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April 6, 2015

VIA FEDERAL EXPRESS OVERNIGHT DELIVERY

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

Re: Determination Request Letter - Crowne Health Care of Mobile, LLC

Dear Mr. Lambert:

Our firm represents Mobile Real Estate, LLC ("MRE"), and its affiliate Crowne Health Care of Mobile, LLC. MRE is contemplating the purchase from CSE Mobile, LLC ("Seller") of the fee ownership of the land, building, fixed assets, and certain personal property comprising that certain 174-bed licensed nursing facility known as Crowne Health Care of Mobile, LLC ("COM"), located in Mobile County, Alabama (the "Facility"). MRE currently leases the Facility from the Seller under an "operating lease" (as defined under generally accepted accounting principles) and subleases the Facility to COM, which is the current holder of the Facility's license and the current subtenant under an "operating sublease" as defined under generally accepted accounting principles. It is contemplated that after completion of the proposed sales transaction, COM will continue being the holder of the Facility's license and its operator under an operating lease between COM, as tenant, and MRE, as landlord.

Pursuant to Chapter 410-1-7-.02, Rules and Regulations of the Alabama Certificate of Need Program (the "Rules"), based on the facts set forth in this letter, we are respectfully asking the State Health Planning and Development Agency to issue a determination letter that (i) the purchase of the Facility by MRE from the Seller; (ii) the subsequent leasing of the Facility to COM, the current tenant, licensee, and operator, under an operating lease; and (iii) the continuation by COM as the Facility's licensee and operator will not require any Certificate of Need program review, including, without limit, a change of ownership filing under Chapter 410-1-7-.04 of the Rules. Other than the transactions described above:

1. None of the above described transactions will involve expenditures for new equipment, capital costs, or an increase in the first year's annual operating costs (over the prior

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operating costs) in excess of the prescribed spending thresholds described in § 22-21-263(a)(2), Code of Alabama (1975), as amended.

2. No new beds will be added to the existing 174-nursing facility beds currently licensed and authorized to the Facility.
3. No beds will be converted from nursing facility beds.
4. No new health services will be offered.
5. No other assets or stock will be acquired pursuant to said arrangement.

In accordance with the Rules, we are enclosing our check for \$1000, as the requisite filing fee for issuance of this determination. Please return the enclosed copy of this letter, stamped as filed, in the enclosed prepaid envelope. In the event that you need additional information, please do not hesitate to contact me.

Very truly yours,

Richard J. Brockman

Richard J. Brockman
One of the Attorneys for Mobile Real Estate, LLC, and Crowne Health Care of Mobile, LLC.

RJB/jr
Enclosures

cc: Mr. David McAbee (w/o enclosures)
Jack Stephenson, Esq. (w/o enclosures)