



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

July 17, 2017

Erin J. Roberts
4140 Parklake Avenue
GlenLake One, Second Floor
Raleigh, NC 27612

Exempt from Review – Acquisition of Facility

Record #: 2320
Facility Name: Asheville Health Care Center
Type of Facility: Nursing Home
FID #: 952947
Acquisition by: Realco Swannanoa, NC, LLC & Opco Swannanoa, NC, LLC
Business #: 2674 & 2675
County: Buncombe

Dear Ms. Roberts:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of July 13, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Realco Swannanoa, NC, LLC and Opco Swannanoa, NC, 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 Nursing Home Licensure and Certification Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C. Gen. Stat. §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.

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

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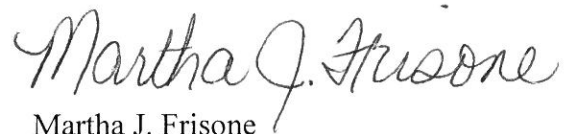
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If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Julie Halatek
Project Analyst



Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Nursing Home Licensure and Certification Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR

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July 13, 2017

Ms. Martha Frisone
Assistant Chief, Certificate of Need Section
North Carolina Division of Health Services Regulation
2704 Mail Service Center
Raleigh, North Carolina 27699-2704



RE: Notice of Exempt Acquisition of Asheville Health Care Center (Skilled Nursing and Rehabilitation Facility in Buncombe County; NH0528)

Dear Ms. Frisone:

I am writing on behalf of our clients, REALCO SWANNANOVA, NC, LLC and OPCO SWANNANOVA, NC, LLC, both of which are Delaware limited liability companies, and are related entities (collectively, the "Purchaser"). This letter provides prior written notice that the Purchaser plans to acquire from Medical Facilities of America LXXII (72) Limited Partnership, the existing Medicare-certified skilled nursing and rehabilitation facility located at 1984 US-70, Swannanoa, North Carolina (the "Facility"). The Facility is currently operated pursuant to License Number NH0528, and does business as Asheville Health Care Center.

In connection with this proposed transaction, we note that the CON Law provides that the acquisition of "an existing health service facility" is exempt from certificate of need review pursuant to N.C. Gen. Stat. §131E-184(a)(8). As you know, "health service facility" is defined to include a "nursing home facility." N.C. Gen. Stat. §131E-176(9b). At this time, we respectfully request confirmation that the acquisition of the skilled nursing facility known as Asheville Health Care Center is exempt from CON review pursuant to N.C. Gen. Stat. §131E-184(a)(8).

If you have any questions regarding this matter, please do not hesitate to contact me at (919) 329-3830. Thank you for your time and consideration in this matter. Your confirmation and issuance of a letter of no-review at the earliest possible date is greatly appreciated, as the parties would like to close the proposed transactions in the near future.

Very truly yours,

A handwritten signature in blue ink that reads 'Erin J. Roberts'.

Erin J. Roberts