



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

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

April 11, 2013

Marcus C. Hewitt
P.O. Box 1000
Raleigh NC 27602

Exempt from Review – Acquisition of Facility

Facility: Timberlea Group Home ICF/IID
Acquisition by: Scioto Properties SP-15, LLC
County: Randolph
FID #: 944999

Dear Mr. Hewitt:

In response to your letter of March 28, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, Scioto Properties SP-15, LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Mental Health Licensure and Certification Section of the Division of Health Service Regulation to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C.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. McKillip
Project Analyst

Craig R. Smith, Chief
Certificate of Need Section

cc: Mental Health Licensure and Certification Section, DHSR



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

An Equal Opportunity/ Affirmative Action Employer



WILLIAMS MULLEN

Mike

Direct Dial: 919.862.4308
mhewitt@williamsmullen.com

March 28, 2013



Via Hand-Delivery

Mr. Craig Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
Department of Health and Human Services
809 Ruggles Drive
Raleigh, NC 27603

Re: Exemption from Review/Acquisition of Existing Intermediate Care Facilities for Individuals with Intellectual Disabilities/Change of Ownership with No Change in Licensee

Dear Mr. Smith:

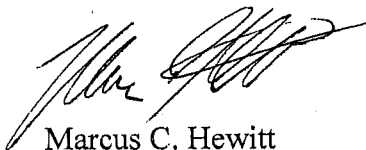
Pursuant to N.C. Gen. Stat. § 131E-184(a)(8), this letter provides prior written notice that Scioto Properties SP-15 LLC ("Purchaser") intends to acquire by purchase the existing Intermediate Care Facilities for Individuals with Intellectual Disabilities listed on Exhibit A hereto (the "Facilities").

Each of the Facilities is currently operated by and licensed to Community Innovations, Inc. Each of the Facilities is currently owned by Housing Innovations, Inc., which is a wholly-owned subsidiary of Community Innovations, Inc. After the acquisition, the ownership of the facilities will pass to Purchaser, but Community Innovations, Inc. will continue to be the operator and licensee of the Facilities through an agreement with the Purchaser.

Because the acquisition of the Facilities constitutes the acquisition of existing health service facilities, the acquisition is exempt from CON review upon prior written notice, pursuant to N.C. Gen. Stat. § 131E-184(a). In addition, the acquisition of the existing facilities would not result in the construction, development or establishment of any new health service facility, and would therefore not constitute a new institutional health service under N.C. Gen. Stat. § 131E-176(16).

If you need additional information, please contact us. Thank you for your assistance.

Sincerely,



Marcus C. Hewitt

EXHIBIT A

**Owner: Housing Innovations, Inc.
Operator: Community Innovations, Inc.**

Facility Name	Address	City	St	Zip	County	Prov #	License #	ID
Corbel Residential	483 Creek Road	Orrum	NC	28369	Robeson	34609H	MHL-024-023	945333
Avent Ferry Home	904 Avent Ferry Road	Holly Springs	NC	27540	Wake	34605J	MHL-092-126	955632
Trotters Bluff	912 Avent Ferry Road	Holly Springs	NC	27540	Wake	34605W	MHL-092-131	945339
Brookwood	313 E. Brookwood Avenue	Liberty	NC	27298	Randolph	34608F	MHL-076-022	924983
Timberlea Group Home	5691 Mack Lineberry Road	Climax	NC	27233	Randolph	34608T	MHL-076-023	944999
Pine Ridge Group Home	739 Arthur Maddox Road	Sanford	NC	27330	Lee	34608G	MHL-053-027	944820
Roanoke Place	704 Carolina Avenue	Ahoskie	NC	27910	Hertford	34607M	MHL-046-006	944506
Countryview Residential	359 Firetower Road	Richlands	NC	27416	Onslow	34605Y	MHL-067-019	944710