



RECEIVED LCS Company

JAN 12 2017

STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

January 12, 2017

Sent Electronic mail and
Fedex Overnight

Shpda.online@shpda.alabama.gov

State Health Planning & Development Agency

RSA Union Bldg

100 N. Union Street – Ste 870

Montgomery, Alabama 36104

Re: LCS Danberry Operations, LLC
Danberry at Inverness – Change of Ownership

Dear Sir or Madam:

Please be advised that a Letter of Intent has been executed for the purchase of Danberry at Inverness, including the Specialty Care Assisted Living Facility. A Purchase and Sale Agreement is imminent with the anticipated closing date of March 15, 2017. The Notice of Change of Ownership/Control has been completed and attached.

Should you have any questions about this notice, please contact me at merrimandan@lcsnet.com or (515) 875-4607. Thanking you in advance for your assistance with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Merriman".

Daniel Merriman

Sr. Compliance Analyst

Enclosures

cc: Jaclyn Gardner

James Henry

RECEIVED**NOTICE OF CHANGE OF OWNERSHIP/CONTROL** 2017

The following notification of intent is provided pursuant to all applicable provisions of ALA. CODE § 22-21-270 (1975 as amended) and ALA. ADMIN. CODE r. 410-1-7-.04. This notice must be filed at least twenty (20) days prior to the transaction.

☒ Change in Direct Ownership or Control (of a vested Facility; ALA. CODE §§ 22-20-271(d), (e))

☐ Change in Certificate of Need Holder (ALA. CODE § 22-20-271(f))

☐ Change in Facility Management (Facility Operator)

Any transaction other than those above-described requires an application for a Certificate of Need.

Part I: Facility Information

SHPDA ID Number: 117-S3724 (This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Specialty Care at Danberry At Inverness
(ADPH Licensure Name)

Physical Address: 235 Inverness Center Drive
Hoover, AL 35242

County of Location: Shelby

Number of Beds/ESRD Stations: 24

CON Authorized Service Area (Home Health and Hospice Providers Only). Attach additional pages if necessary. N/A

Part II: Current Authority (Note: If this transaction will result in a change in direct ownership or control, as defined under ALA. CODE § 22-20-271(e), please attach organizational charts outlining current and proposed structures.)

Owner (Entity Name) of Facility named in Part I: W-L Danberry VII, L.L.C.

Mailing Address: 400 Locust St, Ste 820
Des Moines, Iowa 50309

Operator (Entity Name): LCS Danberry Operations, LLC

Part III: Acquiring Entity Information

Name of Entity: ALI Danberry Owner, LLC

Mailing Address: 5404 Wisconsin Ave., Ste 1150
Chevy Chase, MD 20815

Operator (Entity Name): ALI Danberry Lessee, LLC

Proposed Date of Transaction is
on or after: March 15, 2017 (pending all licensure approvals)

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 34,600,000 (entire campus, IL, AL, SCALF)

Type of Beds: SCALF

Number of Beds/ESRD Stations: 24

Financial Scope: to Include Preliminary Estimate of the Cost Broken Down by Equipment, Construction, and Yearly Operating Cost:

Projected Equipment Cost: \$ 6,580.00

Projected Construction Cost: \$ N/A

Projected Yearly Operating Cost: \$ 1,346,700.00

Projected Total Cost: \$ 1,353,280.00

On an Attached Sheet Please Address the Following:

- 1.) The services to be offered by the proposal (the applicant will state whether he has previously offered the service, whether the service is an extension of a presently offered service, or whether the service is a new service).
- 2.) Whether the proposal will include the addition of any new beds.
- 3.) Whether the proposal will involve the conversion of beds.
- 4.) Whether the assets and stock (if any) will be acquired.

Part V: Certification of Information

Current Authority Signature(s):

The information contained in this notification is true and correct to the best of my knowledge and belief.

