

NOTICE OF CHANGE OF OWNERSHIP/CONTROL

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: **069-S3501**
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: **The Terrace at Grove Park SCALF**
(ADPH Licensure Name)

Physical Address: **101 Tulip Lane**
Dothan, AL 36305

County of Location: **Houston County**

Number of Beds/ESRD Stations: **16 SCALF beds**

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

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: **Five Star Quality Care – Grove Park, LLC**

Mailing Address: **400 Centre Street**
Newton, MA 02458

Operator (Entity Name): **Five Star Quality Care – Grove Park, LLC**

Part III: Acquiring Entity Information

Name of Entity: **SNH Grove Park Tenant LLC** _____

Mailing Address: **Two Newton Place**
255 Washington Street, Suite 300
Newton, MA 02458

Operator (Entity Name): SNH Grove Park Tenant LLC

Proposed Date of Transaction is
on or after: October 20, 2017

Part IV: Terms of Purchase

Monetary Value of Purchase: See attached letter.

Type of Beds: Specialty Care Assisted Living Facility (SCALF)

Number of Beds/ESRD Stations: 16 beds

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

See attached letter.

Projected Equipment Cost: \$ _____

Projected Construction Cost: \$ _____

Projected Yearly Operating Cost: \$ _____

Projected Total Cost: \$ _____

On an Attached Sheet Please Address the Following: See attached letter.

- 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): _____

Operator(s): _____

Title/Date: President and CEO

Bruce J. Mackey Jr.

Date: Sept. 20, 2017

SWORN to and subscribed before me, this 20th day of September, 2017.

(Seal)

A-84

Notary Public

**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): _____ Richard W. Siedel, Jr.

Operator(s): _____

Title/Date: President and Treasurer Date: _____

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal)

Notary Public

My Commission Expires: _____

Author: Alva M. Lambert

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

History: New Rule

SWORN to and subscribed before me, this _____ day of _____, _____.

(Seal)

A-84

Notary Public

My Commission Expires: _____

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):

Richard W. Siedel, Jr.

Richard W. Siedel, Jr.

Operator(s):

Title/Date: **President and Treasurer**

Date:

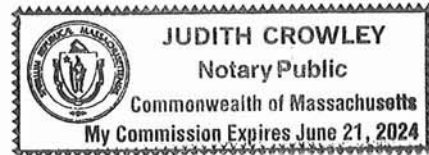
9-18-17

SWORN to and subscribed before me, this 18th day of September, 2017.

(Seal)

Judith A. Crowley
Notary Public

My Commission Expires: 6-21-24



Author: Alva M. Lambert

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

History: New Rule

September 21, 2017

Via Electronic Filing

Mr. Alva M. Lambert
Executive Director
State Health Planning & Development Agency
100 North Union Street
Suite 870
Montgomery, Alabama 36104

**Re: Notice of Proposed Change in Ownership of The Terrace at Grove Park
SCALF (SHPDA ID 069-S3501)**

Dear Mr. Lambert:

On behalf of Five Star Quality Care – Grove Park, LLC, a subsidiary of Five Star Senior Living Inc., we respectfully submit to the State Health Planning and Development Agency (“SHPDA”) this letter and Exhibit A as an attachment to the Notice of Change of Ownership form that we are filing pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the “Rules”). The proposed change of ownership involves the purchase by SNH Grove Park Tenant LLC (the “Buyer”) of the operating assets of The Terrace at Grove Park SCALF (the “Facility”), a specialty care assisted living facility in Houston County, from Five Star Quality Care – Grove Park, LLC (the “Seller”). The following summarizes the transaction proposed to take place on or about October 20, 2017, and addresses SHPDA requirements for a change of ownership.

SHPDA Requirements for Changes of Ownership

In answer to the specific questions posed in the Change of Ownership Application, please note the following:

1. The Financial Scope of the Project. The financial scope of the project will encompass the fair market value payment that Buyer will make to Seller as consideration for the transfer of the Facility and related assets. The fair market value payment involved in the Proposed Transaction does not reflect new costs exceeding the following expenditure thresholds: (i) \$2,923,059 for major medical equipment; (ii) \$1,169,223 for new annual operating costs; and (iii) \$5,846,117 for capital expenditures.

