for public record.

21. Are there any outstanding citations of deficiency, either Federal or State, that have not been corrected?

YES NO

If yes, has the plan of correction for these deficiencies been accepted by the Division of Health Care Facilities? YES NO

Note: The new operator will be responsible for correcting all outstanding deficiencies and may be subject to sanctions imposed for past or present deficiencies, including payment of any uncollected civil monetary penalties.

22. Current Licensee's Signature

The current licensee of this facility concurs with this change of ownership and recommends that this change of ownership application be granted. I certify that I am authorized to make this representation on behalf of the current licensee.

The Haven Memory Care Facility
Name of Current Licensed Entity

August 15, 2017
Date

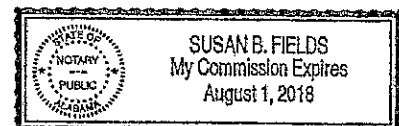
R. Gary Goff
Signature

R. Gary Goff
Printed Name

NOTARIZED:

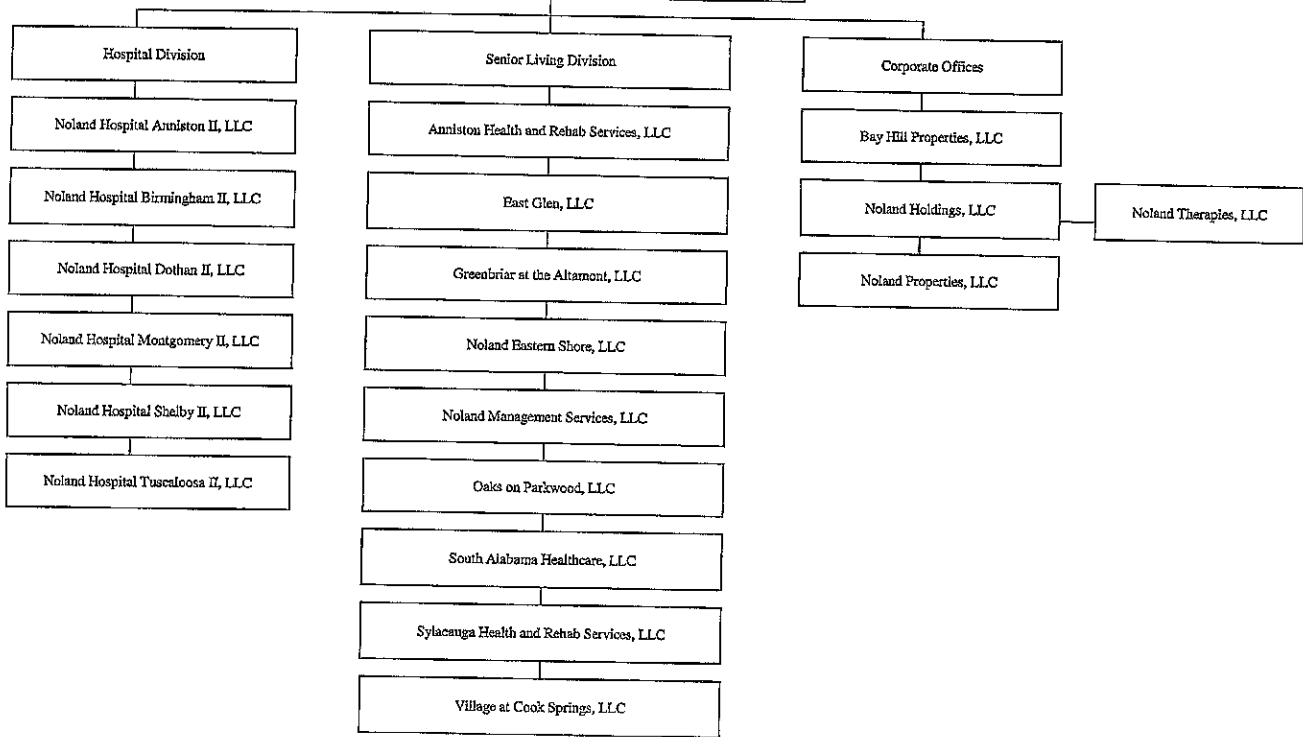
Sworn to and subscribed before me this 15th
day of August 2017.

Susan B. Fields
(Notary Public)





NOLAND HEALTH SERVICES, INC.



Community Health Systems, Inc
PRESIDENT & CEO
J. Douglas Warren

Community Health Services, Inc.
Doug Warren - CEO
For Profit Corporation
Seven Member Board

Community Senior Life, Inc.
Doug Warren - CEO
Not For Profit Corporation
Seven Member Board

America's Best Care Plus
Jim Farmer - President
For Profit Corporation
Seven Member Board
LICENSED IN 80 STATES

MedSouth, Inc.
Jason Shiller - President
For Profit Corporation
Eight Member Board

Community Health Mgmt. Inc.
Doug Warren - CEO
For Profit Corporation
Seven Member Board

CHS Properties, Inc.
Doug Warren - CEO
For Profit Corporation
Seven Member Board

Livestock Village Realty Inc.
Doug Warren - CEO
For Profit Corporation
Seven Member Board

GH Walker Construction Inc.
Doug Warren - CEO
For Profit Corporation
Seven Member Board

Sage Mgmt. Inc.
Doug Warren - CEO
For Profit Corporation
Seven Member Board

MedSouth, Inc.

Joint Ventures & Wholly Owned Subs

Managerial Facilities
LICENSED/MANAGED CONSULT

MSI Home Medical Services
DME

St. Vincent's Home Medical - JV
DME

JMS Health Services, LLC - JV
DME

St. Vincent's P.E.T. Center, LLC -
P.E.T. SCANNER

St. Vincent's SDQ, LLC - JV
SLEEP LAB

Bay Home Medical Services - JV
DME

Enclave P.E.T. Center, LLC - JV
P.E.T. SCANNER

Cornet Valley
DME

Providence
DME

St. Clair Sleep Disorder Center
SLEEP LAB

Southern Pharmaceutical 5%

MSA Home Medical Equipment
/ Hospitals

Livestock Village, LLC
A/E. INDEPENDENT

The Brantwooder Village, LLC
A/E. INDEPENDENT

The Madison Village, LLC
A/E. INDEPENDENT

Homestead Village - Alabama, LLC
A/E. INDEPENDENT

Homestead Village - Florida, LLC
A/E. SCALE. IND

das Comm. Hospice of Baltimore
BALDWIN & MOBILE