

CHATEAU VESTAVIA, LLC
2604 TYNE BOULEVARD
NASHVILLE, TENNESSEE 37215
615-500-6810

RECEIVED

DEC 10 2015

~~STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY~~

December 8, 2015

Mr. Alva Lambert
Executive Director
State Health Planning & Development Agency
100 North Union St., Suite 870
Montgomery, AL 36130

RE: Notice of Change of Ownership
The Manor at Chateau Vestavia Specialty Care Assisted Living
Birmingham, Alabama

Dear Mr. Lambert:

We respectfully submit the attached Notice of Change of Ownership, pursuant to Section 410-1-7-.04 of the Rules and Regulations of the Alabama Certificate of Need ("CON") program (the "Rules"). The transaction involves a Licensee Engagement Agreement for the management and operations of The Manor at Chateau Vestavia, a 24 bed specialty care assisted living facility ("SCALF") located at 2401 Columbiana Road, Birmingham, AL 35216 (the "Facility").

In February 2014, pursuant to CO2014-008, your agency approved a sale/leaseback transaction relating to the Facility, wherein CLP Chateau Vestavia, AL Senior Living LLC (the "Landlord") received ownership of the CON relating to the Facility and Chateau Vestavia, LLC (the "Tenant") remained the licensed operator, pursuant to an operating lease.

At this time, pursuant to an agreement with the Alabama Department of Public Health ("ADPH"), the Tenant is entering into an agreement with Sage Management, under which Sage will become the licensed operator, with the Landlord continuing to hold the CON's. The Tenant will continue to lease the Facility under the existing operating lease, but Sage will become the licensee of the facility under the agreement.

The agreement with Sage does not involve the offering of any new services at the Facility, nor does it involve any addition or reduction of beds, any conversion of beds, or the sale of any stock or assets.

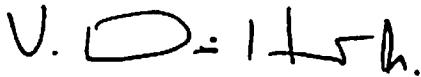
CHATEAU VESTAVIA, LLC

The transaction is being conducted for fair market considerations, and does not involve the purchase of new equipment, new operating costs or other capital expenditures in excess of the spending thresholds set forth in Section 22-21-263(a)(2) of the Code of Alabama. Additionally, it does not alter in any manner the status of the Landlord as holder of the CON's.

Based on the above, we respectfully ask that your agency determine that a CON is not required for consummation of the above described transaction. Enclosed please find a check from SAGE Management for \$2,500 as the filing fee for this request.

Should you have questions or need further information, please let us know.

Sincerely,
Chateau Vestavia, LLC

A handwritten signature in black ink, appearing to read "V. Davis Hunt, Jr." with a stylized flourish at the end.

V. Davis Hunt, Jr.
President



RECEIVED

DEC 10 2015

**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**

December 07, 2015

Mr. Brad Williams
State Health Planning and Development Agency
RSA Union Building
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: Change of SCALF Licensure for *The Manor at Chateau Vestavia*

Brad:

Good morning and thank you for your guidance as SAGE Management works with the Alabama Department of Public Health to provide an opportunity for The Manor at Chateau Vestavia to avoid a licensure revocation in the wake of their unacceptable survey dated July 07, 2015 (07.30.15).

ADPH has mandated that Trinity Lifestyles, LLC transfer the license for The Manor at Chateau Vestavia SCALF to a proven and acceptable licensee operator. SAGE Management has been chosen by Trinity and approved by Dr. Geary, Kelly Mitchell and the staff at ADPH. We have submitted our CHOW to ADPH and anticipate immediate approval, pending the CHOW approval from SHPDA. Typically SAGE Management has an extremely capable individual who assumes responsibility for the required document flow to each governmental and oversight entity including SHPDA. She has however been out undergoing treatment for a serious but recoverable health issue. In her absence the duty fell to me, likely the least capable member of the team, and I of course promptly dropped the ball.

Ray Sherer at ADPH called me Friday and expressed great urgency in processing this CHOW request. ADPH wishes to have SAGE Management in place as Licensee today if possible for the health, welfare and safety of the SCALF residents at *The Manor at Chateau*

Vestavia. I apologize for creating this emergent situation and will be available to offer any assistance, clarifications or need for further information if necessary.

