



North Carolina Department of Health and Human Services  
Division of Health Service Regulation

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Ambassador (Ret.)  
Secretary DHHS

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Division Director

April 9, 2015

Melvin Deaton  
Smithfield Property Holdings, LLC  
1270 25<sup>th</sup> Street Place, SE  
Hickory NC 28602-9613

**Exempt from Review – Acquisition of Facility**


Facility: Smithfield House West  
Type of Facility: Adult Care Home  
Acquisition by: Smithfield Property Holdings, LLC  
County: Johnston  
FID #: 940240

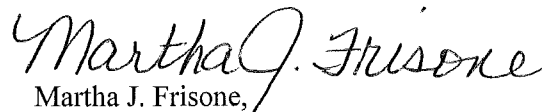
Dear Mr. Deaton:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of March 26, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Smithfield Property Holdings, LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Adult Care Licensure Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to G.S. 131E-181(b): *"A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need."*

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

  
Michael J. McKillop  
Project Analyst

  
Martha J. Frisone,  
Assistant Chief, Certificate of Need

cc: Adult Care Licensure Section, DHHS  
Assistant Chief, Healthcare Planning



**Healthcare Planning and Certificate of Need Section**

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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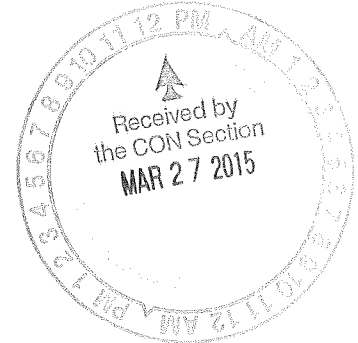


# ***Smithfield Property Holdings, LLC***

*Post Office Box 2568  
Hickory, North Carolina 28603-2568*

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March 26, 2015



Ms. Martha Frisone, Assistant Chief  
Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
North Carolina Department of Health & Human Services  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
Via Email: [Martha.Frisone@dhhs.nc.gov](mailto:Martha.Frisone@dhhs.nc.gov) and FedEx Delivery

**Re: Notice of Exempt Acquisition of Smithfield House West (FID: 940240) pursuant to Section 131E-184(a)(8) of the North Carolina General Statutes**

Dear Ms. Frisone:

I am writing on behalf of Smithfield Property Holdings, LLC, to provide notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section (the "Agency") of a transaction involving Smithfield House West (License Number: HAL-051-042), a licensed adult care home located at 303 Hospital Road, Smithfield (Johnston County), North Carolina (the "Facility").

The Facility is currently owned by AA Holdings - Smithfield West, LLC. The Facility is leased to and operated by SMI, Limited Liability Company (the "Current Licensed Operator"). Pursuant to the transaction, the Facility will be acquired by Smithfield Property Holdings, LLC (the "Buyer"). Following the conclusion of the transaction, the Facility will continue to be operated as an adult care home and the Facility will continue to be operated by the Current Licensed Operator pursuant to its lease agreement with the Buyer.

The acquisition of the Facility will not involve the development of any new health service facility or otherwise qualify as a "new institutional health service" which would be subject to review under applicable Certificate of Need statutes or regulations. Pursuant to this letter, the Buyer hereby requests that the Agency confirm that the acquisition of the Facility is exempt from Certificate of Need review and approval pursuant to Section 131E-184(a)(8) of the North Carolina General Statutes.

If you require additional information, please contact me at (828) 261-7312. Thank you for your consideration of this request.

Best regards,

J. Melvin Deaton