From:	Hill, Richard W.		
То:	Fick, Mackinzey		
Subject:	RE: CON 6206 NS		
Date:	Friday, May 23, 2025 11:02:32 AM		
Attachments:	image001.png		
	RE Chapters Joplin - Addition of SNF Services.msg		
	CON Construction Budget Letter 05222025.pdf		
	Bed Count - 5-23-25(3183845.3).xlsb		
	6206 NS - Updated Application Pages - 5-23-25(3209593.1).pdf		
	<u>Updated Floor Plan - 5-23-25(3209581.1).pdf</u>		

Please see below in red. Thanks!

Rich

- Provide 3rd party documents or methods/assumptions for the renovation and equipment costs.
 Please see attached.
- For utilization on year 3 after completion, I calculate 87.4%. Please advise.
 - The applicant received the attached email from David East and Carrie Schaumburg advising that it is no longer possible to reinstate the original SNF bed count that existed at the facility. As such, the applicant has had to reduce its requested bed count to comply with what is feasible from a licensure perspective. Please see the attached, revised application pages and SSRE form. Occupancy was calculated as [Anticipated Resident Days / (365 * 76 licensed beds)].
- The bed listing states 102 beds and I am unable to verify with the schematics. Please advise.
 - The applicant received the attached email from David East and Carrie Schaumburg advising that it is no longer possible to reinstate the original SNF bed count that existed at the facility. As such, the applicant has had to reduce its requested bed count to comply with what is feasible from a licensure perspective. Please see the attached, revised bed count and floorplan documents. For the floorplan, single occupancy is colored in yellow, and double occupancy is colored in green.
- The letter from Tyler Brady does not appear to be sufficient documentation for unrestricted funds. 19 CSR 60-50.470 (2) Document that sufficient financing will be available to assure completion of the project by providing a letter from a financial institution saying it is willing to finance the project, or an auditor's statement that unrestricted funds are available for the project.
 - I anticipate this will be coming later today, but wanted to make sure you received the remainder this morning.

RICHARD W. HILL Attorney at Law DIRECT: 314 436.8317 CELL: 314 749 2396 rhill@lashlybaer.com Licensed in Missouri

LASHLY & BAER, P.C.

Attorneys at Law 714 Locust Street St. Louis, MO 63101-1699 TEL: 314 621.2939 20 East Main Street Belleville, IL 62220-1602 TEL: 618 233.5587 FAX: 314 621.6844 <u>www.lashlybaer.com</u>

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From: Fick, Mackinzey <Mackinzey.Fick@health.mo.gov>
Sent: Tuesday, May 13, 2025 9:36 AM
To: Hill, Richard W. <RHill@lashlybaer.com>
Subject: CON 6206 NS
Importance: High

Rich,

After review of the application, some additional information is needed.

- Provide 3rd party documents or methods/assumptions for the renovation and equipment costs.
- For utilization on year 3 after completion, I calculate 87.4%. Please advise.
- The bed listing states 102 beds and I am unable to verify with the schematics. Please advise.
- The letter from Tyler Brady does not appear to be sufficient documentation for unrestricted funds. 19 CSR 60-50.470 (2) Document that sufficient financing will be available to assure completion of the project by providing a letter from a financial institution saying it is willing to finance the project, or an auditor's statement that unrestricted funds are available for the project.

This information is needed by Friday, May 23rd, 2025.



Mackinzey Fick

Assistant Program Coordinator Certificate of Need Agency : <u>http://health.mo.gov/information/boards/certificateofneed/index.php</u> Missouri Department of Health and Senior Services 920 Wildwood Drive, Jefferson City, MO. 65102 : <u>mackinzev.fick@health.mo.gov</u> | **2**: 573-751-6403

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CERTIFICATE OF NEED APPLICATION

$CHAPTERS\ LIVING\ OF\ JOPLIN-ADD\ SNF\ SERVICES$

On Behalf Of

201 S NORTHPARK JOPLIN LLC & CHAPTERS JOPLIN OPCO, LLC



Project No. 6206 NS

Add 76 SNF Beds

Submitted to: Missouri Health Facilities Review Committee

May 2, 2025

Submitted by: Richard Hill Attorney At Law Lashly & Baer, P.C. 714 Locust Street St. Louis, MO 63101

8. Document ownership of the project site, or provide an option to purchase.

See attached.

9. Define the community to be served.

The community to be served is the 65 and older population located within a 15-mile radius of the proposed site.

