E-023-19

ORIGINAL

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

RECEIVED
JUN 05 2019
HEALTH FACILITIES & SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: BroMenn Comfort and Care Suites		
Street Address: 2502 B East Empire Street		
City and Zip Code: Bloomington, IL 61704		
County: McLean	Health Service Area: 4	Health Planning Area: D-02

Legislators

State Senator Name: Jason A. Barickman
State Representative Name: Dan Brady

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: SEP Bloomington MOB, LLC
Street Address: 5215 Old Orchard Road, Suite 160
City and Zip Code: Skokie, IL 60077
Name of Registered Agent: C T Corporation System
Registered Agent Street Address: 208 South LaSalle Street, Suite 814
Registered Agent City and Zip Code: Chicago, IL 60604
Name of Chief Executive Officer: Russell Brenner
CEO Street Address: 5215 Old Orchard Road, Suite 160
CEO City and Zip Code: Skokie, IL 60077
CEO Telephone Number: (847) 410-1075

Type of Ownership of Applicants

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ☒ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Ryan Kerr
Title: Associate
Company Name: Arnall Golden Gregory LLP
Address: 171 17th Street, Suite 2100, Atlanta, Georgia 30363
Telephone Number: 404 873-8674
E-mail Address: ryan.kerr@agg.com
Fax Number: (404) 873-8675

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Legislators

State Senator Name: Jason A. Barickman
State Representative Name: Dan Brady

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Stage Director, LLC
Street Address: 5215 Old Orchard Road, Suite 160
City and Zip Code: Skokie, IL 60077
Name of Registered Agent: The Corporation Trust Company
Registered Agent Street Address: Corporation Trust Center, 1209 Orange Street
Registered Agent City and Zip Code: Wilmington, DE 19801
Name of Chief Executive Officer: Russell Brenner
CEO Street Address: 5215 Old Orchard Road, Suite 160
CEO City and Zip Code: Skokie, IL 60077
CEO Telephone Number: (847) 410-1075

Type of Ownership of Applicants

☐	Non-profit Corporation	☐	Partnership		
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Legislators

State Senator Name: Jason A. Barickman
State Representative Name: Dan Brady

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: GAHC4 Bloomington IL MOB, LLC
Street Address: 18191 Von Karman Avenue, Suite 300
City and Zip Code: Irvine, CA 92612
Name of Registered Agent: Corporation Service Company
Registered Agent Street Address: 251 Little Falls Drive
Registered Agent City and Zip Code: Wilmington, DE 19808
Name of Chief Executive Officer: Danny Prosky
CEO Street Address: 18191 Von Karman Avenue, Suite 300
CEO City and Zip Code: Irvine, CA 92612
CEO Telephone Number: (949) 270-9200

Type of Ownership of Applicants

☐ Non-profit Corporation ☐ Partnership
☐ For-profit Corporation ☐ Governmental
☒ Limited Liability Company ☐ Sole Proprietorship ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
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Legislators

State Senator Name: Jason A. Barickman
State Representative Name: Dan Brady

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Griffin-American Healthcare REIT IV Holdings, LP
Street Address: 18191 Von Karman Avenue, Suite 300
City and Zip Code: Irvine, CA 92612
Name of Registered Agent: Corporation Service Company
Registered Agent Street Address: 251 Little Falls Drive
Registered Agent City and Zip Code: Wilmington, DE 19808
Name of Chief Executive Officer: Danny Prosky
CEO Street Address: 18191 Von Karman Avenue, Suite 300
CEO City and Zip Code: Irvine, CA 92612
CEO Telephone Number: (949) 270-9200

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Address: 171 17th Street, Suite 2100, Atlanta, Georgia 30363
Telephone Number: 404 873-8674
E-mail Address: ryan.kerr@agg.com
Fax Number: (404) 873-8675

Additional Contact [Person who is also authorized to discuss the Application]

Name: Not applicable. None are authorized.
Title:
Company Name:
Address: Not applicable.
Telephone Number:
E-mail Address:
Fax Number:

Post Exemption Contact
[Person to receive all correspondence subsequent to exemption issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**]

Name: Bryan Zowin
Title: Administrator
Company Name: The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites
Address: 2502 B East Empire Street, Bloomington, IL 61704
Telephone Number: (309) 340-3731
E-mail Address: Not applicable.
Fax Number: (309) 661-0060

