

December 20, 2019

VIA FEDERAL EXPRESS

VIA E-MAIL (SHPDA.ONLINE@SHPDA.ALABAMA.GOV)

State Health Planning and Development Agency
RSA Union Building
100 North Union Street, Suite 870
Montgomery, AL 36104

Kathryn L. Steffen

Associate
202.715.8480 DIRECT
202.857.6395 FAX
kathryn.steffen@arentfox.com

Reference Number
040611.00007

Re: NOTICE OF RESTRUCTURING TRANSACTION
Facility ID No. 073-N7006

Dear Sir or Madam:

We are writing to notify the State Health Planning and Development Agency of a restructuring transaction involving the nursing home known as Galleria Woods Skilled Nursing Facility, located 3850 Galleria Woods Drive, Hoover, Alabama 35244 (the "Facility"). The Certificate of Need holder and licensed operator of the Facility is CCRC OpCo – Galleria Woods, LLC (the "CON Holder").

The CON Holder is owned 100% by CCRC OpCo Ventures, LLC (the "Parent"). The Parent is owned 51% by BKD CCRC OpCo HoldCo Member, LLC ("BKD Member"), a wholly-owned, indirect subsidiary of Brookdale Senior Living Inc. ("BKD"), and owned 49% by S-H 2014 OpCo TRS, Inc. ("Healthpeak Member"), a wholly-owned, indirect subsidiary of Healthpeak Properties, Inc. ("Healthpeak") (f/k/a HCP, Inc.). Healthpeak is a publicly traded, fully integrated real estate investment trust ("REIT") that invests in real estate servicing the healthcare industry in the United States. The operations of the Facility are currently managed by BKD Twenty-One Management Company, Inc., a Delaware corporation ("Current Manager"), pursuant to a management agreement between the CON Holder and Current Manager.

Effective February 1, 2020 (the "Effective Date"), Healthpeak Member will acquire BKD Member's 51% ownership interest in the Parent and become the 100% direct owner of the Parent, and the 100% indirect owner of the CON Holder. Additionally, concurrent with the closing, (i) management of the operations of the Facility will be transitioned from Current Manager to Life Care Services, LLC ("New Manager"), an Iowa limited liability company, pursuant to an operations transfer agreement; (ii) the management agreement between the CON Holder and Current Manager will be terminated; and (iii) the CON Holder and New Manager will enter into a new management agreement for the day-to-day operations of the Facility. BKD will cease to be involved with or have any ownership interest in the CON Holder or the Facility.

Please refer to the organizational charts included as Exhibit A to this letter, which depict the current and future organizational structures of the CON Holder.

The CON Holder will continue to operate the Facility, and there will be no changes to the services offered or the number or type of beds at the Facility. However, we understand that the Agency will require a Notice of Change of Ownership/Control form connection with the restructuring transaction. Accordingly, enclosed please find the completed Notice of Change of Ownership/Control form. Also enclosed for mailing is a check in the amount of \$2,500 for the required fee.

If you have any questions or would like to discuss this transaction, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,



