



North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704  
<http://www.ncdhhs.gov/dhsr/>

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor  
Albert A. Delia, Acting Secretary

Craig R. Smith, Section Chief  
Phone: (919) 855-3873  
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November 2, 2012

Jo-Ann Marchica  
1050 Connecticut Ave NW  
Washington DC 20036-5339

**No Review**

Facility or Business: Sunrise of Cary  
Project Description: Restructuring of the ownership of a 30% indirect owner of the licensee  
County: Wake  
FID #: 070629

Dear Ms. Marchica:

The Certificate of Need Section (CON Section) received your letter of October 15, 2012 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

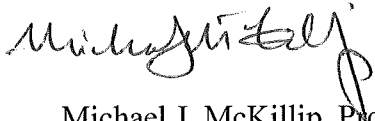
It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

In addition, you should contact the Adult Care Licensure Section to determine if they have any requirements for development of the proposed project. Please contact the CON Section if you have any questions.



Jo-Ann Marchica  
November 2, 2012  
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Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. McKillip". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Michael J. McKillip, Project Analyst

A handwritten signature in black ink, appearing to read "Craig R. Smith". The signature is cursive, with a large initial "C" and a distinct "R" and "S".

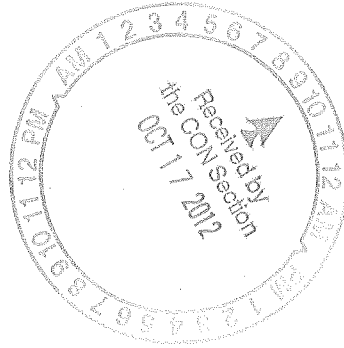
Craig R. Smith, Chief  
Certificate of Need Section

cc: Adult Care Licensure Section, DHR

*ruke*

# Arent Fox

October 15, 2012



**Jo-Ann Marchica**

Attorney  
202.857.6097 DIRECT  
202.857.6395 FAX  
marchica.jo-ann@arentfox.com

**VIA FEDEX**

Ms. Barbara Ryan  
Chief  
Division of Health Service Regulation  
Adult Care Licensure Section  
805 Biggs Drive  
Raleigh, North Carolina 27603

Re: Notice of Change

Dear Ms. Ryan:

This letter is in regard to a transaction ("Transaction") involving Sunrise of Cary, a licensed adult care home located at 1206 West Chatham Court, Cary, NC 27513 (the "Facility"). The licensed operator of the Facility is Sunrise Wake County NC Senior Living, LLC (the "Licensee"). The Transaction will result in a restructuring of the ownership of a 30% indirect owner of the Licensee.

Presently, CLPSun Two Pool One, LLC<sup>1</sup> ("Pool One") is the sole member of the Licensee. CNL Income SL II TRS Corp. ("CNL TRS") is the sole member of Pool One. CNL TRS is a wholly-owned subsidiary of CNLSun Partners II, LLC ("CNLSUN"). CNLSUN is owned by two entities: (1) Sunrise Senior Living Investments, Inc. ("SSLII") owns approximately 30% of CNLSUN; and (2) CNL Income SL II Holding, LLC ("CNL SL II") owns approximately 70% of CNLSUN. SSLII is a wholly-owned subsidiary of Sunrise Senior Living, Inc., a publicly traded company. CNL Income Partners, LP ("CNL IP") is the sole member of CNL SL II. CNL Income GP Corp. ("CNL GP") is the general partner of CNL IP with a 1% partnership interest. CNL Income LP Corp. ("CNL LP") is the limited partner of CNL IP with a 99% partnership interest. CNL GP and CNL LP are both wholly-owned subsidiaries of CNL Lifestyle Properties, Inc. ("CNL Lifestyle"), a publicly traded company.

Following a series of transactions scheduled to occur on December 15, 2012, SSLII will become a wholly-owned subsidiary of Brewer Holdco, Inc., which will be owned 100% by Health Care REIT, Inc., a publicly traded real estate investment trust, at closing. There will be no other changes to the existing ownership structure of the Licensee.

<sup>1</sup> Formerly known as "MetSun Two Pool One, LLC".

Ms. Barbara Ryan  
October 15, 2012  
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# Arent Fox

We have attached hereto as Exhibit A and Exhibit B organizational flowcharts that illustrate the ownership of the Licensee before and after the Transaction. As reflected in the "after" chart, the Transaction will occur several levels up in the corporate ownership chain of the Licensee. The Licensee will continue to be the licensed operator of the Facility following the Transaction, and the direct parent company of the Licensee, Pool One, will not be changing. Further, there are not expected to be any material changes to the operation of the Facility as a result of the Transaction, or to the personnel that conduct the day-to-day operations of the Facility. It is our understanding that the Transaction does not constitute a change of ownership under North Carolina laws. Please accept this letter as official notice of the Transaction.