Site Ownership after the Project is Complete
[Provide this information for each applicable site]

Exact Legal Name of Site Owner: SEP Bloomington MOB, LLC
Address of Site Owner: 5215 Old Orchard Road, Suite 160, Skokie, IL 60077
Street Address or Legal Description of the Site: 2502 B East Empire, Bloomington, IL 61704 **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.**
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee
[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites
Address: 2502 B East Empire Street, Bloomington, IL 61704
☐ Non-profit Corporation ☐ Partnership ☐ For-profit Corporation ☐ Governmental ☒ Limited Liability Company ☐ Sole Proprietorship ☐ Other

Operating Identity/Licensee after the Project is Complete

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites

Address: 2502 B East Empire Street, Bloomington, IL 61704

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ☒ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site.

This application is for a change of ownership of a physical plant only.

The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites (the "Licensee") provides post-surgical care services within a 45,130 square foot medical office building (the "Building") located at 2502 East Empire Street, Bloomington, Illinois 61704 (the "Property"). The Property is owned by SEP Bloomington MOB, LLC (the "Current Site Owner"). SEP Bloomington MOB, LLC is a manager-managed limited liability company whose sole manager is Stage Director, LLC. As the Current Site Owner's sole manager, Stage Director, LLC has ultimate control and authority over the Current Site Owner. The Licensee is a tenant within the Building, leasing space from the Current Site Owner. The Licensee and Current Site Owner are unrelated and unaffiliated entities.

The Current Site Owner and GAHC4 Bloomington IL MOB, LLC (the "Proposed Site Owner") are parties to an asset purchase agreement pursuant to which ownership of the Property will transfer to the Proposed Site Owner upon the satisfaction of certain conditions to closing, including the issuance of a certificate of exemption by the Health Facilities and Services Review Board. One hundred percent (100%) of the membership interest in the Proposed Site Owner is held by its sole member, Griffin-American Healthcare REIT IV Holdings, LP. As the Proposed Site Owner's sole member, Griffin-American Healthcare REIT IV Holdings, LP has ultimate control and authority over the Proposed Site Owner.

The Licensee is not a party to the asset purchase agreement. The purchase price for the Property is $18,200,000. As the licensed space represents approximately 6.53% of the total Building space, the estimated purchase price attributable to the licensed space is $1,188,460.

The acquisition of the Property by the Proposed Site Owner is not expected to result in any changes in the operations of the Licensee or the activity or operations conducted on the Property.

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☒ Yes ☐ No

Purchase Price: $ 1,188,460 (licensed space)

Fair Market Value: $ 1,188,460

Project Status and Completion Schedules

Outstanding Permits: Does the facility have any projects for which the State Board issued a permit that is not complete? Yes __ No X. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

_____

_____

_____

_____

_____

Anticipated exemption completion date (refer to Part 1130.570): _____

State Agency Submittals

Are the following submittals up to date as applicable:

- ☐ Cancer Registry
- ☐ APORS
- ☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
- ☐ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the Application being deemed incomplete.

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of SEP Bloomington MOB, LLC

Please note that the sole manager of SEP Bloomington MOB, LLC is an entity and not a natural person.

As such, the manager of the applicant's sole manager has signed below as the authorized signatory.*

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Russell Brenner PRINTED NAME	PRINTED NAME
Authorized Signatory PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 3rd day of June, 2019	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal	Seal

OFFICIAL SEAL
MARGARET S GEORGOPULOS
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:10/14/19

*Insert the EXACT legal name of the applicant

13513433v1

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Stage Director, LLC

_____

_____*

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Russell Brenner
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 3rd day of June, 2019

Signature of Notary

Seal

OFFICIAL SEAL
MARGARET S GEORGOPULOS
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:10/14/19

SIGNATURE

Brian Howard
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 3rd day of June, 2019

Signature of Notary

Seal

OFFICIAL SEAL
MARGARET S GEORGOPULOS
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:10/14/19

*Insert the EXACT legal name of the applicant

13535044v1

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of GAHC4 Bloomington IL MOB, LLC

Please note that the sole member of GAHC4 Bloomington IL MOB, LLC is an entity and not a natural person.

