STARNES DAVIS FLORIE LLP

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July 23, 2026

CO2026-076
RECEIVED
Jul 23 2026
STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

VIA ELECTRONIC MAIL
Emily T. Marsal, Executive Director
Alabama State Health Planning & Development Agency
100 North Union Street, Suite 870
Montgomery, Alabama 35104
shpda.online@shpda.alabama.gov

Re: Notice of Change of Ownership
Lafayette Nursing Home

Dear Ms. Marsal:

We respectfully submit this letter to the Alabama State Health Planning and Development Agency ("SHPDA") as an attachment to the Notice of Change of Ownership form that we are filing pursuant to the Alabama Certificate of Need Program Rules and Regulations (the "CON Rules") Chapter 410-1-7-.04. The proposed change of ownership involves the purchase of the 63-bed skilled nursing facility ("SNF") located in Lafayette, Chambers County, Alabama and known as Lafayette Nursing Home ("Facility"). The following summarizes the transaction proposed to take place and addresses SHPDA requirements under the CON Rules for changes of ownership.

I. Facts

1. The Facility is currently owned by Lafayette Nursing Home, Inc. ("Current Owner") and operated by Lafayette Nursing Home, LLC (the "Current Operator") pursuant to a lease agreement between Current Owner and Current Operator.

2. Current Owner and 555 B PropCo LLC ("Purchaser") entered into an asset purchase agreement (the "APA") effective July 16, 2026 for the sale of substantially all of the assets used in operation of the Facility (the "Transaction").

3. Simultaneously with the Commencement (as defined below), Purchaser shall lease the Facility under a new lease agreement ("Lease Agreement") to 555 B

OpCo LLC ("New Operator") so that New Operator will be responsible for the operation of the Facility as of the Commencement.

4. Under certain documents to be negotiated and executed to effectuate the Transaction, subject to approval by the Alabama Department of Public Health ("ADPH") and the issuance of a license to New Operator to operate the Facility as a 63-bed SNF, the Transaction is expected to close at 11:59 p.m. on August 31, 2026, with New Operator taking over effective as of 12:00:01 a.m. on September 1, 2026 (the "Commencement").

5. The resulting "change in control" requires notification to your agency pursuant to Ala. Admin. Code 410-1-7-.04(1). The change in control will be documented by the enclosed executed change of ownership form.

II. Financial Scope of Project.

As outlined on the enclosed change of ownership form, the Transaction does not involve the purchase of new equipment, new operating costs, or other capital expenditures in excess of the applicable spending thresholds set forth in Alabama Code 22-21-263(a)(2). The specific costs related to the Transaction are provided on the enclosed executed change of ownership form.

III. No New Services to be Offered.

The Transaction will not involve the offering of any new services by the Facility. The Facility will continue to operate as a SNF.

IV. No New Beds or Conversion of Beds.

The Transaction does not involve any addition or reduction of beds. The Transaction does not involve the conversion of any beds.

V. Acquisition of Stock and Assets.

Other than as 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 will be no change in health service, no conversion of beds or increase in bed capacity, or any capital expenditure in excess of the applicable spending thresholds set forth in *Alabama Code* § 22-21-263(a)(2), we

respectfully request that you exercise your authority under Chapter 410-1-7-.04(2) of the CON Rules and determine that a new Certificate of Need is not required for the consummation of the above-described Transaction. In accordance with the CON Rules, the Purchaser has paid the filing fee of $3,000 through SHPDA's online payment portal.

If you have any questions or need any additional information, please let me know.

Sincerely,

STARNES DAVIS FLORIE LLP

Brandon A. Jackson

Attorney for Purchaser and New Operator

BAJ/mwk

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STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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: 17-N0003
(This can be found at www.shpda.alabama.gov, Health Care Data, ID Codes)

Name of Facility/Provider: Lafayette Nursing Home
(ADPH Licensure Name)

Physical Address: 555 B Street SW
Lafayette AL, 36862

County of Location: CHAMBERS

Number of Beds/ESRD Stations: 63

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: Lafayette Nursing Home, Inc.

Mailing Address: 994 Main Street
Roanoke, AL 36274

Operator (Entity Name): Lafayette Nursing Home, LLC

Part III: Acquiring Entity Information

Name of Entity: 555 B PropCo LLC

Mailing Address: 8484 Wilshire Blvd., Suite 820
Beverly Hills, CA 90211

Operator (Entity Name): 555 B OpCo LLC

Proposed Date of Transaction is on or after: 09/01/2026

Part IV: Terms of Purchase

Monetary Value of Purchase: $ Fair Market Value

Type of Beds: Skilled Nursing Facility

Number of Beds/ESRD Stations: 63

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

Projected Equipment Cost: $

Projected Construction Cost: $

Projected Yearly Operating Cost: $ 6,516,893.50

Projected Total Cost: $ 6,516,893.50

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): Lafayette Nursing Home, Inc. By: Kesa M. Johnston, President

Operator(s): Lafayette Nursing Home, LLC By: Kesa M. Johnston, Manager

Title/Date: 9.22.25

SWORN to and subscribed before me, this 22nd day of July, 2026.

(Seal)

LAURA D. MOORE
Notary Public, Alabama State at Large
My Commission Expires May 21, 2028

Laura D. Moore
Notary Public

My Commission Expires: 5/21/28

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): 555 B PropCo LLC
By: AM Kolodny, CEO

Operator(s): 555 B OpCo LLC
By: AM Kolodny, CEO

Title/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)

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): 555 B PropCo LLC

By: AM Kolodny, CEO

Operator(s): 555 B OpCo LLC

By: AM Kolodny, CEO

Title/Date: July 22 2026

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

(Seal)

Notary Public

My Commission Expires: _____

(See Attached)

Author: Alva M. Lambert
Statutory Authority: § 22-21-271(c), Code of Alabama, 1975
History: New Rule

CALIFORNIA JURAT WITH AFFIANT STATEMENT **GOVERNMENT CODE § 8202**

☐ See Attached Document (Notary to cross out lines 1–6 below)
☐ See Statement Below (Lines 1–6 to be completed only by document signer[s], *not* Notary)

Signature of Document Signer No. 1 *Signature of Document Signer No. 2 (if any)*

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles

ROCIO ANDRADE
Notary Public - California
Los Angeles County
Commission # 2422677
My Comm. Expires Oct 22, 2026

Subscribed and sworn to (or affirmed) before me on this 22 day of July, 2026,
Date *Month* *Year*
by
(1) Arrohom Kolodny
(and (2) _____),
Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature _____
Signature of Notary Public

Seal
Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Lafayette Nursing Home

SHPDA ID: 17-N0003

Pre and Post Transaction Organizational Structure