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Feb 25 2022

STATE HEALTH PLANNING AND
DEVELOPMENT AGENCY

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February 25, 2022

VIA EMAIL ONLY

Ms. Emily Marsal
Executive Director
State Health Planning and Development Agency
100 North Union Street
Suite 870
Montgomery, AL 36104

Re: Skilled Nursing Facility Change of Ownership – Oak Trace Care & Rehabilitation Center

Dear Ms. Marsal:

Pursuant to Chapter 410-1-7-.04, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"), we respectfully submit the attached Notice of Change of Ownership. The Change of Ownership involves the purchase of the 79-bed skilled nursing facility located in Bessemer, Jefferson County, Alabama, and known as Oak Trace Care & Rehabilitation Center (the "Facility"). The Facility is currently operated by American Health Corp. (the "Seller"). Following is a summary of the proposed transaction:

I. Facts.

1. Seller operates the Facility located at 325 Selma Road, Bessemer, Alabama.
2. Seller and AURBT AL, LLC, a Delaware limited liability company ("Purchaser") have negotiated and entered into an asset purchase agreement (the "APA") for the sale of substantially all of the assets used in the operation of the Facility (the "Transaction").

3. Prior to the Commencement, as defined below, the Purchaser shall lease the Facility under a lease agreement (the "Lease Agreement") to Oak Crest Health & Wellness OpCo, LLC, a newly organized Delaware limited liability company (the "Tenant"). Tenant will be responsible for the operations of the Facility under the Lease Agreement.
4. Under certain documents to be negotiated and entered into in order to effectuate the Transaction, subject to approval by the Alabama Department of Public Health ("ADPH") and the issuance of a license by ADPH to Tenant to operate the Facility as an 79-bed nursing facility, the Transaction will become effective as of April 1, 2022 (the "Commencement").
5. The resulting "change in control" requires notification to your agency pursuant to ALA. ADMIN. CODE §410-1-7-.04(1).
6. The change in control of the Facility will be documented by the enclosed executed change of ownership form.

II. Financial Scope of Project.

As outlined in the attached change of ownership form, this transaction does not involve the purchase of new equipment or other capital expenditures in excess of the spending thresholds set forth in Section 22-21-263(a)(2) of the Code of Alabama. It is anticipated that the first year annual operating expenses will be \$5,677,363.21.

III. Services to be Offered.

1. No New Services: The transaction does not involve the offering of any new services by the Facility. The Facility will continue to offer skilled nursing facility services.

IV. Beds.

1. New Beds: The proposed transaction does not involve any addition or reduction of beds.
2. Conversion of Beds: The proposed transaction does not involve the conversion of beds.

- VI. Stock and Assets. Other than described above, the transaction does not involve the acquisition of stock or assets relating to the operation of the Facility.

Based on the above showing that there has been no (i) change in health service, (ii) spending in excess of the spending thresholds, (iii) conversion of beds or (iv) increase in bed capacity we respectfully ask that you exercise your authority under Chapter 410-1-7-.04(2) of the Rules and determine that a CON or other action by SHPDA is not required for the consummation of the above-described proposed transaction. In accordance with the Rules, the filing fee of \$2,500.00 will be paid via the electronic payment portal. I enclose the executed change of ownership form.

Should you have any questions or need further information, please contact me at 205-458-5209.

Sincerely,
Angie C. Smith

Angie C. Smith

Enclosures

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: 073-N0026
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Oak Trace Care & Rehabilitation Center
(ADPH Licensure Name)

Physical Address: 325 Selma Road
Bessemer, AL 35020

County of Location: Jefferson

Number of Beds/ESRD Stations: 79

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

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: American Health Corp.

Mailing Address: Four Tower Bridge, 200 Barr Harbor Drive, Suite 400
West Conshohocken, PA 1948

Operator (Entity Name): American Health Corp.

Part III: Acquiring Entity Information

Name of Entity: AURBT AL LLC

Mailing Address: 787 Eleventh Avenue, 10th Floor
New York, NY 10019

Operator (Entity Name): Oak Crest Health & Wellness OpCo, LLC

Proposed Date of Transaction is on or after: 4/1/22

Part IV: Terms of Purchase

Monetary Value of Purchase: \$ 46,500,000.00*

Type of Beds: SNF

Number of Beds/ESRD Stations: 79

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

Projected Equipment Cost: \$ 0

Projected Construction Cost: \$ 0

Projected Yearly Operating Cost: \$ 5,677,363.21

Projected Total Cost: \$ 5,677,363.21

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): American Health Corp.

Operator(s): American Health Corp.

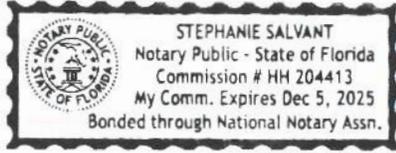
Title/Date: CEO | 2/21/22

*The transaction involves the sale of 4 nursing facilities. This purchase price represents the total for all four facilities.

SWORN to and subscribed before me, this 24 day of February.

[Signature]

(Seal)



Notary Public

My Commission Expires: 12.5.2025

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): AURBT AL LLC

Operator(s): Oak Crest Health & Wellness OpCo, LLC

Title/Date: member/

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

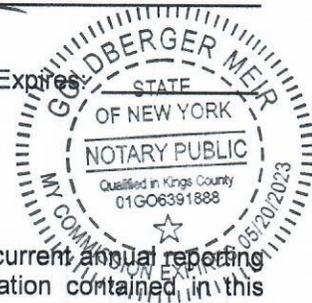
History: New Rule

SWORN to and subscribed before me, this 24 day of Feb, 2022.

(Seal)

[Signature]
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): AURBT AL LLC

Josh Sturm

Operator(s): Oak Crest Health & Wellness OpCo, LLC

[Signature]

Title/Date: member/

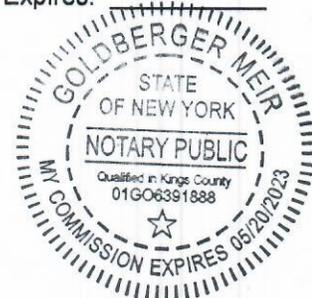
2-24-2022

SWORN to and subscribed before me, this 24 day of Feb, 2022.

(Seal)

[Signature]
Notary Public

My Commission Expires: _____



Author: Alva M. Lambert

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

History: New Rule