



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

November 19, 2020

Kelly A. Koeninger
kkoeninger@robinsonbradshaw.com

Exempt from Review – Acquisition of Facility

Record #: 3419-3430
Facility Name: See Attachment A
Type of Facility: See Attachment A
FID #: See Attachment A
Acquisition by: See Attachment A
Business #: See Attachment A
County: See Attachment A

Dear Ms. Koeninger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your representations, the above referenced proposal is exempt from certificate of need (CON) review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, the above referenced business may proceed to acquire the health service facility identified above without first obtaining a CON. The Agency’s determination is limited to the question of whether or not the above referenced business would have to obtain a CON if the current owners of the health service facility do in fact sell it to the business listed above. 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.”

If the business listed above does acquire the facility, you should contact the Agency’s Adult Care Licensure Section to obtain instructions for changing ownership and operator of the existing facilities.

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 regarding whether a certificate of need would be required. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Celia C. Inman (handwritten signature)

Celia C. Inman
Project Analyst

Martha J. Frisone (handwritten signature)

Martha J. Frisone
Chief

cc: Adult Care Licensure Section, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
https://info.ncdhhs.gov/dhsr/ • TEL: 919-855-3873

November 10, 2020

**VIA E-MAIL**

Ms. Martha Frisone, Chief  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation  
North Carolina Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, North Carolina 27603  
E-mail: [Martha.Frisone@dhhs.nc.gov](mailto:Martha.Frisone@dhhs.nc.gov)

Re: Request for Exemption Pursuant to N.C.G.S. § 131E-184(a)(8) - Acquisition of Existing Health Service Facilities

Dear Ms. Frisone:

We represent WOJV-DSH Property Venture, LLC (the “Buyer’s Agent”), who is acting as agent for the purchasers listed on Schedule A (each a “Buyer”, and collectively, the “Buyers”). Buyer’s Agent, on behalf of the Buyers, has entered into a Purchase and Sale Agreement dated July 2, 2020 with the sellers listed on Schedule A hereto (the “Sellers”) and pursuant to which the Buyers will acquire, among other things, the land, buildings and fixed assets (the “Real Estate”) relating to the existing adult care homes listed on Schedule A (each, a “Facility and collectively, the “Facilities”). The closing of this acquisition is expected to occur on December 14, 2020 or as soon as possible thereafter.

Each of the existing operators listed on Schedule B currently operates the Facility opposite such operator’s name. Upon the closing the acquisition, the Sellers will convey the Real Estate to the Buyers, each Buyer will enter into a master lease with a master tenant, and each master tenant will enter into a sublease agreement with WDTRS Tenant Holdings, Inc. (“New Operator”), an affiliate of the Buyers, that will initially operate the Facilities. New Operator intends to enter into a management agreement with American Trust Senior Care, LLC (“New Manager”) who will manage each Facility

Each of the Facilities listed on Schedule A hereto is a “health service facility” as defined in N.C.G.S. § 131E-176(9b). N.C.G.S. § 131E-184(a)(8) provides that, upon receiving prior written notice, the Certificate of Need Section shall exempt from certificate of need review the acquisition of “an existing health service facility, including equipment owned by the health service facility at the time of acquisition.”

The purpose of this letter is to provide the prior written notice of the acquisition Facilities as required under N.C.G.S. § 131E-184(a)(8). On behalf of the Buyers, we hereby request that you issue a letter confirming that the acquisition of these existing health service facilities by the Buyers is exempt from certificate of need review pursuant to N.C.G.S. § 131E-184(a)(8).

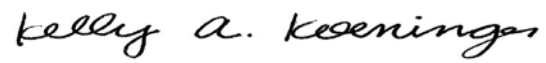
Thank you in advance for your prompt consideration of this request. As indicated above, the parties intend to close the acquisition on December 14, 2020, and we request a response from as soon as possible.

Please contact me if you have any questions or need any additional information.

Best regards.

Very truly yours,

ROBINSON, BRADSHAW & HINSON,  
P.A.

A handwritten signature in black ink that reads "kelly a. koeninger". The signature is written in a cursive, lowercase style.

