

Angie C. Smith  
acsmith@burr.com  
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RECEIVED

Mar 07 2018

STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY

420 North 20th Street  
Suite 3400  
Birmingham, AL 35203

Office (205) 251-3000

Fax (205) 458-5100

BURR.COM

March 7, 2018

**VIA EMAIL, ORIGINAL TO FOLLOW BY FEDEX**

Alva Lambert  
Executive Director  
Alabama State Health Planning & Development  
Agency  
RSA Tower  
100 North Union Street  
Suite 870  
Montgomery, Alabama 36104

**Re: Change of Ownership**

Dear Mr. Lambert:

On February 12, 2018, we notified your office of the Change of Ownership involving five skilled nursing facilities (collectively, the "Facilities"):

- SSC Montgomery Cedar Crest Operating Company, LLC, dba Cedar Crest, a 121 bed nursing facility located in Montgomery County Alabama (Cedar Crest")
- SSC Birmingham Operating Company LLC, dba Fairview Health & Rehabilitation Center, a 163-bed nursing facility in Jefferson County Alabama ("Fairview")
- SSC Montrose Bay Operating Company, LLC, dba Montrose Bay Health & Rehabilitation Center, an 83-bed nursing facility in Baldwin County Alabama ("Montrose")
- SSC Selma Operating Company LLC, dba Warren Manor Health & Rehabilitation Center, a 168-bed nursing facility in Dallas County Alabama ("Warren")
- SSC Montgomery Woodley Manor Operating Company LLC, dba Woodley Manor Health & Rehabilitation, a 105-bed nursing facility in Montgomery County Alabama ("Woodley")

This letter is intended to update you on the status and details of the transaction, which is now scheduled to close on or before March 28, 2018. The following is a summary of the proposed transaction:

I. Facts.

The Facilities currently are owned as follows:

Cedar Crest by SMV Montgomery Cedar Crest, LLC;  
Fairview by SMV Birmingham, LLC;  
Montrose by SMV Montrose Bay, LLC;  
Warren by SMV Selma, LLC; and  
Woodley by SMV Montgomery Woodley Manor, LLC

(each a "Current Landlord" and collectively, the "Current Landlords") and are currently leased to the above operators (the "Existing Operators") under an operating lease.

Originally, the transaction contemplated the termination of the current leases, but the Current Landlord was to remain in place. However, it was contemplated that a new landlord might purchase the property in the next 30 days. Due to financing contingencies, the original transaction was delayed, and now instead of the original landlord remaining in place, the change to new landlords and new operators will occur simultaneously.

Under the new transaction, the Current Owners will sell the underlying assets comprising the Facilities to

Montgomery AL SNF Realty LLC  
Birmingham AL SNF Realty LLC  
Selma AL SNF Realty LLC  
Montrose Bay AL SNF Realty LLC  
Windwood AL SNF Realty LLC

(each a "New Owner" and collectively, the "New Owners") who will in turn enter into one or more operating leases with a term exceeding two years (the "New Lease(s)") to the following:

Blue Ridge Healthcare Montgomery, LLC;  
Blue Healthcare Birmingham, LLC;  
Blue Ridge Montrose Bay, LLC;  
Blue Ridge Healthcare Selma, LLC; and  
Blue Ridge Healthcare Winwood, LLC

(each a "New Operator" and collectively the "New Operators"), respectively. Below is a chart summarizing the current and proposed ownership.

<b>Current Owner (Landlord)</b>	<b>Current Operator (Licensee)</b>	<b>New Owner (New Landlord)</b>	<b>New Operator (New Licensee)</b>
SMV Montgomery Cedar Crest LLC	SSC Montgomery Cedar Crest Operating LLC	Montgomery AL SNF Realty LLC	Blue Ridge Healthcare Montgomery LLC
SMV Birmingham LLC	SSC Birmingham Operating Company LLC	Birmingham AL SNF Realty LLC	Blue Ridge Healthcare Birmingham, LLC
SMV Montrose Bay LLC	SSC Montrose Bay Operating Company LLC	Montrose Bay AL SNF Realty LLC	Blue Ridge Healthcare Montrose Bay LLC
SMV Selma LLC	SSC Selma Operating Company LLC	Selma AL SNF Realty LLC	Blue Ridge Healthcare Selma LLC
SMV Woodley Manor LLC	SSC Woodley Manor Operating Company, LLC	Windwood AL SNF Realty LLC	Blue Ridge Healthcare Windwood LLC

It is contemplated that each New Operator will become the licensee and operator of the respective Facility as listed above.

