



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

Pat McCrory
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Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

November 5, 2014

Douglas M. Hance
Arnall, Golden, and Gregory, LLP
171 17th Street NW, Suite 2100
Atlanta GA 30363-1031

No Review

Facility: Carillon Assisted Living of Fayetteville
Project Description: Change in the indirect owners, including the parent entity, of the real estate owner
County: Cumberland
FID #: 080399

Dear Mr. Hance:

The Certificate of Need Section (CON Section) received your letter of October 15, 2014 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.

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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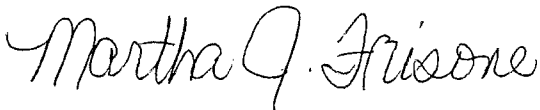
Mr. Hance
November 5, 2014
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Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,



Michael J. McKillip, Project Analyst



Martha J. Frisone, Interim Chief
Certificate of Need Section

cc: Adult Care Licensure Section, DHSR

**Arnall
Golden
Gregory LLP**

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171 17th Street NW, Suite 2100
Atlanta, GA 30363-1031
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Direct fax: 404.873.8105
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October 15, 2014

VIA FEDERAL EXPRESS

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

Received by
the COIN Section
OCT 17 2014

Re: North Carolina Adult Care Homes / Change of Indirect Ownership of Real Estate Owners

Dear Mr. Smith:

This letter is to notify you of a proposed change to certain indirect owners, including the parent entity, of the real estate owners for the facilities listed in Exhibit A (the "Facilities"). There will be no change to the real estate entities themselves. This real estate transaction is scheduled to occur in early November 2014.

There will be no change to the ownership of the operators/licenseses. The operators' and real estate owners' federal tax identification numbers will not change. The real estate transaction will not impact the licensees or the Facilities' day-to-day operations. The current lease arrangements will remain in place.

It is our understanding that no additional filings are required prior to this real estate transaction, and that we may proceed with consummating the transaction. We are requesting the issuance of a "No Review Letter" confirming our understanding.

Thank you for your attention to this matter. If you have any questions or require any additional information, please do not hesitate to contact me.

Sincerely,

ARNALL GOLDEN GREGORY LLP


Douglas M. Hance

Enclosure

cc: Ms. Karen Jones, Adult Care Licensure Section
Joel Rush, Esq.
Hedy S. Rubinger, Esq.

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EXHIBIT A

Facility Name and Address
Carillon Assisted Living of Durham 100294 4713 Garret Road Durham, NC Durham County
Carillon Assisted Living at Indian Trail 080125 5306 Secrest Short Cut Road Monroe, NC Union County
Carillon Assisted Living of Lincolnton 000456 440 Salem Church Road Lincolnton, NC Lincoln County
Carillon Assisted Living of Fuquay Varina 000461 6516 Johnson Pond Road Fuquay Varina, NC Wake County
Carillon Assisted Living of Knightdale 006453 2408 Hodge Road Knightdale, NC Wake County
Carillon Assisted Living of Fayetteville 080399 1164 71 st School Rd. Fayetteville, NC Cumberland County