10. Provide projected year population for the 15-mile radius service area.

There will be approximately 29,321 individuals aged 65 or older in the service area surrounding the project, based on the State of Missouri's 2030 population estimates.

11. Identify specific community problems or unmet needs the proposal would address.

There is a significant unmet need for additional skilled nursing beds in the service area pursuant to the Committee's formula.

12. Provide historical utilization for each of the past three (3) FULL years and utilization projections through the first three (3) FULL years of operation of the new LTC beds.

The SNF has been closed for more than one year, and as such, there is no historical utilization to present. Please see the projected utilization below.

Year 1 – 46.1% Occupancy; 12,775 resident days Year 2 – 75.0% Occupancy; 20,805 resident days Year 3 – 92.0% Occupancy; 25,520 resident days

13. Provide the methods and assumptions used to project utilization.

The methods and assumptions used to project utilization and projections were based on the Applicant's historical experience with similar operations. The Applicant also anticipates that its existing independent living and assisted living operations will generate utilization for the skilled nursing facility.

14. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.

Please see the attached notification published in the Joplin Globe on April 23, 2025, which invites consumers to submit commentary with respect to this project.

15. Provide copies of any petitions, letters of support or opposition received.

The Applicant will provide letters or petitions as it receives them.

From:	Schaumburg, Carrie
То:	East, David; Hill, Richard W.
Subject:	RE: Chapters Joplin - Addition of SNF Services
Date:	Monday, May 5, 2025 1:16:40 PM
Attachments:	image001.png
	image002.png
	image004.png
	image005.png
	Appendix PP SOM Dec 2024.pdf

Here is the Federal regulation reference:

Bathroom facilities. Each resident room must be equipped with or located near toilet and bathing facilities. For facilities that receive approval of construction from State and local authorities or are newly certified after November 28, 2016, each resident room must have its own bathroom equipped with at least a commode and sink.

https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-G/part-483/subpart-B#483.90

Additional information may also be found on the attached SOM regarding CMS interpretive guidance for "Jack and Jill" bathrooms on page 826.

Thank you,

?	

Carrie Schaumburg | Architect Missouri Department of Health and Senior Services Engineering Consultation Unit P.O. Box 570, Jefferson City, MO 65102-0570 573-526-5350 | <u>Carrie.Schaumburg@health.mo.gov</u>

Online Reporting for Abuse and Neglect is now available. Adult abuse and neglect reports can now be made online 24/7, <u>https://health.mo.gov/safety/abuse/</u>

For the latest information related to Long-Term Care, please subscribe <u>here</u> and select "LTCR: Long-Term Care Regulation" under the Subscription Topics

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From: East, David <David.East@health.mo.gov>
Sent: Monday, May 5, 2025 12:50 PM
To: Hill, Richard W. <RHill@lashlybaer.com>; Schaumburg, Carrie <Carrie.Schaumburg@health.mo.gov>
Subject: RE: Chapters Joplin - Addition of SNF Services

Mr. Richard Hill,

With the shared toilet room between resident rooms the facility will only be allowed 1 bed in each adjacent resident sleeping room.

Online Reporting for Abuse and Neglect is available 24/7: . https://health.mo.gov/safety/abuse/

For the latest information related to Long-Term Care, please subscribe here and select "LTCR: Long-Term Care Regulation" under the

Subscription Topics.



David East

Mechanical Engineer | Missouri Department of Health and Senior Services Email: <u>david.east@health.mo.gov</u> | Phone: 573-526-8521 <u>Health.Mo.Gov</u>

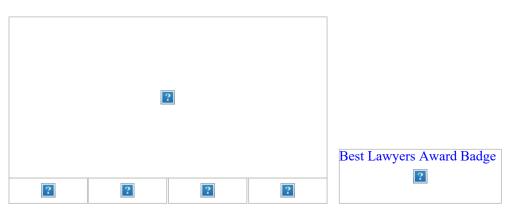
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From: Hill, Richard W. <<u>RHill@lashlybaer.com</u>>
Sent: Thursday, May 1, 2025 5:17 PM
To: East, David <<u>David.East@health.mo.gov</u>>; Schaumburg, Carrie <<u>Carrie.Schaumburg@health.mo.gov</u>>; Subject: Chapters Joplin - Addition of SNF Services

David and Carrie:

Chapters Joplin is applying for CON approval to reopen SNF services at its 201 S Northpark Lane, Joplin, MO 64801 location. Please see the attached schematic showing the location of all 103 beds they are applying for, as well as table showing the location of those beds by room number. Please let me know if you have any questions or concerns. Thanks!