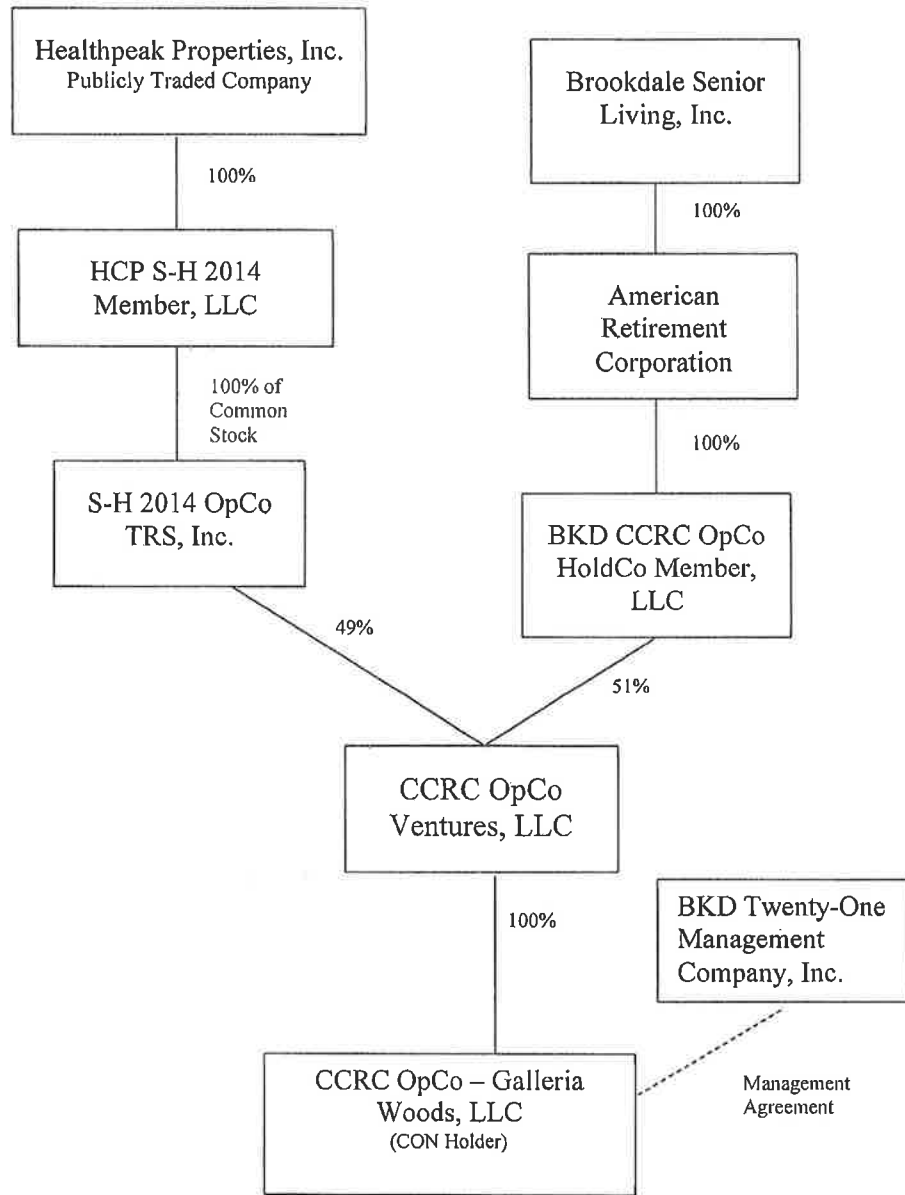
Kathryn L. Steffen

Enclosures

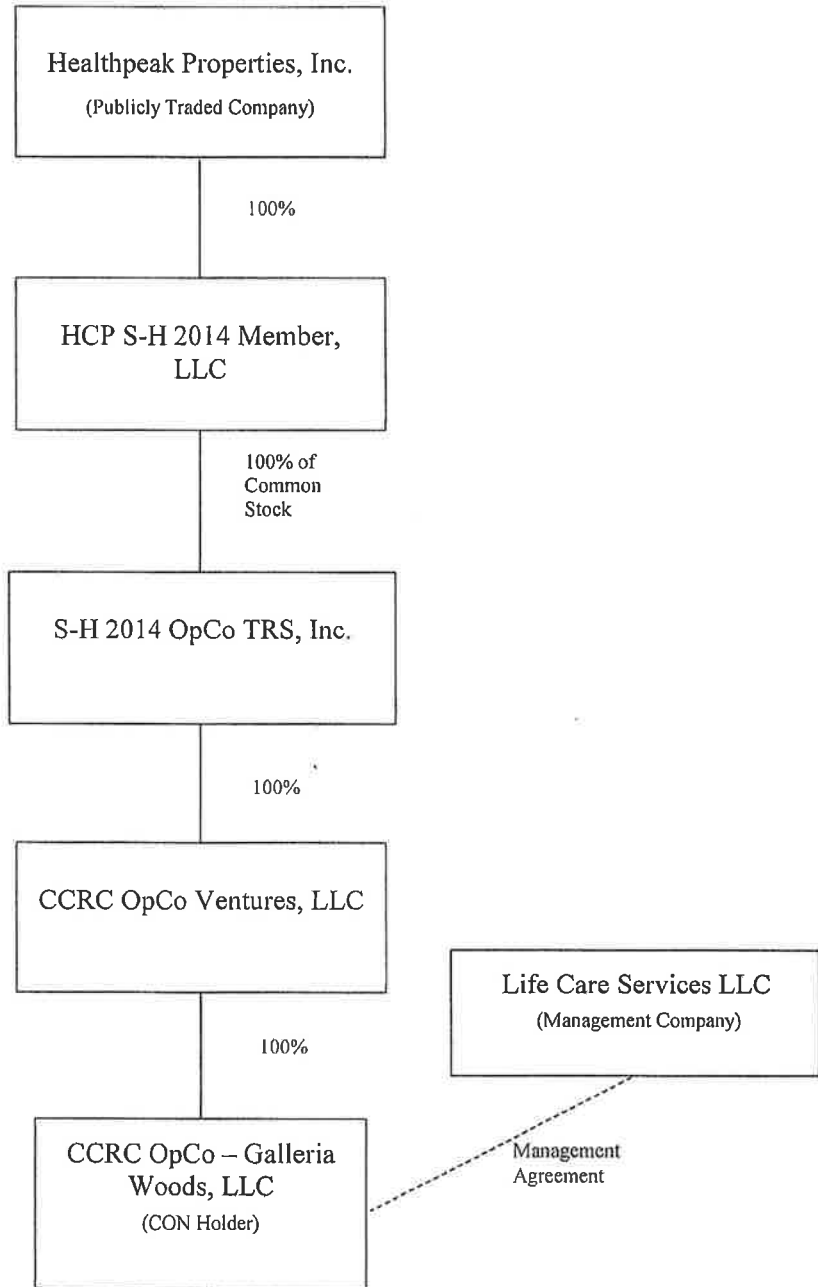
Exhibit A

Before and After Organizational Structure Charts

Current Organizational Structure of CCRC OpCo – Galleria Woods, LLC



Post-Closing Ownership Structure of CCRC OpCo – Galleria Woods, LLC



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.

Indirect

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: **073-N7006**
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: **Galleria Woods Skilled Nursing Facility**
(ADPH Licensure Name)

Physical Address: **3850 Galleria Woods Drive**
Hoover, AL 35244

County of Location: **Jefferson County**

Number of Beds/ESRD Stations: **30 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: **CCRC OpCo – Galleria Woods, LLC**

Mailing Address: **1920 Main Street, Suite 1200, Irvine, CA 92614**

Operator (Entity Name): **CCRC OpCo – Galleria Woods, LLC**

Part III: Acquiring Entity Information

Name of Entity: **CCRC OpCo – Galleria Woods, LLC**

Mailing Address: **1920 Main Street, Suite 1200, Irvine, CA 92614**

RECEIVED

Operator (Entity Name):

CCRC OpCo – Galleria Woods, LLC

Jan 22 2020

Proposed Date of Transaction is
on or after:

January 31, 2020

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

See attached organizational charts depicting the ownership structure of CCRC OpCo – Galleria Woods, LLC (the “CON Holder”) before and after the transaction.

Part IV: Terms of Purchase

Monetary Value of Purchase:

\$12,500,000.00 (Note: Pursuant to an Equity Purchase Agreement, Healthpeak will acquire Brookdale’s 51% joint venture interest in 13 entry fee continuing care retirement communities with 5,641 units for \$510M. The portion of the total purchase price that is allocable to Galleria Woods is approximately \$12.5M (resulting in a total implied value of approximately \$24.5M)).

Type of Beds:

Nursing Facility (no change)

Number of Beds/ESRD Stations:

30 Beds (no change)

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

Projected Equipment Cost: \$0

Projected Construction Cost: \$0

Projected Yearly Operating Cost: \$9,227,139.00

Projected Total Cost: \$9,227,139.00

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.

See Schedule I attached hereto.

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): CCRC OpCo - Galleria Woods, LLC