As such, the President of the applicant's sole member has signed below as the authorized signatory. *

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Danny Prosky PRINTED NAME	PRINTED NAME
Authorized Signatory PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 3 day of June, 2019	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal	Seal

ROCIO AVALOS
Notary Public - California
Orange County
Commission # 2165038
My Comm. Expires Sep 18, 2020

*Insert the EXACT legal name of the applicant

13513433v3

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Griffin-American Healthcare REIT IV Holdings, LP

Please note that the sole general partner of Griffin-American Healthcare REIT IV Holdings, LP is an entity and not a natural person. As such, the President of the applicant's sole general partner has signed below as the authorized signatory. *

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Danny Prosky PRINTED NAME	PRINTED NAME
Authorized Signatory PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 3 day of JUNE, 2019	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal	Seal

ROCIO AVALOS
Notary Public - California
Orange County
Commission # 2165038
My Comm. Expires Sep 18, 2020

*Insert the EXACT legal name of the applicant

13513433v3

SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.

2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.

3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**

5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.

SECTION III. CHANGE OF OWNERSHIP (CHOW)

Transaction Type. Check the Following that Applies to the Transaction:

- ☐ Purchase resulting in the issuance of a license to an entity different from current licensee.
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee.
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- ☐ Stock transfer resulting in no change from current licensee.
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- ☒ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- ☐ Change of ownership among related persons resulting in a license being issued to an entity different from the current licensee
- ☐ Change of ownership among related persons that does not result in a license being issued to an entity different from the current licensee.
- ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."

1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.

2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.

3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X
1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X

1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(8) - A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility	X
1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X

APPEND DOCUMENTATION AS ATTACHMENT 6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV.CHARITY CARE INFORMATION

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care must be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 7.

CHARITY CARE			
	Year	**Year**	**Year**
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	19-23
2	Site Ownership	24
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	25-26
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	27-28
5	Background of the Applicant	29
6	Change of Ownership	30-32
7	Charity Care Information	33

Attachment 1

Applicant Identification including Certificate of Good Standing

1. The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites is an Illinois limited liability company and is the licensed operator of BroMenn Comfort and Care Suites. The Center for Orthopedic Medicine leases space within the medical office building at issue to provide post-surgical care in its licensed Postsurgical Recovery Care Center. The Center for Orthopedic Medicine is not affiliated with the current or the proposed owner of the medical office building. Furthermore, The Center for Orthopedic Medicine is not a party to the asset purchase agreement that will convey the property.

2. SEP Bloomington MOB, LLC is a Delaware limited liability company and is the entity that currently holds title to the real property. SEP Bloomington MOB, LLC has no chief executive officer. Therefore, the contact information of Mr. Russell Brenner, the person with authority to act on behalf of the applicant, is provided in the place of the chief executive officer. SEP Bloomington MOB, LLC is registered to transact business in Illinois and a Certificate of Good Standing from the Office of the Illinois Secretary of State is attached.

3. Stage Director, LLC is a Delaware limited liability company and is the sole manager, and is the entity with final control, of SEP Bloomington MOB, LLC. Therefore, Stage Director, LLC is included as a co-applicant to this application. Stage Director, LLC has two managers, Mr. Russell Brenner and Mr. Brian Howard. Stage Director, LLC has no chief executive officer. Therefore, the contact information of Mr. Russell Brenner, the person with authority to act on behalf of the applicant, is provided in the place of the chief executive officer. Because Stage Director performs no operations in Illinois, it is not registered to transact business in Illinois. A Certificate of Good Standing from the Delaware Department of State is attached.

4. GAHC4 Bloomington IL MOB, LLC is a Delaware limited liability company and will be the entity that hold title to the real property upon closing of the transaction. GAHC4 Bloomington IL MOB, LLC has no chief executive officer. Therefore, the contact information of Mr. Danny Prosky, the person with authority to act on behalf of the applicant, is provided in the place of the chief executive officer. GAHC4 Bloomington IL MOB, LLC is registered to transact business in Illinois and a Certificate of Good Standing from the Office of the Illinois Secretary of State is attached.