Owner(s): W-L Danberry VII, L.L.C. See Attached

Operator(s): LCS Danberry Operations, LLC

Title/Date: CEO January 11, 2017

SWORN to and subscribed before me, this 11th day of January, 2017.

(Seal)



Notary Public

My Commission Expires: 2-13-18

Acquiring Authority Signature(s):

I agree to be responsible for reporting of all services provided during the current annual reporting period, as specified in ALA. ADMIN. CODE r. 410-1-3-.12. The information contained in this notification is true and correct to the best of my knowledge and belief.

Purchaser(s): [Signature] Edward R. KennyOperator(s): [Signature] Edward R. KennyTitle/Date: Authorized Rep. of ALI Danberry Lessee LLC and ALI Danberry Owner, LLC/January 11, 2017SWORN to and subscribed before me, this 11th day of January, 2017.

(Seal)



Notary Public

My Commission Expires: 2-13-18

Author: Alva M. Lambert

Statutory Authority: § 22-21-271(c), Code of Alabama, 1975

History: New Rule

OWNER:

W-L DANBERRY VII, L.L.C.,
a Delaware limited liability company

By: W-L Danberry Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: W Danberry Investors VII, L.L.C.,
a Delaware limited liability company,
its Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership,
its Managing Member

By: Walton Street Managers VII, L.P.,
a Delaware limited partnership,
its General Partner

By: WSC Managers VII, Inc.,
a Delaware corporation,
its General Partner

By: Laura Weidaw
Name: Laura Weidaw
Title: Vice President

STATE OF ILLINOIS)	
)	
COUNTY OF <u>Cook</u>)	

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Lavin Weidaw, as a Vice President of WSC Managers VII, Inc., a Delaware corporation, personally known to me or proved to me on the basis of satisfactory evidence to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s he signed and delivered said instrument as her free and voluntary act, and as a free and voluntary act of said company, for the uses and purposes therein set forth.

Given under my hand and Notarial seal this 20th day of December, 20 16.



Print Name: Daniel D Lindgren

Notary Public

Commission Expiration: 3/3/2019

(Seal)



NOTICE OF CHANGE OF OWNERSHIP/CONTROL

PART IV, EXPLANATION OF SALE:

1. The services to be offered by the proposal

Danberry at Inverness is a senior living community located in Hoover, which offers independent living, assisted living and memory care. Assisted living services are provided in 48 beds in the community. Memory care is provided in 24 beds in a dedicated area of the assisted living building at Danberry at Inverness. Under the proposal, the current Owner and Operator and proposed Owner and Operator are subject to a Purchase and Sale Agreement, dated January 10, 2017, for the entire campus. The Proposed Owner and Operator wish to continue operations currently being provided at Danberry at Inverness. Life Care Services, LLC, is a third-party manager contracted by the current Operator. Life Care Services is an affiliated of one of the current investors of the Owner and Operator, and it is also affiliated with one of the investors of the proposed Owner and Operator. Following the proposed sale, Life Care Services will continue to be contracted by the proposed Operator to ensure a seamless transition of ownership for the residents of Danberry at Inverness.

2. Whether the proposal will include the addition of any new beds:

There is no anticipated addition of beds. Danberry at Inverness will plan to continue to offer 48 ALF and 24 SCALF beds, currently in operation.