Rich



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Chapters Senior Living New SNF Bed Amount and Locations

Table 1 - Original Submission

Table 2 - Revisions Following ECU Response

\square	Α	В	С
	Room	Beds	Station
1	1	1	Station 1
2	2	1	Station 1
3	3	1	Station 1
4	4	1	Station 1
5	5	1	Station 1
6	6	1	Station 1
7	7	1	Station 1
8	8	1	Station 1
9	9	1	Station 1
10	10	1	Station 1
11	11	1	Station 1
12	12	1	Station 1
13	13	1	Station 1
14	14	1	Station 1
15	15	1	Station 1
16	16	1	Station 1
17	17	1	Station 1
18	18	1	Station 1
19	19	1	Station 1
20	20	1	Station 1
21	21	1	Station 1
22	22	1	Station 1
23	23	1	Station 1
24	24	1	Station 2
25	25	2	Station 2
26	26	2	Station 2
27	27	2	Station 2
28	29	2	Station 2
<u>29</u>	31	2	Station 2
30	32	2	Station 2
31	33	2	Station 2
32	34	2	Station 2
33	35	2	Station 2
34	36	1	Station 2
35	37	2	Station 2
36	38	1	Station 2
37	39	2 2	Station 2
38	41		Station 2
<u>39</u>	42	2	Station 2
40	43	2 2	Station 2
41	44		Station 2
42	45	2 2	Station 2
43	46		Station 2
44	47	2	Station 2

	A	llowing ECU l B	C
	Room	Beds	Station
1	1	1	Station 1
	2	1	
2	3	1	Station 1
3	4	-	Station 1
4		1	Station 1
5	5	1	Station 1
6	6	1	Station 1
7	7	1	Station 1
8	8	1	Station 1
9	9	1	Station 1
10	10	1	Station 1
11	11	1	Station 1
12	12	1	Station 1
13	13	1	Station 1
14	14	1	Station 1
15	15	1	Station 1
16	16	1	Station 1
17	17	1	Station 1
18	18	1	Station 1
19	19	1	Station 1
20	20	1	Station 1
21	21	1	Station 1
22	22	1	Station 1
23	23	1	Station 1
24	24	1	Station 2
25	25	1	Station 2
26	26	2	Station 2
27	27	1	Station 2
28	29	1	Station 2
29	31	1	Station 2
30	32	2	Station 2
31	33	1	Station 2
32	34	2	Station 2
33	35	1	Station 2
34	36	1	Station 2
35	37	1	Station 2
36	38	1	Station 2
37	39	1	Station 2
38	41	1	Station 2
39	42	2	Station 2
40	43	1	Station 2
41	44	1	Station 2
42	45	1	Station 2
43	46	1	Station 2
44	47	1	Station 2

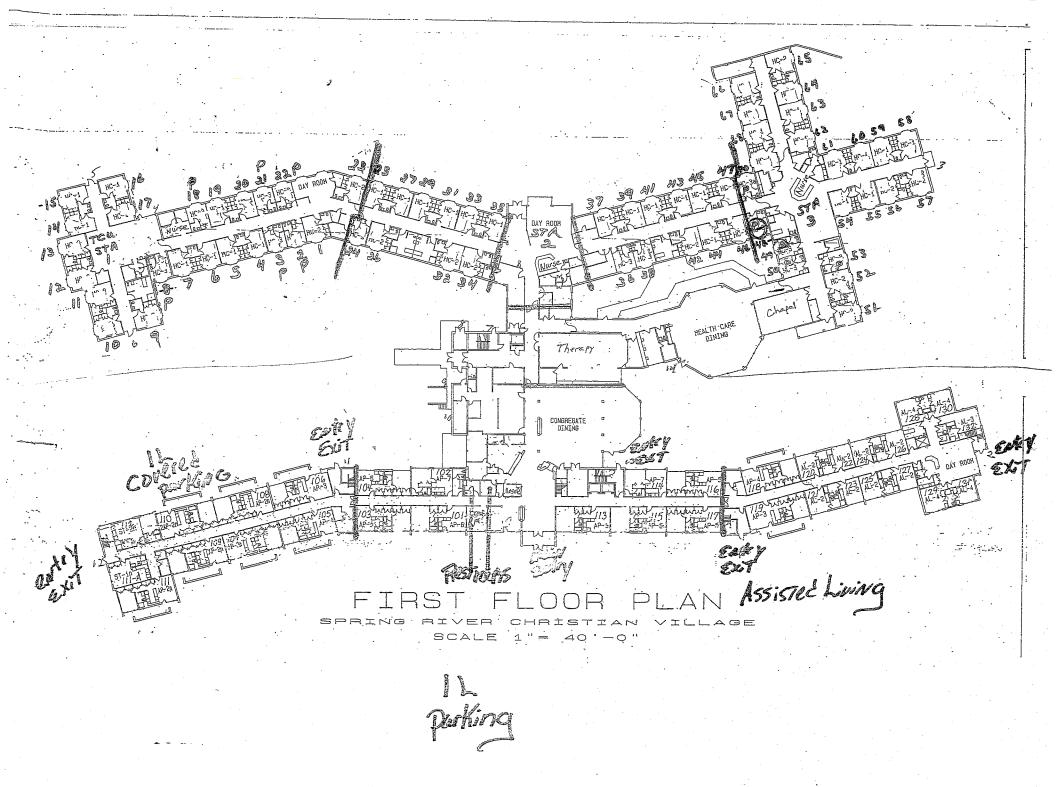
Chapters Senior Living New SNF Bed Amount and Locations