Please do not hesitate to contact me if you have any questions. Thank you.

Sincerely,

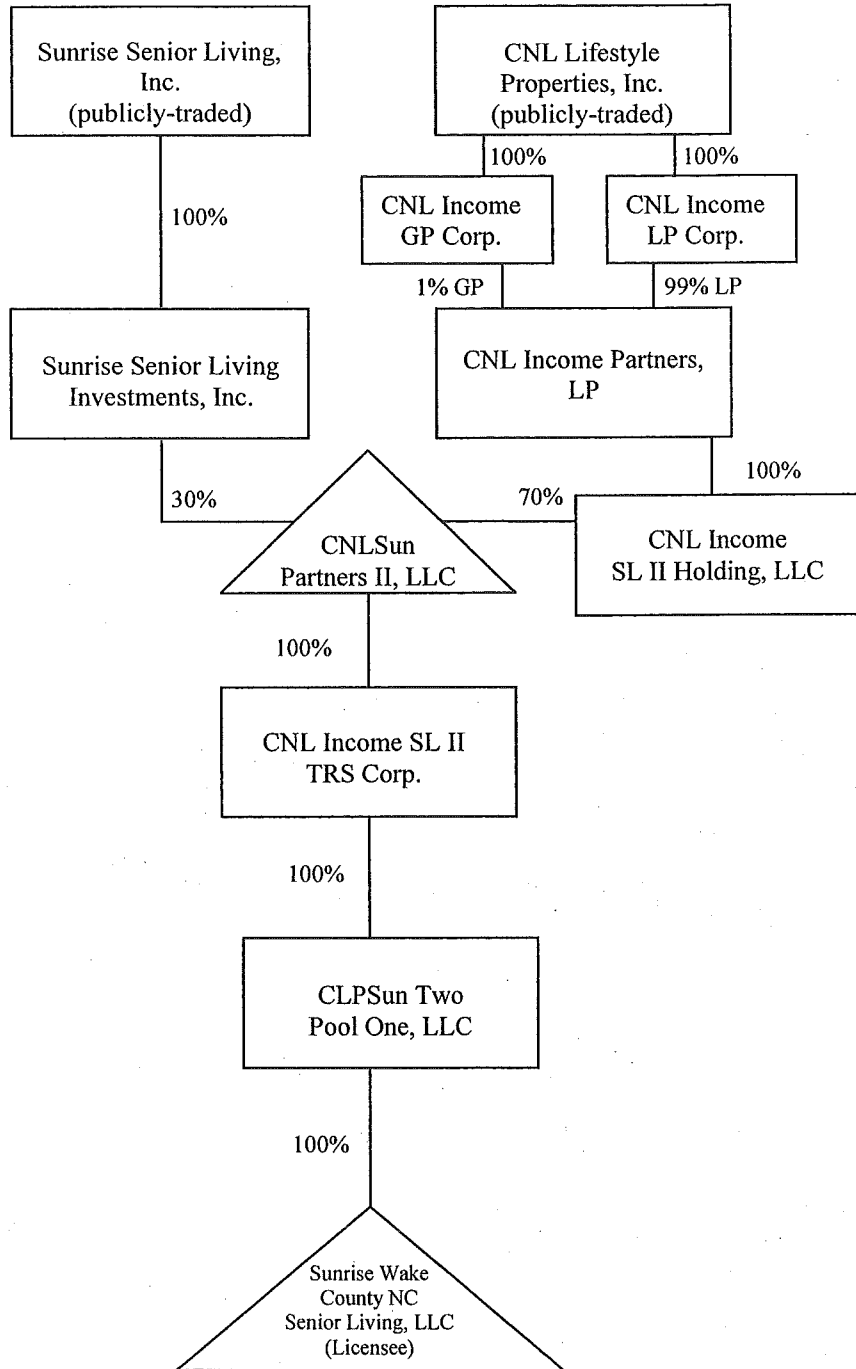


Jo-Ann Marchica

cc: Mr. Craig Smith  
Chief  
Division of Health Service Regulation  
Department of Health & Human Services  
809 Ruggles Drive  
Dorothea Dix Campus  
Raleigh, North Carolina 27603

**EXHIBIT A**

**Ownership Structure of the Licensee  
Before the Transaction**



**EXHIBIT B**

**Ownership Structure of the Licensee  
After the Transaction**