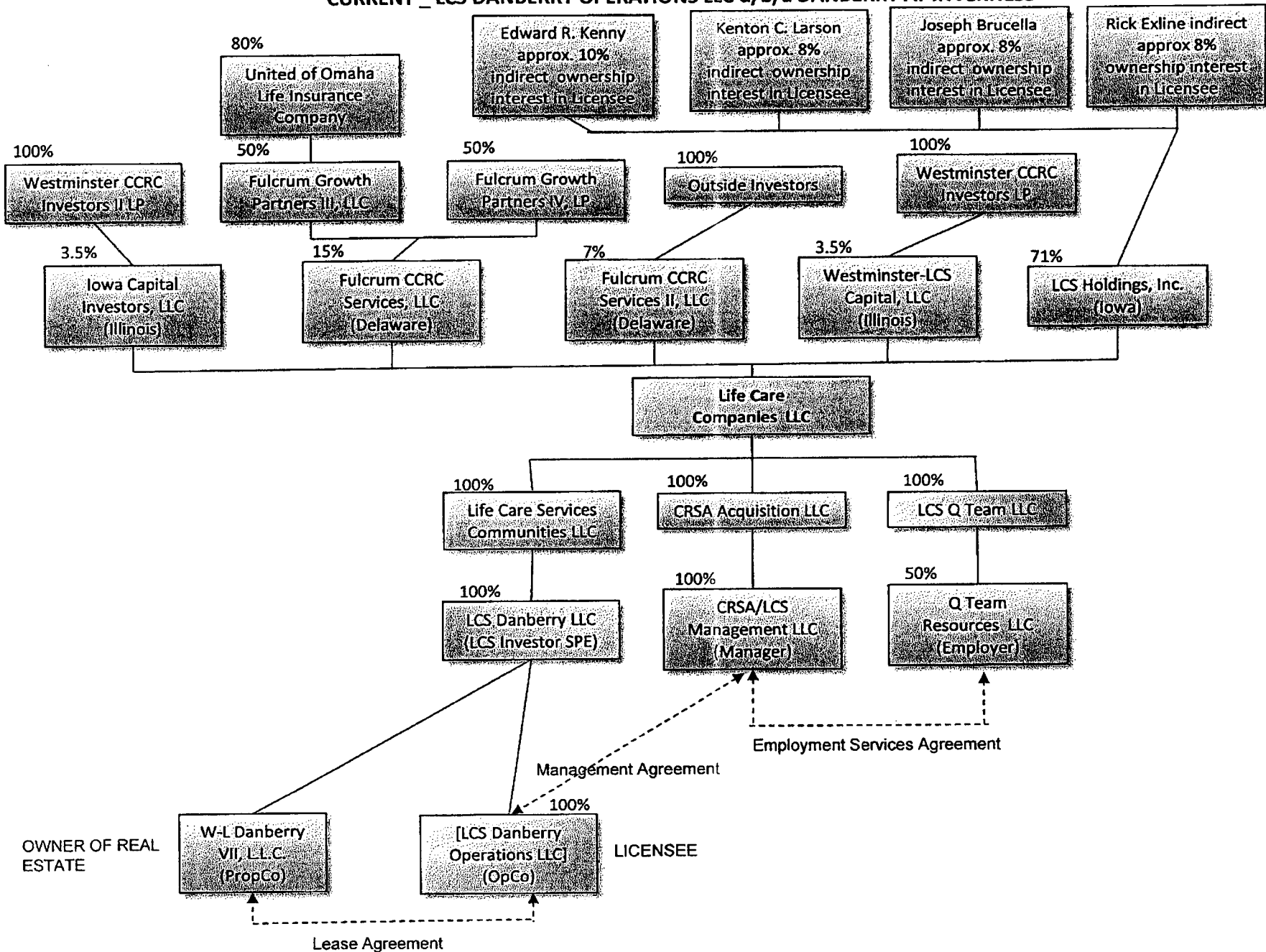
3. Whether the proposal will involve the conversion of beds:

There is no anticipated conversion of beds. Danberry at Inverness will plan to continue to offer 48 ALF and 24 SCALF beds, currently in operation.