II. Financial Scope of Project.

A. For a fair market price, Current Landlords will sell the land, building fixtures, and equipment comprising the Facilities to New Owners.

B. For fair market rental, each New Operator will lease the respective Facility indicated above from 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 any of the above named Facilities.

IV. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds at any of the above named Facilities.
2. Conversion of Beds: The proposed transaction does not involve the conversion of beds at any of the above named Facilities.

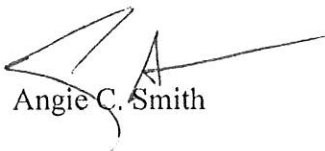
V. Stock and Assets.

The transaction consists of the lease of the assets of the Facilities by New Operators from New Owners under an operating lease, and the purchase by New Operators from the Current Operators of certain operating assets of the Facilities. Other than the foregoing, the transaction will not involve the acquisition of stock or assets.

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. I am enclosing updated change of ownership forms for each of the Facilities.

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

Sincerely,



Angie C. Smith

ACS  
Attachment

C02018-010

# 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: 047-N0006  
(This can be found at [www.shpda.alabama.gov](http://www.shpda.alabama.gov), Health Care Data, ID Codes)

Name of Facility/Provider: SSC Woodley Manor Operating Company, LLC d/b/a  
Woodley Manor  
(ADPH Licensure Name)

Physical Address: 3312 Woodley Road  
Montgomery, AL 36116

County of Location: Montgomery

Number of Beds/ESRD Stations: 105

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: SMV Montgomery Woodley Manor LLC (Landlord)

Mailing Address: One Ravinia Drive, Suite 1500  
Atlanta, GA 30346

Operator (Entity Name): SSC Montgomery Woodley Manor Operating Company LLC (Licensee)

## Part III: Acquiring Entity Information

Name of Entity: Windwood AL SNF Realty LLC (Landlord)

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

Hollywood, FL 33020 \_\_\_\_\_

Operator (Entity Name): Blue Ridge Healthcare Windwood 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: 105

**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): SMV Montgomery Woodley Manor LLC

Operator(s): SSC Montgomery Woodley Manor Operating Company LLC

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): Winwood AL SNF Realty LLC 

Operator(s): Blue Ridge Healthcare Windwood 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: September 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): SMV Montgomery Woodley Manor LLC \_\_\_\_\_

Operator(s): SSC Montgomery Woodley Manor Operating Company LLC  
\_\_\_\_\_

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.

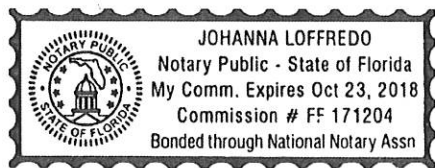
Purchaser(s): Winwood AL SNF Realty LLC \_\_\_\_\_

Operator(s): Blue Ridge Healthcare Windwood LLC \_\_\_\_\_

Title/Date: \_\_\_\_\_

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

(Seal)



Johanna Loffredo  
Notary Public

My Commission Expires: Oct 23, 2018



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

RECEIVED  
 Feb 12 2018

STATE HEALTH PLANNING AND  
 DEVELOPMENT AGENCY

420 North 20th Street  
 Suite 3400  
 Birmingham, AL 35203

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

BURR.COM

February 12, 2018

Alva Lambert  
 Executive Director  
 Alabama State Health Planning & Development  
 Agency  
 RSA Tower  
 100 North Union Street  
 Suite 870  
 Montgomery, Alabama 36104