Table 1 - Original Submission

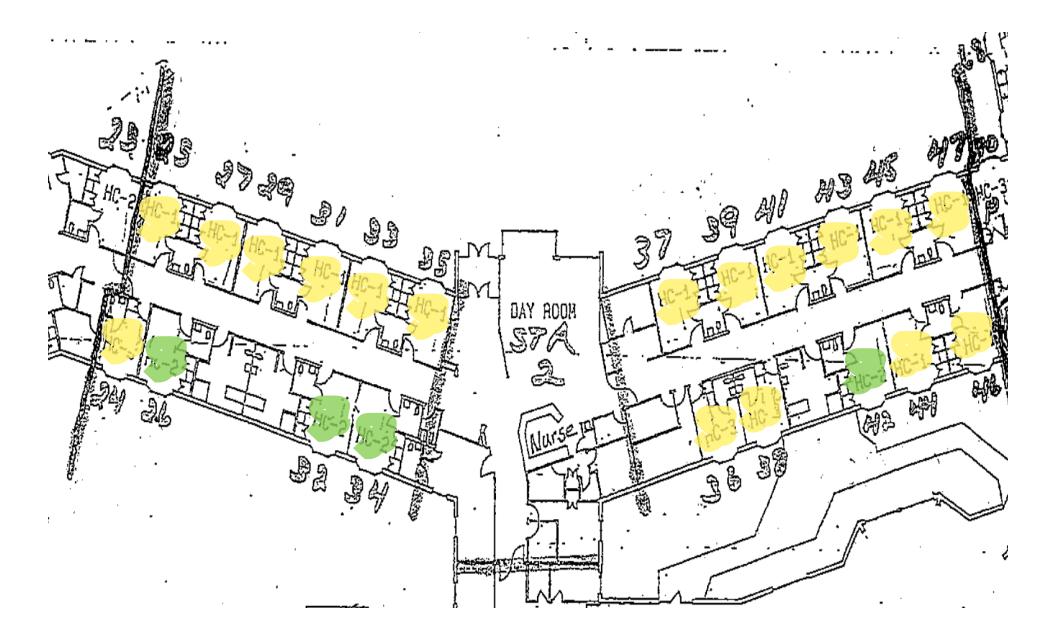
Table 2 -	Revisions	Following	ECU	Response
I GOIC -	110 / 1510 115	1 OHO WINS	100	response