Operator(s): CCRC OpCo - Galleria Woods, LLC

Title/Date: Vice President and Assistant Secretary


Jeffrey H. Miller
December 19, 2019

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

(Seal)

See Attached

A-84

Notary Public

My Commission Expires: _____

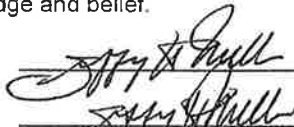
Acquiring Authority Signature(s):

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): CCRC OpCo - Galleria Woods, LLC

Operator(s): CCRC OpCo - Galleria Woods, LLC

Title/Date: Vice President and Assistant Secretary


Jeffrey H. Miller
December 19, 2019

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

(Seal)

See Attached

Notary Public

My Commission Expires: _____

Author: Alva M. Lambert

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

History: New Rule

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
 County of Orange

Subscribed and sworn to (~~or affirmed~~) before me
 on this 19th day of December, 2019
 by Date Month Year
 (1) Jeffrey H. Miller
 (and (2) N/A),
Name(x) of Signer(x)



proved to me on the basis of satisfactory evidence
 to be the person(x) who appeared before me.
 Signature *Natasha Valle*
Signature of Notary Public

Seal
 Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
 Number of Pages: _____ Signer(s) Other Than Named Above: _____

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 County of Orange

Subscribed and sworn to (~~or affirmed~~) before me
 on this 19th day of December, 2019,
 by Jeffrey H. Miller
 (1) _____
 (and (2) N/A),
Name(s) of Signer(s)



proved to me on the basis of satisfactory evidence
 to be the person(s) who appeared before me.

Signature *Notary Signature*
Signature of Notary Public

Seal
 Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
 Number of Pages: _____ Signer(s) Other Than Named Above: _____

Schedule I

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).

The CON Holder will continue to offer the same services that are currently offered to residents of the facility.

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

No, the transaction will not include the addition of any new beds.

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

No, the transaction will not involve the conversion of beds.

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

See attached cover letter. This is an upper-level transaction that will not affect the direct assets of the CON Holder.