**Re: Change of Ownership**

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 for the following skilled nursing facilities (collectively, the "Facilities"):

- SSC Montgomery Cedar Crest Operating Company, LLC, dba Cedar Crest, a 121 bed nursing facility located in Montgomery County Alabama (Cedar Crest")
- SSC Birmingham Operating Company LLC, dba Fairview Health & Rehabilitation Center, a 163-bed nursing facility in Jefferson County Alabama ("Fairview")
- SSC Montrose Bay Operating Company, LLC, dba Montrose Bay Health & Rehabilitation Center, an 83-bed nursing facility in Baldwin County Alabama ("Montrose")
- SSC Selma Operating Company LLC, dba Warren Manor Health & Rehabilitation Center, a 168-bed nursing facility in Dallas County Alabama ("Warren")
- SSC Montgomery Woodley Manor Operating Company LLC, dba Woodley Manor Health & Rehabilitation, a 105-bed nursing facility in Montgomery County Alabama ("Woodley")

The Change of Ownership involves the lease of the above facilities. The following is a summary of the proposed transaction:

I. Facts.

The Facilities currently are owned as follows:  
Cedar Crest by SMV Montgomery Cedar Crest, LLC;  
Fairview by SMV Birmingham, LLC;  
Montrose by SMV Montrose Bay, LLC;  
Warren by SMV Selma, LLC; and  
Woodley by SMV Montgomery Woodley Manor, LLC

(each a "Current Landlord" and collectively, the "Current Landlords") and are currently leased to the above operators (the "Existing Operators") under an operating lease. It is contemplated that the lease with the Existing Operators will terminate and Current Landlords or their respective assigns, will enter into one or more operating leases, with a term exceeding two years (the "New Lease"), by and among the following in respect to each named Facility:

Cedar Crest will be leased to Blue Ridge Healthcare Montgomery, LLC;

Fairview will be leased to Blue Healthcare Birmingham, LLC;

Montrose will be leased to Blue Ridge Montrose Bay, LLC;

Warren will be leased to Blue Ridge Healthcare Selma, LLC; and

Woodley will be leased to Blue Ridge Healthcare Winwood, LLC

(each a "New Operator" and collectively the "New Operators"), respectively.

It is contemplated that each New Operator will become the licensee and operator of the respective Facility as listed above.

Under a separate agreement, the Current Operators will terminate its lease of the Facilities contemporaneous with the Alabama Department of Public Health's ("ADPH") issuance of licenses to the New Operators. Below is a chart of the current and new ownership.

Current (Landlord)	Owner	Current Operator (Licensee)	New Operator (New Licensee)
SMV Montgomery Cedar Crest LLC		SSC Montgomery Cedar Crest Operating LLC	Blue Ridge Healthcare Montgomery LLC

SMV Birmingham LLC	SSC Birmingham Operating Company LLC	Blue Ridge Healthcare Birmingham, LLC
SMV Montrose Bay LLC	SSC Montrose Bay Operating Company LLC	Blue Ridge Healthcare Montrose Bay LLC
SMV Selma LLC	SSC Selma Operating Company LLC	Blue Ridge Healthcare Selma LLC
SMV Woodley Manor LLC	SSC Woodley Manor Operating Company, LLC	Blue Ridge Healthcare Windwood LLC

In a separate transaction, it is contemplated that in the next 30 days, Current Owners will sell the underlying assets comprising the Facilities to one or more to-be-determined entities (the "New Owners") and these will become the New Landlord(s) under one or more operating leases with a term exceeding two years (the "New Lease(s)"). If and when this transaction occurs, SHPDA will be notified of the names of the New Landlords.

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, each New Operator will lease the respective Facility indicated above from either the Current Landlord or 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 any of the above named Facilities.

IV. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds at any of the above named Facilities.

2. Conversion of Beds: The proposed transaction does not involve the conversion of beds at any of the above named Facilities.