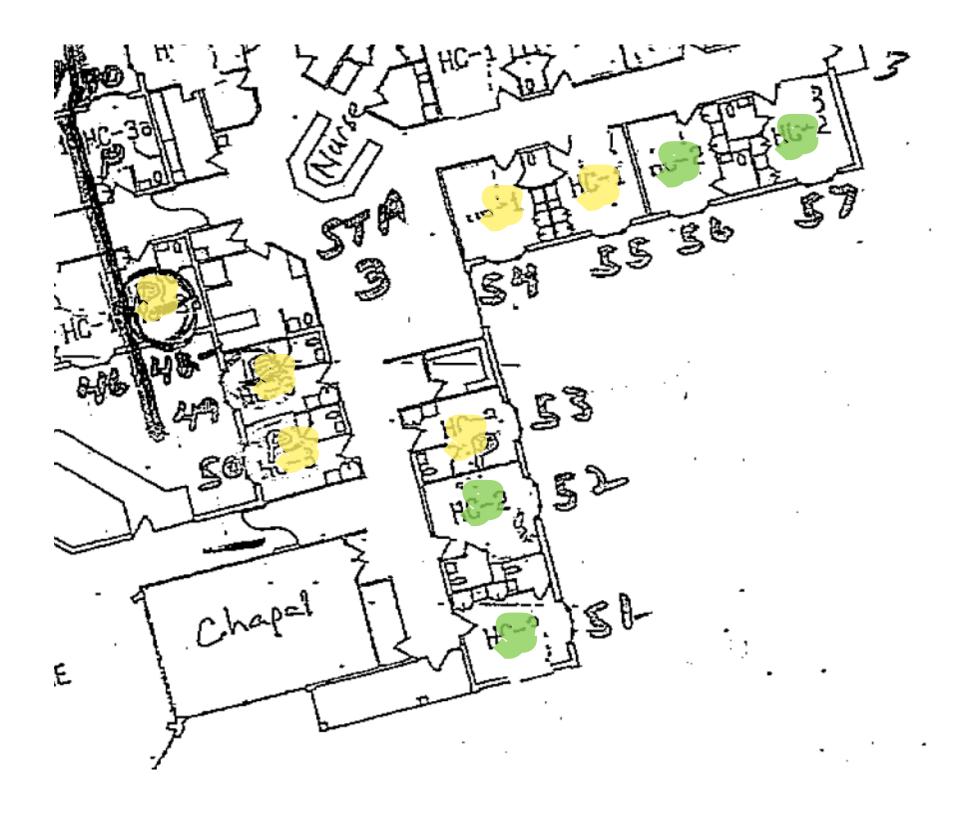
	Α	В	С
	Room	Beds	Station
45	48	1	Station 3
46	49	1	Station 3
47	50	1	Station 3
48	51	2	Station 3
49	52	2	Station 3
50	53	1	Station 3
51	54	2	Station 3
52	55	2	Station 3
53	56	2	Station 3
54	57	2	Station 3
55	58	2	Station 3
56	59	2 2	Station 3
57	60	2	Station 3
58	61	2	Station 3
59	62	2	Station 3
60	63	2	Station 3
61	64	2	Station 3
62	65	1	Station 3
63	66	2	Station 3
64	67	2	Station 3
65	68	2	Station 3
66	69	2	Station 3
67	70	1	Station 3

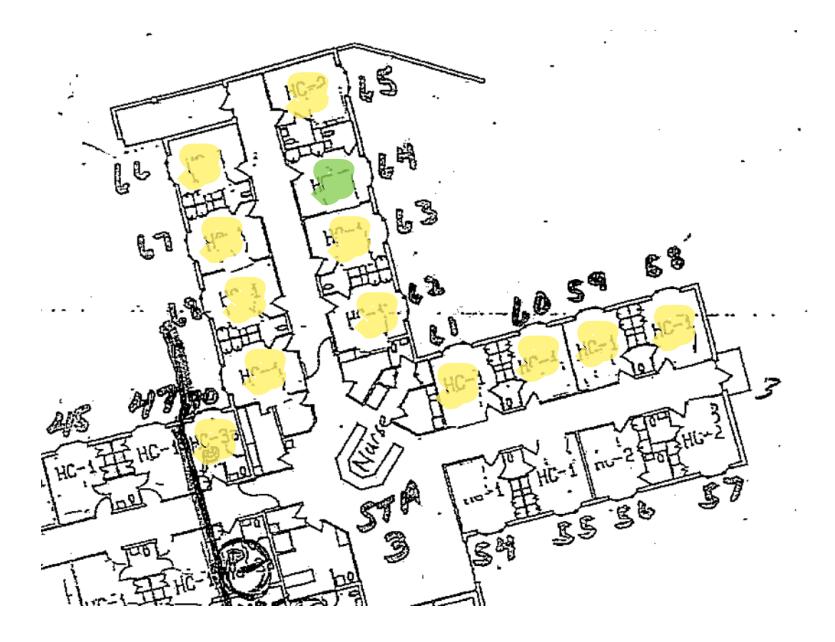
	Α	В	С
	Room	Beds	Station
45	48	1	Station 3
46	49	1	Station 3
47	50	1	Station 3
48	51	2	Station 3
49	52	2	Station 3
50	53	1	Station 3
51	54	1	Station 3
52	55	1	Station 3
53	56	2	Station 3
54	57	2	Station 3
55	58	1	Station 3
56	59	1	Station 3
57	60	1	Station 3
58	61	1	Station 3
59	62	1	Station 3
60	63	1	Station 3
61	64	2	Station 3
62	65	1	Station 3
63	66	1	Station 3
64	67	1	Station 3
65	68	1	Station 3
66	69	1	Station 3
67	70	1	Station 3













