



February 25, 2019

Mr. Bradford Williams
Acting Executive Director
State Health Planning and Development Agency
100 North Union Street
Suite 870
Montgomery, AL 36104

Re: SCALF Change of Ownership – Country Cottage Montgomery - Magnolia

Dear Mr. Williams:

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 a 16-bed specialty care assisted living facility located in Montgomery, Alabama, and known as Country Cottage Montgomery - Magnolia (the "**Facility**"). Following is a summary of the proposed transaction:

I. Current Owner / Scope of Transaction.

1. The Facility is currently owned by Country Cottage – Montgomery, LLC ("**Current Owner**").
2. Current Owner, among other parties, has entered into an Asset Purchase Agreement (the "**APA**") to sell the Facility to a new entity, Cottages Montgomery, LLC ("**New Owner**"). The closing of the APA and purchase and sale of the Facility is subject to applicable regulatory approval and certain closing conditions set forth in the APA. It is anticipated that the APA will close on or near March 25, 2019. Upon closing of the APA, New Owner will enter into a Management Agreement with Hickory Senior Living Management, LLC ("New Operator") to operate the Facility under the same name, Country Cottage Montgomery – Magnolia.
3. The resulting "change in control" requires notification to your agency pursuant to ALA. ADMIN. CODE §410-1-7-.04(1).
4. The change in control of the Facility will be documented by the enclosed executed change of ownership form.

II. Financial Scope of Project.

For a fair market price, Current Owner will sell the land, building fixtures, equipment and other assets of the Facility to New Owner. 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. The purchase price is in aggregate involving 10 facilities with no specified values currently assessed to any property.

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.

IV. Stock and Assets.

1. The proposed transaction involves the acquisition of assets relating to the operation of the Facility and does not involve the acquisition of stock.

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. The transaction is anticipated to close March 25, 2019.

Should you have any questions or need further information, please contact me at 901-531-7143 or via email at jcurtis@hslholdings.com

Sincerely,



John H Curtis III

President- Hickory Senior Living

Enclosures

State Health Planning and Development Agency

Alabama CON Rules & Regulations

Operator (Entity Name):

Hickory Senior Living Management, LLC

Proposed Date of Transaction is on or after:

March 25, 2019

Part IV: Terms of Purchase

Monetary Value of Purchase:

\$ fair market value (see cover letter)

Type of Beds:

SCALF

Number of Beds/ESRD Stations:

16

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: \$ 0

Projected Total Cost: \$ 0.00

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.

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): Cliff White

Operator(s): Cliff White

Title/Date: 2-25-2019 President