Kelly A. Koeninger

KAK

Schedule A

<b>Facility Name</b>	<b>Address</b>	<b>Seller</b>	<b>Buyer</b>
Spring Arbor of Albemarle	315 Park Ridge Road, Albemarle, NC	Spring Arbor of Arlington Limited Partnership	WOJV Albemarle I, LLC
Spring Arbor of Apex	901 Spring Arbor Court, Apex, NC	Spring Arbor of Apex Limited Partnership	WOJV Apex, LLC
Spring Arbor of Cary	1705 Kildaire Farm Road, Care, NC	Spring Arbor Cary, LLC	WOJV Cary, LLC
Spring Arbor of Greensboro	5125 Michaux Road, Greensboro, NC	Spring Arbor of Greensboro Limited Partnership	WOJV Greensboro, LLC
Spring Arbor – Greenville	2097 West Arlington Boulevard, Greenville, NC	Spring Arbor – Greenville	WOJV Greenville, LLC
Spring Arbor of Kinston	3207 Cary Road, Kinston, NC	Spring Arbor of Kinston II Limited Partnership	WOJV Kinston, LLC
Spring Arbor of the Outerbanks	803 Bermuda Bay Boulevard, Kill Devil Hills, NC	Spring Arbor of Nags Head Limited Partnership dba Spring Arbor Outer Banks	WOJV Kill Devil Hills, LLC
Spring Arbor of Raleigh	1810 New Hope Road, Raleigh, NC	Spring Arbor of East Raleigh Limited Partnership, dba Spring Arbor Raleigh	WOJV Raleigh, LLC
Spring Arbor of Rocky Mount	1251 S. Winstead Avenue, Rocky Mount, NC	Spring Arbor – Rocky Mount II	WOJV Rocky Mount, LLC
Spring Arbor of Thomasville	915 West Cooksey Drive, Thomasville, NC	The Oaks of Thomasville II Limited Partnership	WOJV Thomasville, LLC
Spring Arbor of Wilmington	809 John D. Barry Drive, Wilmington, NC	Spring Arbor - Wilmington	WOJV Wilmington, LLC
Spring Arbor of Wilson	2045 Ward Boulevard, Wilson, NC	Spring Arbor - Wilson	WOJV Wilson, LLC

Schedule B

KKoeninger@robinsonbradshaw.com  
704.377.8392 : Direct Phone  
704.373.3992 : Direct Fax

<b>Facility Name</b>	<b>Address</b>	<b>Current Operator</b>
Spring Arbor of Albemarle	315 Park Ridge Road, Albemarle, NC	Spring Arbor of Arlington Limited Partnership
Spring Arbor of Apex	901 Spring Arbor Court, Apex, NC	Spring Arbor of Apex Limited Partnership
Spring Arbor of Cary	1705 Kildaire Farm Road, Care, NC	Spring Arbor Cary, LLC
Spring Arbor of Greensboro	5125 Michaux Road, Greensboro, NC	Spring Arbor of Greensboro Limited Partnership
Spring Arbor – Greenville	2097 West Arlington Boulevard, Greenville, NC	Spring Arbor – Greenville
Spring Arbor of Kinston	3207 Cary Road, Kinston, NC	Spring Arbor of Kinston II Limited Partnership
Spring Arbor of the Outerbanks	803 Bermuda Bay Boulevard, Kill Devil Hills, NC	Spring Arbor of Nags Head Limited Partnership dba Spring Arbor Outer Banks
Spring Arbor of Raleigh	1810 New Hope Road, Raleigh, NC	Spring Arbor of East Raleigh Limited Partnership, dba Spring Arbor Raleigh
Spring Arbor of Rocky Mount	1251 S. Winstead Avenue, Rocky Mount, NC	Spring Arbor – Rocky Mount II
Spring Arbor of Thomasville	915 West Cooksey Drive, Thomasville, NC	The Oaks of Thomasville II Limited Partnership
Spring Arbor of Wilmington	809 John D. Barry Drive, Wilmington, NC	Spring Arbor - Wilmington
Spring Arbor of Wilson	2045 Ward Boulevard, Wilson, NC	Spring Arbor - Wilson

**From:** [Koeninger, Kelly A.](#)  
**To:** [Waller, Martha K](#)  
**Subject:** RE: [External] Request for Exemption Pursuant to N.C.G.S. § 131E-184(a)(8)  
**Date:** Thursday, November 12, 2020 12:37:42 PM  
**Attachments:** [13276530\\_1\\_Discovery - Spring Arbor - North Carolina CON Exemption Ltr.DOCX](#)

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Martha,

I apologize for the oversight – I'm re-attaching the letter with the appropriate attachments.

Please let me know of any questions.