May 23, 2025

Missouri CON Program P.O. Box 570 Jefferson City, MO 65102

Re: Certificate of Need Project #6206 NS

To Whom It May Concern:

We are excited about the potential to expand our recently acquired community to offer skilled nursing services again and honoring the commitment to the existing residents to truly age in place. We have put together cost estimates based on recent experience in upgrading other similar communities that needed capital improvement to meet the current market needs. Given that the existing space is in good condition, the upgrades required do not require major construction or engineering, and most upgrades are isolated to certain areas—not community wide (i.e., floor is not needed everywhere). Below is a breakout of the construction budget:

• Flooring: Materials and Installation (15,000 sq ft):	\$90,000
Paint:	\$45,000
 Upgraded Front Reception Area: 	\$25,000
HVACH Upgrades:	\$30,000
 Wi-Fi and Technology Upgrades: 	\$15,000
Plumbing and Electrical Repair Allowance	\$35,000
Upgraded Nurse Call System:	\$35,000
Exterior Parking Lot Repair:	\$50,000
Exterior Landscaping Repair:	\$25,000
Total Construction Costs:	\$350,000

Thank you for your time in reviewing the above, and please reach out with any questions on the project budget.

Respectfully,

Daniel Stricker CEO

We agree with your calculations. Thanks!

Rich

RICHARD W. HILL Attorney at Law DIRECT: 314 436.8317 CELL: 314 749 2396 rhill@lashlybaer.com Licensed in Missouri

LASHLY & BAER, P.C.

Attorneys at Law 714 Locust Street St. Louis, MO 63101-1699 TEL: 314 621.2939 20 East Main Street Belleville, IL 62220-1602 TEL: 618 233.5587 FAX: 314 621.6844 www.lashlybaer.com

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From: Fick, Mackinzey <Mackinzey.Fick@health.mo.gov>
Sent: Friday, May 16, 2025 3:31 PM
To: Hill, Richard W. <RHill@lashlybaer.com>
Subject: CON 6206 NS
Importance: High

Rich,

We reviewed the population-based need calculation presented in the CON application and the population we arrived at is 29,392 (attached). We agree with your number of beds in the applicants 15-mile radius. Therefore, we calculated **a bed need of 770 ICF/SNF beds** within 15 miles of the site. Let me know if you agree or disagree with our findings.

This information is needed by Friday, May 23rd, 2025.



Mackinzey Fick

Assistant Program Coordinator Certificate of Need Agency : <u>http://health.mo.gov/information/boards/certificateofneed/index.php</u> Missouri Department of Health and Senior Services 920 Wildwood Drive, Jefferson City, MO. 65102

⊠: mackinzey.fick@health.mo.gov | ☎: 573-751-6403

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BEH, LLC is an upstream owner of the 201 S Northpark Joplin LLC entity, which is an applicant for project 6206 NS.

Rich

RICHARD W. HILL Attorney at Law DIRECT: 314 436.8317 CELL: 314 749 2396 rhill@lashlybaer.com Licensed in Missouri

LASHLY & BAER, P.C.

Attorneys at Law 714 Locust Street St. Louis, MO 63101-1699 TEL: 314 621.2939 20 East Main Street Belleville, IL 62220-1602 TEL: 618 233.5587 FAX: 314 621.6844 <u>www.lashlybaer.com</u>

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From: Fick, Mackinzey <Mackinzey.Fick@health.mo.gov> Sent: Tuesday, June 10, 2025 3:59 PM To: Hill, Richard W. <RHill@lashlybaer.com> Subject: RE: 6206 NS

Rich,

Can you explain how BEH, LLC is affiliated with the owner/operator listed on the project.

Thank you!



Mackinzey Fick (Last Day in CON will be 6/16)

Assistant Program Coordinator Certificate of Need Agency : <u>http://health.mo.gov/information/boards/certificateofneed/index.php</u> Missouri Department of Health and Senior Services 920 Wildwood Drive, Jefferson City, MO. 65102 $\boxed{}$: <u>mackinzey.fick@health.mo.gov</u> | **2**: 573-751-6403

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From: Hill, Richard W. <<u>RHill@lashlybaer.com</u>>

Sent: Tuesday, June 10, 2025 3:31 PM

To: Fick, Mackinzey <<u>Mackinzey.Fick@health.mo.gov</u>>

Cc: Dorge, Alison <<u>Alison.Dorge@health.mo.gov</u>>; CONP CONP <<u>CONP@health.mo.gov</u>>

Subject: RE: 6206 NS

Mackinzey:

Please see attached. Please let me know if you have any questions or concerns. Thanks!