2. Services to be Offered. The proposed transaction will not result in any new or additional services to those already authorized to be provided by the Facility.

3. Whether the Proposal Will Include the Addition of Any New Beds. The proposed transaction will not result in the addition of new beds or dialysis stations.

4. Whether the Proposal Will Involve the Conversion of Beds. The proposed transaction will not result in the conversion of beds.

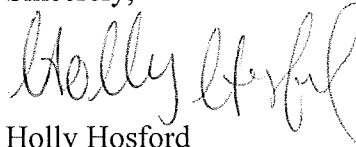
5. Whether the Assets and Stock (if any) Will be Acquired. As described more particularly above, Buyer will acquire the Facility operating assets from Seller.

Requested Action

Based upon the above description of the proposed transaction and a showing that there will be no change in health services, conversion of beds, or increase or decrease in bed capacity, we respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a Certificate of Need is not required for the consummation of this proposed transaction. In accordance with the Rules, a check in the amount of \$2,500.00 made payable to the Alabama State Health Planning and Development Agency has been sent to the Agency via Federal Express.

Should you have any questions or need further information, please feel free to contact me at the number or address listed above. Thank you in advance for your assistance with this matter.

Sincerely,

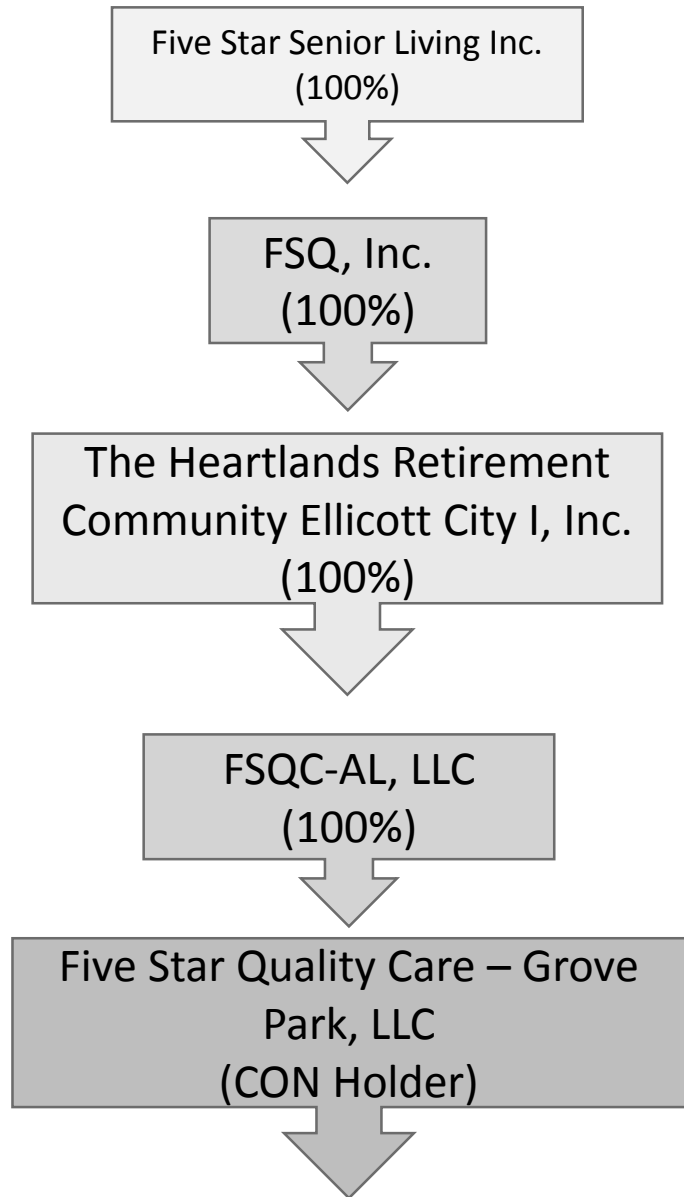


Holly Hosford

HSH/mgd

Exhibit A
Organizational Charts

Pre-Closing Ownership of Facility



The Terrace at Grove Park SCALF

Post-Closing Ownership of Facility

