

waller

Waller Lansden Dortch & Davis, LLP
1901 Sixth Avenue North
Suite 1400
Birmingham, AL 35203-2623

Kristen A Larremore
205.226.5747 direct
kristen.larremore@wallerlaw.com

205.214.6380 main
205.214.8787 fax
wallerlaw.com

RECEIVED
AUG 21 2017
STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

August 21, 2017

Via Email shpda.online@shpda.alabama.gov

Re: Notice of Change of Ownership/Control - The Brennity at Daphne MC (SHPDA ID 003-S0111)

Dear Mr. Lambert:

On behalf of S TCG Daphne Campus, LLC (the "Applicant"), we respectfully submit to the State Health Planning and Development Agency ("SHPDA") this letter as an attachment to the Notice of Change of Ownership form that we are filing pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"). The proposed change of ownership is part of a company reorganization that involves an indirect acquisition by the Applicant of The Brennity at Daphne MC, a SCALF facility located in Baldwin County (the "Facility") from TCG Daphne Campus, LLC (the "Current Operators"). The ultimate owners of the Applicant and the Current Operator are the same. The enclosed Notice and Exhibit 1 thereto summarizes the transaction proposed to take place on or about September 15, 2017, and addresses SHPDA requirements for a change of ownership.

The financial scope of the proposed transaction is that the proposed transaction is a company reorganization involving the transfer of all of the assets of the Current Operator to an affiliated entity for no consideration between the parties. Based upon: the enclosed Notice and description of the proposed transaction found in Exhibit 1, paragraph 1 of such Notice, as well as the fact that the SCALF services to be offered are already being offered at this location by the Current Operator and there will be no change in health services, there will be no conversion of beds, and there will be no increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a Certificate of Need is not required for the consummation of this proposed transaction. In accordance with the Rules, I have separately submitted to SHPDA a check in the amount of \$2,500.00 made payable to the Alabama State Health Planning and Development Agency.

Should you have any questions or need further information, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Very Truly Yours,



Kristen A. Larremore

Enclosure

AUG 21 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-S0111
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider:
(ADPH Licensure Name) The Brennity at Daphne MC

Physical Address: 27296 County Road 13, Daphne, AL 36526

County of Location: Baldwin County

Number of Beds/ESRD Stations: 64 beds

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

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: TCG Daphne Campus, LLC

Mailing Address: 27296 County Road 13, Daphne, AL 36526

Operator (Entity Name): Sagora Senior Living, Inc.

Part III: Acquiring Entity Information

Name of Entity: S TCG Daphne Campus, LLC

Mailing Address: 27296 County Road 13, Daphne, AL 36526

Operator (Entity Name): Sagora Senior Living, Inc.

Proposed Date of Transaction is
on or after:

September 15, 2017

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ Corporate Reorganization - \$0

Type of Beds: Specialty Care Assisted Living Facility (SCALF)

Number of Beds/ESRD Stations: 64 beds

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

Projected Equipment Cost: \$ N/A

Projected Construction Cost: \$ N/A

Projected Yearly Operating Cost: \$ N/A

Projected Total Cost: \$ Not Applicable - See Exhibit 1

On an Attached Sheet Please Address the Following:

- 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.

Please see attached Exhibit 1.

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.

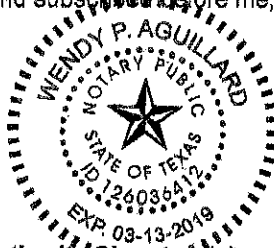
Owner(s): Donny D. Edwards, Pres. & Asst. Sec. *Donny D. Edwards*

Operator(s): Donny D. Edwards, Senior VP *Donny D. Edwards*

Title/Date: _____

SWORN to and subscribed before me, this 16th day of August, 2017.

(Seal)



Wendy P. Aguillard
Notary Public

My Commission Expires: 3-13-19

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.

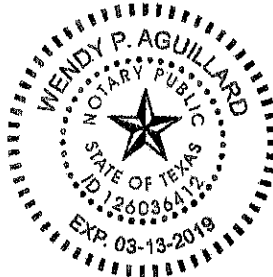
Purchaser(s): Donny D. Edwards, Pres. & Asst. Sec. *Donny D. Edwards*

Operator(s): Donny D. Edwards, Senior VP *Donny D. Edwards*

Title/Date: _____

SWORN to and subscribed before me, this 16th day of August, 2017.

(Seal)



Wendy P. Aguillard
Notary Public

My Commission Expires: 3-13-19

Author: Alva M. Lambert

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

History: New Rule

Exhibit 1

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).

This is a company reorganization in which the ultimate owners of the facility will not change. The Applicant, S TCG Daphne Campus, LLC, indirectly will acquire all of the assets of TCG Daphne Campus, LLC. TCG Daphne Campus, LLC currently operates the 64 bed Congregate Specialty Care Assisted Living Facility (SCALF). The services offered at the facility will remain the same. The facility will continue to be managed by Sagora Senior Living, Inc.

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

The proposal will not involve the addition of any new beds.

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

The proposal will not involve the conversion of beds.

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

The proposal will involve the indirect acquisition of 100% of the assets of TCG Daphne Campus, LLC by S TCG Daphne Campus, LLC.