Rich

RICHARD W. HILL Attorney at Law DIRECT: 314 436.8317 CELL: 314 749 2396 rhill@lashlybaer.com Licensed in Missouri

LASHLY & BAER, P.C.

Attorneys at Law 714 Locust Street St. Louis, MO 63101-1699 TEL: 314 621.2939 20 East Main Street Belleville, IL 62220-1602 TEL: 618 233.5587 FAX: 314 621.6844 <u>www.lashlybaer.com</u>

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From: Fick, Mackinzey <<u>Mackinzey.Fick@health.mo.gov</u>> Sent: Thursday, June 5, 2025 3:43 PM To: Hill, Richard W. <<u>RHill@lashlybaer.com</u>> Subject: 6206 NS

Rich,

After additional review of the application, some additional information/clarification is needed.

• The letter from Tyler Brady does not appear to be sufficient documentation for unrestricted funds. 19 CSR 60-50.470 (2) Document that sufficient financing will be available to assure completion of the project by providing a letter from a financial institution saying it is willing to finance the project, or an auditor's statement that unrestricted funds are available for the project.

This information is needed as soon as possible but no later than June 11, 2025.



Mackinzey Fick

Assistant Program Coordinator Certificate of Need Agency : <u>http://health.mo.gov/information/boards/certificateofneed/index.php</u> Missouri Department of Health and Senior Services 920 Wildwood Drive, Jefferson City, MO. 65102

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Pessy C Weber, CPA 120 Regent Place Lakewood, NJ 08701 732-942-9156

June 10, 2025

To Whom It May Concern:

I am the accountant for BEH LLC. This letter is to confirm that BEH LLC and its partners have entered into an agreement to fund the entity on a pro rata basis in order to meet its financial obligations related to Certificate of Need Project #6206 NS. Specifically, the partners have committed to contribute capital in the amount of \$400,000.

As further support, a recent bank statement from the managing member was reviewed, demonstrating sufficient available cash to fund the contributions, if needed.

Please feel free to contact us should you require any additional information or documentation.

Sincerely, pessy weber

Pessy C Weber, CPA

I believe application page 7 has a budget detail.

Line 1 lists the existing premises value (\$200,000), which is not an expenditure. Per the application, the Applicant already owns the land and building. There will be no cash outlay for this line item.

Line 6 lists estimated contingency expenditures (\$52,500), which are not certain to ever occur.

Lines 2 through 5 amount to \$397,500 and consist of the actual costs for the project. The BEH contribution amount is sufficient to cover those costs.

Rich

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LASHLY & BAER, P.C.

Attorneys at Law 714 Locust Street St. Louis, MO 63101-1699 TEL: 314 621.2939 20 East Main Street Belleville, IL 62220-1602 TEL: 618 233.5587 FAX: 314 621.6844 www.lashlybaer.com

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From: Fick, Mackinzey <Mackinzey.Fick@health.mo.gov> Sent: Wednesday, June 11, 2025 11:19 AM To: Hill, Richard W. <RHill@lashlybaer.com> Subject: RE: 6206 NS Importance: High

Rich,

Can you provide financial documentation for the remaining \$250,000? The letter from Pessy states only \$400,000 will be contributed.



SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title:

Project #:

Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion

n individual form for each affected service with a ient number of copies of this form to cover entire period, ll in the years in the appropriate blanks.		Year	
Amount of Utilization:*			
Revenue:			
Average Charge**			
Gross Revenue			
Revenue Deductions			
Operating Revenue			
Other Revenue			
TOTAL REVENUE			
Expenses:			
Direct Expenses			
Salaries			
Fees			
Supplies			
Other			
TOTAL DIRECT			
Indirect Expenses			
Depreciation			
Interest***			
Rent/Lease			
Overhead****			
TOTAL INDIRECT			
TOTAL EXPENSES			
NET INCOME (LOSS):			

*Utilization will be measured in "patient days" for licensed beds, "procedures" for equipment, or other appropriate units of measure specific to the service affected.