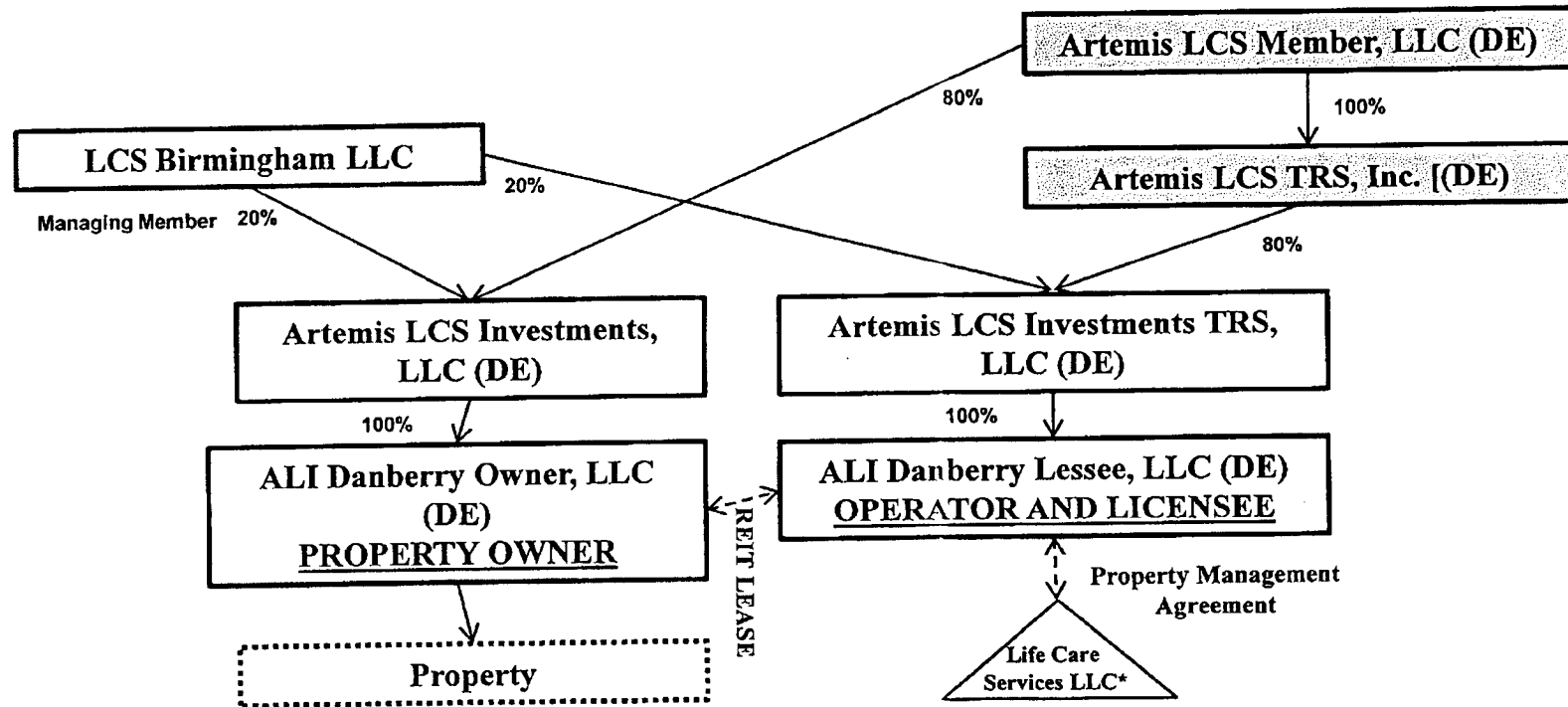
4. Whether the assets and stock (if any) will be acquired:

Effective the date of transfer, all assets of the current Owner and Operator will be assigned and assumed by the acquiring Owner and Operator. There will be no transfer of stock or ownership interest in the existing Owner and Operator. Ownership of both structures (current and proposed) are represented on the organizational charts provided under Part II and attached to this application.

CURRENT _ LCS DANBERRY OPERATIONS LLC d/b/a DANBERRY AT INVERNESS



PROPOSED
Danberry at Inverness
Hoover, Alabama



* Life Care Services LLC is wholly owned by Life Care Companies LLC