Best,

Kelly

---

### Kelly A. Koeninger

Robinson Bradshaw

t : 704.377.8392 | f : 704.373.3992  
101 N. Tryon St., Suite 1900  
Charlotte, NC 28246

[kkoeninger@robinsonbradshaw.com](mailto:kkoeninger@robinsonbradshaw.com) | [Bio](#)  
[robinsonbradshaw.com](http://robinsonbradshaw.com)

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**From:** Waller, Martha K <martha.waller@dhhs.nc.gov>  
**Sent:** Thursday, November 12, 2020 11:26 AM  
**To:** Koeninger, Kelly A. <KKoeninger@robinsonbradshaw.com>  
**Subject:** RE: [External] Request for Exemption Pursuant to N.C.G.S. § 131E-184(a)(8)

**WARNING: External Email**

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I received the below to log and process to the Analyst for completion, however, the letter refers to Schedules A & B, were they to be attachments?? There is nothing there after the letter of request. If you are just referring to the State Plans schedules, I need to know what facility name, and county this is for, so the right Analyst gets your request. Thanks for your assistants, I will wait to hear from you before processing.

*Martha Waller*

Administrative Specialist 1

Division of Health Service Regulation, Certificate of Need Section North Carolina Department of Health and Human Services

Main: 919-855-3873  
Office: 919-855-3885  
[martha.waller@dhhs.nc.gov](mailto:martha.waller@dhhs.nc.gov)

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**From:** Frisone, Martha <[martha.frisone@dhhs.nc.gov](mailto:martha.frisone@dhhs.nc.gov)>  
**Sent:** Tuesday, November 10, 2020 4:23 PM  
**To:** Waller, Martha K <[martha.waller@dhhs.nc.gov](mailto:martha.waller@dhhs.nc.gov)>  
**Subject:** FW: [External] Request for Exemption Pursuant to N.C.G.S. § 131E-184(a)(8)

**Martha J. Frisone**  
Chief

[Division of Health Service Regulation](#), Healthcare Planning and Certificate of Need  
[NC Department of Health and Human Services](#)

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#StayStrongNC and get the latest at [nc.gov/covid19](https://nc.gov/covid19).

Office: 919-855-3879  
[martha.frisone@dhhs.nc.gov](mailto:martha.frisone@dhhs.nc.gov)

809 Ruggles, Edgerton  
2704 Mail Service Center  
Raleigh, NC 27699-2704

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**From:** Koeninger, Kelly A. <[KKoeninger@robinsonbradshaw.com](mailto:KKoeninger@robinsonbradshaw.com)>

**Sent:** Tuesday, November 10, 2020 4:23 PM

**To:** Frisone, Martha <[martha.frisone@dhhs.nc.gov](mailto:martha.frisone@dhhs.nc.gov)>

**Cc:** 'Kelly Thompson' <[Kelly.Thompson@fisherbroyles.com](mailto:Kelly.Thompson@fisherbroyles.com)>

**Subject:** [External] Request for Exemption Pursuant to N.C.G.S. § 131E-184(a)(8)

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Ms. Frisone,

Attached please find a letter requesting an exemption pursuant to N.C.G.S. § 131E-184(a)(8).

Please don't hesitate to email or call me with any questions you may about the attached.

Best regards,

Kelly

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**Kelly A. Koeninger**

Robinson Bradshaw

t : 704.377.8392 | f : 704.373.3992

101 N. Tryon St., Suite 1900

Charlotte, NC 28246

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**Attachment A**

<b>Facility Name</b>	<b>County</b>	<b>FID</b>	<b>New Property Ownership Entity</b>
Spring Arbor of Albemarle	Stanly	971268	WOJV Albemarle I, LLC
Spring Arbor of Apex	Wake	990039	WOJV Apex, LLC
Spring Arbor of Cary	Wake	130543	WOJV Cary, LLC
Spring Arbor of Greensboro	Guilford	90346	WOJV Greensboro, LLC
Spring Arbor - Greenville	Pitt	970986	WOJV Greenville, LLC
Spring Arbor of Kinston	Lenoir	980433	WOJV Kinston, LLC
Spring Arbor of the Outer Banks	Dare	970709	WOJV Kill Devil Hills, LLC
Spring Arbor of Raleigh	Wake	990961	WOJV Raleigh, LLC
Spring Arbor of Rocky Mount	Nash	955657	WOJV Rocky Mount, LLC
Spring Arbor of Thomasville	Davidson	921210	WOJV Thomasville, LLC
Spring Arbor of Wilmington	New Hanover	970923	WOJV Wilmington, LLC
Spring Arbor of Wilson	Wilson	960313	WOJV Wilson, LLC

<b>Business #</b>	<b>Record #</b>
3296	3419
3297	3420
3298	3421
3299	3422
3300	3423
3301	3424
3302	3425
3303	3426
3304	3427
3305	3428
3306	3429
3307	3430