**Indicate how the average charge/procedure was calculated.

***Only on long term debt, not construction.

****Indicate how overhead was calculated.

From:	Hill, Richard W.
То:	Fick, Mackinzey
Cc:	CONP CONP; Dorge, Alison
Subject:	RE: 6210 RS
Date:	Wednesday, June 18, 2025 8:15:27 AM
Attachments:	image001.png
	Updated SSRE - 6-18-25(3235130.1).pdf

My apologies – my client gave me the updated SSRE back on May 23, but it looks like I inadvertently left it out of the previous response email. Please see attached.

I'll follow up with the land value as soon as I can.

Rich

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From: Fick, Mackinzey <Mackinzey.Fick@health.mo.gov> Sent: Tuesday, June 17, 2025 3:45 PM To: Hill, Richard W. <RHill@lashlybaer.com> Subject: 6210 RS

Rich,

After additional review of the application, some additional items are needed.

- Provide methods/assumptions or 3rd party documentation of land acquisition costs.
- Provide an updated revenues and expenses form for the 76 beds.

This information is needed by June 23, 2025.

My client confirmed my understanding. Thanks!

Rich

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From: Hill, Richard W.

Sent: Tuesday, June 24, 2025 11:10 AM

To: Dorge, Alison <Alison.Dorge@health.mo.gov>; Fick, Mackinzey <Mackinzey.Fick@health.mo.gov> **Subject:** RE: 6210 RS

Alison:

I'll check with my client, I believe the answer to your question in the last sentence of your email is yes. Subject to me checking with my client, my current understanding is below.

Chapters assigned a value on the property primarily based on the income method for property valuation. At the time of purchase the SNF vacant and not generating income. But I understand that the value was further depressed because to validly operate the SNF, Chapters will need to undergo this CON proceeding and the licensure process. In other words, not only was the SNF not generating income, but it was not possible to generate income at the SNF without further regulatory work, the result of which is still unclear.

Rich

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From: Dorge, Alison <<u>Alison.Dorge@health.mo.gov</u>>
Sent: Tuesday, June 24, 2025 11:04 AM
To: Hill, Richard W. <<u>RHill@lashlybaer.com</u>>; Fick, Mackinzey <<u>Mackinzey.Fick@health.mo.gov</u>>
Subject: RE: 6210 RS

Rich,

I am trying to understand how the SNF space is only valued at \$200k out of the total \$3.3 million for the entire IL, ALF and SNF space for 132 total units---the SNF alone has 67 units. The letter states, "A value of \$3,300,000, or 25,000 was assigned on our balance sheet for the operating units that generate positive net operating income (NOI). The vacant skilled nursing facility was assigned a value of 200,000, or \$2,631 per potential bed." Is the SNF valued lower since it is vacant and not generating NOI at this time compared to the ALF & IL occupied beds?

-Alison

From: Hill, Richard W. <<u>RHill@lashlybaer.com</u>>
Sent: Tuesday, June 24, 2025 10:27 AM
To: Fick, Mackinzey <<u>Mackinzey.Fick@health.mo.gov</u>>
Cc: Dorge, Alison <<u>Alison.Dorge@health.mo.gov</u>>; CONP CONP <<u>CONP@health.mo.gov</u>>
Subject: RE: 6210 RS

Mackinzey:

Please find methods regarding land acquisition costs in the attached letter. Thanks.

Rich

RICHARD W. HILL Attorney at Law DIRECT: 314 436.8317 CELL: 314 749 2396 rhill@lashlybaer.com Licensed in Missouri

> L A S H L Y & B A E R, P.C. *Attorneys at Law* 714 Locust Street St. Louis, MO 63101-1699 TEL: 314 621.2939



June 23, 2025

Missouri CON Program P.O. Box 570 Jefferson City, MO 65102

Re: Certificate of Need Project #6206 NS

To Whom It May Concern:

We purchased the legacy Spring River Christian Village on February 6, 2025, for \$3,500,000. This value was generated using the existing net operating income of the operational independent living, assisted living and memory care units, totaling 132 units in operation. A value of \$3,300,000, or 25,000 was assigned on our balance sheet for the operating units that generate positive net operating income (NOI). The vacant skilled nursing facility was assigned a value of 200,000, or \$2,631 per potential bed.

We are excited about the potential to expand our recently acquired community to offer skilled nursing services again and honoring the commitment to the existing residents to truly age in place. Please let us know if you have any further questions on this acquisition valuation.

Thank you for your time in reviewing the above, and please reach out with any questions on the allocation of value we utilized at acquisition.

Respectfully,

fricker

Daniel Stricker CEO