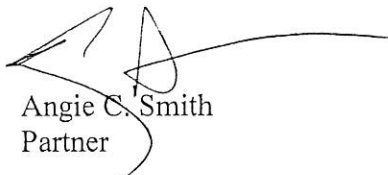
V. Stock and Assets.

The transaction consists of the lease of the assets of the Facilities by New Operators from the Current Landlord or New Owners under an operating lease, and the purchase by New Operators from the Current Operators of certain operating assets of the Facilities. Other than the foregoing, the transaction will not involve the acquisition of stock or assets.

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 am enclosing a check in the amount of \$12,500, which represents \$2,500.00 for each facility, and executed change of ownership forms.

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

Sincerely,



Angie C. Smith  
Partner

ACS  
Attachment

**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: 047-N0006  
(This can be found at [www.shpda.alabama.gov](http://www.shpda.alabama.gov), Health Care Data, ID Codes)

Name of Facility/Provider: SSC Woodley Manor Operating Company, LLC d/b/a  
Woodley Manor  
(ADPH Licensure Name)

Physical Address: 3312 Woodley Road  
Montgomery, AL 36116

County of Location: Montgomery

Number of Beds/ESRD Stations: 105

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: SMV Montgomery Woodley Manor LLC (Landlord)

Mailing Address: One Ravinia Drive, Suite 1500  
Atlanta, GA 30346

Operator (Entity Name): SSC Montgomery Woodley Manor Operating Company LLC (Licensee)

**Part III: Acquiring Entity Information**

Name of Entity: Landlord remains the same

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

Hollywood, FL 33020 \_\_\_\_\_

Operator (Entity Name): Blue Ridge Healthcare Windwood LLC

Proposed Date of Transaction is on or after: February 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: 105

**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): SMV Montgomery Woodley Manor LLC \_\_\_\_\_

Operator(s): SSC Montgomery Woodley Manor Operating Company LLC  
\_\_\_\_\_

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.

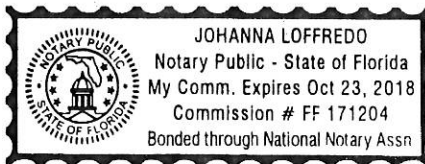
Purchaser(s): \_\_\_\_\_

Operator(s): Blue Ridge Healthcare Windwood LLC PR, VA

Title/Date: clo 2/9/18

SWORN to and subscribed before me, this 9 day of February, 2018.

(Seal) \_\_\_\_\_  
Notary Public  
My Commission Expires: Oct 23, 2018



**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): SMV Montgomery Woodley Manor LLC

Operator(s): SSC Montgomery Woodley Manor Operating Company LLC

Title/Date: Dwain L. Lee  
Vice President and Secretary 2/7/18

SWORN to and subscribed before me this 7<sup>th</sup> day of February, 2018

(Seal)



[Signature]  
Notary Public

My Commission Expires: 08.17.19

**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): \_\_\_\_\_

Operator(s): Blue Ridge Healthcare Windwood 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):**

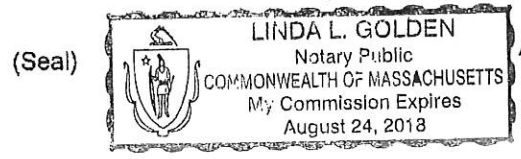
The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): SMV Montgomery Woodley Manor LLC *[Signature]* \*

Operator(s): SSC Montgomery Woodley Manor Operating Company LLC

Title/Date: see attached CFO 2-18-18 \*

SWORN to and subscribed before me, this 8<sup>th</sup> day of February, 2018. \*



A-84

*[Signature]*  
Notary Public  
My Commission Expires: 8/24/2018

**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): \_\_\_\_\_

Operator(s): Blue Ridge Healthcare Windwood LLC

Title/Date: \_\_\_\_\_

SWORN to and subscribed before me, this \_\_\_\_\_ day of \_\_\_\_\_.

(Seal) \_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

Alabama OpCo Ownership Structure (DRAFT – 11/20/17)

100%  
**Blue Ridge Healthcare Holdings in  
Alabama LLC**