5. Griffin-American Healthcare REIT IV Holdings, LP is a Delaware limited partnership and is a real estate investment trust. Griffin-American Healthcare REIT IV Holdings, LP owns one hundred percent (100%) of the ownership interest in, and is the entity with final control of, GAHC4 Bloomington IL MOB, LLC. Therefore, Griffin-American Healthcare REIT IV Holdings, LP is included as a co-applicant to this application. The partners of Griffin-American Healthcare REIT IV Holdings, LP are (i) Griffin-American Healthcare REIT IV Holdings, Inc., a general partner holding >99.99% of the partnership interest, located at 18191 Von Karman Avenue, Suite 300, Irvine, CA 92612; and (ii) Griffin-American Healthcare REIT IV, LLC, a limited partner holding <0.01% of the partnership interest, located at 18191 Von Karman Avenue, Suite 300, Irvine, CA 92612. Griffin-American Healthcare REIT IV Holdings, LP has no chief executive officer. Therefore, the contact information of Mr. Danny Prosky, the person with authority to act on behalf of the applicant, is provided in the place of the chief executive officer. Because Griffin-American Healthcare REIT IV Holdings, LP performs no operations in Illinois, it is not registered to transact business in Illinois. A Certificate of Good Standing from the Delaware Department of State is attached.

Organizational charts containing the names and relationships of related persons (as that term is defined in 77 Ill. Adm. Code 1130.140) of the applicants, both prior to and after closing, are provided in **Attachment 4**.

File Number 0618666-1

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

SEP BLOOMINGTON MOB, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MARCH 20, 2017, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 24TH *day of* MAY *A.D.* 2019 .

Authentication #: 1914402332 verifiable until 05/24/2020
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

Attachment 1

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "STAGE DIRECTOR, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FOURTH DAY OF MAY, A.D. 2019.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "STAGE DIRECTOR, LLC" WAS FORMED ON THE THIRTEENTH DAY OF MARCH, A.D. 2013.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

Jeffrey W. Bullock, Secretary of State

5302915 8300

SR# 20194535445

You may verify this certificate online at corp.delaware.gov/authver.shtml

Authentication: 202896192

Date: 05-24-19

Attachment 1

File Number 0759662-6

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

GAHC4 BLOOMINGTON IL MOB, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MAY 23, 2019, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 24TH *day of* MAY *A.D.* 2019 .

Authentication #: 1914402322 verifiable until 05/24/2020
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

Attachment 1

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "GRIFFIN-AMERICAN HEALTHCARE REIT IV HOLDINGS, LP" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FOURTH DAY OF MAY, A.D. 2019.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "GRIFFIN-AMERICAN HEALTHCARE REIT IV HOLDINGS, LP" WAS FORMED ON THE TWENTY-THIRD DAY OF JANUARY, A.D. 2015.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

Jeffrey W. Bullock, Secretary of State

5680057 8300

SR# 20194535446

Authentication: 202896193

Date: 05-24-19

You may verify this certificate online at corp.delaware.gov/authver.shtml

Attachment 1

SEP Bloomington MOB, LLC
5215 Old Orchard Road, Suite 160
Skokie, IL 60077

May 28, 2019

Illinois Health Facilities and Services Review Board
525 West Jefferson Street
2nd Floor
Springfield, Illinois 62761

Re: Notarized Statement Attesting to Site Ownership

To Whom It May Concern:

I hereby attest that the property located at 2502 B East Empire Street, Bloomington, Illinois 61704, is owned by SEP BLOOMINGTON MOB, LLC.

Sincerely,

SEP BLOOMINGTON MOB, LLC

By: Stage Director, LLC, its Manager

By: _____
Name: Russell Brown
Its: Manager

SUBSCRIBED AND SWORN BEFORE ME
ON THIS THE 28 DAY OF May, 2019.

_____
NOTARY PUBLIC
My Commission Expires: 12/10/2021

OFFICIAL SEAL
BRIAN L. HOWARD
Notary Public - State of Illinois
My Commission Expires 12/10/2021

Attachment 2

13506555v1

Attachment 3

Operating Identity/Licensee after the Project is Complete

This transaction involves a change of the real estate owner only.

The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites is the current operating entity/licensee and will continue to be the operating entity/licensee after the transaction has closed. There will be no change in the licensee's structure as a result of this transaction. A Certificate of Good Standing from the Office of the Illinois Secretary of State for The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites is attached.

