

**Johnson, Janice C.**

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**From:** [REDACTED]  
**Sent:** Thursday, July 12, 2007 3:25 PM  
**To:** Johnson, Janice C.  
**Subject:** Application of 16 C.F.R. § 802.2(d) to the Acquisition of Assisted Living Facilities

Dear Janice,

Thank you for speaking with me this afternoon. As discussed, this e-mail is intended to confirm our conversation today regarding the applicability of the residential property exemption, 16 C.F.R. §802.2(d), with respect to the acquisition of several assisted living facilities as described in further detail below.

The proposed transaction relates to an acquisition (that otherwise meets the Act's jurisdictional thresholds, 15 U.S.C. § 18a(a)), of several assisted living facilities that operate under separate licenses from various state licensing agencies. There are no medical facilities or skilled nursing facilities on the premises. There are no doctors on the staff. The assisted living facilities do have staff on location whose responsibilities include supervision of assistance with daily living, the management and administration of medication, and responding to emergency situations.

Based on the facts described above, you concluded that the transaction did fall within the 802.2(d) exemption. We discussed that if there were medical facilities or skilled nursing facilities on the premises, that those assets would have to be separately valued and subject to the Act's size-of-the-transaction test, 15 U.S.C. § 18a(a)(2).

I would appreciate if you could confirm that I have accurately recounted our conversation. If I have in any way misstated our conversation, please let me know so that I can correct the record.

Thank you in advance for assisting me in this matter.

Best regards, [REDACTED]

7/13/07

Agree. Informed the writer that if there are other businesses on the premises, those businesses would have to be valued separately.

J. Johnson  
M. Kerne concurs