



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

January 14, 2013

Kenneth C. Kirkham, Chief Operating Officer
Carillon Assisted Living
4901 Waters Edge Dr, Suite 200
Raleigh NC 27606

No Review

Facility or Business: Carillon Assisted Living of Lincolnton (Lincoln County; FID# 000456)
Carillon Assisted Living of Fayetteville (Cumberland County; FID# 080399)
Carillon Assisted Living of Monroe (Union County; FID# 080125)
Carillon Assisted Living of Fuquay (Wake County; FID# 000461)
Carillon Assisted Living of Knightdale (Wake County; FID# 000453)

Project Description: Sale-leaseback transaction

Dear Mr. Kirkham:

The Certificate of Need Section (CON Section) received your letter of December 6, 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.

Moreover, you need to contact the Adult Care Licensure Section of the Division of Health Service Regulation to determine if they have any requirements for development of the proposed project.

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.

Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

www.ncdhhs.gov • <http://www.ncdhhs.gov/dhsr>

Tel (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



Sincerely,



Michael J. McKillip, Project Analyst



Craig R. Smith, Chief
Certificate of Need Section

cc: Adult Care Licensure Section, DHSR

Spoke

CARILLON
ASSISTED LIVING

VIA E-MAIL AND HAND DELIVERY

December 6, 2012

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

Re: Carillon Assisted Living of Lincolnton – HAL-055-011	000456 Lincolnton Lincoln
Carillon Assisted Living of Fayetteville – HAL-026-056	080399 Cumberland
Carillon Assisted Living of Monroe – HAL-090-031	080125 Union
Carillon Assisted Living of Fuquay – HAL-092-159	000461 Wake
Carillon Assisted Living of Knightdale – HAL-092-166	000453 Wake

Dear Mr. Smith:

Carillon Assisted Living, the parent company, is going to enter into a sale-leaseback transaction prior to December 31, 2012 related to these five facilities. This is a refinancing transaction solely related to the real estate associated with these properties. The facilities will continue to be operated as they are today by Carillon as the licensed operator as identified by the license number reflected above.

To maintain proper compliance with DHSR Licensure Section regulations, we are requesting the issuance of a "No Review Letter" to be issued by the Certificate of Need Section to the Licensure Section so they know the above-referenced projects have been constructed in accordance with and comply with North Carolina's Certificate of Need law.

Thanks in advance for your attention to this matter. Should you have any questions, I can be reached at (919) 852-4000.

Sincerely,



Kenneth C. Kirkham
Chief Operating Officer

KCK:sac

cc: B. Steenson, Carillon Assisted Living
K. Moriarty, Carillon Assisted Living