



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

December 4, 2017

Robert A. Leandro  
301 Fayetteville Drive  
Suite 1400  
Raleigh, NC 27601

**Exempt from Review – Acquisition of Facility**

**Record #:** 2448  
**Facility Name:** Spring Arbor of Durham  
**Type of Facility:** Adult Care Home  
**FID #:** 956359  
**Acquisition by:** NHI-REIT of North Carolina, LLC  
**Business #:** 2750  
**County:** Durham

Dear Mr. Leandro:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of November 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, NHI-REIT of North Carolina, 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 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. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Bernetta Thorne-Williams  
Project Analyst

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

cc: Adult Care Licensure Section, DHSR  
Sharetta Blackwell, Program Assistant, Healthcare Planning, DHSR

**HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION**  
WWW.NCDHHS.GOV  
TELEPHONE 919-855-3873  
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





FID# 956359  
Record# 2448  
Bus# 2750

**Robert A. Leandro**  
*Partner*  
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Charleston, SC  
Charlotte, NC  
Columbia, SC  
Raleigh, NC  
Spartanburg, SC

November 13, 2017

**VIA U.S. AND ELECTRONIC MAIL**

Martha Frisone  
Assistant Chief  
Healthcare Planning and Certificate of Need Section  
North Carolina Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
Martha.Frisone@dhhs.nc.gov



Re: Request for No Review Determination

Dear Ms. Frisone:

I am writing on behalf of RSS Durham Operations, LLC, a North Carolina limited liability company (the "Proposed New Operator"), the proposed new operator of the adult family home known as Spring Arbor of Durham (HAL-032-013) and located at 4523 Hope Valley Road, Durham, North Carolina (the "Facility").

This letter is intended to provide notice to the Certificate of Need ("CON") Section that NHI-REIT of North Carolina, LLC, a Delaware limited liability company ("NHI"), is planning to acquire the real property and personal property that comprise the Facility.

Concurrently with the closing of the acquisition of the Facility (the "Closing"), NHI will lease the Facility to the Proposed New Operator, which will serve as the licensee and operator of the Facility. We do not expect that this transaction will result in a change in the number of beds located at, or services provided at, the Facility or have any significant effect on the day to day operations of the Facility. The Closing will occur on or after December 13, 2017.

So that the changes of ownership may proceed, we would ask that you please issue a written determination that the acquisition of the Facility by NHI and the leasing of the Facility to the Proposed New Operator is not subject to Certificate of Need ("CON") review under N.C. Gen. Stat. § 131E-1848A.

I greatly appreciate your attention to this matter. Please call me if you have any questions.

PPAB 3464577v1

Martha Frisone  
November 13, 2017  
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Sincerely,

*Robert A. Leandro / CR*

Robert A. Leandro