File Number 0578023-3

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

THE CENTER FOR ORTHOPEDIC MEDICINE, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON MAY 02, 2016, AND HAVING ADOPTED THE ASSUMED NAME OF BROMENN COMFORT AND CARE SUITES ON SEPTEMBER 19, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 24TH *day of* MAY *A.D.* 2019 .

Authentication #: 1914402260 verifiable until 05/24/2020
Authenticate at: http://www.cyberdriveillinois.com

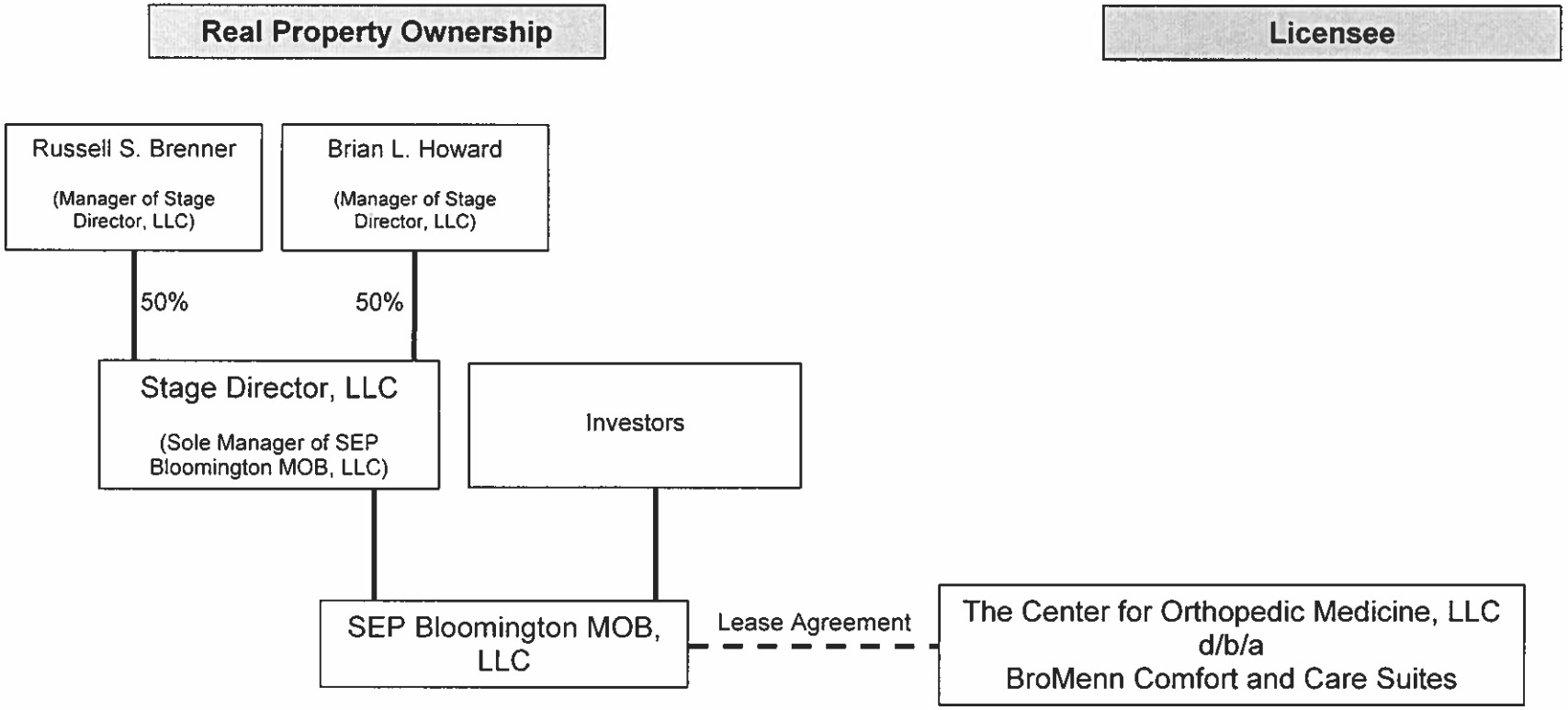
Jesse White
SECRETARY OF STATE

Attachment 3

Attachment 4

Organizational Relationships

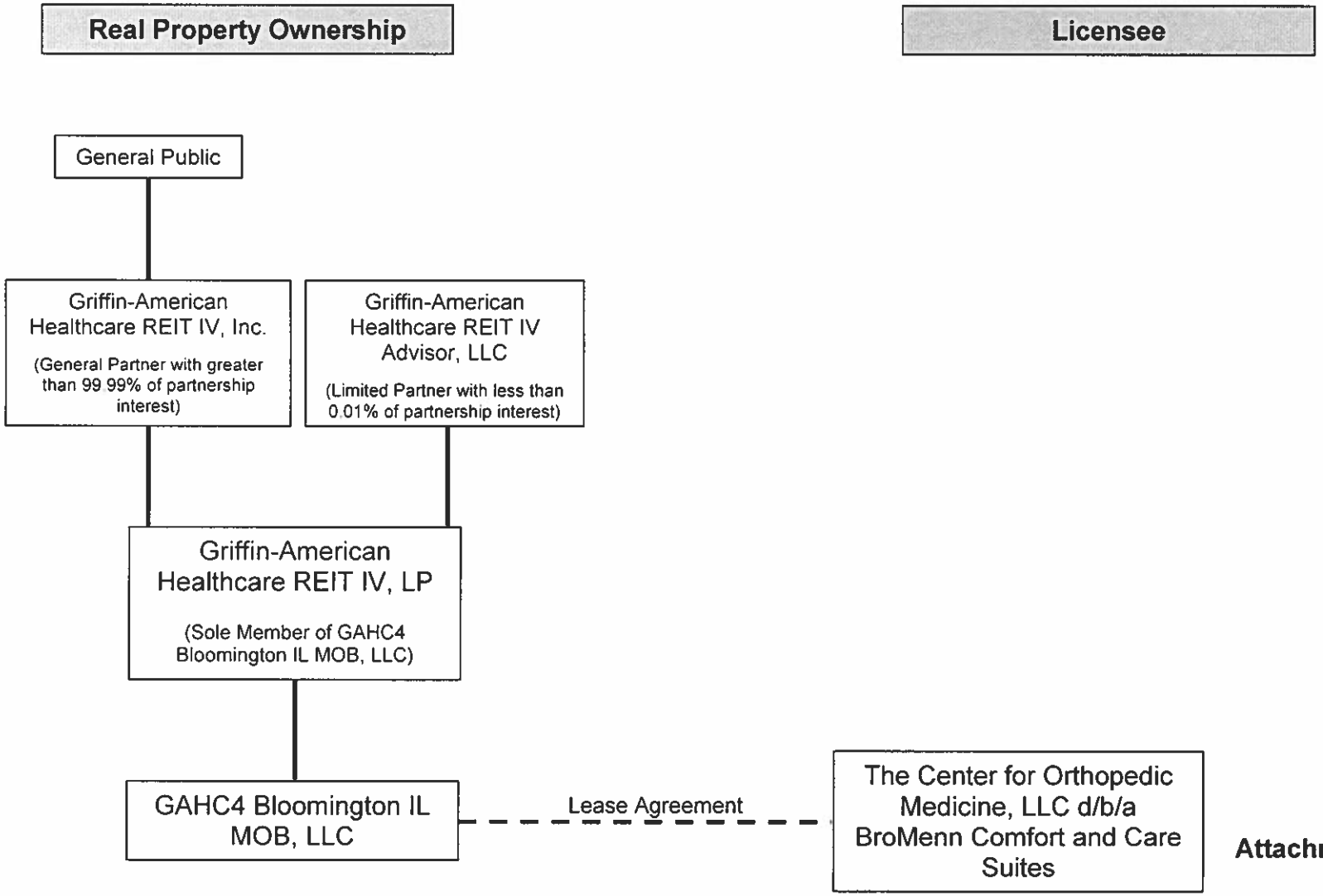
Current Organizational Chart



Attachment 4

Organizational Relationships

Post-Closing Organizational Chart



Attachment 4

Attachment 5

Background of Applicant

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.

None. No applicant owns or operates a health care facility as that term is defined in the Illinois Health Facilities Planning Act.

2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.

None. This is a change of ownership of the physical plant only. None of the corporate officers or directors, LLC members, partners, or owners of the facility (i.e., The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites) are applicants.

