

Angie Cameron Smith
acsmith@burr.com
Direct Dial: (205) 458-5209
Direct Fax: (205) 458-5100

420 North 20th Street
Suite 3400
Birmingham, AL 35203

Office (205) 251-3000
Fax (205) 458-5100

BURR.COM

March 9, 2018

VIA EMAIL

Mr. Alva M. Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street
Suite 870
Montgomery, AL 36104

Re: Skilled Nursing Facility Change of Ownership - Willow Trace Health and Rehabilitation Center

Dear Mr. Lambert:

Pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"), we respectfully submit the attached Notice of Change of Ownership. The Change of Ownership involves the lease of the 120-bed skilled nursing facility located in the Butler, Choctaw County, Alabama, and known as Willow Trace Health and Rehabilitation Center (the "Facility"). The Facility is currently owned by AP2012-Willow Trace, LLC (the "Landlord") and operated by AL Willow Tree, LLC. Immediately after the completion of the below described transaction, the Facility will be renamed Blue Ridge Healthcare Willow Trace. Following is a summary of the proposed transaction:

I. Facts.

1. Landlord owns the real property on which the Facility is located.
2. Landlord, under an operating lease, currently leases the Facility to AL Willow Tree, LLC as the current licensed provider of the Facility ("Current Operator").
3. Current Landlord intends to sell the property to a new entity, Butler AL SNF Realty, LLC ("New Landlord"). New Landlord will in turn enter into an operating lease with Blue Ridge Healthcare Willow Trace, LLC ("New Operator") to operate the skilled

nursing facility as Blue Ridge Healthcare Willow Trace. The term of the lease between New Landlord and New Operator will exceed two (2) years (the "New Operator Lease").

4. Under certain transaction documents by and among Current Landlord, Current Operator, New Landlord and New Operator, subject to approval by the Alabama Department of Public Health ("ADPH") of the license application to be filed by New Operator and the issuance of a license by ADPH to New Operator to operate the Facility as a 120-bed nursing facility, the current lease will be terminated, and the New Operator Lease will become effective (the "Commencement")
5. The resulting "change in control" requires notification to your agency pursuant to ALA. ADMIN. CODE §410-1-7-.04(1).
6. The change in control of the Facility will be documented by the enclosed executed change of ownership form.

II. Financial Scope of Project.

A. For a fair market price, Current Landlord will sell the land, building fixtures, and equipment comprising the Facility to New Owner.

B. For fair market rental, New Operator will lease the Facility from the New Owner under an operating lease with a term exceeding two (2) years. Other than entering into the New Lease and the licensing of the Facility, this transaction does not involve any activities described in Alabama Code § 22-21-263(a) (1), (2), (3), or (4) as requiring a certificate of need.

III. Services to be Offered.

1. No New Services: The transaction does not involve the offering of any new services by the Facility.

IV. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds.

2. Conversion of Beds: The proposed transaction does not involve the conversion of beds.

Mr. Alva M. Lambert
March 9, 2018
Page 3

V. Stock and Assets.

Other than described above, the transaction does not involve the acquisition of stock or assets relating to the operation of the Facility.

Based on the above showing that there has been no (i) change in health service, (ii) spending in excess of the spending thresholds, (iii) conversion of beds or (iv) increase in bed capacity we respectfully ask that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a CON or other action by SHPDA is not required for the consummation of the above-described proposed transaction. In accordance with the Rules, I attach an executed change of ownership form, and the required fee in the amount of \$2,500.00 will be sent via overnight mail. The transaction is anticipated to close March 28, 2018.

Should you have any questions or need further information, please contact me at 205-458-5209.

Sincerely,

s/Angie Cameron Smith

Angie Cameron Smith

ACS/caj
Enclosures

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: 023-N0001
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider:
(ADPH Licensure Name) Willow Trace Health and Rehabilitation Center

Physical Address: 1406 E Pushmataha Street

Butler, AL 36904

County of Location: Choctaw

Number of Beds/ESRD Stations: 120

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

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: AP2012-Willow Trace, LLC (Landlord)

Mailing Address: 40 South Palafox Place, Suite 400

Pensacola, FL 32502

Operator (Entity Name): AL Willow Tree, LLC d/b/a Willow Trace Health and Rehabilitation Center (Licensee)

Part III: Acquiring Entity Information

Name of Entity: Butler AL SNF Realty, LLC (Landlord)

Mailing Address: 2700 North 29th Ave., Suite #308 (licensee)
Hollywood, FL 33020

Operator (Entity Name): Blue Ridge Healthcare Willow Trace LLC (licensee)

Proposed Date of Transaction is on or after: March 28, 2018

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ see attached letter

Type of Beds: skilled nursing facility

Number of Beds/ESRD Stations: 120

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

Projected Equipment Cost: \$ see attached

Projected Construction Cost: \$ see attached

Projected Yearly Operating Cost: \$ see attached

Projected Total Cost: \$ see attached

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.

Part V: Certification of Information

Current Authority Signature(s):

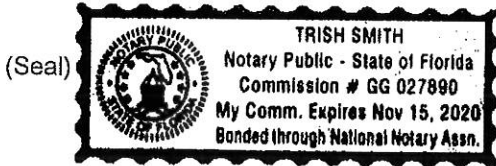
The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): _____

Operator(s): At Willow Trace, LLC _____

Title/Date: President _____ February 14, 2018

SWORN to and subscribed before me, this 14th day of February, 2018.



A-84

Trish Smith
Notary Public

My Commission Expires: 11/15/2020

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): NA _____

Operator(s): Blue Ridge Healthcare Willow Trace LLC _____

Title/Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal) _____
 Notary Public
 My Commission Expires: _____

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): *[Signature]* AP2012 - Willow Trace, LLC
Eric H. Roth

Operator(s): _____

Title/Date: President of Argent Manager 2012, LLC and 02/14/2018
in that capacity an Authorized Representative of
Argent

SWORN to and subscribed before me, this 14 day of February, 2018.

(Seal) **KIMBERLY RUGGIERO**
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RU6307918
Qualified in Putnam County
My Commission Expires July 14, 2018

A-84 *[Signature]*
Notary Public
My Commission Expires: 07/14/2018

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): NA

Operator(s): Blue Ridge Healthcare Willow Trace LLC

Title/Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal) _____
Notary Public
My Commission Expires: _____

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): AL2012-Willow Trace, LLC _____

Operator(s): AL Willow Trace, LLC d/b/a
Willow Trace Health and Rehabilitation Center

Title/Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal) A-84 _____
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): Butler AL SNF Realty, LLC _____

Operator(s): Blue Ridge Healthcare Willow Trace LLC _____

Title/Date: _____ 2/28/18

SWORN to and subscribed before me, this 28 day of February, 2018.

(Seal)



Wendy Stenhouse
Notary Public / Commissioner for Oaths

My Commission Expires: Sept 3/2020

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): AL2012-Willow Trace, LLC _____

Operator(s): AL Willow Trace, LLC d/b/a
Willow Trace Health and Rehabilitation Center

Title/Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal) A-84 _____
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): Butler AL SNF Realty, LLC _____

Operator(s): Blue Ridge Healthcare Willow Trace LLC [Signature]

Title/Date: _____

SWORN to and subscribed before me, this 7 day of March, 2018.

(Seal) _____
Notary Public [Signature]
My Commission Expires: Oct 23, 2018



