



State of New Jersey
DEPARTMENT OF HEALTH
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Commissioner

September 18, 2026

VIA ELECTRONIC AND FIRST-CLASS MAIL

Vinay Jain
Member
Avalon Cherry Hill LLC
20 Newport Parkway, Apt 601
Jersey City, NJ 07310

Re: Avalon Senior Living
CN # ER 2025-11401-04;01
Establish A New Assisted Living
Residence
Total Project Cost: \$150,000
Expiration Date: September 18, 2031

Dear Mr. Jain:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) application submitted by Avalon Cherry Hill LLC (Applicant), on October 1, 2025, pursuant to N.J.A.C. 8:33-5.1(a)(4), for the establishment of a new 92-bed Assisted Living Residence (ALR) to be located at 490 Coopers Landing Road, Cherry Hill, New Jersey, within Camden County. This application is being approved at the total project cost as noted above.

The proposed assisted living residence (ALR) will be located at the address identified above in a newly renovated facility that was previously licensed as an assisted living residence, Cherry Hill Senior Living (License No. 15A004). That facility surrendered its license effective November 20, 2020. Avalon Senior Living proposes operating a 92-bed ALR consisting of 88 residential suites. Of the 92 beds, 38 will be designated for a secured memory care program serving residents diagnosed with Alzheimer's disease and other dementias.

The Department has considered the applicable regulations governing services eligible for expedited review, specifically N.J.A.C. 8:33-5.3 and N.J.A.C. 8:33H-1.16. The Department finds that Avalon Cherry Hill LLC, the proposed licensed operator, has submitted

an adequate project description. The application identifies a total project cost of \$150,000, consisting primarily of renovation expenses. The Applicant projects total operating expenses of \$9,269,783 and total revenue of \$25,626,535 during the first two years of operation, resulting in a projected profit of \$2,264,917 for each of the first and second years of operation.

The Applicant identified personal funds as the source of financing for the project and submitted bank statements demonstrating access to sufficient funds to complete the proposed project.

Based on the Applicant's projected utilization, the assisted living residence is expected to achieve an occupancy rate of 59 percent by the end of its first year of operation. The project does not involve the acquisition of specialized equipment, as the proposed assisted living residence will provide supportive services, including a secured Alzheimer's/dementia care program, in single- and double-occupancy residential suites.

As reported by the Applicant, the justification for the proposed project pursuant to N.J.A.C. 8:33-5.3(a)(1) is based on the increasing senior population in Camden County and the projected demand for assisted living services. The Applicant states that existing assisted living facilities are operating at high occupancy rates and have documented waitlists, resulting in limited capacity to meet the needs of the growing aging population.

According to the Applicant, the proposed assisted living residence will help address a growing gap in community-based long-term care services by supporting aging in place. The Applicant further states that the proposed facility will be located to serve underserved areas without unnecessarily duplicating existing assisted living capacity.

In addition, the Applicant represents that the facility will provide an appropriate setting for residents whose current living arrangements are unsuitable for aging in place, reduce reliance on more costly long-term care services, and serve frail seniors who require supportive housing in a less restrictive environment.

Finally, the Applicant asserts that the proposed assisted living residence will not have a negative impact on existing providers because it will help address the current shortage of long-term care options in the region.

The Applicant has assured that all residents of the service area, particularly medically underserved populations, will have access to services, consistent with N.J.A.C. 8:33-5.3(a)(2). The Applicant also confirmed that the proposed assisted living residence will operate in compliance with the regulatory requirements governing the admission of Medicaid residents.

Avalon Cherry Hill LLC has demonstrated a track record of substantial compliance with the Department's licensing standards, as required by N.J.A.C. 8:33-5.3(a)(3)(ii), with no significant regulatory deficiencies reported at its New Jersey facilities. In addition, Avalon Cherry Hill LLC has affirmed that it has reviewed and will comply with all assisted living residence licensing requirements set forth in N.J.A.C. 8:36.