3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

None. No applicant owns or operates a health care facility as that term is defined in the Illinois Health Facilities Planning Act.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

Each of the applicants, by their signatures to the Certification pages of this application, authorize the Health Facilities and Services Review Board and the Department of Public Health ("DPH") to access to any documents necessary to verify the information submitted, including, but not limited to, official records of DPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Attachment 6

Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

APPLICABLE REVIEW CRITERIA

1. **1130.520(b)(1)(A) - Names of the parties:**

   a. **Names of Applicants:**

      i. Current Site Owner: SEP Bloomington MOB, LLC

      ii. Controlling Entity of the Current Site Owner: Stage Director, LLC

      iii. Proposed Site Owner: GAHC4 Bloomington IL MOB, LLC

      iv. Controlling Entity of the Proposed Site Owner: Griffin-American Healthcare REIT IV Holdings, LP

   b. **Names of other parties:**

      i. The Licensee: The Center for Orthopedic Medicine, LLC d/b/a BroMenn Comfort and Care Suites

2. **1130.520(b)(1)(B) - Background of the Parties:** Each of the applicants, by their signatures to the Certification pages of this application, attest (i) that they are fit, willing, able and have the qualifications, background and character to adequately provide a proper standard of health service for the community; and (ii) that, to the best of their knowledge, no adverse action has been taken against them by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by each of them, directly or indirectly, during the three (3) years preceding to the filing of this application.

3. **1130.520(b)(1)(C) - Structure of the Transaction:** BroMenn Comfort and Care Suites is located within the medical office building located at 2502 East Empire Street, Bloomington, Illinois 61704 (the "Property"). The current site owner of the Property, SEP Bloomington MOB, LLC, has executed an Agreement for Purchase and Sale of Real Property dated April 17, 2019 (the "Agreement") to sell the Property to GAHC4 Bloomington IL MOB, LLC. Closing is subject to the approval of the Health Facilities and Services Review Board for GAHC4 Bloomington IL MOB, LLC to acquire the Property.

   The total purchase price for the Property is $18,200,000 and the total square footage of the medical office building located on the Property is 45,150 square feet. BroMenn Comfort and Care Suites comprises 2,950 square feet of the building. As BroMenn Comfort and Care Suites' space within the building represents 6.53% of the building's total square footage, the purchase price of the Property attributable to BroMenn Comfort and Care Suites is approximately $1,188,460.

   The licensee is not a party to the Agreement. This Certificate of Exemption application is for the change in ownership of the physical plant only and there is no change to the ownership or operation of the facility. The acquisition of the Property is not expected to result in any changes in the operations of the licensee or the activities or operations conducted within BroMenn Comfort and Care Suites.

4. **1130.520(b)(1)(E) - List of ownership or membership interests in the licensed or certified entity prior to and after the transaction:** This is a change of ownership of the physical plant only. A licensed or certified entity is not an applicant. An organizational chart showing the ownership structure of the applicants prior to and after the transaction, including controlling or subsidiary

persons, is included in **Attachment 4.** Good standing certificates for each of the applicants are included in **Attachment 1**.

5. **1130.520(b)(1)(F) - Fair market value of assets to be transferred:** The total purchase price for the Property is $18,200,000 and the total square footage of the medical office building located on the Property is 45,150 square feet. BroMenn Comfort and Care Suites comprises 2,950 square feet of the building. As BroMenn Comfort and Care Suites' space within the building represents 6.53% of the building's total square footage, the purchase price of the Property attributable to BroMenn Comfort and Care Suites is approximately $1,188,460. The transaction is among unrelated parties and the purchase price would be the fair market value.

6. **1130.520(b)(1)(G) - Purchase price or other forms of consideration to be provided for those assets:** The total purchase price for the Property is $18,200,000 and the total square footage of the medical office building located on the Property is 45,150 square feet. BroMenn Comfort and Care Suites comprise 2,950 square feet of the building. As BroMenn Comfort and Care Suites' space within the building represents 6.53% of the building's total square footage, the purchase price of the Property attributable to BroMenn Comfort and Care Suites is approximately $1,188,460.