Warmest regards,


J. Douglas Warren

President & CEO

SAGE Management, Inc.



December 07, 2015

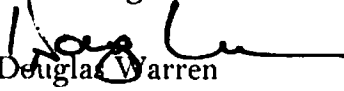
Mr. Brad Williams
State Health Planning and Development Agency
RSA Union Building
100 North Union Street, Suite 870
Montgomery, Alabama 36104

Re: Attachment for CHOW Questions 1-5, Change of SCALF Licensure for *The Manor at Chateau Vestavia*

- 1) Financial scope of the project will have no new equipment or construction; yearly operating expenses: \$1,525,912 (through 10 months annualized for 2015).
- 2) The SCALF services contemplated under this change of Licensure will be an extension of services presently offered.
- 3) No new beds are anticipated nor has a CON application or Letter of Intent for any new beds been filed.
- 4) There will be no conversion of any existing beds under this change of Licensure.
- 5) No stock and/or assets will be acquired under this change of Licensure.

Ray Sherer at ADPH called me Friday and expressed great urgency in processing this CHOW request. ADPH wishes to have SAGE Management in place as Licensee today if possible for the health, welfare and safety of the SCALF residents at *The Manor at Chateau Vestavia*. I apologize for creating this emergent situation and will be available to offer any assistance, clarifications or need for further information if necessary.

Warmest regards,


J. Douglas Warren
President & CEO
SAGE Management, Inc.

CHANGE OF OWNERSHIP**RECEIVED**

DEC 10 2015

Part I: Purchasing Organization InformationSTATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

Name of Organization:

SAGE Management, Inc

Facility Name:

(ADPH Licensure name)

The Manor at Chateau Vestavia

SHPDA ID Number:

Address (PO Box #):

2401 Columbiana Road

City, State, Zip, County:

Birmingham, Alabama 35216

Number/Type Licensed Beds:

Twenty-four (24)

Owner(s):

SAGE Management, Inc.

Operator(s):

SAGE Management, Inc.**Part II: Selling Organization Information**

Name of Organization:

Chateau Vestavia, LLC

Address (PO Box #):

4B Old Roswell St.

City, State, Zip, County:

Alpharetta, Georgia 30009

Number/Type Licensed Beds:

Twenty-four (24)

Owner(s):

Chateau Vestavia, LLC

Operator(s):

Trinity Lifestyles, LLC**Part III: Value of Consideration**

Monetary Value of Purchase:

\$ N/A

No./Type Beds:

24

Terms of Purchase:

Transfer of SAGE License

(add more pages as necessary to describe the sale)

Part IV: List of Certificate of Need Authority

Number of Beds:

24

Types of Institutional Health Services:

SAGE

List Service Area by County for Home Health Agencies:

N/A

On an Attached Sheet Please Address the Following:

- *1.) The financial scope of the project to include the preliminary estimate of costs broken down by equipment, construction, and yearly operating costs.
- *2.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service and whether the service is an extension of a presently offered service, or whether the service is a new service).
- *3.) Whether the proposal will include the addition of any new beds.
- *4.) Whether the proposal will involve the conversion of beds.
- *5.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

I certify that I agree to provide the information necessary (financial, utilization of services and beds, etc.) so the new owner can have the necessary information to complete reports as necessary for the entire fiscal year. The purchaser has agreed to these terms,

Seller(s) Signature(s):

Owner(s): _____

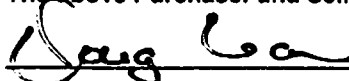
Operator(s): _____

Title/Date: _____

I certify that I will be responsible for retaining records as necessary to complete reports required for the entire fiscal year, and agree to these terms. I have enclosed a check in the amount of **\$2,500** made payable to 'Alabama State Health Planning and Development Agency' to cover the cost of the change of ownership.

☒ YES ☐ NO The above Purchaser and Seller have agreed to these purchase terms.

Purchaser Signature:

 **DOUG WARREN**

Title/Date:

President & CEO Dec 07, 2015

Dec 07, 2015