The Applicant also submitted documentation demonstrating that the proposed project will meet the applicable licensing and construction standards, consistent with N.J.A.C. 8:33-5.3(a)(3)(i). The Department's review of the architectural plans is currently underway. Upon completion of that review, the Department will issue a final Authorization to Proceed to the Department of Community Affairs letter reflecting the results of the architectural review.

Pursuant to N.J.S.A. 26:2H-12.16 and N.J.A.C. 8:36-5.1(h), a new facility that is licensed to operate as an Assisted Living Residence shall have a Medicaid occupancy level of 10 percent within three years of licensure. The 10 percent Medicaid occupancy level shall be met through conversion of residents who enter the facility as private paying persons and subsequently become eligible for Medicaid, or through direct admission of Medicaid-eligible persons. The 10 percent Medicaid occupancy level shall be continuously maintained by a facility once the three-year licensure period has elapsed. The Department will monitor that this threshold is met and maintained during the duration of licensure. Please be advised that this condition shall also apply to all new operators/owners upon the approval of transfer of ownership transactions by the Department.

As a condition of this approval, a double-bedded room can only be occupied by married couples or civil union partners, relatives, individuals related by blood or adoption, or those who have consented in writing as part of the admission agreement to the living arrangement. The admission agreement should note that the resident is aware he or she may share a single toilet/bath in the unit and acknowledges there are higher health risks associated with shared occupancy and cohabitation. Under no circumstances shall any resident be coerced or compelled to agree to a double-bedded room.

An additional review by the Department may be necessary if there is any change in scope, as defined at N.J.A.C. 8:33-3.9. However, in accordance with N.J.A.C. 8:33-3.9(a)1-3, a change in cost of an approved certificate of need is exempt from certificate of need review but subject to the following:

1. The Applicant shall file a signed certification as to the final total cost expended for the project at the time of the application for licensure for the beds/services with the Certificate of Need and Healthcare Facility Licensure Program.
2. Where the actual total project cost exceeds the Certificate of Need approved total project cost and is greater than \$1,000,000, the Applicant shall remit the additional Certificate of Need application fee due to the Certificate of Need and

Healthcare Facility Licensure Program. The required additional fee shall be 0.25 percent of the total project cost in excess of the Certificate of Need approved total project cost.

3. The Department will not issue a license for beds/services until the additional fee is remitted in full.

This approval is limited to the project as presented and reviewed by the Department. The application, all related correspondence, and all responses to completeness questions are incorporated into and made part of this approval.

In approving this application, the Department has relied solely on the facts and information provided by the Applicant and has not conducted an independent investigation to verify that information. If any material facts have been omitted, misrepresented, or inaccurately presented, the Department may take administrative or regulatory action, including rescinding this approval, or may refer the matter to the Office of the Attorney General for appropriate action.

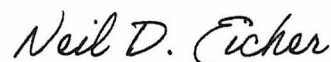
Any approval granted by the Department relates to certificate of need and/or licensing requirements only and does not imply acceptance by a reimbursing entity. This document is not intended as an approval of any arrangement affecting reimbursement or any remuneration involving claims for health care services.

This approval is not intended to preempt in any way the authority to regulate land use within its borders and shall not be used by the applicant to represent that the Department has made any findings or determination relative to the use of any specific property.

Please be advised that services may not commence until a license has been issued by Certificate of Need and Healthcare Facility Licensure Program to operate this facility. A survey by Department staff will be required prior to commencing services.

The Department looks forward to working with the applicant to provide high quality of care to the assisted living residents. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Rebecca Nazario-Straffi, Assistant Commissioner, Division of Certificate of Need and Licensing at: Rebecca.Nazario-Straffi@doh.nj.gov.

Sincerely,



Neil Eicher
Deputy Commissioner, Health Systems
New Jersey Department of Health

c: R. Nazario-Straffi, DOH (Electronic mail)
K. Hansen, DOH (Electronic mail)
A. McCray Reid, DOH (Electronic mail)
L. Alexopoulos, DOH (Electronic mail)
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