7. **1130.520(b)(2) – Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of Section 1130.520:**

   a. The Agreement contains a condition to closing that the transaction is subject to the Health Facilities and Services Review Board's approval that GAHC4 Bloomington IL MOB, LLC may acquire the Property.

   b. Each of the applicants, by their signatures to the Certification pages of this application, attest, to the best of their knowledge, no adverse action has been taken against them by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by each of them, directly or indirectly, during the three (3) years preceding to the filing of this application.

   c. Any projects for which permits have been issued by the Health Facilities and Services Review Board have been completed or will be completed or altered in accordance with the provisions of 77 Ill. Adm. Code § 1130.520.

   d. The applicants understand that failure to complete the transaction in accordance with the applicable provisions of Section 1130.500(d) no later than twenty-four (24) months from the date of exemption approval and failure to comply with the material change requirements of this Section will invalidate the exemption.

8. **1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction.** Not applicable. This change of ownership is not for a hospital.

9. **1130.520(b)(4) - Statement as to the Anticipated Benefits of the Proposed Changes in Ownership to the Community:** As this is a change of ownership of the physical plant only, there should be no change in the facility's operation as a result of the proposed transaction.

10. **1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership:** This is a change of ownership of the physical plant only. There is no anticipated or potential cost savings that will result for the community and the facility because of the change in ownership.

11. **1130.520(b)(6) – A description of the facility's quality improvement program mechanism that will be utilized to assure quality control:** This is a change of ownership of the physical plant only.

Attachment 6

There is no anticipated or potential change to the facility's quality improvement program mechanism that will be utilized to assure quality control.

12. **1130.520(b)(7) – A description of the selection process that the acquiring entity will use to select the facility's governing body:** Not Applicable. This is a change of ownership of the physical plant only. The acquiring entity, GAHC4 Bloomington IL MOB, LLC, will have no power to select the facility's governing body.

13. **1130.520(b)(8) - Statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility:** Not applicable. The facility does not offer the category of service regulated by 77 Ill. Adm. Code 1110.240.

14. **1130.520(b)(9) – A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition:** To the best of the applicants' knowledge there are no proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within twenty-four (24) months as a result of the transaction.

Attachment 6

Attachment 7

Charity Care Information

This is a change of ownership of the physical plant only and does not involve a licensed entity. No applicant provides patient care.

CHARITY CARE			
	2015	**2016**	**2017**
Net Patient Revenue	**Not Applicable**	**Not Applicable**	**Not Applicable**
Amount of Charity Care (charges)	Not Applicable	Not Applicable	Not Applicable
Cost of Charity Care	Not Applicable	Not Applicable	Not Applicable

Arnall
Golden
Gregory LLP

Atlanta Office
171 17th St. NW, Suite 2100
Atlanta, GA 30363
Direct Phone: 404-873-8674
Direct Fax: 404.873.8675
Email: Ryan.Kerr@agg.com

RECEIVED
JUN 05 2019
HEALTH FACILITIES &
SERVICES REVIEW BOARD

June 4, 2019

VIA OVERNIGHT DELIVERY

Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: Application for Change of Ownership Exemption (Real Estate Only)
2502 East Empire Street, Bloomington, IL 61704
The Center for Orthopedic Medicine, LLC

Dear Sir or Madam:

Enclosed with this letter is an Application for Change of Ownership Exemption related to the real property located at 2502 East Empire Street, Bloomington, Illinois 61704 (the "Property").

The Property is currently owned by SEP Bloomington MOB, LLC (the "Current Site Owner"). The Current Site Owner and GAHC4 Bloomington IL MOB, LLC (the "Proposed Site Owner") have entered into an asset purchase agreement (the "Agreement") pursuant to which the ownership of the Property will transfer to the Proposed Site Owner upon satisfaction of certain conditions to closing, including the issuance of a certificate of exemption by the Health Facilities and Services Review Board (the "Board").

The licensee, The Center for Outpatient Medicine, LLC, operates an ambulatory surgical treatment center within the Property and is not a party to the Agreement. As the licensee is tenant within the building located on the Property and neither the identity of licensee nor the licensee's operations are changing as a result of proposed change of ownership, the licensee is not a co-applicant to this application. The licensee operates an additional health care facility on the Property, BroMenn Comfort and Care Suites, and a separate Application for Change of Ownership Exemption related to that facility is being submitted to Board concurrently with this application.

A check for the $2,500 application-processing fee is attached. Please contact me if you have any questions or if I can provide any additional information to aid your review.

Sincerely,

ARNALL GOLDEN GREGORY LLP

Ryan Kerr

Ryan Kerr

Enclosure

13552032v1